

17-12-2016

# THE HINDU

## **Wheat sowing up 7 per cent, rice & cereals acreage down**

Wheat sowing area went up by over 7 per cent to 256.19 lakh hectare so far this season compared to the year-ago period, while acreage of rice, coarse cereals was lagging behind, the Agriculture Ministry said on Friday.

Wheat is the main rabi crop and its sowing starts from October.

As per the latest data released by the Ministry, farmers have sown wheat in 256.19 lakh hectare so far this rabi (winter) season, as against 239.45 lakh hectare in the year-ago period.

Higher acreage of wheat was reported in Punjab, Madhya Pradesh, Rajasthan, Uttarkhand and Maharashtra, it said.

In view of Met Department's projection of 'warmer' winter this year, agri-experts have cautioned that rise in temperature in February and March may impact wheat yields.

### **"No cause of concern"**

A senior ministry official said that there is no cause of concern as of now and it was keeping a close watch and would issue necessary advisories to farmers.

As per the data, pulses acreage has increased to 131.80 lakh hectare as against 117.06 lakh hectare in the said period encouraged by higher support price.

Even sowing area under oilseeds has increased to 74.31 lakh hectare so far this rabi season as compared with 69.53 lakh hectare in the year-ago period.

However in case of rice, the sowing area has been lagging behind at 8.44 lakh hectares so far, as against 11.94 lakh hectare in the same period last year. Less area under rice was reported in Tamil Nadu, Andhra Pradesh, Karnataka, Kerala, Chhattisgarh and Odisha.

The official said that the rainfall in South India due to cyclone 'Vardah' has brought some relief to farmers and rice sowing is picking up.

## **Horticulture contributes 30% to agri GDP: expert**

Horticulture accounts for more than 30 per cent of the agriculture gross domestic product (GDP), Assistant Director General of Indian Council of Agriculture Research (ICAR) W.S. Dhillon has said.

Inaugurating the 22nd Plantation Crops Symposium organised by the Indian Society of Plantation Crops (ISPC) and CPCRI here on Thursday, Mr. Dhillon said that plantation crops were found to be sustainable in the country.

He stressed the need to have post-harvest research to enhance farm income per unit area so as to fulfil Prime Minister Narendra Modi's vision to double farm income.

### **Benefits**

Former Assistant Director General of ICAR and Director of National Research Centre for oil palm P. Rethinam stressed the need to popularise health benefits from plantation crops and create a niche market.

Director of the Kozhikode-based Indian Institute of Species Research (IISR) K.V. Peter cautioned about trade practices and insisted on representing plantation crops specialists in meetings on budget formulation and policy issues so as to protect the interests of domestic farmers.

### **Value addition**

CPCRI Director P. Chowdappa called for the need to have value addition in plantation crops.

James Jacob, Director of the Kottayam-based Rubber Research Institute India, was presented with the Dr. C.S. Venkataram Memorial Trust's distinguished scientist award at the function.

Dr. Chowdappa was honoured with a fellowship at the function.

## Supply of water, vegetables yet to normalise in cyclone-hit areas



Sources in the Chennai Metrowater said sewage pumping stations were operated using generators. “Water is being supplied through tankers where ever piped water supply was disrupted. Electricity supply has been restored now and water distribution stations have started functioning. Residents will get piped water supply from Thursday.”

The four city reservoirs continued to receive inflow for the third day, but it has been marginal, with storage at 1,890 million cubic feet against the capacity of 11,057 mcft. Officials of the Water Resources Department said that inflow from catchment areas and Krishna water since Monday has added storage, which would last for 20 days.

Metrowater managing director Arun Roy reviewed works to clear sewage blocks in Tondiarpet, functioning of sewage pumping station in Tondiarpet and Adyar area office that was damaged during cyclone on Wednesday.

Normality is slowly returning in Koyambedu market that made 50 per cent sales on Wednesday. S. Chandran, president of Koyambedu Wholesale Licensed Vegetable Merchants Association, said: Nearly 60-70 per cent of the produce received on Monday was wasted due to the cyclone.

## **Tiruchi ranks fourth in Swachhta App registration**

The Tiruchi City Corporation, which is taking a number of steps to improve its Swachh Bharat ranking, has moved to fourth position at the national-level in terms of downloading of the Swachhata App and complaint registration.

As per the Swachhata dashboard, being regularly updated by the Union Ministry of Urban Development on a daily basis, the Tiruchi Corporation on Thursday moved to fourth position with 3009 marks among 500 cities in the country. It stood at 24th position about three months ago. In Tamil Nadu, Tiruchi now stands first followed by Coimbatore. As on December 15, Ahmedabad stands first in the country with 3206 marks. It is followed by Korba and Dhanbad. Greater Mumbai stands fifth in the ranking.

Coimbatore is the other city in Tamil Nadu that has figured in the top 20 positions in SwachhataApp utilisation. Out of 3009 marks, the Tiruchi Corporation has secured 2224 marks for user engagement and 671 marks for agency responsiveness. It has garnered 123 marks for user happiness.

A total of 7691 citizens of Tiruchi have downloaded the Android SwachhataApp until Thursday evening. On Thursday alone, more than 1200 citizens have registered.

“Active participation of people is important for success of any scheme. We feel happy to note that Tiruchi has moved to the fourth spot from the 24th rank. It motivates us to work for finishing in the top position,” says N. Ravichandran, Commissioner, Tiruchi Corporation.

Stating that a team of officials had been working hard for the last 15 days to encourage people to download the mobile app, he said that it would not only help the Corporation to score points in the Swachh Bharat ranking-2017, but also help the people to bring civic issues to the authorities through an easy mobile interface. The Corporation had so far received more than 1200 complaints on SwachhApp.

Mr. Ravichandran said that colleges, schools, forums and community organisations should ask the students and members to download the application on their mobile phones. All out efforts would be taken to secure first position in the App usage.

## TNAU prepares seeds for 'samba' 2017 season



In view of the scanty rainfall during the north-east monsoon, the Station had taken steps to irrigate the crops through the four bore wells sunk on the campus, said R. Nageswari, Assistant Professor of Agronomy of the Station.

He has been keeping a close surveillance on the growth of the paddy varieties.

### **Good yield**

The scientists expect a good yield from these varieties for distribution to farmers during the '2017 samba' season.

# Business Standard

## Post-demonetisation: Flower farmers' income falls by 70%

Because of lack of notes, farmers have lost between 50% and 80% of their income in the last 25 days



As the sun rose in the morning sky, piles of white chrysanthemums awaited Keshu Singh Patel at his 2.5-acre farm in Mirjapur, a village in western Madhya Pradesh. Everyday in the winter, the short, spry, balding 55-year-old takes about 70 kg of flowers, tied to his bike, to sell in the flower market 15 km away.

“I don’t know if I will recover the cost of growing chrysanthemums this season,” Patel said.

Over the harvesting season from October to January, Patel’s income has fallen by 70%. “Four days before and even after *notebandi* (demonetisation), I was selling *sevanti* (chrysanthemums) flowers between Rs 30 and Rs 40 a kg; now they sell between Rs 4 and Rs 6 a kg,” he told **IndiaSpend**.

Patel is one of 118.6 million Indian farmers, as the Census [recorded](#) in 2011—equivalent to the population of the Philippines. As many as 9.8 million farmers live and work in Madhya Pradesh, one of India’s poorest states. Patel is a “small farmer”, as he has about

2.5 acres of land, less than the average land held by an Indian farmer (2.84 acres), according to the [agricultural census](#) of 2010-11.

At midnight on November 8, 2016, Rs 14 lakh crore—or 86% by value of Indian currency in circulation—became defunct after Prime Minister Narendra Modi announced that Rs 500 and Rs 1,000 notes would no longer be considered legal tender. The largest impact appears to be on the informal economy, which employs 82% of India's 500-million-strong workforce and generates half of India's gross domestic product (GDP). Businesses ranging from tourism, retail and infrastructure are also adversely affected, according to the this December 7, 2016, [story](#) in *LiveMint*.

The government has pushed for digital payments to counter the lack of notes in the economy, but challenges of cell phone connectivity and low Internet usage, especially in rural areas—where less than 15% use the Internet—abound, as [IndiaSpend reported](#) on December 10, 2016. Many farmers said they did not know how to use the Internet for banking or had too little in their bank accounts to use for everyday transactions.

### **It is the wedding season, but Patel earns Rs 543 a day instead of Rs 2,600**

To grow chrysanthemums on one *bigha*—about 0.4 acres of land—cost Patel Rs 3,000 in seeds, Rs 15,000 in fertiliser and pesticides, and Rs 7,800 for labour, over three months. About 0.4 acres of land should produce 10-12 quintals of flowers. Patel's family—his wife, son, daughter and daughter-in-law—work from 9 am to 6 pm on the farm.

If the crop is good, and flowers sell well during the wedding season—November 15 to December 15—Patel could have made about 2,600 a day. On, December 7, 2016, when [IndiaSpend](#) followed Patel, he earned Rs 543. The plant is sowed before the monsoon and flowers between October and January.

Over the season, the Patel family would have earned Rs 100,000, a profit more than Rs 74,000. This year, they've earned about Rs 30,000, a profit of Rs 4,000 or 94.5% lower. In the month after notes were banned, he earned only Rs 7,000.

Patel is forced to sell at a lower rate because flowers wither fast, and their rate reduces with time. "I had to throw 35 kg of flowers because there were no buyers yesterday," he said.

### **Farmers report income losses of 50% to 80%**

Patel reached the bustling flower market in Indore—considered Madhya Pradesh's commercial capital—by 7 am. He entered the flower-strewn arena—there are 51 license shops in this government market—on his motorcycle laden with flowers tied in makeshift bags of bright yellow, green and red cloth.

In the market, because of a lack of notes, other farmers have lost between 50% and 80% of their income in the last 25 days.

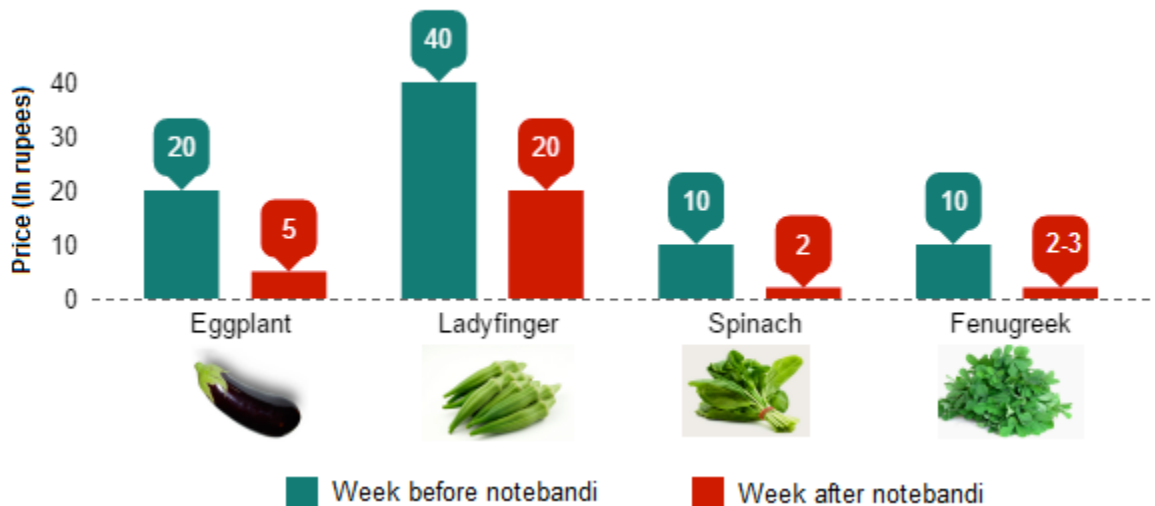
Anil Dawli, 39, sells potatoes, *chana* (chickpeas), *methi* (fenugreek) and eggplant in the market. He said he had been earning between Rs 80 and Rs 100 a day, compared to Rs 500 to Rs 1,000 a day before the scrapping of Rs 500 and Rs 1,000 notes.

“*Methi* is selling for Rs 2 to Rs 5 a kg, down from Rs 10 a kg,” he said, sitting in the midst of heaps of green leaves. He had no choice but to sell, as the leaves would soon rot.

“My *guldavri* (local name for chrysanthemums) sold for Rs 7 a kg. This is the season of weddings. It should have sold for at least Rs 35 to Rs 40 a kg,” said 36-year-old Mukesh Mukatil, who had brought about 90 kg of flowers to the market.

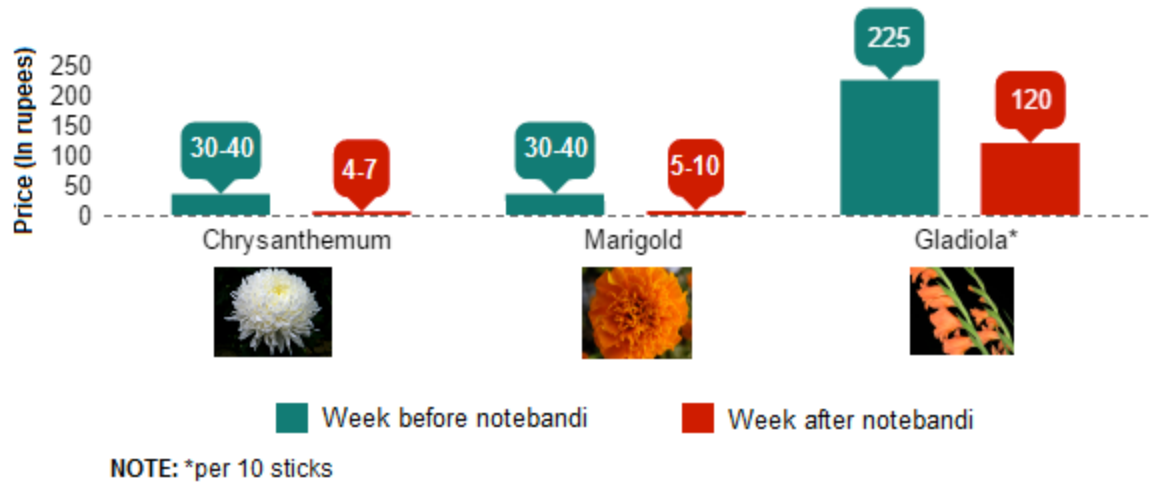
Bundles of locally-grown red gladiola flowers were selling for half the price, down from Rs 225 for 10 sticks to Rs 120, farmers said.

## Prices In Indore Market Fall After #NoteBandi





## Flower Prices Drop, Impact Small Farmers



Note: Prices based on farmer estimates in Indore *mandi*, December 5 and December 11, 2016.

### Patel cuts chrysanthemum stalks; they are too expensive to maintain

Around 12:30 pm, Patel returned to the farm, as three labourers were cutting down the stalks of the chrysanthemums planted on about 0.2 acres of his farm. His family spent the day plucking flowers off the other plants so Patel would have enough to sell the next day.

Of his 2.5 acres, about a fourth of an acre lies fallow, as there isn't enough water for the crops.

After selling one crop of flowers, Patel would have waited for the plants to regrow and sold another batch. "But because prices are low, it is more expensive to maintain the plants," Patel explained. In a regular year, the plants would have been cut in the end of January or February.

"To add to it, there is a higher quantity of flowers coming into the market which has reduced prices further," said Sharad Kusumakar, 61, who owns a shop in the flower market.

When **IndiaSpend** spoke to Patel's son, Kantilal, on December 13, 2016, he said the market had picked up a little, with chrysanthemums selling between Rs 10 and Rs 20 a kg. "But we've already cut down the stalks," he said, adding that the recovery of prices wouldn't benefit them.

### Patel can no longer get state handouts. His saviour: Credit

Patel and his family moved above the rural poverty line of Rs 816 per person per month some years ago, and so can't access the lower-priced wheat, rice, sugar and oil, families below the poverty line receive from the government's public distribution system.

Fortunately for Patel, he is well known in the village and the flower market. The local village shop is willing to give him oil, sugar and even seeds on credit, and the shop owner in the flower market is willing to give an advance payment for the flowers that will sell, Patel said.

### **Why it is difficult for Patel to go digital and cashless**

Since demonetisation, the government has been pushing digital payments but most transactions still take place in cash.

Most farmers and traders **IndiaSpend** spoke to had bank accounts, but used cash. They said they either had too little money to put in a bank account or did not use debit or credit cards regularly. All transactions Patel made during the day were in cash: He filled petrol worth Rs 50 in his motorcycle in the morning, and bought a dozen bananas for Rs 40 in the afternoon.

"Before depositing Rs 500 and Rs 1,000 notes after *notebandi*, I had used my bank account about two years ago," Patel said, as his two-year-old granddaughter played in the field. His son, Kantilal, has an ATM card, but used it only once in 5-6 months to withdraw cash, as he had little money in his bank account. The nearest ATM and their bank branch is a 15-minute ride from their village.

The family has one basic cell phone they use to call relatives. Though Kantilal has used the Internet in the past, neither father nor son currently has access to the Internet as a smartphone was too expensive to afford.

For four months last year, the family used a Samsung smartphone, which they bought for Rs 8,000. "But someone stole the phone," Kantilal said. He had used Internet on the phone only to access Facebook, he said, adding that they wouldn't buy a new phone because it was too expensive—equivalent to almost all of their profit this season.

Patel's family spends about Rs 1,500 to Rs 2,000 on household items every month.

Not everyone has a bank account. Jagganath Mahadeo Bhuyyer, 66, a trader in the market, said he had no plans to open a bank account. "I earn enough to eat twice a day, what's the point of all this *jhamela* (rigmarole)," he said, when asked why he doesn't have a bank account. "If I had a bigger business, I would have opened an account."

For Patel, low flower prices mean he has to dip into his savings to pay Rs 130 a day to two labourers who help his family pluck flowers.

“We always face problems of water and electricity shortage,” said Patel “This year *notebandi* has spoiled the year for us.”

### **Punjab crop burning produced around 9000 tonnes of PM2.5: Report**

*Delhi High Court has now asked the Punjab government to file a report on the steps being taken to halt this crop burning*



Punjab's 20-Day 'crop stubble burning' is getting perilous. Delhi High Court was informed on Thursday that the crop scorching is yielding about 10,000 tonnes of particulate matter, including 9,000 tonnes of PM 2.5. PM2.5 are tiny particles in the air that reduce visibility and cause the air to appear hazy when levels are elevated.

According to a report in [Indian Express](#), Central Pollution Control Board (CPCB) was directed by a bench of Justice Badar Durrez Ahmed and Justice Ashutosh Kumar to conduct a study on emission amount released by the burning. Around 14 million tonnes of paddy remnant had been burnt by farmers in [Punjab](#) between October and November 2016. This report reveals that each tonne of crop residue emits 0.74 kg of PM 10, which included 0.67 kg of PM 2.5.

“This is only Punjab, what about emissions from UP, Haryana, Rajasthan? Is there anything that can undo this accumulation of PM in the air?” asked the bench after the report was revealed.

Seeing the precarious impact, Delhi High Court has now asked the [Punjab](#) government to file a report on the steps being taken to halt crop burning. [CPCB](#) has been asked to create an action plan to diminish the pollutants. The bench has also asked the NCR Planning Board (NCRPB) to take the data collection as a representation. The NCRPB is expected to look into the issue of in NCR to mitigate pollution levels.

Meanwhile, [Punjab](#) government has already initiated sporadic measures to mitigate the growing pollution problem. Recently, it has tried banning agricultural waste burning and threatened to close down steel mill factories which have not installed [air pollution](#) control devices.

### **Demonetisation, poor execution has hit rabi crop sowing: Sharad Pawar**

*Farmers initially supported the government's move, but later they became "unhappy" due to ensuing cash crunch*



The ongoing sowing of rabi crop has been affected due to [demonetisation](#) as farmers are unable to buy quality seeds and fertiliser amid [cash](#) crunch, [NCP](#) supremo and former agriculture minister [Sharad Pawar](#) on Friday said.

Farmers initially supported the government's move, but later they became "unhappy" due to the paucity of new currency notes.

Addressing Ficci's annual general meeting here, Pawar said the poor implementation of the move is taking away the intended benefits.

The [NCP](#) chief pointed out that there is not enough [cash](#) in village co-operative banks on which farmers heavily depend.

"There is very insufficient currency, money is not available to farmers. The approach of the Indian government, particularly after demonetisation, is something different towards cooperative banks," he said.

"This will definitely impact the rabi sowing. If farmers are not able to purchase quality seeds and fertilizers, it will affect sowing," he noted.

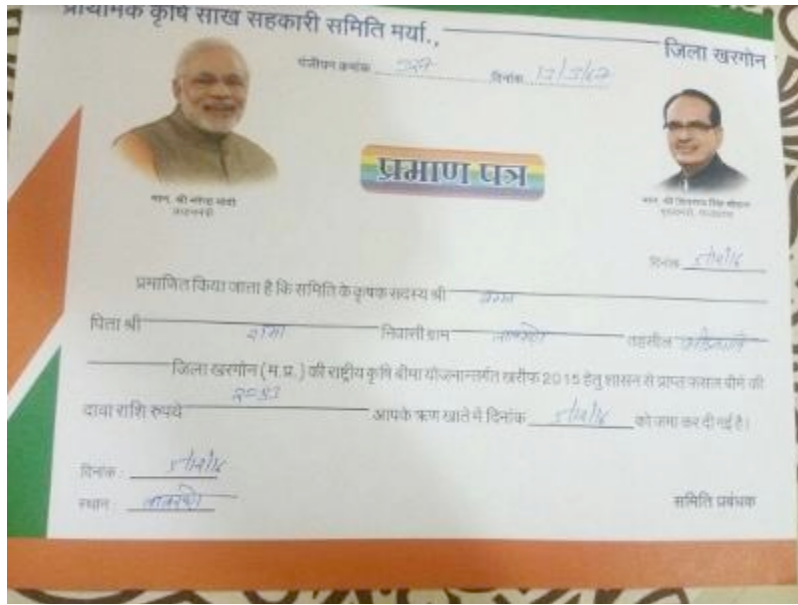
On November 8, Prime Minister [Narendra Modi](#) had announced withdrawal of Rs 500 and Rs 1,000 notes. On farmers' demand, the government later allowed purchase of seeds using old Rs 500 currency from central and state-owned seed companies as well as ICAR and agriculture varsities.

The government has asked fertiliser companies to sell soil nutrients to farmers on a credit basis.



**Madhya Pradesh farmers receive crop insurance claim certificates of Rs 2.83**

Salil Mekaad | TNN | Updated: Dec 16, 2016, 10.21 PM IST



INDORE: Madhya Pradesh might have become the first state in the country to distribute crop insurance to farmers under Pradhan Mantri Fasal Bima Yojana, but many agriculturists in Khargone district allege that they did not get their dues.

As many as 253 farmers in Lalkheda village of Bhikangaon block of the district have received Rs 2.83 as insurance claim for soybean crop loss. Infuriated, the farmers staged a demonstration in Khargone and burned copies of the claim insurance certificates issued to them.

Bhartiya Kisan Sangh Khargone district president Shyam Singh Panwar said the farmers are angry over the insurance claims. "The government seems to be cracking jokes at our costs, by giving us claims of Rs 2.83," he said.

He claimed that a cooperative society with 600 members have received total insurance claim amount of Rs 8,000. "Some have got Rs 2, some Rs 3 some Rs 50. How can the government let this happen to farmers," Panwar said, threatening to intensify the agitation.

Khargone district collector Ashok Kumar Verma said the insurance claim certificates issued to the farmers was of Kharif crop in 2015.

The insurance claims are calculated on basis of a formula that involves comparison of the insured crop with the current yield. "The difference amount is paid as compensation. This is the reason that in certain cases, the claim amount is low. Insurance claim should not be compared with compensation, which is a different affair," he said.

He claimed that the farmers were offered insurance with maximum premium of Rs 17,000. Most of the opted for a premium of Rs 2,000, thus corresponding insured amount was also low.

"But this year, we see that the farmers are opting for higher premiums while insuring their crops. Next year, the claims might be higher," the collector said.

# DECCAN Chronicle

## **New species of fish identified after 150 years**

The fish lacks a lateral colour band on it and is peculiarly named *Rasbora ataenia*.



The name '*ataenia*' is used here in reference to the absence of a mid lateral colour band on the body of the new fish.

**KOLLAM:** After 150 years a new species of fish has been found under the genus Rasbora from the state. The fish lacks a lateral colour band on it and is peculiarly named Rasbora ataenia. The freshwater aquarium fish from Kerala was discovered by an assistant professor and head of Zoology at Baby John Memorial Government College in Chavara. The discovery by Dr Mathews Plamoottil was published in the International Journal of Innovative Studies in Aquatic Biology and Fisheries.

“After extensive research in the area for years, I could find a new species of fish which was named Rasbora Ataenia. The fish is now kept at the Zoological Survey of India’s Museum. It also got a zoo bank register number. The fish has been found from a canal in Alappuzha and is known to occur in this habitat alone,” Dr Mathews Plamoottil told this newspaper. The fish is described as lateral and ventral sides silvery, dorsal side blackish green, dorsal fin orange, pectoral and pelvic fin hyaline, anal fin yellowish, and caudal fin greenish yellow. A faint black dotted line is present on the head from tip of snout to operculum.

“The Rasbora species collected from Alappuzha possess the characters of the genus, but bear many differences from its congeners; so it is described here as a new species Rasbora ataenia,” Mr Mathews added. The name 'ataenia' is used here in reference to the absence of a mid lateral colour band on the body of the new fish. Even though many surveys and certain biological studies were conducted on these fishes, systematic studies were found to be rare. For a long time, Rasbora species of Kerala were considered as Rasbora daniconius, which was originally described from West Bengal. Now, a new Rasbora is being discovered and named from Kerala, especially without a lateral colour band on it, he added.

### **Kerala State Cashew Development Corporation to launch value added products**

The corporation will cultivate eight varieties of new high-yield cashew saplings.

#### **Kerala State Cashew Development Corporation**

**KOLLAM:** The Kerala State Cashew Development Corporation (KSCDC), in an effort to attract more customers, will introduce value added products with technical support from the cashew research station at Madakkathara in Thrissur. The new products will hit the market by Christmas. Officials from the corporation and research station held a meeting on production at the cashew office and decided to produce various value added products including cashew apple wine, cashew apple vinegar, cashew apple carbonated



soda, cashew apple sweets, cashew apple chocolate, cashew icecream, children's cashew vita, and cashew apple jam.

The corporation will also resume production of cashew vita, cashew soup, and cashew powder which was earlier introduced in the market. The corporation will cultivate eight varieties of new high-yield cashew saplings. It is also planning to establish a new initiative associated with the Thalassery factory, based on availability of cashew apple from Kasargod and Kannur. The team also discussed introducing new products combining cashew with banana and jackfruit.

## THE HINDU BusinessLine

### **Pulses pull up Rabi sowing above last five-season's average**



Sowing of rice, coarse cereals continues to be lower than last year

An increase in sowing of pulses has pulled up total sowing in the ongoing Rabi season so far to 519.27 lakh hectare, which is marginally above the previous five-years' average acreage (normal of corresponding week) of 517.45 lakh hectare.

Compared with the acreage last year, which was a drought year, sowing till December 16 is 5.87 per cent higher, according to figures released by the Agriculture Ministry on Friday. Sowing of rice and coarse cereals, however, continue to be lower than last year's acreage.

Wheat acreage at 256.19 lakh hectare is about 1 per cent lower than the normal of corresponding week but higher than last year's acreage of 239.45 lakh hectare in the same period.

### **Less acreage**

Less acreage (compared with normal of corresponding week) has been reported from States such as Uttar Pradesh, Gujarat, Jammu & Kashmir, Himachal Pradesh and Karnataka, while higher acreage has taken place in Rajasthan, Maharashtra and Madhya Pradesh, according to the official statement.

Rice acreage at 8.44 lakh hectare till December 16 is about a third of normal of corresponding week of 12.62 lakh hectare, and is also lower than last year's acreage of 11.94 lakh hectare. Higher area coverage has not been reported in any State.

The fall in acreage under rice has been more than made up by pulses, with sowing increasing to 131.80 lakh hectare, which is about 9 per cent higher than the normal of corresponding week and more than 10 per cent higher than 117.06 lakh hectare sowed in the same period last year. Higher acreage has been reported in States, including Maharashtra, Rajasthan and Uttar Pradesh, while lower sowing has been reported from Karnataka, Andhra Pradesh and Chhattisgarh.

Coarse cereals acreage took a hit at 48.53 lakh hectare, which is lower compared with the normal of corresponding week of 50.26 lakh hectare and last year's comparable acreage of 52.51 lakh hectare.

Oilseeds sowing at 74.31 lakh hectare was lower than normal of corresponding week of 75.05 lakh hectare but higher than last year's comparable figure of 69.53 lakh hectare.

### **Oil rises on signs of producers' compliance with output cuts**



All Russian companies have agreed to lower output; markets anticipate higher prices

Oil rose on Friday, edging closer to new 17-month highs as producers showed signs of adhering to a global deal to reduce output.

Brent crude futures were trading at \$54.55 per barrel at 1225 GMT, up 53 cents on the previous day's close.

US West Texas Intermediate (WTI) crude was up 33 cents at \$51.23 per barrel.

“The market has faith in the OPEC deal and should trade higher in the near future,” said Tamas Varga, lead oil analyst at London brokerage PVM Oil Associates. The Organization of the Petroleum Exporting Countries has agreed to reduce output by 1.2 million barrels per day (bpd) from January 1, its first such deal since 2008.

Russia and other non-OPEC producers plan to cut about half as much.

Those deals, clinched over the past two weeks, have boosted expectations in the market that a two-year supply overhang will clear soon and prices remain near highs last seen in July 2015.

Russia said on Friday that all of the country's oil companies, including top producer Rosneft, had agreed to reduce output.

Other oil producers, including Kuwait and Saudi Arabia, have notified customers that they will cut from January.

The prospect of lower production led US bank Goldman Sachs to raise its WTI price forecast to \$57.5 per barrel from \$55 previously for the second quarter of 2017.

For Brent, Goldman expects prices between \$55 and \$60 per barrel after the first half of 2017.

However, there are doubts about the willingness of other OPEC members to comply.

Iraq, OPEC's second-biggest producer after Saudi Arabia, has signed new deals that will increase its sales to Asian customers such as China and India despite its commitment to reduce output by 210,000 bpd.

Libya, which is allowed to ramp up production as part of the OPEC deal, is close to increasing output crimped by unrest after a group of oil guards said they had reopened a long-blockaded pipeline linking some of the country's biggest oilfields.

Libya's National Oil Corp has said it hopes to raise production to 900,000 barrels per day in the near future, and to 1.1 million bpd next year.

### **Cash crunch hits sugar sales, ex-mill prices drop**



The prevailing currency crunch has hit the sugar offtake in the first fortnight of December and the depressed demand scenario is expected to continue till January 2017, said the Indian Sugar Mills Association, the apex body of sweetener makers in the country on Friday.

As a result, the ex-factory prices have dropped by ₹150-200 per quintal on account of poor demand from bulk consumers including the sweet makers due to the cash crunch, ISMA said in a statement.

### **Sluggish trend**

“Market sources suggest that sugar sales in the first fortnight of December have been badly affected and that the depressed demand may continue till January 2017. It is expected that sugar sales in the October-December quarter this year would be less as compared to the corresponding quarter of last season,” ISMA said in a statement.

Sugar despatches during October were down 2.3 lakh tonnes (lt) over corresponding period last year, while the sales were flat in November. Considering the current trend in despatches, ISMA has revised marginally downwards its projections for sugar season 2016-17 ending September at between 245 and 250 lt against the earlier projection of 255 lt. Sugar despatches by mills stood at 248 lt in 2015-16 sugar season.

“Seeing the current trend of sales/despatches and considering that sugar sales in summer months may increase slightly, it is possible that sales in 2016-17 could remain on a lower level of 245-250 lt. This would mean that the expected closing stock at the end of the season that is September, 2017 would go up by another 5-6 lt to 60-61 lt, equivalent to three months domestic consumption,” ISMA said.

## **Output up**

In the ongoing season, about 440 mills were in operations as on December 15 and have produced 53.29 lt sugar, about 11 per cent higher than corresponding last year.

In Maharashtra, production is lower at 17.25 lt till mid-December against 22.5 lt in corresponding last year.

This is mainly on account of cane shortage in the State and only 144 mills were in operation this year as against 164 in corresponding last year. However, in UP, the sugar output has been doubled to 17.66 lt and the number of mills crushing cane in the State was higher at 115 (105 last year).

Similarly, in Karnataka, 60 sugar mills have produced 11 lt of sugar till mid-December.

## **Jaggery units hit**

ISMA further said that jaggery/gur buying — including production in major States such as Uttar Pradesh, Andhra Pradesh and Tamil Nadu — have been affected and its production in 2016-17 sugar season is likely to see a significant drop as compared to previous year. This could give extra sugarcane for sugar production resulting in a little more of sugar availability at the cost of gur production.

The expectation, according to market reports, that India will need to import has subsided and almost all the experts now seem to be convinced that India will have enough sugar and there will be no need to import any sugar into the country, ISMA said.

## **Agri ministry clears market intervention for arecanut**



The Union Agriculture and Farmers Welfare Ministry has sanctioned a market intervention scheme (MIS) for arecanut.

A press release by the Central Arecanut and Cocoa Marketing and Processing Cooperative (Campco) Ltd said that the Ministry has sanctioned MIS for arecanut by fixing ₹251 a kg as the price for the white variety and ₹270 for the red variety in Karnataka. The Ministry has forwarded the notification to the Karnataka government for further action, it said.

According to the scheme, a maximum quantity of 40,000 tonnes of arecanut may be procured under the scheme by the state agency.

This includes 28,000 tonnes of white arecanut and 12,000 tonnes of red arecanut. The scheme will be implemented by Campco of Mangaluru, Mamcos (Malnad Arecanut Cooperative Marketing Society) of Shivamogga, TAPCMS (Taluk Agricultural Produces Marketing Cooperative Society) of Sagar, APCOS (Areca Processing and Sales Cooperative Society) of Sagar, and TSS (Totagars' Sales Society) of Sirsi.

A delegation of co-operatives from Karnataka, led by SR Satishchandra, President of Campco, met Agriculture Minister Radha Mohan Singh and thanked him for sanctioning the MIS for arecanut.

The scheme sanctioned by the Ministry will be in effect till December 31. Since market arrivals will commence only after January, the delegation requested for extension of the scheme up to May 31. It also requested the Minister to extend the scheme to the farmers in Kerala also.

**Turmeric arrival, prices up**



The arrival and price of turmeric at Erode markets increased on Friday. “The farmers brought 4,600 bags of good quality turmeric. Traders who received fresh upcountry and local demands were showing keen interest in buying the turmeric,” said RKV Ravishankar, a trader.

More than 70 per cent arrived stocks were sold. The fine variety finger turmeric was sold for ₹9,200 a quintal and the root variety at ₹8,400. The buyers purchased all the 1,800 bags of good quality turmeric. At the Erode Turmeric Merchants Association, the finger turmeric went for ₹5,300-9,215 a quintal and the root variety at ₹5,103-8,319. Of the arrival of 2,722 bags, 1,380 were traded.

### **Kochi tea prices gather steam on higher arrivals**

Improved arrivals and active participation of blenders lifted prices of several tea varieties at the Kochi auctions.

The market was dearer by ₹3-5 a kg and sometimes more, especially good liquoring and popular marks.

Sale no 50 saw good demand with 90 per cent of the produce on offer sold. The quantity on offer in CTC dust was 11,30,000 kg, showing an increase over the previous week.

Upcountry buying was fair, while exporters operated on medium and plainer grainier varieties, the auctioneers, Forbes, Ewart & Figgis, said.

The market for orthodox dust was also firm to dearer and the quantity on offer was up by 16,000 kg. Exporters were the mainstay of the orthodox dust market.

In the Cochin CTC dust quotation, good varieties fetched ₹107-145, mediums quoted ₹99-118 and plain grades stood at ₹96-101.

In the leaf category, there was only a fair demand for Nilgiri broken; whole leaf and Fannings tended to ease. The quantity on offer in orthodox grades was 174,000 kg.

However, CTC leaf appreciated by ₹2-3 and sometimes more. There was good demand and quantity on offer was 57,500 kg. Exporters and upcountry buyers absorbed the bulk of it.