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Gujarat to commence buying groundnut at MSP from today

Ahmedabad, November 4:
In the wake of the groundnut price decline and subsequent losses faced by the farmers in Gujarat, Central government agencies, including the National Agricultural Cooperative Marketing Federation of India Ltd (NAFED), and State-appointed nodal agencies are set to start groundnut procurement at the Minimum Support Price (MSP), from Saturday.

After receiving representations from the Gujarat government for procurement of Groundnut under the Price Support Scheme (PSS) during the current kharif season, the Union Agriculture Ministry approved implementation of the PSS and directed NAFED and the Small Farmers Agri-Business Consortium (SFAC) to initiate the procurement immediately at MSP + Bonus at Rs.4,220 per quintal.

A statement issued by the Gujarat agriculture director said the State government would begin groundnut procurement at MSP level on Saturday from 58 centres across the State.

The Gujarat State Cooperative Cotton Federation Ltd has been appointed as the nodal agency to look after procurement in the State.

The 58 procurement centres will be set up in 16 districts, including Rajkot, Morbi, Jamnagar, Bhavnagar, Sabarkantha, Porbandar, Junagadh, Kutch, Amreli, Patan, Banaskantha, Gandhinagar, Devbhumi Dwarka, Gir Somnath, Mehsana and Botad.

Farmers in Gujarat had expected handsome earnings by shifting from cotton to groundnut this kharif season due to past losses. However, their expectations seem to have fallen flat as the prices of the oilseed fell drastically below the MSP level to as low as Rs. 552 for 20 kg (against the MSP of Rs. 844).

The state has seen record groundnut sowing on over 16.4 lakh hectares and output is expected to be the highest in three years, at around 26 lakh tonnes.

The State government plans to procure about 1 lakh tonnes of groundnut at the minimum support price, for which it has made a provision of Rs. 100 crore under the emergency fund.

Rabi sowing 8.3% lower on drop in acreage of pulses, coarse cereals

Seen picking up as season advances; wheat, rice acreage already up

New Delhi, November 4:

Sowing of key rabi crops (winter crops), such as wheat, mustard and gram, has begun in major producing States. According to the Agriculture Ministry, sowing has taken place so far on about 81.55 lakh ha, which is about 8.3 per cent lower than the corresponding period last year.

Rabi planting generally starts in early October and goes on till late January. The decline in acreage so far is largely because of a drop in the area under pulses and coarse cereals. However, sowing is expected to accelerate as the season advances.

The acreage under wheat — the main rabi cereal — as on November 4 stood at 4.28 lakh hectares, higher than the 2.76 lakh hectares sown during the same period last year.

Planting of rice stood at 9.51 lakh ha (6.25 lakh ha). The acreage under oilseeds was highest at 29.79 lakh ha (19.91 lakh ha).

Mustard is the main oilseed crop grown during the rabi season, while chana or gram is the main pulses crop. Sowing of pulses was down at 24.16 lakh ha (30.07 lakh ha). Coarse cereal acreage declined to 13.84 lakh ha (29.92 lakh ha). A near normal South-

West monsoon this year after two consecutive droughts has led to improved soil moisture levels and comfortable water storage levels across major parts of the country, which should aid the rabi planting.

Further, rainfall in the post-monsoon period was normal to excess, mainly in the central and western parts of the country, whereas parts of North and South India had scanty rains.

However, the country has witnessed a 34 per cent deficit in post-monsoon rainfall (October 1 to November 4 period), with 26 meteorological sub-divisions receiving deficient to scanty rains, while 10 sub-divisions received normal to excess rains.

The Centre has set a production target of 96.5 million tonnes for wheat, 13.5 million tonnes for pulses and 11.5 million tonnes for oilseeds.

A near normal South-West monsoon this year has led to improved soil moisture levels across the nation.

PM's pledge: panel for doubling farm income estimating base figure to measure real increase

New Delhi, November 4:
The crucial question of how much would a farmer earn if his income is indeed doubled by 2022 as promised by the Modi government will soon be answered.

The eight-member panel set up to formulate a strategy to achieve the goal is working on calculating the base income of farming households in India that would be used as a benchmark to measure increased income.

"We realise that it is very important to have quantifiable parameters to measure change. The committee is examining all the data available on farmers income and the analysis carried out by various experts to come up with a base income and quantifiable parameters. It will be part of the final report to be submitted in March 2017," an Agriculture Ministry official told *BusinessLine* .

When the goal of doubling farmers' income was announced in this year's Budget, several critics had pointed out that it would be meaningless without a base income for comparing growth. Questions were also raised on what would be construed as farm income and whether growth would be calculated in real or nominal terms. While there are no full surveys available on farmers' income, for calculating base income the panel will try to make do with sample surveys carried out by the National Sample Survey Organisation.

“The NSSO has assessment surveys of agriculture families. That is one data that we would consult. There are many researchers who made their own interpretations of the available data and also what all to include in income and exclude. We will look at all that to come up with the base income, say on March 31, 2016. It would then become the benchmark for doubling of income,” the official said, adding that it will definitely be evidence based.

The doubling of income of farmers would be in net terms and include an increase in earnings as well as decline in costs of farming, the official said. “The measurement is also likely to be in real and not nominal terms as inflation has to be adjusted to get the true picture of increase,” the official said.

To elicit views of States and other stakeholders on the strategy for doubling farm income, the Agriculture Ministry has asked NABARD to organise regional conferences in different parts of the country. Such conferences have already taken place in Bhuvaneshwar. Lucknow. Bengaluru and Jaipur and would soon cover the country, the official said.

The panel on doubling farm income, which is headed by Agriculture Additional Secretary Ashok Dalwai, has been asked to identify potential areas for greater investment in agriculture and suggest ways to reduce the risk of farming by diversifying to horticulture and allied activities to boost income.

It will also propose measures for reducing the cost of cultivation and addressing unpredictability of weather and price fluctuations in farm sector.

The panel include officials from the agriculture and food Ministries, experts from the National Council of Applied Economic Research and National Institute of Agricultural Economics and Policy Research.

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Edible oils rule weak

MUMBAI, NOVEMBER 4:
Edible oils ruled weak on Friday on the back of slack demand amid higher selling pressure. On BCE-Mumbai, palmolein decline fell ☐1 and all other edible oils remained unchanged. Bearish Malaysian palm oil and Chicago soya oil futures, amid lack of physical demand, kept NCDEX soya oil futures down or weak. The sentiment was bearish, said sources.

Tracking weak overseas reports, local refineries have kept their rates steady but higher reselling pressure at lower rates kept volumes thin and isolated. During the day, hardly 100-150 tonnes of palmolein was resold at ☐559-560. Increasing arrivals of kharif crops kept indigenous edible oils under pressure.

Meanwhile, the Union Agriculture Ministry has received a proposal from the Gujarat government for the procurement of groundnut under the price support scheme (PSS) in the State during the current kharif season. The Agriculture Ministry directed NAFED and SFAC to initiate the procurement immediately at MSP + bonus at ☐4,220 a quintal.

Liberty's rates for palmolein were: Ex-JNPT/Ghatkopar/Shapur at ☐565/☐567/☐568 for November; super palmolein at ☐605 and soyabean refined oil ex-Shapur ☐670 for November.

Allana's rates were: palmolein ex-Khopoli ☐574 for December; soya refined oil ☐665 for December; sunflower refined oil ☐721 for November 29.

National level soyabean arrivals reached 7.50-8 lakh bags and groundnut arrivals about 2.5-3 lakh bags. In Rajkot, groundnut oil Telia tin declined to ☐1,380 (☐1,390) and loose (10kg) dropped to ☐860 (☐875).

On the NCDEX, soyabean refined oil November 16 futures dropped to ☐666.80 (☐669.65) and December 16 declined to ☐671.05 (☐673.50) till 4.00 pm.

Malaysian crude palm oil November 16 futures close lower at MYR 2,791 (MYR 2,791), December 16 at MYR 2,742 (MYR 2,782) and January 17 close at MYR 2,734 (MYR 2,774).

On the Bombay Commodity Exchange, spot rates (☐ per 10 kg) were: groundnut oil 925 (925), soya refined oil 655 (655), sunflower exp ref 660 (665), sunflower ref 720 (720), rapeseed ref oil 850 (850), rapeseed expeller ref 820 (820), cottonseed ref oil 658 (658) and palmolein 562 (563).

Bearish reports continue to pound pepper

KOCHI, NOVEMBER 4:
Bearish reports from overseas claiming that Vietnam has brought down its prices from $6,700 to $6,150 a tonne, and that it has production of over 2 lakh tonnes, have pulled down domestic pepper prices drastically. Spot prices fell ☐1,400 a quintal in four days, market sources told *BusinessLine*.

Because of the huge margin, imports of cheap pepper from various regions are also taking place, they said.

Consequently, the spot and futures contracts on the single commodity exchange, IPSTA and the national exchange showed a sharp decline, they added. On the terminal market, 18 tonnes of pepper were traded at ☐650-665 a kg.

Meanwhile, tender green pepper is being plucked and traded at ☐180 a kg in some parts of Idukki, Pathanamthitta and Kollam districts of Kerala and it was bought by the industry for making pepper in brine, the sources said. Spot pepper prices fell further by ☐400 a quintal to close at ☐66,500 (ungarbled) and ☐69,500 (garbled) a quintal.

November and December contracts on the IPSTA also decreased ☐1,000 each a quintal to close at ☐69,000 and ☐63,000 while January remained unchanged at ☐57,000 a quintal.

On the NMCE, December and January contracts declined by ☐1,050 and ☐186 a quintal to close at ☐66,100 and ☐65,639 a quintal.

Indian export prices were at $10,700 a tonne cf for Europe and $10,950 a tonne cf for the US.

The Indian EXPRESS
JOURNALISM OF COURAGE

Crop procurement facilities for farmers in Punjab

Punjab, which is rightly termed the 'Food Bowl of India', continues to grow a variety of crops, fruits and vegetables, making the nation self-sufficient. The state government has taken several initiatives to facilitate the farmers by introducing new facilities at the markets.

"New things with new technology have been brought. Earlier we had machines but they were very less in number. New technology has been brought for the ripening of fruits. The space for the storage of ripened fruits has been expanded. An unbelievable growth has transpired in the state in recent years. And many things are in pipeline like many roads are being constructed and many are under repair for the season so that the farmers don't face any obstacle in bringing their produce here," Ajmer Singh Lakhowal, Chairman of Mandi Board said.

In 2007, the Punjab Mandi Board expanded the Ludhiana Mandi so that farmers coming from any part of the state can sell their produce without any hassles.

A new cold storage facility was established to store fresh fruits and vegetables. Besides, roads across the state are being built to help farmers reach mandis without any problems.

"It is produced on 10 acres. It is easily getting sold in the Mandi. The produce often gets sold in a single day and we get the payment same day. This government's initiatives for revamp of the agriculture sector has proved to be a boon for the farmers and helped in improving the state's economy," said Gurmeet, a farmer.

Apart from the traditionally grown crops, progressive farmers in Punjab are now taking up floriculture and horticulture. Some of the farmers have even taken up banana cultivation.

The government's initiatives for revamp of the agriculture sector has proved to be a boon for the farmers and helped in improving the state's economy.

Maharashtra: Farmers wait for government funds to build scientific warehouses

Onions are rotting in warehouses across Maharashtra because of unscientific storage spaces and to avoid risking this, many farmers are dumping their produce wholesale in the market, causing price fluctuations. Despite this, for seven months now, the district agriculture office at Nashik has not accepted applications from onion farmers who want to avail government subsidy to build scientific storage units for their produce. Also, at least 2,100 farmers from Nashik who had applied for money under the subsidy scheme in 2015-16 have still not received it. And yet, the state government has earmarked Rs 5 crore under the scheme for 2016-17. The problem: the state has stipulated that these funds are to be disbursed only to new applicants, and the Nashik office has been told it should not accept any new applications until all earlier applicants receive their funds. A proposal to disburse the funds for this year to the 2,100 applicants from last year has not yet received a response.

Maharashtra is responsible for 25-30 per cent of the total onion production in the country and 80-85 per cent of its exports. In this, Nashik contributes at least 50 per cent of the state's onion output.

The problem of rotting onions, and price fluctuations, is caused due to the lack of proper storage facilities available to farmers. Those which are available are unscientific and end up causing harm to the stored crop. In such spaces, the onion crop undergoes physiological loss in weight, rotting and sprouting.

Thus, many farmers dump their entire harvest in the market, causing a glut. This causes wide price fluctuations creating unrest among consumers as well as farmers. As a solution, the Maharashtra State Agricultural Marketing Board had formulated a subsidy scheme for scientific onion storage. Under this scheme, at least 25 per cent of the construction cost of a scientific storage unit with capacity between 5-50 metric tonnes would be borne by the state government. The idea is that this would encourage farmers in setting up scientific onion storage systems, minimize storage losses and quality deterioration of the produce and help farmers fetch better prices.

Last year in Nashik district, a total of 4,307 farmers had applied to get support under the scheme. Of these, 2,264 applicants were given help from the available funds creating

49,500 metric tonnes of scientific storage space. However, 2,100 applicants could not get the money due to lack of funds. The district agriculture office was told that until the funds are not disbursed for the 2,100 applicants, no new applications should be accepted by their office.

The state government has earmarked Rs 5 crore under the scheme for 2016-17. It has stipulated that the money should be disbursed only to new applicants. District level officials said they have approached the state government to allow the funds to be given to the 2,100 applicants. “We have moved a proposal seeking distribution of this year’s funds to last year’s applicants who have not received funds. However, we are yet to receive a response,” said a district-level agriculture officer.

Farmers say they have been left in the lurch by the authorities. “We are asked to upgrade the way we undertake agriculture and when we do it, the government delays in helping out the farmers. If this is the way we look at this sector, I am afraid not many people will be interested in pursuing this profession in the long run,” said Nilesh Patil, an onion farmer from Dindori.

Cotton prices set to rise after January: Junagadh varsity

The Junagadh Agricultural University (JAU), Junagadh has predicted that prices of the white commodity, cotton, which are presently ruling at around Rs 4,750 per quintal are likely to go up to Rs 5,100 after January thanks to stable global demand and low ending stocks world over.

The price forecast report released by the department of agriculture economics of JAU states that for the second consecutive year, India will remain the largest cotton producer country in the world, surpassing China one more time. The report notes that area under cotton cultivation in the country has gone down from 119 lakh hectare (lh) in 2015-16 to 105 lh in the year 2016-17. But despite this reduction in acreage, overall production is expected to remain high. “The production is estimated to about 321 lakh bales in 2016-17, as against 301.5 lakh bales in the previous year. This is mainly due the normal and well-distributed monsoon in major producing states like Gujarat, Maharashtra, Andhra Pradesh and Karnataka,” states the report.

The JAU report further states that cotton acreage has gone down in Gujarat also. It estimates cotton cultivation in about 23.82 lh in the current year as against 27.19 lh the previous year. However, the production is expected to remain almost the same as last year —about 91 lakh bales — thanks to evenly distributed normal rainfall and good precipitation received in first week of October which has brightened the yield prospects in unirrigated areas too.

Citing reports of International Cotton Advisory Committee (ICAC), a US-based organisation of cotton producing and consumer countries, the JAU forecast says that cotton cultivation in the world has dropped by one per cent but the production is likely to fall by seven per cent to 1,325 lakh bales as against 1,241 lakh bales last year.