19.01.2016 **THE MODU**

Supreme Court poser to Centre on welfare schemes in drought-hit States

Bench asks Union Agriculture Secretary to meet his counterparts in these States

The Supreme Court has asked the Centre to come clean on the state of implementation of its welfare schemes such as the MGNREGS, National Food Security and mid-day meal in 12 drought-hit States.

A Bench of Justices M.B. Lokur and R.K. Agrawal asked the Union Agriculture Secretary to meet with his counterparts in these States and discuss criteria for declaration of drought and the steps taken to alleviate hunger in these States.

The Bench asked the government to inform it on January 22 the earliest date on which the meeting can take place between the Union Agriculture Secretary and his counterparts in these States.

It was hearing a PIL which alleged that parts of Uttar Pradesh, Karnataka, Madhya Pradesh, Andhra Pradesh, Telangana, Maharashtra, Gujarat, Odisha, Jharkhand, Bihar, Haryana and Chhattisgarh had been hit by drought and the authorities were not providing adequate relief.

The PIL sought the court to examine the rainfall data in these States for declaring drought-affected areas, districts and taluks. It asked the court to intervene to find out about the implementation of the National Food Security Act of 2013 and the availability of food grains, rice, dal, edible oil, eggs and milk for children, etc, in these areas.

It wanted the court to ask whether the authorities had been providing 150 days of work under the MGNREGS in drought-hit areas instead of the usual 100.

Solicitor-General Ranjit Kumar submitted that these affected States had been provided financial aid from the State Disaster Relief Fund (SDRF) and the National Disaster Relief Fund (NDRF).

Funds to the tune of over Rs. 1,500 crore, Rs. 1,276 crore, Rs. 2,032 crore, Rs. 3,044 crores had been made available to Karnataka, Chhattisgarh, Madhya Pradesh and Maharashtra respectively, Mr. Kumar said. He said that for 2015-20, a total fund of Rs. 61,291 crore had been earmarked to provide relief to the States which might be hit by disasters.

The PIL, filed by NGO Swaraj Abhiyan, has sought implementation of the National Food Security Act which guarantees food and nutrition, including five kg of rice per person a month.

Sikkim seen as India's first 'Organic State'



A glimpse of beautiful Sikkim as Prime Minister Narendra Modi visits the State for the State government-organised Organic Festival in Gangtok. Photo:Vijay Soneji.

Big boost to economy, new opportunities for vocation among youth

Ahead of Prime Minister Narendra Modi's two-day visit to Gangtok beginning today, Union Minister Jitendra Singh today said a new chapter is set to begin in the history of the State with its acknowledgement as an "Organic State".

"This will not only boost the organic farming in the state and the surrounding region, but would also help in the growth of economy and generation of new avenues of vocation for the youth," said Singh, the Minister of State (Independent Charge) Development of North Eastern Region (DoNER), who arrived in Gangtok today.

Soon after his arrival, Singh reached Raj Bhawan where he was received by Governor Shriniwas Patil.

In a meeting, they discussed in detail the Prime Minister's visit to the state. Later, he also held a meeting with Chief Minister Pawan Kumar Chamling following which he convened a meeting with senior officers of the State Administration, an official statement said.

During his two-day visit, the Prime Minister will address the valedictory session of the National Conference of Agriculture Ministers of different states being organised by the Union Ministry of Agriculture in collaboration with the Union Ministry of DoNER and the State Government of Sikkim. Before his departure, the Prime Minister will also visit the venue of Sikkim Organic Festival.

"A new chapter is set to begin in the history of Sikkim with its acknowledgement as an Organic State," Singh said.

The Union Minister said that organic farming Mission was initially conceptualised in the Ministry of DoNER and he was glad that it is being carried forward by the Union Ministry of Agriculture which has better infrastructure and resources for the purpose.

"However, the Ministry of DoNER will be rendering the logistic support and every other possible assistance for successful accomplishment of organic farming dividends," he added.PTI

Priority to crop insurance in this year's agricultural budget

With 200 farmers estimated to have committed suicide during past five months, the Odisha government is likely to give priority to crop insurance in the agriculture budget for 2016-17.

A high-level pre-budget meeting convened under chairmanship of Chief Secretary A. P. Padhi deliberated on a wide range of issues concerning the agriculture sector here on Monday.

Mr. Padhi directed to develop a comprehensive crop insurance policy for both the loanee and non-loanee farmers focusing on reducing the time gap for disbursal of compensation by the insurance companies to them.

Besides, convergence of various schemes at ground level was given emphasis. The Chief Secretary also instructed the Agriculture department to prepare a theme-based proposals for maximising the outcomes through convergence for the budget.

Mr. Padhi asked to rationalise the subsidy and incentive structures in paddy and non-paddy farming, fishery, animal husbandry and horticulture.

The State government had come out with a separate agriculture budget from 2013-14. The size of agricultural budget has been consistently increasing over the last three years from Rs.7,161.87 crore in 2013-14 to Rs.10,903.61 crore in 2015-16.

Over 150 varieties on display at flower show

Flower varieties arrive from various research institutions



A cut rose from Bengaluru arranged for the annual flower show on Monday.- Photo: T.Singaravelou

The century old Government Botanical Garden in the city has been decked up for the 30{+t}{+h}Flower, Vegetable and Fruit show cum Farm Fest 2016. More than 150 varieties of flowers and plants, including indigenous and exotic varieties will be on display during the four-day event which begins on January 23.

Preparations for the show are in the final stages and flowers have started arriving from Bengaluru, Pune and other research institutions across the country. As many as 12 varieties of roses from Pune and Bengaluru, mocara orchids imported from Thailand, varieties of anthuriums, dahlia, marigold, petunia, zinnia, Chinese balsam and other foliage plants would be showcased on the premises.

Floral arrangement, Japanese Ikebana arrangement, cut-flower collection and arrangement, fruit and vegetable carving, replicas of vegetable garden and orchards which have been created by the Department of Agriculture and other institutions will be the major attractions of the exhibition, said a senior official of the Department of Agriculture.

Over 15,000 flowering plants cultivated at the Government Horticulture Nursery in Lawspet including varieties of gerbera would also be showcased at the flower show which would be inaugurated by Chief Minister N. Rangasamy. The Department has also planned replica of Aayi mandapam, official emblem of the Government and prominent heritage buildings.

The four-day event is a platform for research institutions to showcase technological developments in floriculture for the benefit of farming community and visiting public. Various competitions are being organised and prizes will be given for each event, the official said.

Around 70 stalls are being put up at the premises with areas earmarked for cut flower collection and arrangements, fruit and vegetable carvings, aromatic and medicinal plant collections and glass house plants. Institutions and individuals will also be showcasing exotic varieties during the event.

The Botanical Garden (Le Jardin Botanique) established in 1826 by French botanist G.S. Perrottet encompasses 11 hectares of natural bounty that features indigenous and exotic flora ranging across evergreen, semi-evergreen, deciduous and tropical dry evergreen species.

With a history spanning 189 years, the Botanical Garden is among the oldest on the Coromandel Coast, and perhaps the only one of its kind on the East Coast.

The collection includes over 2,400 trees, 213 genus types and 296 species.

Deposit subsidy amount in farmers' accounts in three days, officers told

Deputy Commissioner Srirangaiah has instructed the officers concerned to deposit subsidy amount directly to the bank accounts of farmers within three days and submit a detailed report to the district administration.

Speaking at a meeting of district-level officers here on Monday, he said that stringent action would be initiated against officers neglecting the work as farmers are in distress owing to scanty rainfall. "Letters would be written to the government seeking disciplinary action against officers who neglect their work," he added.

Tahsildars should prepare a detailed list of eligible farmers for the subsidy amount and get approval from the assistant commissioner and take steps to deposit the amount to farmers' accounts. The officials of the Agriculture and Revenue departments should work in tandem to ensure early completion of the work.

National seminar on spices begins tomorrow

The Spices Board of India in association with the Ministry of Agriculture will organise a two-day national seminar on spices at Kumily on Wednesday and Thursday. Spice growers from Telangana, Andhra Pradesh, Karnataka, Kerala and Tamil Nadu will participate in the seminar, held under the Mission for Integrated Development of Horticulture.

Joice George, MP, will inaugurate the seminar at hotel S.N. International.

The aim of the seminar is to familiarise farmers with the latest technologies for production/post harvest improvement of spices; to identify the gaps in cultivation, processing and marketing of spices; and to draw a road map for development of spice production in the southern region.

The technical sessions will be led by experts from the Ministry of Agriculture, the Indian Institute of Spices Research, Central Food Technological Research Institute, Indian Cardamom Research Institute, Tamil Nadu Agriculture University, Kerala Agriculture University, Dr. Y.S.R. Horticulture University, the University of Agriculture and

Horticulture Sciences, NABARD and Kerala State Warehousing Corporation.

Following the inaugural ceremony, the Spices Board of India will distribute the 'Small Cardamom Productivity Awards' for the year 2012-13, 2013-14 and 2014-15 to farmers. An exhibition of spices and spice products will also be organised at the venue.

Panel to study Kerala package for rubber growers

The Karnataka Agriculture Price Commission chairman, T.N. Prakash Kammardi, has said that the commission will study the Kerala government's subsidy for production of rubber and then recommend it for implementation in the State. During a meeting here on Monday, Mr. Kammaradi said that the commission did not have any authority to look into the falling prices.

Rubber not among crops under study by the Karnataka Agriculture Price Commission, Prakash Kammardi says and adds that he, however, will look into the issue in the interest of farmers

35,000 farmers in Thoothukudi to get compensation

As many as 35,116 farmers in the district would get compensation for damage caused by the recent rains, Collector M. Ravikumar told media persons here on Monday.

From a fund of Rs.7.17 crore, the compensation would be credited to the bank account of affected farmers within three days. He said that 5,700 hectares of horticulture crops and 9,527 hectares of agriculture crops suffered damage in the rain.

Efforts were under way to conduct special camps at villages to receive petitions from people as directed by Madurai Bench of Madras High Court. K. Krishnasamy, president, Puthiya Tamilagam and Ottapidaram MLA submitted 12,000 petitions received from rain-affected people seeking relief. Genuine petitions would be addressed, Mr. Ravikumar said.

On the death of whales that were washed ashore in the district, he said that veterinary surgeons from Animal Husbandry department conducted post

mortem on the carcasses and samples were sent to Tamil Nadu Veterinary and Animal Sciences University, Chennai, for further analysis.

He said that 94 percent of free dhotis and saris had been distributed and the rest would be given within this month, he said.

G. Sugumar, Dean (in charge), Fisheries College and Research Institute, Thoothukudi, was present.

Efforts were under way to conduct special camps to receive petitions from people as directed by HC

TN tops in use of bio-fertilizers

Tamil Nadu is the leader among States in the use of bio-fertilizers, an organic substitute for chemical fertilizers. Data compiled by the National Centre of Organic Farming says that the State produces over 14,000 bio-fertilizers a year.

Production of bio-fertilizers can safely be equated with usage because the State produces only as much as it consumes and therefore the State tops the country, says D. Balachandar, Professor, Department of Agricultural Microbiology of Tamil Nadu Agricultural University.

Most of the State's production is from the eight Agriculture Departmentowned facilities across the State. Farmers use those bio-fertilizers or bioinoculants as a substitute for NPK (nitrogen-phosphorous-potash) fertilizer in paddy and a number of crops to increase yield.

Mr. Balachandar says that a hectare paddy would require 240 kg NPK and this would cost farmers over Rs. 1,000. If the farmers were to use bio-inoculants, they would spend only a couple of hundred rupees. This is not the only savings, though.

Increase in yield

The use of bio-inoculants will result in increase in yield by 10 per cent to 15 per cent. This will be additional income for the farmers.

The larger picture is that the State will have to spend less on fertilizers and also fertilizer subsidy, says the University Vice-Chancellor K. Ramasamy.

The University has calculated that by actively promoting bio-inoculants, the State can save over Rs. 200 crore a year. But the sad part is that farmers use the organic substitute on only 10 per cent of the 5.9 million hectare of cultivable area.

Farmers use the bio-inoculants on almost all crops that are cultivated in the State. The Agriculture Department encourages the use in three ways – treating seeds before plantation, administering those on roots and using on soil.

Start-up India

No one can dispute the fact that a scheme like 'Start-up India, Stand-up India' is long overdue ("PM unveils liberal start-up ecosystem," Jan.17). The government, under Prime Minister Narendra Modi, has taken a commendable step by providing tax sops and simplifying procedures. However, allocating Rs.10,000 crore for seed capital amounts to colossal mismanagement of the taxpayers' money, at a time while the aggregate spending on various social welfare schemes is low. Besides, the condition that funding will be given only to start-ups managed by firms having experience of at least five years is spurious and goes against the very idea of a start-up.

Abdu Dhwani,

Thiruvananthapuram

The scheme, providing a welcome platform for aspiring minds, has great potential. The youth in our society are changing their attitudes towards entrepreneurship. However, the government also needs to promote collaboration between academia and industry. Universities should have special innovation centres for research on agriculture, health, environment and other areas. Educational courses need to be moulded and made more industry-friendly to make students prepared and motivated to take start-up projects early in their career.

Narsing Kendre,

Latur, Maharashtra

Release of water for rabi from tomorrow

District Collector H. Arun Kumar on Monday announced that water would be released for the rabi season from Wednesday in the district. He called upon the irrigation engineers to make arrangements for release of water to all areas as announced earlier. He took part in the meeting held with engineers at SE Circle Office in Dowlaiswaram on Monday.

The Collector said arrangements were being made to provide irrigation water to 2.32 lakh acres. Paddy transplantation was already completed in 2.29 lakh acres in Eastern Godavari delta. and transplantation was completed in 1.5 lakh acres in Central delta and remaining 22,000 acres would be covered soon. He said the government would make sure that farmers would not suffer for water shortage. He further said that 560 cross bunds would be put up at an estimated cost of Rs. 5.51 crore and works would be taken up with the support of water users associations and farmers of the area concerned.

Compensation sought for blast-disease hit paddy

The disease has caused extensive damage to 'BPT 5204' variety: farmers



A group of farmers showing the paddy damaged by blast disease in Tiruchi on Monday. —Photo: B.Velankanni Raj

A group of farmers from parts of the district has urged the district administration to take immediate action to conduct a survey for sanctioning relief to farmers whose 'samba' paddy had been affected by blast disease. The disease had caused extensive damage to 'BPT 5204' variety which is more prone for the problem, they said.

S. Thomas, one of the farmers from Nathamadipatti near Tiruverambur, said that he had raised 'BPT 5204' on 12 acres, pinning hopes on harvesting at least 30 bags of 60 kg each per acre. Although he expected 360 bags from his fields, he could get only six bags from his total fields of 12 acres, he said explaining the intensity of the disease on the yield.

Most farmers wanted early survey of the fields, as harvest was fast approaching. "Early assessment will go a long way in sanctioning relief to affected farmers. It will otherwise be difficult for the officials to ascertain the extent of damage, once the harvest is completed," said R. Krishnakumar, another farmer of Kalkandarkottai who had cultivated the variety on six acres and who has been deferring harvest process in anticipation of relief.

A. Nagarajan, state president of the Farmers Wing of Tamil Manila Congress, said that he had already submitted a memorandum in this regard about a fortnight ago and urged the district administration to take immediate action for conducting the survey.

Poultry entrepreneurship programme at KVASU



A poultry entrepreneurship training programme for the farmers of Lakshadweep began at the Directorate of Entrepreneurship of the Kerala Veterinary and Animal Sciences University, Mannuthy, on Monday.

The Directorate of Entrepreneurship is organising this programme with the support from the Centre for Advanced Studies in Poultry Science. Five day training programme for the first batch will include hands-on training on poultry production, processing, management and marketing. This will facilitate the farmers to practice scientific poultry production including broiler and layer farming, according to KVASU sources.

Dr. T.P. Sethumadhavan inaugurated the programme. Dr. Sisilamma George, Dean, College of Veterinary and Animal Sciences, Mannuthy, presided over the function. Dr. Leo Joseph, Director, Centre for Advanced Studies in Poultry Production, delivered keynote address.

Farmers' grievance meeting

GRIEVANCE MEETING

The monthly farmers' grievance day meeting for January will be held at the Madurai Collector's office on Friday.

A communiqué from the Collector's office said that the meeting, to be headed by Collector L. Subramanian, would commence at 11 a.m. The statement further said that individual farmers with grievances could submit a petition directly to the Collector.

Government urged to increase milk procurement price

Dairy farmers have urged Mandya Milk Manufacturers' Union Ltd. to increase the procurement price of milk to Rs. 23 a litre. A group of dairy farmers, under the banner of Karnataka Rajya Raitha Sangha, staged a demonstration at Sri Nalwadi Krishnaraja Wadiyar Circle on the Bengaluru-Mysuru highway here on Monday.

Farmers registered with the MANMUL currently get Rs. 19 for a litre of milk.

The State government recently increased the milk price by Rs. 4 a litre.

Therefore, the union should increase the procurement price of milk (price paid to the dairy farmers) to Rs. 23 a litre, they demanded. The protesters also urged the government to revive Mysugar, the State-owned Mysore Sugar Company Ltd., immediately.

Sugarcane farmers seek payment of arrears



Sugarcane farmers of Zaheerabad after meeting Medak district Collector D. Ronald Rose in Sangareddy on Monday.— Photo: Mohd. Arif

Sugarcane farmers who cultivated the crop last year under Trident Sugars Limited have urged the district administration to get involved and get their arrears released.

Large number of famers from Zaheerabad arrived here on Monday and met Collector D. Ronald Rose.

In a memorandum submitted to the Collector, the farmers said that they were yet to be paid Rs. 260 per tonne by the management.

"The management has been offering a price of Rs. 2,500 per tonne, instead of Rs. 2,600, as announced by the government. Similarly, majority of us are dependent on sugarcane and hence we should be paid once in 15 days," the farmers urged the Collector.

They also asked the Collector to see that insurance be implemented with village as a unit, and sought sanction of drip irrigation facility.



Central, eastern India set for heavy rain, hailstorm bouts



Standing rabi crops facing threat; winter sowing suffers setback due to moisture stress

THIRUVANANTHAPURAM, JANUARY 18:

The confluence of opposing winds over parts of central and adjoining peninsular India and East India is forecast to bring above-normal rainfall over the region, international weather agencies have said.

But the flipside of the scenario is the continued threat of violent weather, in which moisture mopped up by the incoming winds gets lifted up to trigger hailstorm.

Hailstorm

Hail is the most destructive form of precipitation. The damaging impact is not just from falling hailstones, but also from accompanying high winds and torrential rains. Northern India is a soft target for large hail, and has reported more hail-related losses than anywhere else.

Hail is most common in mid-latitudes during early summer, where surface temperatures are warm enough to promote instability associated with strong thunderstorms, but the upper atmosphere is still cool enough to support ice.

The problem with heavy rains is that soil becomes loose, especially in the case of the late-sown crops. The crop becomes prone to 'lodging' (bending of the stalk of a plant or the entire plant); more so if there are accompanying high winds. But the crop can very well do with the largely 'sprinkler' effect from light rains.

Winter sowing

The weather threat to the standing rabi crops in the region comes in the context of report of winter sowing having already suffered a setback due to moisture stress, following two consecutive drought years.

According to India Met Department projections, the thundershower-and-hailstorm regime will progressively move east from central India over the next three days.

Meanwhile, a weather-setting western disturbance has reached Pakistan on its eastward journey, and is bound to cross the international border into Northwest India over the next few days. According to the Met, the westerly system has created an offspring cyclonic circulation over central Pakistan and adjoining western Rajasthan and Punjab. Another cyclonic circulation has parked over southern Madhya Pradesh. This is apparently drawing moisture from the Arabian Sea, which is finding its way into Central India.

Meanwhile to the east, the shifting out of the resident anti-cyclone has caused winds to blow as easterlies to south-easterlies into the same region, from the Bay of Bengal. This explains the background of thundershowers and hailstorm in the region.

Dense fog

In Northwest India, the western disturbance has caused dense-to-very-dense fog, but no rain, at a few places over Punjab and isolated places over northern Rajasthan, Haryana, Chandigarh, Delhi, eastern Uttar Pradesh, northern Madhya Pradesh, northern Assam, Odisha and Tripura, during the 24 hours ending Monday morning.

Visibility was reduced to 25 metres at Patiala, Ambala, Ludhiana, Ganganagar, Jodhpur, Pilani, Churu, Agra, Delhi and Sultanpur, indicating the spread and intensity of the fog.

(This article was published on January 18, 2016)

Karnataka agri panel seeks hike in rubber import duty

Says ban on import not possible as per WTO; urges farmers to adopt multicrop system

MANGALURU, JANUARY 18:

The Chairman of the Karnataka Agriculture Price Commission (KAPC) has suggested that the Centre consider increasing import duty on rubber to arrest the slide in the price of natural rubber. This followed a meeting of rubber growers with the Chairman of KAPC TN Prakash Kammardi in Mangaluru.

Rubber growers told him that import of rubber has affected the rubber growers in the country and suggested there is a need to ban the import at least increase the duty on it.

For this, Kammardi said that the Centre cannot ban the import of rubber as per the WTO guidelines.

However, it can increase the import duty on rubber considerably to help growers in the country. At present, natural rubber attracts import duty of 25 per cent. Rubber growers are urging the Centre to increase it at least to 70 per cent.

Urging growers not to rely only on the rubber crop, he suggested they should adopt multi-crop system.

P Gopalakrishna Bhat, office-bearer of the Karnataka Rubber Planters Association, informed the meeting that rubber is grown in around 50,000 hectares of land in six districts of Karnataka, and urged the Karnataka government to announce market support price for rubber crop as in Kerala.

Kammardi said the State government does not have a major role in controlling the price of rubber. The Rubber Board as well as the Centre play a crucial role in this matter.

Some growers informed the meeting that though the cost of cultivation of natural rubber is nearing ₹ 127 a kg in Karnataka, they are getting less than ₹ 100 a kg in the market. Considering the prevailing trend, there is a need to conduct a day-long workshop to discuss the expansion plans of plantations in Karnataka, he said.

Earlier in the day, rubber growers from Karnataka staged a protest in front of the office of the Deputy Commissioner in Mangaluru, seeking solution from the government to their problems.

(This article was published on January 18, 2016)

Spices forum meet to discuss setting up knowledge hub

KOCHI, JAN 18:

All India Spices Exporters Forum (AISEF), representing close to 80 per cent of spices exporters, will be hosting an international spice conference in Goa from January 21-24 at the Grand Hyatt.

The conference, to be organised in association with the Cochin Chamber of Commerce and Industry, will be inaugurated by Nils Meyer Pries, Chairman, European Spice Association and Managing Director - Fuchs Gewürze GmbH.

D Shivakumar, Chairman & CEO, PepsiCo India Holdings Ltd. will deliver the keynote address. Over 500 delegates including 150 international industry colleagues from 30 countries are expected to participate in the event.

The objective of the conference is to help the country to create a hub for knowledge sharing for the global spice industry to facilitate exchange of thoughts and co-creating the future with all global stakeholders.

AISEF will also be signing a MoU with IDH Sustainable Trade Initiative, a foundation in Netherlands under which both parties will collectively work on projects and initiatives for creating and supplying clean, safe and sustainable spices in India.

(This article was published on January 18, 2016)

Palm oil to slip initially, rise

January 18, 2016:

Malaysian palm oil futures on BMD ended higher on Monday, as the ringgit weakened and stability returned to Chinese markets.

The ringgit weakened to 4.4170 per dollar before gaining by nearly 0.1 per cent in the evening. Palm oil inventories in Malaysia dropped to their lowest level since February 2015, as dry weather effects of the El Nino kicked in. Falling output in both Malaysia and Indonesia continues to underpin CPO prices, but lack of physical demand continues to weigh on prices. CPO active month April futures are moving in line with our expectations. Though decline in the previous week looked to continue further, the trend still remains bullish and our favoured view expects support levels at MYR 2,385/ton, followed by MYR 2,360-2,365/ton, could still hold and prices could once again attempt to rise.

Prices moved exactly as per expectations. Supports are now seen at MYR 2,445-2,450/ton levels. Only an unexpected decline below MYR 2,430/ton could hint that the expected rise above MYR 2,510-2,520/ton might not materialise.

Such a decline could open the downside again targeting MYR 2,400-2,405/ton levels or even lower to MYR 2,350-2,365/ton levels. Favoured view expects a corrective decline to supports mentioned above and then prices to rise higher again towards a technical objective near MYR 2,630-2,640/ton levels. We reassess the wave counts, as prices have crossed over above MYR 2,370-2,400/ton. One of our targets at MYR 1,850/ton was met. The current move could push higher towards MYR 2,645/ton initially and then could correct lower in a corrective pattern towards MYR 2,310/ton or even lower to MYR 2,250/ton, and then subsequently rise towards a medium to long-term target at MYR 2,900/ton, which could bring this current impulse to an end.

But, this is clearly a medium to long-term expectation and not to be mistaken for a short-term view. RSI is in the neutral zone now indicating that it is neither overbought nor oversold. As mentioned in the earlier update, the averages in MACD are above the zero line of the indicator

hinting a bullish trend to be intact. Only a crossover again below the zero line could hint at a reversal in trend to bearish.

Therefore, look for palm oil futures to correct lower initially and then move higher again.

Supports are at MYR 2,405, 2,375 & 2,350; while resistances are at MYR 2,495, 2,520 & 2,600.

The writer is the Director of Commtrendz Research. There is risk of loss in trading.

(This article was published on January 18, 2016)

Soyabean slips on weak sentiment

INDORE, JANUARY 18:

Bearish sentiment in soy oil and soybean, on weak physical demand and slack demand, affected prices with soy refined in local mandis being quoted at ₹ 610-612, while soy solvent ruled at ₹ 590-595 on scattered and slack buying support. Compared to last week, soy oil is ruling stable. Soybean also ruled steady at ₹ 3,700 a quintal on slack demand.

In futures however, soybean traded higher on improved global cues and buying support with soybean's January and February contracts on the NCEDX, closing at ₹ 3,708 (up ₹ 27) and ₹ 3,800 (up ₹ 36). Plant deliveries of soybean today ruled lower at ₹ 3,700 on weak demand in soy oil. Soy DOC ruled at ₹ 33,000 a quintal on sluggish demand and buying support in soy meal. Given weak demand in soy DOC both in the export and domestic market, rally in soybean and soy oil appears unlikely.

(This article was published on January 18, 2016)

Cardamom dips on low demand

KOCHI, JANUARY 18:

Cardamom prices slipped last week on slack demand at auctions held in Kerala and Tamil Nadu. Despite suspension of auctions for two days (4 auctions) on account of "Pongal" festival last week, arrivals stood at 673 tonnes as against 760 tonnes the previous week, trade sources said.

Usually from mid-December to mid-January, cardamom market used to experience a sluggish trend because of the severe cold weather conditions in north India, C Punnoose, General Manager, CPMC, told *BusinessLine*. The market witnessed a slip of around ₹ 20 per Kg. However, good buying support from exporters has kept the prices from a sharp fall, he said.

(This article was published on January 18, 2016)

Spot turmeric down ₹ 700 a quintal

ERODE, JANUARY 18:

Only 2,100 bags of turmeric arrived for sale on Monday but prices decreased. "After four days of closure in turmeric markets, everyone expected arrival in large numbers. Only in the first week of February will it arrive," said RKV Ravishankar, President, Erode Turmeric Merchants Association.

Price of finger turmeric decreased ₹ 700 a quintal in the Erode Turmeric Merchants Association sales yard and ₹ 300 a quintal in the Regulated Market Committee, and by ₹ 300 a quintal in Erode Cooperative Marketing Committee.

(This article was published on January 18, 2016)

Business Standard

Indian economy to grow at 7.9% in FY17: Ind-Ra

It expects the agriculture sector to grow at 2.2% in 2016-17, services sector at 9.5% and industrial sector at 7.6%



The Indian economy is expected to grow by 7.9 per cent in FY17 and may progress at a similar pace over a couple of years extending beyond 2019, India Ratings & Research (Ind-Ra) said on Monday.

Ind-Ra expects the gross domestic product (GDP) to expand at 7.9 per cent in 2016-17 compared with 7.4 per cent in 2015-16.

"After bottoming out in 2012-13, we believe the GDP so far has followed a steady growth trajectory and is expected to do so even in the medium term," the agency said, in its yearly growth projection outlook.

It added that the various macro parameters show that India has and is likely to perform better than its peers in the near term.

"India still remains a growth story. The population dynamics is extremely favorable for India. Even though the consumption demand is seen up, investment demand is still slow. Most of the investment growth is largely by government.

"This is something that will have to be continued. While, the private investment is likely to remain sluggish in next couple of years", said Sunil Sinha, Principal Economist, India Ratings.

He said that even in the next five years or so, the GDP growth is likely to hover around this level of sub-8% and can surpass it only if the host of policy initiatives taken by the new government actually show results.

Ind-Ra expects the agriculture sector to grow at 2.2% in 2016-17, services sector at 9.5% and industrial sector at 7.6%.

As things stand now on the domestic front - inflation is low, rupee is stable and fiscal and current account deficits are no longer a threat. But on the global front, recovery is still uneven and fragile, it said.

"Against this backdrop, Ind-Ra believes domestic demand will remain the key driver of India's GDP growth in 2016-17. Consumer sentiments which were hit by a high and stubborn inflation over the last few years, though still subdued, are gradually recovering.

"Ind-Ra expects this process to gather pace in 2016-17 in view of the 125 basis points (or 1.25%) cut in repo by RBI in 2015", it added.

"The global trade has almost collapsed and the global trade talks have not reached the way as expected. (India's) exports will remain sluggish", said Sinha.

The agency expects fiscal deficit to remain at around 4.1% of the GDP in the current fiscal, higher than government's target to reduce it to 3.9%.

"To achieve the 3.9% fiscal deficit target, fiscal deficit will have to be compressed... This can be achieved by deferring parts of subsidy payments to 2016-17, cutting down capital expenditure or a combination of both."

Besides, the implementation of 7th Central Pay Commission will have bearing on the fiscal front, Sinha said.

"Cutting down capital expenditure, when the need is to step up government investment, will be counter-productive. Ind-Ra expects the fiscal deficit of FY17 to come in at 3.9% of GDP", said the agency.

States should encourage farmers to adopt crop insurance soon, says Modi

Asks states to first try and make one district or village organic

Prime Minister Narendra Modi on Monday called upon state governments to enroll 50 per cent of their farmers into the new crop insurance scheme within the next few years.

This, Modi said, would ensure the scheme, which was cleared by the Union

Cabinet a few weeks ago, becomes a success.

Modi was addressing representatives from state governments, agriculture universities and others in Sikkim on Monday.

He also pitched for creating farming-oriented mobile phone apps, online mandis and value addition to farming, while talking about the benefits of the recently-announced crop insurance scheme and the 'soil health card'.

He said his government was looking to link the Swachh Bharat Mission with agriculture by promoting production of organic fertilisers from compost.

The Centre's skill development scheme will also encourage educating the youth to act as technicians for soil health.

Referring to Sikkim's success story in making it the first totally organic state, Modi said other states should also select a district or a block or Taluka, comprising 100-150 villages, strategically (for organic farming) and try it.

"If the experiment succeeds, farmers in other places will follow it on their own. Farmers may not be influenced by any amount of lectures by scientists... For them, seeing is believing," he added.

The PM also said agriculture should be divided into three parts — first, traditional farming; second, trees; and third, animal husbandry.

As a means of financial security to farmers affected by the vagaries of nature, Modi suggested they should divide their farming activities into three equal parts - regular farming involving crop production, growing of trees for economically-valuable timber, and animal husbandry.

Earlier, representatives of state governments who participated in the three-day long deliberations said farm credit disbursal should be monitored on a regular basis and banks should ensure at least 10 million new farmers are brought under the formal institutional credit system annually so that the remaining 30-40 million farmers out of the ambit of institutional credit get covered.

The formal credit system is largely weak in central, eastern and northeastern parts of the country. Modi in his address also urged states to go the organic way as it has great demand worldwide.

Underlining the need for looking at the farming sector in a 'changed scenario', he said: "As far as agriculture is concerned, there can be many reasons for despondency as there have been many experiences (in the past)... To infuse new hope is a challenge and will have to take it up."

On the soil health card scheme, he said farmers have to be motivated for such programmes. He said a network of soil laboratories should come up across the country, and even school labs could be used during summer holiday months for this purpose.

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Exports fall for 13th straight month, down 15% in Dec

Non-oil, non-gold imports stage smart recovery, implying gradual industrial revival

Merchandise exports fell for the 13th consecutive month in December, the longest decline surpassing the nine-month contraction in the global financial

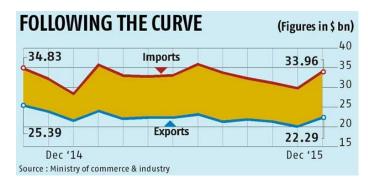
crisis of 2008-09, as prices of oil and other commodities faced a global slump. The decline was, however, much less than 24 per cent witnessed in November, giving comfort on the industrial growth front.

Exports fell to \$22.29 billion against \$26.15 billion in December 2014, according to data released by the commerce ministry on Monday. The last recorded growth in exports was a year ago, when it rose 7.3 per cent year-on-year. Non-oil, non-gold imports fell only two per cent in December, against 20 per cent in the previous month, indicating that industrial production would recover from contraction. The index of industrial production contracted 3.2 per cent in November, for the first time in 13 months, against a five-year high of 9.8 per cent in October.

Non-oil, non-gold imports declined 8.5 per cent in October.

Richa Gupta, senior director, Deloitte India, said, "Non-oil ex-gold imports picked up pace sequentially, giving credence to the fact that at least urban demand was on the upswing." Cumulative exports in the months leading up to December in the current financial year was \$196 billion, 18 per cent less than \$239 billion, the corresponding figure for the same period a year ago. This means, exports need to be \$100 billion in the next three months to be at \$300 billion in 2015-16.

If exports fall in the current financial year, it would be a contraction for the second year on the trot. The government, under pressure from industry and experts over the sustained fall, maintained that the decline was "in tandem with other major world economies". Export sectors, including jute manufacturing, floor covering, have shown an impressive growth of 135 per cent, followed by spices at 34 per cent, handicrafts (exclusive handmade carpet) at 27 per cent, tea at 25 per cent, and fruits and vegetables at 24 per cent.



Imports, too, declined 3.88 per cent to \$33.96 billion in December 2015 compared to the year-ago period, when it was \$35 billion. During April-December 2015, India's cumulative imports were \$295 billion. This is a 15.87 per cent drop from \$351 billion, the cumulative figure for the same period last year.

However, gold imports, have jumped by 179 per cent to \$3.8 billion — up from \$1.36 billion in December 2014. Consequently, <u>trade deficit</u> rose to \$11.7 billion in December compared to \$9.8 billion in the previous month. Cumulatively, the deficit was down to \$99.2 billion for the first nine months of FY16 against \$111.7 billion in the year-ago period.

New curbs on agri commodities won't impact hedging: Sebi

The changes made by Sebi will help in increasing of positions in far months

The Securities and Exchange Board of India (Sebi) believes its direction on tightening of open positions and circuit filter norms for agricultural commodities would not affect hedging in these.

On Friday, it had directed the reducing of open interest (OI, contracts not settled at the end of trade) by half for near-month (expiry month) contracts. And, cut the limit for daily price movements on either side from the existing six per cent to four per cent. A year ago, the then regulator, the Forward Markets Commission (FMC), had increased all these limits to improve participation and liquidity, along with encouraging of hedging.

<u>Sebi</u> has not touched the OI or position limits for far-month contracts, or any limits for hedgers. Rajeev Agarwal, its fulltime member, said "The reduction of OI limits for the near-month contract will reduce volatility in the nearmonth but improve liquidity in far months." Also, that the reduced OI limits, "will not affect hedgers, as they will continue to seek higher limits as per extant norms". The decision to suspend the forwards segment was a, "precautionary measure because there was thin liquidity at a time when agri commodity prices are very volatile. The product was not covered under settlement guarantee", explained a source.

Usually in agri commodities, positions and liquidity were built into nearmonth contracts. Far-month (future months for which contracts exist)

contracts trade at a thin liquidity. The changes made by Sebi will help in increasing of positions in far months.

In some commodities, with a higher circuit filter in futures, traders used to rig prices in the spot market, too, and this would get some check with tighter norms, said a sectoral official.

The near-month limits are still higher than a year before, is another justification.

To encourage hedging on commodity derivatives, <u>FMC</u> had a year before liberalised the limits. Hedgers who were selling and depositing goods in exchange-accredited warehouses were given margin relaxations. The hedging positions would continue as before, a major relief for hedgers, said an exchange official.

Sebi was tracking commodity derivatives for the past three months, after this came under its purview. During the period, volatility was quite high, as most agri commodity prices went up after an erratic monsoon and less sowing.

"Sebi decided to announce some measures without impacting overall market growth, with a view to curb excess volatility and manage risk," said the source mentioned earlier.

Cardamom down by 0.6% on muted demand

Higher supplies from producing belts also put pressure on prices



Amid subdued domestic demand at spot market and higher supplies from producing regions, cardamom pricesdrifted by 0.62% to Rs 769.30 per kg in

futures market today.

At the Multi Commodity Exchange, cardamom for delivery in February traded lower by Rs 4.80, or 0.62%, to Rs 769.30 per kg, in a business turnover of 104 lots.

However, spice for delivery in March held steady at Rs 770.10 per kg in 16 lots.

Analysts said besides subdued demand in the spot market, higher supplies from producing belts mainly put pressure on cardamom prices at futures trade.

Mentha oil falls by 0.6% on muted demand

Traders reduced their positions, driven by low demand from consuming industries in the spot market

Mentha oil extended its weakness and fell further by 0.63% to Rs 872.40 per kg in futures trading today as traders reduced their positions, driven by low demand from consuming industries in the spot market.

Besides, adequate stocks position in the physical market on higher supplies from producing belts put pressure on mentha oil.

At the Multi Commodity Exchange market, mentha oil for delivery in January fell by Rs 5.50, or 0.63%, to Rs 872.40 per kg, in a business turnover of 127 lots.

On similar lines, the oil for delivery in February shed Rs 5, or 0.56%, to Rs 884.70 per kg in 22 lots.

Analysts said offloading of positions by participants amid easing demand from consuming industries in the spot<u>markets</u> mainly influenced mentha oil <u>prices</u> at futures trade.



Tamil Nadu Agricultural University predicts fall in coconut, copra prices

The Tamil Nadu Agricultural University's market analysts have predicted a fall in price of copra between January and March.

COIMBATORE: With the harvest season beginning in coconut farms across Tamil Nadu and coconuts from various places are likely to flood the markets soon, farmers have been advised to sell their coconuts and copra immediately.

The Tamil Nadu Agricultural University's market analysts have predicted a fall in price of copra between January and March.

Coconut, considered an important commercial nut because of its nutritive value and the extent of cultivation in the Western region, is now being priced at around Rs 1,374 to Rs 1,650 per quintal in Avalpoondurai regulated market.

"This comes up to around Rs 8 to Rs 10 per nut on an average," said a press statement from TNAU's Agro Marketing Intelligence and Business Promotion Centre. Copra prices are also ruling at Rs 51 to Rs 60 per kg.

According to an expert econometric analysis, the price of good quality coconuts will go up marginally to Rs 10 to Rs 11 a nut between January and March this year but copra prices will drop to Rs 50 to Rs 53 per kg.

"There are chances for further reduction in prices after January due to poor demand for the oil from North India," said the statement. "The demand usually drops once summer sets in," said a TNAU official.

Experts say farmers need to act fast because the recently harvested coconuts and copra from Tamil Nadu has already begun arriving in the market. The periodical rainfall in the region last year has also boosted the yield. "Arrivals

from Mysore have also commenced from December, 2015 and will continue till January, 2016 end," said the statement.

Tamil Nadu produces the highest number of coconuts in the country, around 50,747 lakh nuts, followed by Kerala, Karnataka, Andhra Pradesh and West Bengal. India is the third highest producer of coconut in the world.

Agriculture bodies come together to start pan-India movement

Barnala:Farmers' organizations have decided to start a pan-India movement to save small and marginal farmers who are falling prey to vicious cycle of debt and committing suicide. They have also decided to launch online struggle to share the opinion and become meeting point for countrywide movement for 'peasants to shun suicide and adopt struggle in the period of crisis'.

At the concluding day of the two-day workshop on agrarian crisis themed 'struggling farms', organized jointly by Inqulabi Kendra Punjab and Karnataka based NGO 'Janashakti, it was decided to launch an all-India united movement.

Experts said that farm suicide was like homicide being carried out by multinational companies in league with various governments aiming to control the agricultural land and agriculture produce. "Various visits to Marathwada in Maharashtra, Karnataka, West Bengal, Telengana, Punjab and other places, the one thing which seemed common is that the rising input costs is giving rise to farm suicides," one of the speakers said.

Rising input costs have turned farming into an unviable vocation for small and marginal farmers in many states, experts said, adding that the rising costs interspersed with water scarcity was not only given leading to farm suicides but also forcing farmers to turn into labourers or migrate to towns for menial jobs.

Rajayay Ratha Raitha Sangha's Vasu H V explained the economic conditions of sugarcane, silkworm growing farmers of Karnataka. "Farmers are not getting remunerative prices of their produce they are getting entrapped in debt web," he said.

Convener All India Kisan Majdoor Sangh in Telangana Achuta Rama Rao, Chittipatti Venkteshralu of Kisan Majdoor Sangh in Andhra Pradesh said that small farmers and landless laborers constitute 70% of farming community and subsidies meant for these farmers were being usurped by big farmers.

Assistant professor at Centre For Study Of Discrimination And Exclusion, JNU, Kaustav Banerjee, said, "During the recent visit to districts of Beed, Parwani, Latur and Aurangabad in Marathwada we saw that region was witnessing sores of farm suicides and biggest reason was rising input costs."

Convener of Peoples' Movement for Equality, a Karnataka-based organization working for farmers and adivasis, Noor Shridhar, said, "We have started an initiative 'save villager' in 750 villages of Mandya district of Karnataka."

Convener of NGO Jan Chinthan Kendra, Lalitha, told audience, "We are working to support women devastated by farm suicides. The situation of small farmers is very grave and nearly 1000 farmers committed suicide in Karnataka in 2015."