

Cold storage unit, boon to farmers and traders

A cold storage unit established by the Tamil Nadu government at a cost of Rs. 31.80 lakh on the marketing committee complex at Ariyalur has come in handy for farmers and traders to store their produce and sell them when the market conditions are good. The unit, inaugurated by Chief Minister Jayalalithaa through videoconferencing on June 27, has the capacity to store 25 tonnes. Chillies, coriander, fruits, vegetables, cashew, pulses, dates, dry fruits, milk products and eggs can be stored in the unit. Jayakumar, a trader of Ariyalur, has stored 27 bags of chillies weighing 545 kg at the cold storage facility. "As this is an off season for chillies, the storage is less. It will increase once the season starts in February. The season extends up to May each year. The fee is Rs.55 per quintal of chilli for one month," said officials. For fruits, the fee for storing plums is Rs.15 for 25 kg for 30 days and for other fruits it is Rs.18 for 30 kg for 30 days. Ten kg of dates can be stored for Rs.7 for 30 days, 20 kg can be stored for Rs.9 for 30 days, and up to 30 kg can be stored for Rs.12 for 30 days and one quintal can be stored at the cost of Rs.30 for 30 days. For milk products, the fee is Rs.30 up to 20 kg for 30 days and for every kg in excess of that 20 kg a charge of Rs.2 for 30 days will be levied. For potatoes, the fee is Rs.35 for 30 days per quintal, for tamarind it is Rs.55 for 30 days, pulses Rs.23 per quintal for 30 days, dry fruits Rs.50 up to 50 kilos for 30 days and Rs.100 up to 100 kilos for 30 days. Eggs can be stored for Rs. 15 up to 10 kg for 30 days and for Rs.21 up to 20 kg for 30 days. Vegetables can be stored for Rs.22 up to 30 kg for three days and for every additional kilo Re. 1 for three days. E.Saravanelraj, Ariyalur District Collector, said that the cold storage is a boon for farmers and traders of Ariyalur district.

Grant-in-aid for starting value-added food product manufacturing units

Farmers, entrepreneurs and residents of Ariyalur district can start units to produce value-added agriculture, horticulture, milk and mutton products under National Mission on Food Processing. Twenty five per cent of the building and machinery cost is given as grant in aid subject to a maximum of Rs.50 lakh. Units to produce value-added millet, maize, drumstick, black gram, groundnut, gingili, chillies and cashew products could be started in the district, said E.Saravanelraj, Ariyalur District Collector. Interested persons can contact S.Subramanian, Deputy Director, or Vijayalakshmi, agriculture officer, Agri Business, on 9655627751.

Conference enlightens coconut farmers on latest technologies



Cutting edge:Collector N. Subbaiyan looking at different varieties of coconut at the research station at Veppankulam near Pattukottai in Thanjavur district on Thursday.Coconut farmers were enlightened on various technologies introduced by the Coconut Research Station at Veppankulam near Pattukottai for improving coconut production at a conference held at the station on Thursday.Nutritional value of tender coconuts, benefits of value-added products such as coconut oil, and medicinal values of coconut were discussed at the conference.N. Subbaiyan, Collector, who took part in the conference, said the conference would help coconut farmers of the district . Farmers should follow the advice given by experts and agriculture scientists at the conference.The conference would offer a platform for the farmers to share knowledge and best practices.K.Ramasamy, Vice-Chancellor, Tamil Nadu Agriculture University, presided over the conference. S.Mariappan, Principal, Horticulture Research Station, Coimbatore, R.JawaharBabu, chairman, Pattukottai Municipality, took part.

Integrated Agriculture Centre to come up at State Seed Farm

An Integrated Agriculture Extension Centre (IAEC) is to be set up shortly on the State Seed Farm premises at Pongalur at an outlay of Rs 1.5 crore to coordinate various agriculture and horticulture activities under a single roof.The three-storied Centre, the first of its kind in the district, will have a godown in the ground floor to store critical inputs such as seeds, bio fertilisers and micro nutrient mixtures,

among others, which were meant for distribution to horticulture and agriculture farmers at subsidised rates.

Training

“We are planning to set up offices of senior agriculture and horticulture officials in the first floor and the top floor will be utilised for holding farming-related exhibitions as well as for training farmers on advanced agricultural practises,” Joint Director of Agriculture P. Santhanakrishnan told *The Hindu*.

Project

Another innovative project coming up on the State Seed Farm is a plan by the Department of Agriculture to utilise whatever submarginal lands available on the 40 acre campus of the farm for raising bamboo. “The project is conceptualised following a suggestion from the district administration and a detailed proposal seeking funds to raise bamboo will be soon sent to the authorities concerned,” Mr. Santhanakrishnan said. Cultivation According to him, the bamboo cultivation on model plots will be utilised to encourage the farmers in the district to learn more about the crop and raise the same in their holdings. “Bamboo is of great demand as many value-added products like paper, handicrafts and fibre, among others, can be produced,” he added.

‘Villupuram has potential to produce 1 lakh tonnes of redgram’

Villupuram holds out immense prospects for cultivating red gram either as a separate crop or as an intercrop. Besides fetching additional income to the farmers the crop would bridge the widening supply-demand gap for red gram, according to Kennedy Jebakumar, Assistant Director (Agriculture). Mr. Jebakumar told *The Hindu* that with this objective in mind the State government had launched the new red gram cultivation scheme. He stated that it could be an ideal intercrop in the

sugarcane, groundnut, watermelon and vegetables farms and even in the casuarina groves. As of now the district had the potential to get an aggregate yield of 80,000 to one lakh tonnes of red gram a year. Such a quantity would be sufficient to meet the requirements of the entire State, besides fulfilling the needs of the Villupuram district. Mr. Jebakumar further stated that though India stood first in terms of red gram production in the world its demand outstripped the supply level. Therefore, red gram was being imported, entailing huge outgo of foreign exchange. For those farmers who wish to raise the crop separately the government was giving away kit worth Rs 2,500 containing seeds and micronutrients. Arrangements were being made to get subsidy for those farmers who would be opting for drip irrigation system to feed the crop. Mr. Jebakumar said that according to conservative estimate the crop would fetch an additional income of Rs 20,000 to Rs 25,000 per hectare to the farmers. Besides providing monetary benefits, the leaves shed by the plants would enrich the soil and act as good manure. The farmers interested in the crop could approach the office of the Joint Director of Agriculture to get the kit or saplings, Mr. Jebakumar added.

Exhibition of silk products

Hastashilpi, a Mysore-based organisation, on the occasion of Vijayadashmi celebrations, will organise 'Silk India-2014', an exhibition-cum-sale of pure silk sarees & silk products at Maratha Mandir complex on Khanapur road in the city for six days from Friday.

Eco-conservation and coordination between departments leads to green zone

Haralayyanagunda, a relatively unknown place located some 34 kilometres from Bijapur, is gradually setting an example of how better coordination between government agencies and nature-passionate NGOs could help in expanding green cover. This small area near Shegunashi village of Bijapur taluk has seen significant change in eco-conservation in the last three years, when an NGO with the help of

government departments planted over three thousand saplings of different plants. “It all started some three years ago when we were handed over some 20 acre land by the private trust to develop the near-barren land into small forest. The effort and sheer determination has borne fruit as we have achieved almost 100 per cent result in protecting the plants that were cultivated here,” said BabuSajjan, director of GraminaAbhivruddhiSangha. He said that after the decision taken to develop the area, the Sangha approached different government departments such as Forest, Horticulture and Rural Development Panchayat Raj (RDPR) along with Karnataka State Women’s University. “Combined efforts were made to plant saplings of different varieties by Forest and Horticulture Department. The fence was erected under MGNREGA by RDPR Department while the Horticulture Department extended financial support to construct a water pond under National Horticulture Mission,” Dr. Sajjan said. District Conservator of Forest (social forestry) N.K. Hegade told *The Hindu* that some 83 varieties of sapling being planted in the land. “We have so far identified the botanical names of 70 saplings and the University’s Botany department been asked to identify the remaining one,” he said. He said rain water conservation methods are being used by constructing percolation pits around the plants, which does not allow rain water to go waste. “The water is being supplied using drip irrigation method by drawing the water from three ancient tanks,” Mr. Hegade said.

Botanical park

Mr. Sajjan said that they have plans to develop the site as Botanical park for the students of University by planting saplings of different varieties including of fruits, bio-fuel and medicinal plants. He felt the forest can not only be developed and preserved if the government agencies and private organisations come together for a noble cause.

Tobacco farmers hope for better returns this year



The tobacco industry expects the average price to breach Rs. 129.18 a kg that the produce commanded last year.— photo: m.a.sriram

Having grown tobacco crop of a superior quality this year, more than 70,000 farmers in the State are looking forward to the auctions from September 15. About 100 to 105 million kg of tobacco is expected to be harvested from 85,000 hectares of land, mostly in the district, and sold during the auction season that concludes in January 2015. The Tobacco Board, which commissioned an auction platform in H.D. Kotetaluk's Shantipura village on Monday at a cost of Rs 9.5 crore, is scheduled to launch one more in Chilkunda of Hunsurtaluk on October 10, taking the total number of auction platforms in the State to 13. Though the price of the flue-cured-variety (FCV) tobacco grown in the region will be determined by global market conditions, people in the tobacco industry expect the average price to breach the Rs. 129.18 a kg that the produce commanded last year. While the Tobacco Board officials pointed out that 180 million kg of FCV was exported last year, bringing in foreign exchange worth Rs. 4,085 crore, experts in the industry do not rule out the possibility of exports yielding a higher sum this year. President of VFC Tobacco Growers' Federation of Karnataka Javare Gowda, who is also a former Vice-Chairman of the Tobacco Board, told *The Hindu* that the crop size fixed for the State this year was 102 million, the same as last year. In view of the reports that the crop in Andhra Pradesh has not been as good as expected, farmers in Mysore are hoping to get a price better than last year, he said. But, sources in

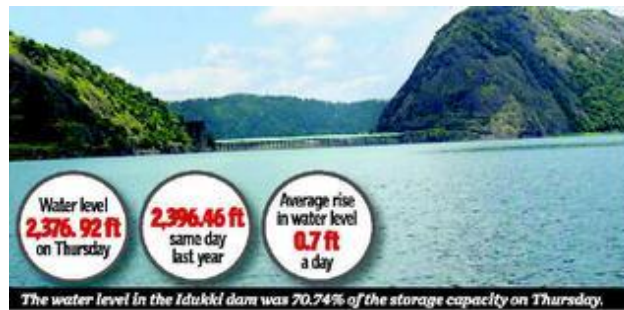
Tobacco Board also added that African countries had increased their production this year. Mr. Gowda said the newly-opened auction platform at Shantipura will take the total number of platforms in H.D. Kote taluk to two. "About 20 years ago, one auction platform was enough when the output of tobacco from the region was 4 to 5 million kg. Now, the output has gone up to around 9 to 10 million kg. So, a second platform is necessary," he said. The new auction platform is expected to benefit tobacco growers in not only H.D. Kote, but also Gundlupet and Nanjangud.

Popularity of transgenic crops far outweighs organic farming

The popularity of transgenic Bt cotton and other commercial crops like ginger has put a question mark on the future of organic farming in H.D. Kote. H.D. Kote was one of the taluks where organic and the indigenous hi-breed variety of cotton was cultivated alongside the transgenic cotton a few years ago. But, more than 95 per cent of the cotton farmers in the taluk have shifted to transgenic Bt. cotton variety in the last few years. Besides transgenic cotton cultivation, there has been an increase in ginger cultivation in H.D. Kote in the last couple of years owing to good price in the market. Both transgenic cotton and ginger are pesticide-intensive crops and they have heightened the threats of contamination of organic farms. "A bulk of ginger cultivation is through contract farming and there is excessive use of pesticides and insecticides, which contaminates the soil and the groundwater. The nitrates in fertilizers pollute soil and groundwater while the run-offs from these farms contaminate the organic farms in the vicinity," said Vivek Cariappa, an organic farmer from Sargur in H.D. Kote. Nearly 5,000 acres of land was under organic cotton cultivation till a few years ago, but the acreage has plummeted since then to a few hundred acres owing to proliferation of Bt. cotton, he added. Krishnaprasad of Sahaja Samruddha, an organisation engaged in popularising indigenous variety of crops, said a direct fall out of ginger cultivation was on the water bodies in the downstream of farms. "Ginger plantations are

intensively sprayed with chemical pesticides and the residue finds its way into the water body as well as the farms in the downstream, severely polluting it. While farmers who have opted for transgenic cotton do not bother, the organic farms risk being polluted and losing their organic certification,” he said.H.D. Kote is one of the major cotton growing areas in the district. However, the promotion of transgenic cotton and linking all institutional facilities such as bank loans, crop insurance etc. to it, forced the farmers to shift to Bt. cotton variety. Statistics from the Agriculture Department indicate that cotton is cultivated in 31,000 hectares of land in H.D. Kote and almost 95 per cent to 98 per cent of it is of transgenic variety, which has put a question mark on the future of non-Bt variety of cotton in the area.

Water level in Idukki dam satisfactory



The water level in the Idukki reservoir reached 70.74 per cent of its total storage capacity on Thursday. The average storage level in all the reservoirs in the State is over 76 per cent. The level in the Idukki dam, which accounts for nearly 45 per cent of the total power generated in the State, does not raise concern now, said a senior official of the Kerala State Electricity Board. (KSEB) on Thursday.

Farmers in tears as onion prices crash



Onion being laid out at the Kurnool market yard. —Photo: U. Subramanyam
Several factors are attributed to fall in prices, which include heavy supply, high moisture content due to rains and poor quality

Onion prices at Kurnool market slumped following heavy arrivals in the past few days. The onion season which began on August 1 with a price of Rs. 2,000 per quintal slid to Rs 1,175 on Wednesday. Several factors are attributed to fall in prices, which include heavy supply, high moisture content due to rains and poor quality. Kurnool is the major onion market in South India and controls prices in the entire country in kharif season while rabi is dominated by the crop from Maharashtra. The onion produced in Kurnool is exported to Kolkata, Odisha, and Tadepalligudem and also to neighbouring districts. Onion is cultivated in about 15000 hectares in red soil belt of Kurnool district. Kodumur, Gonegandla, Yemmiganur, C. Belagal and Kurnool rural mandals are major producers of the bulb crop. Onion is the major cash crop for farmers who get money instantaneously to support other agriculture operations as the crop is harvested within 80 days. Farmers, who own red soil, invariably spare some of the land for onion cultivation every year. Many farmers consider onion ‘jackpot crop’ which fetches them bumper returns. Bellary Red, Agri Dark, Agri Red and N-53 are the popular onion varieties while the first occupies the larger area. The arrivals in the last few days peaked to 500 tonnes per day engaging traders and workers in the

market yard in lean season. Other commodities start only after a few weeks. The farmers expressed the opinion that a price of Rs 1,100 to Rs. 1,200 per quintal was not a bad bargain but farmers without prudence might suffer losses in this scenario. Around 80 quintals is produced from an acre plot in good conditions. R. Jayalakshmi, market yard secretary, told *The Hindu* that prices would improve if the quality of the commodity improved. Heavy rains brought down the quality and increased moisture content.

NSP water level touches 585.1 feet

Following heavy inflows, the water level at the Nagarjunasagar reservoir has reached 585.10 feet. Guntur Collector Kantilal Dande informed on Thursday that inflows into the NSP reservoir reached 1.80 lakh cusecs, while the outflow stood at around one lakh cusecs. Crest gates of the reservoir could be opened on Friday morning, if the inflows continued, he said. In view of chances of an increase in outflow, the Collector alerted the police, revenue and irrigation department officials to be ready to take precautionary measures downstream of the Nagarjunasagar reservoir.

Bankers urged to renew crop loans by September 30

The officials' committee set up by the Government of Telangana on the implementation of the farm loan waiver scheme has conducted meetings with a few individual bankers on Thursday and requested them to renew crop loans as only little time was left in the kharif season. Senior officials of the government held meetings with the representatives of SBH, SBI, Andhra Bank and a couple of other banks and requested them to renew crop loans as not even 10 per cent of about Rs. 27,000 crore target fixed for crop loans was met so far. The bankers were explained that September 30 was the last date for getting covered under crop insurance scheme. Official sources said they were requesting the banks reschedule the crop loans in six districts which were not covered under the RBI's

rescheduling plan. The bankers were also told to submit the details of finalised lists of borrowers after cross-checking with other banks by Saturday.

Women Farmers' Day today

ICRISAT will be organising Women Farmers' Day on its premises on Friday by celebrating achievements of outstanding women farmers from across 10 States of the country. Over 1,000 women farmers from Telangana, Andhra Pradesh, Karnataka, Tamil Nadu, Odisha, Maharashtra, Madhya Pradesh, Rajasthan, Gujarat, and Jharkhand are expected to come to ICRISAT headquarters to participate in the celebrations.

Mulberry to be raised in 100 acres

To encourage farmers to raise commercial crops in rain-fed areas, MNREGS has been linked with the mulberry plantation in the district. The Sericulture Department has decided to raise the plantation in 100 acres this year. Disclosing this at the inaugural training camp on mulberry for farmers at DWMA office in Nellimarlamandal on Thursday, Collector M. M. Naik said the crop would fetch good returns to farmers. The Collector said the government provides a subsidy of Rs. 10,500 out of Rs. 14,000 per unit cost (500 plantations on an acre), in addition to subsidy on building rearing shed, chemicals, and others.

Sapota's anticancer properties studied



Now, sapota joins the list of fruits that have proven anticancer properties. Proof of principle study using human cancer cell lines and mice induced with breast cancer has shown that certain chemicals in sapota fruit can inhibit tumour progression. The study was undertaken by a team of scientists from the Indian Institute of Science (IISc) Bangalore and the Institute of Bioinformatics and Applied Biotechnology, Bangalore. The results were published recently in the Nature group's journal *Scientific Reports*. Experiments were carried out using different human cancer cell lines and mice induced to develop breast cancer to test and verify the efficacy of the sapota fruit extract in inhibiting cancer cell proliferation. In the case of human cells, the anti-tumour potency was pronounced in the case of leukaemia. Of the two different human leukaemia cancer cell lines studied, the effect was pronounced in one of them (NALM6). The viability was "significantly affected" in these cell lines after 48 hours of treatment at extract concentrations of 1 mg/ml onwards. "Over 80 per cent of cell death was observed at 2 mg/ml concentration," the paper notes. As expected, the effect of the sapota fruit extract on normal cells was "limited" compared with cancer cells.

Significant reduction

Mice induced with breast cancer and treated with the extract given through the oral route showed "significant reduction" in the tumour size. "In 50 per cent of mice studied, we could increase the lifespan by 3-fold," said SatheesRaghavan,

Associate Professor, Department of Biochemistry, IISc. “We can initiate cell death within six hours of treatment.”The study showed that proliferation of cancer cells was inhibited by activating programmed cell death (apoptosis) and not by necrosis (killing of cancer cells).There are two pathways through which programmed cell death can be achieved. While one is the intrinsic pathway (involving the mitochondria), the other is the extrinsic pathway (the effect is brought about from outside the cell).“We found the extract activates the intrinsic pathway of apoptosis to kill the cancer cells,” Prof. Raghavan said. Mitochondria plays a critical role in activating apoptosis as several of the proteins responsible for cell death are present either within or outside the mitochondria. The cancer cells treated with the extract “collapsed” the transmembrane of the mitochondria.A small haemoprotein was released following the collapse of the transmembrane and this initiated the activation of the intrinsic pathway of apoptosis.While human leukaemia cell lines were studied, in the case of mice, the effect of the extract was studied on breast cancer cells. Explaining the reason for this, Prof Raghavan said: “In India it is difficult to develop B cell leukaemia in mice using human leukaemia.”But it is pertinent to point out that breast cancer accounts for about 30 per cent of all cancers, worldwide, while leukaemia accounts for only four per cent of all cancers in the world.For the study, the researchers had used sapota fruit extract. As a result, which chemical(s) or molecule(s) has the effect of activating apoptosis (programmed cell death) is not known.“The next step is to purify the active component that causes the observed anticancer properties in sapota fruit,” he said.

Water level

The water level in the dam on Thursday was 2,376. 92 ft, compared to 2,396.46 ft the same day last year. Though the current water level is nearly 20 ft less than the previous year’s, it does not mean a lean season ahead, said the official adding that it is 40 ft above the maximum water level of 2012.The maximum water level

recorded then was 2,336 ft. There was a rainfall of 56 mm in the catchment area on Thursday. There is a high level of fluctuation in electricity generation at the Moolamattom power house, ranging from 2.5 mu to 4 mu a day, said the official. The average rise in the water level per day is nearly 0.7 ft, as the water is now spread over a wider area, lowering the level of increase. "Even at a reduced level of monsoon rain due for the month of September, the water will continue to increase at a lower level as there is good inflow through the Periyar and other tributaries," the official said. The water level tends to decline in the dam usually by the end of November or the beginning of December.

Mettur level

The water level at the Mettur Dam stood at 102.17 feet on Thursday against its full level of 120 feet. The inflow was 19,981 cusecs and the discharge 20,015 cusecs.



Chennai - INDIA

Today's Weather



Sunny

Rain: 0

Humidity: 70

Wind: normal

Tomorrow's Forecast

Friday, Sep 12

Max Min

34° | 26° Partly Cloudy



Sunrise: 05:57

Sunset: 06:13

Barometer: 1009

Saturday, Sep 13

Max Min

34° | 26°

Extended Forecast for a week

Sunday
Sep 14



34° | 26°

Sunny

Monday
Sep 15



33° | 27°

Partly Cloudy

Tuesday
Sep 16



33° | 27°

Rainy

Wednesday
Sep 17



37° | 26°

Partly Cloudy

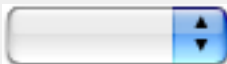
Thursday
Sep 18



36° | 26°

Partly Cloudy

Airport Weather



Delhi

Rain: 0

Sunrise: 06:04

Humidity: 94 Sunset: 06:30

Wind: normal Barometer: 1007



THE  NEW
INDIAN EXPRESS

Potato Politics Leads to Price Rise, Bengal Traders Continue Agitation



Even as West Bengal Chief Minister Mamata Banerjee agreed to have a discussion with the agitating potato traders in her State on Friday, there seems to be no end to potato crisis in Odisha. Consumers here are, in fact, caught up in the potato politics by the TMC Government in the neighbouring State. As the West Bengal potato traders under the banner of Progressive Potato Traders' Association are on indefinite strike protesting their Government's decision to make the tuber available within their State at a cost of `12 a kg and restriction on inter-State movement of potato-laden trucks, not a single truck has entered Odisha in the last 48 hours. Prior to it, only 23 trucks, including 21 through Jamsola gate had come to Odisha. Local traders are also facing price pinch as it is costlier to bring the commodity through Jamsola gate due to more distance. Before entering Odisha, the trucks have to travel through Jharkhand from Bengal. The West Bengal traders, who claim it is impossible for them to supply potato at `12 a kg as their purchasing cost is `16.80, said there are nearly 20 lakh tonnes of potato stocked in the cold storages and those will perish if they are not allowed to supply it before the new crop arrives. Meanwhile, potato price has gone through the roof in the rural pockets of Northern Odisha as the administration failed to open PDS counters as instructed

by the Government. While the commodity is sold at `28 to `30 per kg in the retail market in Balasore and Bhadrak towns, at Baripada it is sold at `26. Even as Balasore district administration opened PDS outlets to check the price rise of potato in urban areas, rural consumers continued to suffer. Potato is sold at `35 a kg in the rural pockets of the district and it is expected to touch `40 in next couple of days. Sources said the administration had opened five counters in Balasore town and one each at Soro and Nilagiri to sell potato at `20 a kg. People resented the decision to open the counters in the urban areas only. "The PDS counters should be opened in all panchayat headquarters so that the poor can take the benefit. Besides, surprise raids should be conducted on the traders who are creating artificial shortage," said a homemaker, Binapani Das. In-charge Collector Akshay Kumar Mohanty on Thursday held a meeting with supply officials. Though he assured that there will not be a shortage of the commodity as the district has a stock 8,000 quintals, potato prices are unlikely to go down unless the West Bengal resumes the supply.

THE HINDU BusinessLine

India close to breaching WTO's rice subsidy cap

India has not yet breached subsidy limits for food procurement at the World Trade Organisation, but is very close to doing so in rice. Domestic subsidies notified by the country this week at the WTO shows that in rice, annual procurement subsidies were to the tune of \$2.28 billion, which is 7 per cent of the value of rice production, a Government official told *BusinessLine*. The WTO permits agriculture subsidies not higher than 10 per cent of the total production of a particular commodity. The subsidies have been notified up to 2010-11. "We don't have enough elbow room left for rice. This explains the importance that India

attaches in getting a permanent solution on the issue of food security at the WTO,” Abhijit Das from the Centre of WTO Studies said. WTO members can challenge procurement subsidies given by India under the present rules if they breach the given limits. If found guilty, sanctions can be imposed by other member nations. In wheat, though, the notified subsidies for food procurement are negative as the procurement prices are lower than the external reference price against which subsidies are calculated. India has also notified procurement subsidies for coarse grains and cotton, which is negligible. “This was a long-pending commitment that we had promised we would fulfil. Now that we have done so, one can see that we have not breached subsidy limits yet. But, we would definitely need to be protected in the future and hope the WTO acts soon,” the official said. New Delhi also notified about \$57 billion worth of farm subsidies that are permitted by the WTO and are not subject to caps. India has refused to support a pact on trade facilitation at the WTO, which is being pushed by several developed countries, without a simultaneous pact on a ‘permanent solution’ to its problem related to procurement subsidies. India’s procurement programme, under which the Centre pays a Minimum Support Price (MSP) to procure certain food grains such as rice and wheat, is considered trade distortive by the multilateral organisation. New Delhi wants the WTO to consider all subsidies given for procuring food from the poor as non-trade distorting subsidies not subjected to caps. Alternatively, it could make the reference price for calculating such subsidies more realistic by pegging it to recent years.

Row over green tea quality in Siliguri blows over

A controversy over the composition of fine leaf in green tea has been settled temporarily with bought leaf factories and small tea growers coming to an agreement that will be valid till October 31. The controversy broke after bought leaf factories said on September 2 that they will pay the monthly benchmark price for green tea from small growers only if it had over 65 per cent of fine leaf. The factories had pointed out to a circular issued by the Tea Board office in Siliguri on September 11 last year to back their claims. They also said that they will stick to the 65 per cent fine leaf norm in tea from Wednesday. Taken aback by this stand of the bought leaf factories, small tea growers led by the Confederation of Indian Small Tea Growers Association urged the Tea Board to review the situation. The growers' body contended that it was not possible to ensure 65 per cent fine leaf content in green tea. They also pointed out to findings by tea research association which said small tea growers will not be able to achieve such fine content in the produce. "Following our representation, a tripartite meeting of bought leaf factories, Tea Board and small growers was held. We have now agreed that fine leaf content will be 25 per cent in green tea. This arrangement is till October 31. We will sit again after that and work out a solution on this as well as other issues," said BijoyGopalChakraborty, President of the confederation, over phone from Siliguri. "We have been facing problems with regard to the fine leaf content ever since the Tea Board issued the circular. The quality of tea varies due to weather, soil, pruning and age of the bushes. We are ready to provide quality produce but we cannot do anything if they ask for something that is impossible to achieve," he said.

Problems faced

Small growers were worried that the bought leaf tea factories' stance on the fine leaf percentage would force them to sell their produce cheap. "It would have resulted in growers not getting the monthly benchmark price set by the Tea Board," said Chakraborty. The Tea Board, from last year, has been setting the benchmark price for green tea on a monthly basis for each district where the beverage crop is grown. In West Bengal, the price ranges between Rs. 13 and Rs. 15 a kg. "Green tea is perishable and growers are getting only Rs. 8-10, which is far below the cost of production. We are forced by the bought leaf factories to make distress sale," he said. The situation is serious since some small tea estates are facing closure.

Hope of respite

Following the agreement now, growers hope there will be some respite and things could improve. "We are committed to improving the quality of our produce and our efforts towards that will continue," said Chakraborty. Small growers, numbering two lakh, contribute 36 per cent of the 1.2 billion kg of tea produced in the country. In six years time, their contribution is expected to rise to 50 per cent of the total production. With 40,000 small growers, North Bengal offers direct and indirect employment to 10 lakh people through the tea sector. Domestic tea production up to July was down at 543.01 million kg (mkg) against 553.89 mkg during the same period last year. Output has been affected due to a prolonged dry period in West Bengal and Assam. Production in the North dropped to 398.48 mkg against 420.80 mkg during the same period a year ago. This has resulted in tea prices rising at the North India auctions. In particular, tea prices in Siliguri are up at Rs. 121.54 a kg against Rs. 114.81 for the week-ended August 30.

Coonoor tea turnover down 22% as exports drop

The cumulative turnover at the auctions of Coonoor Tea Trade Association (CTTA) in the first eight months of current calendar has crashed by as much as 22.10 per cent over the same period of 2013, reveals an analysis. This happened because the volume sold was less by nine lakh kg over January-August 2013 despite shedding, on an average, Rs. 20 a kg due to inadequate export and domestic demand. In all, 35 auctions had taken place till August when 3.90 crore kg was sold against 3.99 crore kg last year. On an average, every kg fetched Rs. 75.39 now against Rs. 94.59 last year. Consequently, the overall cumulative turnover dropped to Rs. 294.02 crore from Rs. 377.41 crore. This reduction of Rs. 83.39 crore marked a decline of 22.10 per cent.

Raw sugar exports turn sour as prices plummet



The downtrend in global raw sugar prices on higher production in Brazil is posing a fresh set of challenges for Indian sugar exporters. This is at a time when millers, ahead of the crushing season, keenly await the Government's decision on export subsidy for October and November. In order to make raw sugar shipments viable in the world market, the Government will have to hike the export subsidy given to millers substantially, industry sources said. At the current international rate of around \$320 a tonne, the Government may have to hike the subsidy to around Rs. 6,000 a tonne to make raw sugar shipments viable. For August and September, the Government had fixed the export subsidy at Rs. 3,371, but hardly any shipments are happening now. "There are no buyers in the international market

now. Even the forward deals are not happening this year,” said a Kolhapur-based merchant exporter. Risk-averse buyers want the crushing season to start before entering into new contracts. Cane crushing for the upcoming season is set to begin next month in Maharashtra – one of the largest producers – while it has already started in southern Karnataka.

Export incentive

Millers in poll-bound Maharashtra are keenly looking forward to the indication from the Government on continuation of the export subsidy and also a possible hike in the quantum of the subsidy to plan their production schedule. Early this year, the Manmohan Singh Government decided to provide export incentives for shipment of up to 40 lakh tonnes of raw sugar between February 2014 and September 2015, i.e., until the end of 2014-15 sugar year. The incentive was aimed at lending stability to sugar prices by shipping out the excess stocks. Opening stocks for the coming season starting next month is projected to be around 7.5 million tonnes. Of the 16.74 lakh tonnes of raw sugar produced in the current season, some 12.25 lakh tonnes have been exported. Trade sources said any increase in export subsidy may further impact domestic sugar prices that are already in the grips of bears due to surplus stocks and expectations of higher output.

Court ruling

Ex-factory prices in Maharashtra are hovering around Rs. 2,800 a quintal, while in UP it is around Rs. 2,950-3,050. Meanwhile, the reported direction to UP millers by the Allahabad High Court to clear cane arrears by liquidating their stocks by October 31 may have an effect on prices. UP millers, who are holding about 2.75 million tonnes of sugar, owe about Rs. 4,600 crore to farmers in the State. Food Minister Ram Vilas Paswan said on Wednesday that the Centre will not intervene on the payment of sugarcane arrears and asked the State Government to ensure that dues were settled.

Spot rubber gains with futures

Spot rubber recovered partially on Thursday. The market opened almost steady but improved later following a better closing in domestic futures. The trend was mixed as most counters finished unchanged amidst low volumes. Sheet rubber firmed up to Rs. 121 (Rs. 120) a kg, according to traders. The grade was unchanged at Rs. 121 and Rs. 118 respectively, according to the Rubber Board and dealers. September futures concluded at Rs. 118 (Rs. 116.97), October at Rs. 116.70 (Rs. 116.76), November at Rs. 117.01 (Rs. 116.94) and December at Rs. 117.50 (Rs. 117.42) on the National Multi Commodity Exchange .RSS 3 (spot) slipped to Rs. 99.51 (Rs. 100.86) at Bangkok. September futures closed at ¥177.7 (Rs. 101.05) on the Tokyo Commodity Exchange. Spot rubber rates (Rs. / kg): RSS-4: 121 (120); RSS-5: 115 (115); Ungraded: 100 (99); ISNR 20: 102 (102) and Latex 60%: 87 (87).

Business Standard

More funds sought for food processing



The Karnataka government today asked the Centre to enhance budgetary allocation for food processing sector to at least Rs 100 crore per annum or to the extent of project proposals received in a year. “Considering the vast potential of the

food processing sector, the budgetary allocation of Rs 770 crore made for MoFPI programmes is too meagre (0.16 per cent of the total plan outlay of Rs 4,84,532 crore of the Union government),” state minister for agriculture Krishna Byregowda said. Speaking at a review meeting of the National Mission on Food Processing (NMFP) and other Central schemes of the Ministry of Food Processing Industries (MOFPI) jointly conducted by MoFPI and Assocham, in Delhi, he said the Central share of 75 per cent under NMFP may be enhanced to at least 90 per cent in the Agriculture Technology Management Agency (ATMA), a centrally-sponsored scheme of the Department of Agriculture and Cooperation.

Talking of an upward revision of subsidy for component-I of NMFP, he said the grant-in-aid assistance for setting up food processing units or expansion may be enhanced to 50 per cent from 25 per cent. The ceiling may be enhanced to Rs 1 crore from Rs 50 lakh in view of the high project cost. Byregowda also suggested for increasing the capital subsidy for establishing warehouses and cold storages. “To augment the storage potential of foodgrains (required for implementing social security schemes like food security, MSP operations, mid-day meal), the present capital subsidy of 25 per cent for building warehouses under the Agriculture Marketing Infrastructure (AMI) scheme of the Union Government may be enhanced to 50 per cent in view of the increased construction cost,” he said.

Extension of a concessional rate of interest to all food processing units, decentralisation of all MoFPI schemes, instituting study to assess reasons for slow/poor progress of food parks of 10th Plan and inclusion of lending to food processing industry under agriculture lending are certain key suggestions given by the Karnataka Agriculture Minister to accomplish the objectives of NMFP/other central schemes of MoFPI. Earlier, addressing the MoFPI-Assocham conference, Union minister for Food Processing Industries, Harsimrat Kaur Badal stressed on the need to bring down the percentage of losses in agricultural commodities, particularly fruits and vegetables from the present 18 per cent. She also said that there are vast opportunities for processing in the food processing sector as

presently only 2-3 per cent of the fruits and vegetables are processed. Representatives from Goa, Manipur, Odisha, Andaman & Nicobar Islands, Mizoram, Meghalaya and Siraj Hussain, secretary, Ministry of Food Processing among others participated in the seminar and suggested new measures.

Assam constitutes commission to study working conditions of tea garden

labourers

The Assam government has constituted a Judicial Enquiry Commission to study the working conditions in the tea gardens of Assam. The commission, to be headed by a retired judge, will study the implementation of the Plantation Labour Act in the tea gardens of the State and would suggest suitable measures for their improvement. The Commission would also look into the housing, health, education and other facilities being provided by the tea gardens under the Act. At the directive of chief minister, the state government has made an in-depth study of the working conditions in the tea gardens of the State and has come up with recommendations for their improvement, especially in health and education sectors.

Sugar sector hits panic button as global prices fall



With sugar prices falling in global markets, private and cooperative sugar factories said it will hit the Indian sugar sector. On the Intercontinental Exchange on Thursday, raw sugar prices dipped below 15 cents for one pound (0.45 kg), the

weakest level since June 2010. “The import of raw sugar is not viable with the increase of import duty to 25 per cent and due to current domestic and global conditions, as well as the rupee-dollar exchange rate. Further, there is a surplus of 2.5 million tonnes, which is putting pressure on domestic prices as cash flows are blocked. There is a need to export this, but it is unviable,” Abinash Verma, director-general of Indian Sugar Mills Association (Isma), told Business Standard. Verma said the Centre had provided incentive to export four million tonnes and approved it. “But 0.7 million tonnes have been exported; 3.3 million tonnes are yet to be exported. As the global prices are below Rs 3,300 per tonne, exports are not attractive.” Isma will make a representation to the Centre and seek its help so the sector could export, Verma added. “The government will be requested to create buffer stock to reduce the payment of the carrying cost to the sector. The government will also have to provide some incentive to convert surplus cane juice to ethanol,” he added. The Federation of Cooperative Sugar Factories in Maharashtra, a representative body of 200 units, made a case for increasing the import duty to 40 from 25 per cent. It is difficult to absorb the international market rates. Factories will not be in a position to pay the fair and remunerative price to growers. The federation will soon seek the Centre's help to avoid another crisis,” said Sanjay Babar, managing director. He said the Centre should continue the policy of export of four million tonnes by September 2015, to help the sector produce raw sugar and export it. This will help control the surplus. The National Federation of Cooperative Sugar Factories, too, pressed for raising the duty to 40 per cent and allowing conversion of juice to ethanol. Yogesh Pande, founder president of Maharashtra Sugar Brokers Association, also sought the government's intervention to restore sugar prices resuming the release mechanism, which would control the quantity of sugar made available in open market.

THE ECONOMIC TIMES

Rice subsidy legroom may be the reason behind India's hard stand at World Trade Organisation

The risk of losing room to raise the minimum support price for rice possibly prompted India's hard stand at the WTO in July, which led to the collapse of trade talks. The farm subsidy notification made by India at the WTO earlier this week shows that the subsidy to rice risks exceeding the WTO permissible limit. If there is no relief on the procurement issue, the government may be unable to increase the minimum support price (MSP) for rice. As per data submitted after a gap of a decade, India's minimum subsidy level touched 7 per cent of the value of production for rice in 2010-11, not far from the limit of 10 per cent that could be reached by 2017. For wheat, the administered price was lower than the fixed price of 1986-88, the base on which the minimum subsidy limit is calculated. "We will be hitting the 10 per cent ceiling for rice within a few years. That provides the rationale for India's keenness to negotiating a permanent solution for public procurement for food security," said Abhijit Das, professor at the Centre for WTO Studies. As per the 27-page notification document, India spent \$56.1 billion on support for farmers in 2010-2011. "If the 10 per cent mark is reached, then the government can either reduce MSP or reduce the quantity procured, but it will have implications on stockholding and public distribution system," said a government official. The current WTO norms limit subsidy to 10 per cent of the total value of production of a particular crop. However, the support is calculated based on 1986-88 prices. G-33 has sought a revision of base to a more recent year or the incorporation of inflation. India blocked the adoption of a trade facilitation pact on July 31, strongly demanding a concurrent deal on a permanent solution to public stockpiling. India had negotiated a peace clause in Bali, a four-year window under which no country could be dragged to dispute for breaching the subsidy cap.

"We will actually be requiring the exemption or the peace clause after 2017," said the official. India's proposal on food security aims to address the problems faced by developing countries due to outdated WTO rules which base agriculture subsidy calculation on reference prices of 1986-88 even though global food prices have increased manifold since then. India has experienced an inflation of 650 per cent since 1986-88. Administered price of rice almost doubled between 2004-05 and 2010-11 from \$187 million per tonne to \$329, exceeding 1986-88 reference price of \$263 per tonne. The US in July asked for a review of food security and procurement schemes of developing countries.

India will oust China as top cotton producer this year: USDA



India will be the world's No. 1 cotton grower this year, ousting China from the top spot for the first time in over 30 years, US government said on Thursday, reflecting a dramatic shift in global supplies amid uncertainty over Beijing's farm policy. If the projections by the US Department of Agriculture (USDA) are accurate, it will mark the end of China's dominance of the global cotton market just as Beijing scraps its stockpiling program. The state reserve's purchasing has supported the country's farmers and boosted global prices for the past three years. It also comes as the country's textile industry loses its competitive edge with soaring labor and raw material costs forcing some yarn makers to shift production overseas. The estimate also marks the first official nod from the USDA, whose crop estimates are often used as a benchmark across global agricultural markets, to an inflection point in world cotton supply and demand. The switch by the two top

growers had been expected after Chinese farmers cut plantings amid uncertainty over the state support program and a planting frenzy in India since August after a late monsoon favored growing conditions. But shrinking local output will force China's mills to import more foreign supplies once they have eaten through inventories that have swelled to over 60 million bales. "We're at the beginning of this transition where China will use its stocks, and in four or five years, they may become a big net importer again," said Peter Egli, director of risk management at British merchant Plexus Cotton Ltd. While China's acreage is expected by many traders and analysts to be on a long-term downtrend, farmers in India may be protected by government support programs. In its report on Thursday, the USDA hiked its estimate for India by 1 million bales to 30 million 480-lb bales of cotton for the 2014/15 crop year that began on August 1. That would be down from the country's estimated 2013/14 output of 31 million bales, but high enough to propel the country into top spot for the first time since USDA records began in 1966. China, which has been the largest producer for over 30 years, is projected to cut output for a second straight year with output of 29.5 million bales this year, down from 32 million bales last season. Output peaked at 37 million bales during the 2007/08 crop year and production has hovered near those high levels since the government in 2011 launched a stockpiling initiative that kept local prices high, drove huge demand for imports, and caused the nation's inventories to balloon. India's output meanwhile took off sharply in the early 2000s. The country surpassed the United States as the world's second-largest producer in the 2005/06 season. "It's not been a question of if India will become No. 1. It's been a question of when," Egli said.

Pineapple prices in Vazhakulam fall about 40% due to slack demand from major hubs



Prices of pineapple from Vazhakulam in Ernakulam district, a town in Kerala known as 'pineapple city', have fallen about 40% this season due to slack demand from major consuming hubs such as Delhi and Mumbai as well as surplus production. Widespread rain in western and northern regions of India has crimped demand for Vazhakulam pineapple, which has got a geographical indication (GI) tag, and their prices have shrunk to Rs16-17 per kg from a level of Rs 25-30 per kg last year, traders said. We are selling at Rs 22 per kg in Ahmedabad. The shipping charges from here are Rs 7 per kg. Even if we buy at Rs15 from growers there is no profit for us," said Alex Joseph, a pineapple trader. "The growers are now demanding more than that rate." Pineapple production has been good this season, but growers said the cost of production has gone up and that unless they get a price of around Rs20 per kg, it is not profitable for them. Daily loads from Vazhakulam near Kochi have come down to 100-200 tonne from 500 tonne earlier, traders said. They said Kerala produces 3-3.25 lakh tonne of pineapples and, along with West Bengal and north eastern states, accounts for a significant share of the production of the fruit in the country. Kerala grows the Mauritius variety of pineapple that goes as fresh fruit for use as pulp, while other states mostly grow the Kew variety, which is more suitable for making juice.

Government launches toll free number for perishable food transporters In order to bring down losses of perishable food items in transit, the government today launched a toll free helpline number to provide assistance to refrigerated

transporters stuck in the middle of highways and ensure smooth movement of such items to markets. The toll free calls will be handled by Mumbai-based Reefer Vehicle Call-in Centre (RVC), set up jointly by the government's National Centre for Cold-Chain Development (NCCD) and Mahindra Logistics. The facility (toll no:18002676223) is available 24x7 for all transport operators of horticultural, livestock, dairy, pharmaceutical and other refrigerated goods. "The essential link between source and markets is refrigerated transport, which face several bottleneck and challenges. The e-governance initiative is a step towards improving connectivity of farm produce," Agriculture Minister Radha Mohan Singh told reporters after the launch here. RVC will serve as a single point telephonic contact for recording all forms of in-transit bottlenecks to transport the perishables, he said. The RVC will help create a database of bottlenecks and "the response generated from this exercise will help devise long term plans and policies to alleviate bottlenecks and thus also help in controlling inflation in perishable goods," he added. "The information can also help transporters to re-route trips away from critical zones and improve service options for refrigerated transport services. This will also help future development of other modes of long haul transport of farm produce," NCCD CEO PawanexhKohli said. Normally, the delay in movement of reefer vehicles is caused due to reasons such as long-toll lines, document verification and in some parts due to crime. "RVC will help in identifying en-route delays for reefer transporters and will also help in long term corrective actions to redress in-transit delays," he added. According to official data, the country has around 7,000 to 8,000 actively refrigerated trucks handling 3.6 million tonnes of perishable items. At present, only two per cent of the country's total vegetable and fruits of 270 million tonnes is transported in refrigerated trucks.

The Telegraph

calcutta, india

Price rise

The prices of potatoes and onions are still soaring in lower Assam despite the assurance from the state government to bring those down by procuring these two commodities from Madhya Pradesh, Uttar Pradesh and Bihar. After a relief of two months, the Bengal government clamped restrictions on the supply again from August 25, which has resulted in the rise in prices of these two essential commodities. Both potatoes and onions were selling for Rs 30 in Dhubri market

Govt sells potatoes at low rate through PDS

The state government has started selling potatoes through public distribution system (PDS) at a reasonable rate, as Bengal has stopped tuber supply for the past four days. In retail market, the price of potato has gone past Rs 35 per kilogram in the city as well as in most parts of the state. However, the government PDS shops at block headquarters and different towns are selling potato at Rs 20 per kilogram with a ceiling of two kg for each person. Food supply and consumer welfare minister Sanjay Kumar Das Burma said that Bengal chief minister was scheduled to hold a meeting with agitating traders tomorrow and hoped that the meeting would resolve the deadlock. "As the traders have been protesting there, the supply of potato to Odisha has stopped for the past few days. Tomorrow's discussion will hopefully end the ban on supply and subsequent shortage of potato in the state," said the minister. Das Burma, however, said people should not panic, as the state has enough potato stocked in cold storages. "The district collectors have been told to control the situation and not to allow hoarding. The collectors of those districts having no cold storages have been told to procure potato from neighbouring districts and sell through PDS outlets," he said. The traders say that minuscule

amount of potato comes to the city through various routes and are sold at higher rates. Secretary of the Odisha Byabasayee Mahasagha Sudhakar Panda said that no potato truck arrived in the city today. Retail traders said they were forced to sell potato at higher rate due to short supply. "We get potato at Rs 29 per kg and are forced to sell it at Rs 32 to Rs 35. We know it hurts customers, but we are helpless," said Subodh Behera, a trader. The traders even blamed the state government for the potato shortage that has been recurring time and again. They complained that the state government was not taking proper steps to sort out the matter or taking the matter with the central government.