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## Water discharge up, flood alert sounded

Special Correspondent

— Photo: M. Srinath



**DAMAGED:** A farmer displaying the rotten paddy crop from a submerged field in Madukkur village in Thanjavur district on Sunday.

CHENNAI: The death toll in the State due to the continuous rains has risen to 166 and 1,762 heads of cattle have perished, said a government official here on Sunday.

Over 45,000 people have been evacuated to 96 feeding centres in Nagapattinam District on Sunday. Schools and colleges in several districts and schools in Chennai, Kancheepuram and Tiruvallur will remain closed on Monday due to the continuous rains.

On Sunday, ministers, senior officers of the Indian Administrative Service and District Collectors assessed the rain-related damage in Villupuram, Tirunelveli, Rameswaram, Cuddalore, Thanjavur, Tiruvarur, Nagapattinam, Tuticorin and Sivaganga districts and

asked the department officials to carry out flood relief works on a war-footing.

The Cabinet will meet on Tuesday. Members of the high-level committee will submit their reports to the Chief Minister M. Karunanidhi on the adverse impact of rain and the status of relief works being carried out.

As a precautionary measure, the discharge from Veeranam tank and Poondi, Puzhal, Chembambakkam, Solavaram reservoirs has been increased. Authorities have issued flood alerts to 36 villages near Poondi reservoir. Shiv Das Meena, the State Government designated monitoring officer to assess the monsoon induced havoc in Nagapattinam district, told reporters that over 498 cattle and eight human casualties were reported and compensations to the tune of Rs.21 lakh were disbursed as on date.

S.S. Jawahar inspected the rain affected areas in Villupuram district and said in the last one month the district received additional rains of more than 24 per cent that claimed the lives of 28 people and 21 cattle. It also damaged 1,146 houses, destroyed agriculture crops in 1,558 hectares and submerged 290 hectares of horticultural crops. Those who lost their lives in Villupuram included 10 male, 6 female and 12 children. On behalf the government, solatium has been given to 20 persons.

Surjit K. Chaudhary said the damages to the roads and ponds in Tirunelveli district were estimated to be around Rs.100 crore. The rain claimed three lives, eight cattle, damaged 44 houses fully and 106 houses partially.

“As a relief measure, we have provided Rs.5.18 lakh, 1,850 kgs of rice, 182 litres of kerosene, 80 dhotis and 80 saris,” he said.

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**Farmers to denounce “market-based solutions” to climate change**

Meena Menon

*Alternative Global Forum for Life, Environmental and Social Justice gets under way in*

— Photo: AFP



Italian activists display a banner on the conservation of water, at the inauguration of the Global Forum for Life, Environmental and Social Justice in Cancun, Mexico, on Saturday.

CANCUN: Very different from the Arctic temperatures at Moon Palace, where the United Nations climate change conference is under way, a large open-air gymnasium and basketball court is the venue for the alternative Global Forum for Life, Environmental and Social Justice, which began here on Saturday.

#### Protests planned

Led by Via Campesina, or the International Peasant Movement, farmers have been travelling around Mexico before their caravans arrived here. Among the major actions planned is a day of protests on December 7 to reject the “false and market-based solutions” to climate change.

Positioned as a direct challenge to the United Nations meetings, Via Campesina, which has a presence in more than 70 countries, has been uniting farmers, workers and indigenous people to stake a claim for their rights and make their voices heard.

At the open-air meeting at the Via Campesina Forum, the fragrance of flowers and incense waft through the air, as speakers make their points forcefully.

There are stalls selling T shirts and crafts and music. The atmosphere may seem relaxed, but the people are determined.

Alberto Gomez, a leader of the peasant movement in Mexico and of Via Campesina, reckons that the U.N. conference will end in failure, and that will be a failure for all human beings who are worried about climate change.

As opposed to the U.N. meeting, which is meant to make a business out of climate change, the Via Campesina Forum is a collective space for people and non-governmental organisations to debate on the crucial issues affecting their communities. No one here has faith in the U.N. meeting yielding any result.

Since November 28, people having been travelling around Mexico, and this Forum is a means of bringing pressure on the government.

“This is not an exclusive matter of the government; the people have to be involved too. The Mexican government is promoting programmes that will help U.S. interests and transnational companies,” Mr. Gomez says. Seventy per cent of the Mexican territory is given over to mining, and some 25 per cent in concessions to Canadian companies. All its rivers are polluted, but everything is a business — garbage, water, he says.

#### Grass root movements

The Global Forum is a platform for grass root movements that need a space for expressing their dissent and discussing solutions. “It is impossible for people to go near the conference or have any say,” says Paul Nicholson, member of the Basque Farmers Union.

“I think it is better to have no agreement than have a bad one.” The solutions to the problem of climate change, as suggested by the governments, have more to do with making money than with resolving the issue at hand, he says.

Opposing carbon trading and making money out of it, he says it is senseless that the U.N. conference is going to strengthen privatisation and selling air and forests as a solution.

Nandini Kardahalli Singaragowda of the Karnataka Rajya Raitha Sangha, a farmers group, says people who are polluting the atmosphere are not paying for it. Agriculture and climate go together, and the farmers suffer in many ways. At forums like this, it is the people-to-

people exchange, and these views must be heard.

For indigenous people and farmers in Guatemala, the struggle for land rights and the need to have good climate policies go hand in hand. Maria Canil Grave says the impact of climate change in Guatemala is huge because of extensive deforestation. Mining and hydroelectric projects are putting more pressure on land, she says, and the U.N. climate change conferences only help to increase privatisation.

For the past 500 years, the land of the indigenous people was traded or sold, and no government is interested in giving them any rights, says Dolores Sales.

“Our people are not going after riches; we want our cultural rights and values to be respected. Ours is a better way of looking at the world. Indigenous people are affected the most by climate change.” Is anyone listening?

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### **Measures to protect red gram from pests**

Serena Josephine. M

*TNAU experts visit parts of Tirupattur, Kandhili and Madhanur*



**Red gram cultivated at Kallukuttai in Tirupattur under the Accelerated Pulses Production Programme.**

TIRUPATTUR: With red gram – a standing crop in various parts of Tirupattur and Kandhili blocks – facing the possibility of pest attack following consistent rain, a team of experts from the Tamil Nadu Agricultural University (TNAU), Coimbatore, have suggested remedial and precautionary measures to protect the crops.

Three experts from the university recently visited various parts of Tirupattur, Kandhili and Madhanur, which have red gram cultivation, including under the Accelerated Pulses Production Programme (A3P) of the Central government. Head of Department-Pulses of TNAU A.R. Muthiah, along with two faculty members, made the visit.

“At present, red gram crops are in pod formation stage. However, with the possibility of pests attacking the crop, the team from the university has asked us to urge farmers to use 150 ml of Avant – a pesticide – per acre to prevent pest attack,” Joint Director of Agriculture, Vellore, R. Duraisamy told The Hindu.

As there is a possibility of wilt attack, they have suggested removal of affected plants and application of 300 gm of copper oxy chloride, a fungicide, per acre. “The symptoms of wilt attack is yellowing and drying of leaves. In this, we need to pull out the affected plants, drench the soil with copper oxy chloride and apply the fungicide on the nearby plants. Water stagnating in the area should be drained to control further spread,” Mr. Duraisamy added.

Officials explained that pathogens already present in the soil were aggravated due to the rain and resulting water-logging, leading to pest attacks.

“In fact, the team has advised us to take prophylactic measures for next season. They have suggested use of 2.5 kg of pseudo monas, which is a fungicide, during the last plough. This is a bacteria and can be used to control pathogens by applying in the soil,” he added.

Growing of green manure crop has also been recommended.

“After growing the green manure crop, it will be ploughed into the soil and will have an antagonistic effect. This will guard against wilt attack,” Mr. Duraisamy said.

Now, farmers have been advised to spray Avant to control all pests.

The team undertook a study of the frontline demonstration of a new variety of red gram – LRG 41 – predominantly grown in Andhra Pradesh. This is on a trial basis in five blocks in the district.

Rain affected

“Though rain has affected red gram crop in some areas, this was a peculiar crop as it was indeterminate in nature. The flowers have been shed in some places. However, buds will form once again and flowering will occur,” the official said.

A team of 30 officials from the office of the Commissioner of Agriculture, Chennai, also came on an exposure visit of the A3P in Tirupattur block recently.

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## Flaw in subsidising at the cost of developing



Over the last about a quarter century, India has not invested enough in raising agricultural

productivity, writes Reshma Anand in one of the essays included in 'State of India's Livelihoods Report 2010: The 4P Report,' edited by Sankar Datta and Vipin Sharma ([www.sagepublications.com](http://www.sagepublications.com)). "Government, the largest investor in Indian agriculture, sells seeds, fertiliser, water and extension services to farmers and also buys their products. But government's investments have focused on subsidising not developing agriculture," she adds.

### **Bottlenecks to productivity**

Stating that both agricultural output and GDP could get a major fillip by reduction in wastages and inefficiencies in the marketing process, the author rues that wastage every year is estimated at over Rs 5,000 billion, as a result of bottlenecks such as rural road connectivity and other supporting infrastructure (e.g. cold storage network).

The essay informs that most mandis are typically located near important towns, centres of production, district headquarters or major trade centres, and that small farmers have limited access to the mandis. "Transactions take place between commission agents and wholesalers. Market intermediaries purchase the farm produce from farmers, often in advance, and bring it to mandis for sale to wholesalers."

Poor linkages in the marketing channels and poor marketing infrastructure lead to high and fluctuating consumer prices; and only a small proportion of the consumer rupee reaches the farmers, Anand observes. She also notes that there is frequent mismatch between demand and supply spatially and over time. An anguishing statistic cited in the book is of CII, that ninety per cent of effort and investment in Indian agriculture is production-oriented, leaving just about ten per cent for marketing and post-harvest phases.

### **Interstate barriers to trade**

Drawing again from CII studies, the author discusses interstate barriers to trade, under two heads, viz. taxation-related and physical. In the former category are variations in rates across states; though these have been rationalised after VAT introduction, these have not been eliminated and the result is evasion through paper trades by unscrupulous players, Anand mentions.

Other tax woes include high rates that act as an incentive to evasion (the common rate of 5 per cent may seem low but it does impact the already low margins in agribusiness); and multi-point taxation which has a cascading influence on prices (for instance, APMC cess is collected at multiple points).

The second category of barriers are physical controls through the Essential Commodities Act which can lead to long-term supply distortions; restrictions on movement of specific commodities which create a situation of uncertainty; multiple check-posts which cause serious wastage of perishable agri-produce; and APMC regulations that restrict movement of agri-produce to attractive markets over long distance.



## On APMC

Anand is aghast that APMCs (Agricultural Produce Market Committees) – set up to protect farmers from exploitation of intermediaries and traders and to ensure better prices and timely payment for their produce – have become inefficient over a period of time. She is of the view that the APMC Acts have created monopolies and entry barriers and prevented disintermediation. “The monopoly of government-regulated wholesale markets has prevented development of a competitive marketing system in the country, providing little help to farmers in direct marketing, organising retailing, a smooth raw material supply to agro-processing industries and adoption of innovative marketing systems and technologies.”

*Suggested study for policymakers.*

Published: December 5, 2010 11:19 IST | Updated: December 5, 2010 11:19 IST Cancun (Mexico),  
December 5, 2010

# Climate meet: Pachauri warns against delaying mitigation action



AP Rajendra Pachauri, head of the Inter-governmental Panel on Climate Change,

As the slow-moving talks on combating climate change enter their final stretch here, top U.N. scientist R. K. Pachauri has warned governments against delaying mitigation action, though he remained optimistic about “significant progress” at the ongoing meet.

“The outlook (of this climate meet) looks positive and I have reason to believe we will make significant progress at the end of this particular session,” said Mr. Pachauri, head of the Inter-governmental Panel on Climate Change (IPCC), a U.N. scientific body.

“It doesn’t make economic or social sense to delay action,” he said. “If we delay mitigation action, then to achieve the same results later will mean much higher costs.”

Setting targets to mitigate carbon emissions, however, remains one of the most divisive issues of the talks and negotiators have already put aside any decision in this area for the next climate meeting in South Africa in 2011.

“Even if one doesn’t arrive at an agreement for mitigation, as long as we are able to provide a framework by which the next steps can be taken with relative ease... I would regard that as progress,” Mr. Pachauri said.

“I wouldn’t at all discount the possibility of some major breakthrough taking place as a result of which we get an agreement in some or most of these areas,” he added.

Another criticism of the negotiations has been that present carbon reduction obligations being discussed are not based on the science of climate change, which needs steeper and quicker cuts of greenhouse gases.

The UN, for instance, has said that carbon emissions must peak by 2015.

“We will keep highlighting this important fact,” Mr. Pachauri said. “One certainly realises that negotiations are complex business.”

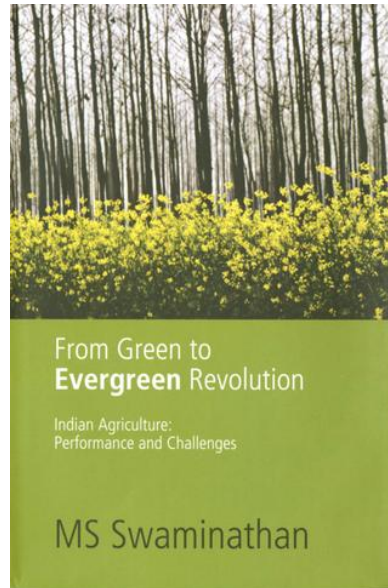
Mr. Pachauri and the IPCC drew flak this year for errors in a 2007 report, which climate sceptics alleged was evidence that seriousness of climate change was being exaggerated by scientists.

“We have learnt a few things, there are things we could have done differently... we are open to being questioned,” he said. “What we are really concerned about are people who may be trying to damage the IPCC... that is something we have to tackle in the best possible way.”

On whether the overall declining interest in the climate change problem was an issue of concern, Mr. Pachauri said: “In all these areas there are ups and downs and it’s just a matter of time before the public realises what we’re in for and I hope that leads to a resolve across the world to take the right kind of action.”

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## **Entitlements passbooks can bridge info gap**



The four crore farmers who get rescued from the debt trap as a result of loan waiver will have to be helped immediately to derive benefit from the numerous well-funded schemes of the government, urges M. S. Swaminathan in ‘From Green to Evergreen Revolution’ by ([www.academicfoundation.com](http://www.academicfoundation.com)). The schemes he mentions include the Rashtriya Krishi Vikas Yojana, National Food Security Mission, National Horticulture Mission, Watershed and Micro-Irrigation Programme, Rural Godowns and Warehousing Development, and Knowledge Connectivity through gyan chaupals.

“Every farm family can be given an entitlements passbook which will provide them with information on how to access the relevant provisions of these schemes. Unless timely support is given, the farmers covered under the loan waiver scheme will again get indebted.”

The author notes that if such farmers are helped to produce even 5 quintals of grain per hectare more, the result can be 20 million tonnes of additional food grains for the nation; and that the Netaji Subhas Open University can take the lead in providing entitlement passbooks to eligible farm women and men.

### **Food security**

While some imports of wheat, pulses, and oilseeds may be necessary in the short-term, a food security system based on home-grown food alone will help to improve the income and work security of small and marginal farm families, to whom agriculture is the backbone of the livelihood system, Swaminathan reminds.

He cautions that unless we produce adequate food, the needs of the Public Distribution System (PDS), Integrated Child Development Scheme (ICDS), School Noon Meal Programme and various other food-based social safety net programmes cannot be met. “Also, it will be difficult to build an adequate food security reserve essential to insulate our

large population from the vagaries of the weather as well as of the market.”

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## **Pawar: enhance farm production to implement Food Security Act**



PTI Haryana Chief Minister Bhopinder Singh Hooda interacts with Union Agriculture Minister Sharad Pawar during the inaugural session of Agro Tech 2010 in Chandigarh on Saturday.

### **No proposal to revise Minimum Support Price**

Despite demands from Punjab, Haryana, Uttar Pradesh, Chhattisgarh and Madhya Pradesh, there is no proposal with the Centre to revise the Minimum Support Price (MSP) or announce any bonus for wheat, paddy and sugarcane crops. However, it is working towards a system of ensuring remunerative prices under which farmers do not require any concessions in future, according to Union Food and Agriculture Minister Sharad Pawar.

He was talking to journalists on Saturday at the fair grounds here after visiting various stalls of the 9th edition of the “Agro Tech” organised by the Confederation of Indian Industry (CII).

Mr. Pawar emphasised the need to increase farm production and productivity if the National Food Security Act was to be implemented. To provide food at subsidised rates to the BPL (below poverty line) and APL (above party line) families, at least 65 million tonnes of foodgrains were required for the buffer stocks.

Mr. Pawar elaborated on the various zones being promoted for different crops to meet the future requirements of the country. While Punjab would continue to be the main producer of wheat, deliberations with the State government, experts, research organisations and

farmers' groups would be initiated to find a replacement for paddy. This would be done to ease pressure on the groundwater requirement. The government would ensure that the replacement crop provided better returns to farmers.

To a query on recent agitations, Mr. Pawar said the Food Corporation of India was making direct payment to farmers in all States, except Punjab, where it was routed through the commission agents, the 'Arhtiyas'. On the suggestions from the State government and some organisations, the Union government had deferred its decision to make direct payment to farmers for just one year.

Earlier, addressing the 'Agro Tech 2010' conference, Mr. Pawar said the private sector had a major role in customising the farm mechanisation process that would increase the productivity and efficiency of the farm sector, which was faced with labour shortage after the successful implementation of the NREGS (National Rural Employment Guarantee Scheme). Farm mechanisation should be low-cost, user-friendly and environmentally sustainable.

Listing the steps initiated by the UPA government, Mr. Pawar said crop loan advances had increased from Rs. 86,000 crore to over Rs. 3.6 lakh crore. The rate of interest on these loans had been reduced from 11 to five per cent. He appealed to the States to contribute their bit in further reducing the interest as well as promoting resource conservation techniques such as zero tillage and drip irrigation.

The Chairperson of the U.K. India Business Council, Patricia Hewitt, shared India's concern for food security, transforming living standards in the rural communities and increasing the volume of exports. She said the U.K., which had recently increased its own production by a half, was keen for a partnership in this venture.

### **Specific solutions**

Haryana Chief Minister Bhupinder Singh Hooda underlined the need for the second green revolution based on modern technologies and sought specific solutions to various problems faced by the farm sector. Though agriculture contributed to just 17 per cent of the national Gross Domestic Product, it was the biggest security net of the common man.

Punjab Agriculture Minister Sucha Singh Langah sought immediate attention of the Union government to the plight of the farmers of the State, who had borne the cost of ensuring food security by never betraying any target set for them.

Afghanistan Minister for Agriculture Mohammed Asif Rahimi reiterated the possibilities and promises his country held out for Indian farmers, entrepreneurs and traders.

Chairman of the CII's National Council on Agriculture Rakesh Bharti Mittal favoured uncapping of subsidies on drip irrigation and greenhouse cultivation. He suggested a "Mission" mode at the Union government level to provide the much required "push" to agriculture.

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## Cultivable area of paddy is all set to expand in Madurai district

Special Correspondent

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*Raja Rajan-1000 technique will help to increase paddy production: Collector*

*Many progressive farmers in Mangulam village have taken up cultivation under the technique*

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MADURAI: Thanks to Raja Rajan-1000 technique, cultivable area of paddy is all set to expand in the district.

Periodic planning, village-wise camps and awareness meetings in all the 13 blocks have enabled the agriculture department officials to achieve the target of covering 26,000 hectare planned under the technique, according to C. Kamaraj, Madurai district Collector. So far, a little over 23,700 ha had been covered. "We still have about a week or 10 days time and hope to surpass the target easily," he told TheHindu.

Every year, the cultivable area of paddy in the district was taken up roughly on 55,000 hectares depending on the timing of release of water. This year, water had been released three weeks in advance from reservoirs. So far, a little over 50,000 hectares had been covered. The heavy rains in the last 10 days or so had also come in as a boon to farmers of this region. "Though the rains did dampen the process of planting, the damage is not alarming. A few hundred hectares in low lying areas have been destroyed. It is only the roads which are in bad shape in the city/district and a majority of the farmers who have taken up paddy crop are set to achieve well above the yearly production too," he expressed with confidence.

Mr. Kamaraj said that the Raja Rajan-1000 technique would help to increase paddy production. Many progressive farmers in Mangulam village in Madurai East said that they had taken up paddy cultivation under the technique this season.

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### **Farmers protest against excessive use of pesticides**

Staff Reporter

BHUBANESWAR: Hundreds of farmers recently assembled at the Mahatma Gandhi Nodal Upper Primary School in Nayagarh protesting against the increased use of pesticides in cropland.

Farmers assembled under the banner of NIRMAN, which is a grassroot environmental action group working towards promotion of ecological agriculture.

Nayagarh is one of the leading districts in the State in terms of pesticide use. High dose of pesticides is applied to paddy as well as vegetables especially cabbage, cauliflower, tomato, chilly and brinjal. "The pesticide use in the region has been increased by 24 per cent in the past one year," alleged an activist of NIRMAN. Farmers have been urged to reduce and move towards eliminating the utilisation of chemical substances, to promote organic agriculture and to introduce safe options, including integrated pest management cropping techniques, such as application of multiple farming systems, namely rice farming, fish culture and vegetable growing.

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### **Farmers' association inaugurated**

Karwar: Farmers of 20 gram panchayats in Haliyal taluk on Sunday launched Karnataka Raitha Hita Rakshana Vedike. The aim of the organisation is to adopt new technology in

the agriculture, sowing of seeds that yield better production, all-time irrigation and good marketing facility. The meeting was arranged by farmer leader M.S. Kurubagatti. At the meeting, farmers alleged that most organisations in the taluk which claimed to work for farmers only protected their own interests. N. Shahapurkar said by following traditional agriculture practices the income from the agriculture filed was about Rs. 100 crore a year. He said if new technology was adopted then this income could be doubled. Farmers had decided to launch an organised fight against their exploitation by brokers.

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### Cold climate vegetable farming hotting up in Palakkad



**New crops: Seedlings of vegetables being raised in the nursery of VFPCCK at Alathur in Palakkad.**

PALAKKAD: Cultivation of cold climate vegetables such as cabbage, cauliflower, beetroot, carrot and capsicum is picking up in the State following the efforts of the Vegetable and Fruit Promotion Council Keralam (VFPCCK).

The success of field trials by Kerala Agricultural University gave the VFPCCK the impetus to attempt commercial production of such crops in the State, said N. Thomas Cheriyan,



manager, Alathur unit.

Last year, the VFPCCK produced and supplied around 16 lakh seedlings of various crops through its district centres at a nominal rate to farmers.

The farmers are so enthused by the programme that the seed processing plant at Alathur has been getting enquiries on the availability of seedlings from June this year. Production of seedlings is delayed for over a month due to rain.

“A team of 10 experienced labourers under the technical supervision of seed technologist Ahamed Raza forms the core group of the project,” Mr. Cheriyan said.

The process

The seedlings are raised in a hi-tech nursery using the latest technology. Seedling trays are filled with coir pith compost treated with trichoderma and pseudomonas at a specified ratio.

Seeds are then put on trays and the trays are placed on the bed of a shade net nursery. From the fifth day, the seeds start germinating. The seedlings are then sprayed with a mixture of pseudomonas diluted in water to prevent fungal infection.

The seedlings are protected by covering the trays using a polythene sheet.

Seedlings, he said, are ready for distribution after 25 days. The nursery at Alathur will supply five lakh seedlings this season.

Though sales began late November, it has already crossed the halfway mark. The Malappuram district panchayat has placed an order for 2.5 lakh seedlings of cabbage and cauliflower.

Mr. Cheriyan said that enthusiasm of farmers to this scheme was beyond expectations.

“One possible reason could be the recent controversy related to the after-effects of toxic pesticides that prompted many to go for farming using organic methods. Another reason could be the skyrocketing prices of vegetables,” he said.

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### **Crops damaged owing to rain**

THANJAVUR: Besides paddy, other crops like tapioca, banana, betelvine and vegetables have been damaged due to rain in Thanjavur district.

Banana and betelvine are extensively cultivated in Thiruvaiyaru, Thirukattuppalli and Papanasam areas. Vegetables and Tapioca are cultivated in Budalur and Thiruvaiyaru areas.

P.Loganathan, Joint Director of Agriculture, Thanjavur district, said tapioca on 87 hectares and banana on seven hectares have been damaged. Vegetables have been damaged on five to six hectares. There has been a demand that farmers who have raised these crops be also granted compensation by the government.

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### **Global banana meet in Tiruchi**

Special Correspondent

TIRUCHI: The Association for Improvement in Production and Utilisation of Banana (AIPUB) and the National Research Centre for Banana (NRCB) would jointly organise a global conference on banana in the city from December 10 to 13.

'Managing emerging challenges of biotic and abiotic stresses in banana and plantain,' would be theme of the conference.

The meet would also focus on climate change and its impact on banana production, global banana diversity, banana genomics, transgenic banana for disease resistance, tissue culture, nutrient dynamics, post harvest management and export of banana.

Strategies to be evolved

It would evolve future plans and strategies for facing challenges in banana production in the context of climate change.

Leading researchers in banana from France, Germany, Nigeria, Uganda, the Philippines, the United Kingdom, the United States of America, Sri Lanka, China and sub-Saharan African countries would attend the conference and elaborate on their research programmes.

They would also share the expertise on developing future strategies for combating emerging threats in banana production.

Over 500 researchers, progressive banana growers, exporters, tissue culture firms, input supplies and other stake holders from the banana industry would participate in the conference, M.M.Mustafa, Director, NRCB, Tiruchi, and organising secretary of the conference said in a press release. Four workshops would be held concurrently during the conference and an exhibition would also be organised for the benefit of farmers. Many research institutions of the Indian Council of Agriculture Research would also participate and showcase their technologies. Mr. Mustafa said the conference would address post-harvest management and export of banana, two neglected aspects in India, and evolve appropriate strategies to improve the situation.

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## **Parties plan protest programmes over farmers' problems**

Staff Reporter

*They are fighting for good prices for agricultural produce*

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*There will be extensive visits to various parts of farmers' areas Congress charged with neglecting people's problems*

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VIJAYAWADA: Demanding immediate solutions to long-pending farmers' problems, a series of all-party protest programmes have been chalked out in the next six days which will culminate in a massive "rasta roko" (road digbandhanam) on December 11 for one hour from 10 a.m.

'Not enough'

The opposition parties assert that Chief Minister N. Kiran Kumar Reddy's letters to the Centre will not be enough on the farmers' issues and that they seek strong steps from the Chief Minister to get a fair deal to farmers of the State.

The issues for which the Opposition parties are fighting for include good prices to agricultural produce, payment of compensation to damaged crops, declaration of payment of bonus in respect of sugarcane farmers and remunerative price for cotton farmers. The Telugu Desam Party (TDP), the Communist Party of India (Marxist), the Communist Party of India, the Lok Satta and other parties were actively associated with the protest programmes.

There will be extensive visits to various parts of farmers' areas in the district from Monday to Wednesday with the visiting teams including State-level and senior leaders of the parties concerned. This is to find out the problems from the farmers themselves and mobilise their total participation in the protest programmes that are aimed at making the Government shed its indifference to the issue of agriculture relevance.

Announcing details of the protest programmes at a press conference here, TDP district president and MLA Devineni Umamaheswara Rao, CPI(M) district secretary V. Umamaheswara Rao, CPI leader Suryadevara Nageswara Rao, CPI city secretary K. Subba Raju and others criticised the Congress leaders for fighting over posts instead of addressing people's problems.

They said the Congress leaders had plenty of time to go to Delhi for getting favours in distribution of posts but they were not willing to spare any time for the sake of improving farmers' lot. The leaders said that in the next Assembly session, which begins on

December 10, there will be a massive protest by the opposition parties both within the house and outside on the issue of ensuring a better deal to the farmers. The immediate issues include good price with regard to paddy, cotton, sugarcane and other crops, and also issue of a new GO for providing and paying compensation of Rs. 5,000 per acre for the crops damaged due to floods and cyclones.

All-party meet

The opposition leaders said that there will be all party meetings with farmers at the mandal and Assembly constituency headquarters so that every farmer will be involved in the protest programmes to bring as much as pressure as possible on the Government to concede their demands.

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**THE ECONOMIC TIMES**

Mon, Dec 06, 2010 | Updated 08.13AM IST

6 Dec, 2010, 12.36AM IST, Nidhi Nath Srinivas,ET Bureau

**India could exit world cotton market**

There are only two questions worrying the Indian cotton market right now. Will exporters get bonus time to complete existing contracts? Will others get a chance to muscle in? But at the bottom of it is something more fundamental: will India continue to export cotton this season? I'd say don't bet on it.

Look at the time line. The last date for shipments is December 15. Exporters get three weeks after that to submit their shipping documents to the textile ministry. That takes us to January 5.

No one has a clue what will be the crop size at that time. Arrivals were significantly lower than last in November and December. The 2 lakh bales expected daily petered to 60,000. Gujarat and Andhra cotton harvest is spoilt by incessant rain, with high moisture, yellow colour and pest attacks. The old crop estimates of anything from 32 million bales to 35 million bales are clearly irrelevant. The crop may ultimately be closer to 30 million bales. So a meeting of the Cotton Advisory Board will have to be called to again do the supply and demand numbers and discover

a surplus, if any.

If CAB does indeed find a surplus this season, the textile ministry would again have to seek Cabinet approval for exports. Till now they have permission to only register up to 5.5 million bales, which they did. After that, shipped or not, they need another nod from other ministries. That takes us to the third week of January — the earliest you can expect an answer to whether India will continue exporting cotton. No matter what industry representatives and lobbyists may want to believe.

While the government figures out the larger picture, those who have not been able to fulfill their export contracts are feeling ill used and want a second chance. Who knew it would rain so much on their parade and delay the harvest so much.

It can be quite aggravating to see the fattest profit opportunity in a decade slip out of your hands. But those who were not able to register any contract at all when the window was open are feeling even more aggrieved. They want these 'non-performers' to be booted out and the unshipped quantities be offered to a different set of exporters.

For now they have the commerce ministry on their side. A cry has gone up to mete out 'exemplary' punishment to the laggards. Luckily, it's never easy for the government to hand out punishment. The Director General of Foreign Trade believes it is for the textiles ministry to act the bad cop. But the textile ministry is not that keen on changing the rules of game mid-way and making itself vulnerable to challenge from exporters.

There is another reason too. The textile ministry is currently holding road shows across the country for its integrated textile parks scheme where it hopes to attract dozens of investors — Indian and foreign. It would be difficult for potential investors to trust a ministry that takes pleasure in penalizing large companies. You can expect a meeting between commerce and textile ministry this week to decide on 'punishment'.

The smart thing would be to forget about penalizing exporters. And forget about exports as well. It is a pity rain played spoilsport for cotton exporters. But they have had their chance. The government allowed them to go ahead and export, braving the fury and protest from domestic

spinners and weavers. Now in all fairness it is time the domestic industry got reasonably sufficient quantities of raw material, without the constant threat of shipments hanging over their heads.

And farmers won't be hurt either. If the crop is indeed low, and the CAB will check on that, then they are holding a golden egg. Most have sold off their crop any way because it has low shelf life this season. If the harvest improves and a genuine surplus re-emerges, exports can always be resumed. Of course India's exit will drive the world cotton market ballistic. The ban on cotton yarn has already kicked up world prices.

By barring free trade of the physical commodity, India is exporting textile inflation to cool its own WPI index. And it may seem a complete waste of opportunity to Indian spinners and traders. Their only consolation is that in government and in business, nothing is forever.

## THE HINDU Business Line

Business Daily from THE HINDU group of publications

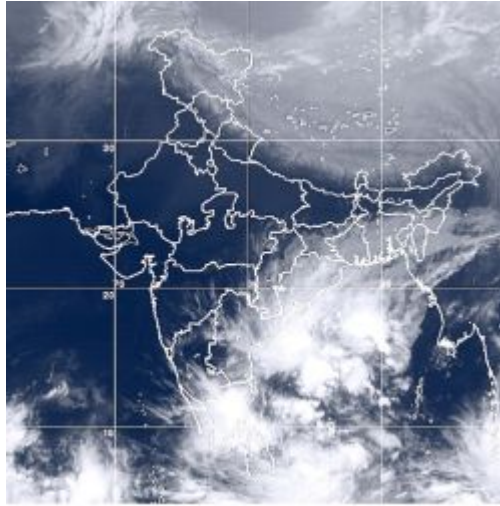
Monday, December 06, 2010

Date:06/12/2010 URL:

<http://www.thehindubusinessline.com/2010/12/06/stories/2010120650521200.htm>

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[Back](#) **North-East monsoon may spring up more surprises**



Vinson Kurian

Thiruvananthapuram, Dec. 5

Close on the heels of directing non-seasonal rains into the West and North-West India, the ongoing North-East monsoon could be waiting to unfold more surprises for the West Coast during this week.

A core of the northeasterly winds that currently sustain the low-pressure area in the South-West Bay of Bengal could cross the peninsula and blow into the Arabian Sea to whip up a 'low' there as well.

#### ARABIAN SEA SYSTEM

The US Navy's Fleet Numerical Meteorology and Oceanography Centre (FNMOC) saw these winds banding themselves akin to an 'elephant's trunk' to gather winds and moisture around the Arabian Sea system.

In the process, the latter could strengthen a bit and be dragged in east for a likely tryst with the West Coast (Kerala-Karnataka).

What would likely prevent it from gathering further strength could be the less-than-desirable sea-surface temperatures in the South-East Arabian Sea (around Lakshadweep and the Kerala coasts).



## RARE INSTANCE

If this scenario were to unfold, this would be a rare instance for Kerala to fancy its chances with a sea-based system of reasonable strength hurtling in straight towards its coast.

It would now be the turn for the Arabian Sea to give it back to the Bay; the system is shown as crossing the Karnataka coast and the larger peninsula to enter the Bay where it could likely interact with the remnant trough of the previous 'low' and gain in strength.

The combined system will cut a path towards the Myanmar coast in due course, with some international agencies indicating that southerly-to-southwesterly winds (as against the seasonal northeasterlies) may help the system to rustle up some strength before hitting the Myanmar coast.

## SILENT PERIOD?

In any case, all these activities are forecast to taper off around December 12, following which a 'silent period' may descend on the Bay of Bengal and the Arabian Sea.

This will come about as winds change direction temporarily from being northeasterly to southerly-southwesterly to being even northwesterly, the FNMOC said.

Meanwhile, a weather update from India Meteorological Department (IMD) for the 24 hours ending Sunday morning said that widespread rainfall occurred over Andaman and Nicobar Islands.

It was fairly widespread over Tamil Nadu and isolated over Madhya Maharashtra, Coastal Andhra Pradesh and Kerala.

## CONVECTIVE CLOUDS

Insat cloud imagery showed the presence of convective (rain-bearing) clouds over parts of Bay of Bengal, South Andaman Sea, Comorin area, South Arabian Sea, Orissa, South Chhattisgarh, Coastal Andhra Pradesh, South Interior Karnataka, Kerala and Tamil Nadu.

The belt of enhanced rains is forecast to migrate north-northeast along the East Coast with a weather alert from the IMD suggesting isolated heavy to very heavy rainfall over Coastal Andhra Pradesh on Monday and Tuesday.

The heavy to very rain alert would be valid for Rayalaseema and Tamil Nadu for Monday and subsequently for Orissa. The causative 'low' in the South-West Bay persisted on Sunday; it is forecast to hold on its own for a couple of days more before weakening.

But this phase would only clear the way for the incoming system from the Arabian Sea to drop anchor in the Bay of Bengal and breathe life back into the remnant trough from the earlier 'low.'

A short-term forecast by the IMD said that widespread rain or thundershowers would occur over Coastal Andhra Pradesh and fairly widespread over Rayalaseema, Tamil Nadu and Andaman and Nicobar Islands. However, it may decrease over Tamil Nadu after Monday.

Scattered rain or thundershowers would occur over Orissa, Telangana, South Interior Karnataka and Kerala. It may increase over Orissa and Telangana from Tuesday onwards.

Isolated rain or thundershowers have been forecast over Jharkhand, Gangetic West Bengal and Chhattisgarh on Monday and increase thereafter.

Fog to shallow fog conditions may occur over parts of the plains of North-West India mainly during morning hours until Wednesday.

Extended forecast until Friday said that scattered to fairly widespread rainfall activity may occur over East and adjoining Central and South Peninsular India. Mainly dry weather would prevail over plains of North-West and adjoining Central India.

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**Back Pepper rises on buying support**

G.K. Nair

Kochi, Dec 5

The pepper market last week witnessed some calculated moves world over aimed at pulling down the prices of this commodity by operators by passing on wrong information about supply and prices in different origins.

Such an attempt in the international market to pull the prices down were brought to light by the Brazilian Pepper Trade which alleged “there is a move by the bears trying to pull prices down caused a big indignation among Brazilian growers and exporters this week”.

It said the quoted prices for Brazilian pepper by a European broker in his website were around \$200-300 a tonne below the other origins, aimed at “creating a feeling in the international market that Brazilian prices stated to slide down”.

But the Brazilian reality is that “the average prices asked are between \$4,700 and \$4,900 a tonne f.o.b for B2 and Asta grades”.

Pepper prices on the futures and spot market during the week were up on buying support on bullish reports and activities.

December, January and February contracts increased by Rs 1,085, Rs 1,051 and Rs 1,045 respectively to close on Saturday at Rs 22,831, Rs 23,041 and Rs 23,201 a quintal.

Total turn over increased by 11,263 tonnes to 67,090 tonnes. Total open interest went up by 1,541 tonnes to 15,426 tonnes.

Spot prices soared by Rs 500 on buying support amid limited supply to close on Saturday at Rs 21,200 (un-garbled) and Rs 21,700 (MG 1) a quintal.

In India local arms of the multinational companies with multi-origin origin operations wanted to sell farm grade pepper held by them at Rs 10 below the December delivery price allegedly aimed at misguiding the market about the availability.

The buyers at the same time kept on insisting on Rs 12/kg discount. However, primary market dealers said to have bought good quantities on the expert advice of exporters.

Meanwhile, bull operators also advised people to cover. Investors sold spot and bought back January. Thus, the market remained highly volatile with hectic activities by both the bull and

bear operators, which in turn has kept the market unstable and as a result sellers could not make any commitments while the buyers also are placed in a similar dilemma, market sources told Business Line.

The trend so far shown by the market world over gives the impression that there is a mismatch between demand and supply this year and it is clearly evident from the price movements, they said. Such a situation has been predicted by IPC recently and other establishments earlier in the year, they claimed.

Prices quoted for black pepper of different origins in \$/tonne c&f) New York were MG 1 asta – 5,300-5,400; Lampung asta – 4,900-4,950 f.o.b; Lampung 550g/l – 4,850-4,900 f.o.b; Lampung 500g/l – 4,750 – 4,800 f.o.b; Brazil B asta – 5,000 – 5,050; Vietnam asta -5,475-5,500 Dec/Jan; Vietnam asta - 5,350-5,400 new crop Mar/Apr ; Spot USA MLSV asta treated – 5,400 ex warehouse New York/New Jersey.

Total exports of pepper this year up to September from all major exporting countries has decreased, according to a report from Brazilian Pepper Trade. Around 1,93,000 tonnes of pepper were shipped from Brazil, India, Indonesia, Malaysia, Vietnam and Sri Lanka. During this period exports from Brazil, India and Vietnam have dropped while from others increased. Compared to around 1,97,000 tonne exports in the last year's corresponding period, there was a slight drop of 2 per cent, it said. The six main producing countries together exported around 19,800 tonne in September as against 22,500 tonnes in September 2009, registering a decrease of 12 per cent, due to significant fall of export from Vietnam and Brazil. Export from other countries has increased, but can-not offset the significant fall of export from Vietnam and Brazil, it added.

Global black pepper market was calm during the week. F.o.b price remained unchanged from last week. In spite of short supply in domestic market, except Sarawak, prices decreased in the range of 1-3 per cent. In India, prices dropped in the mid of the week, but it then rose to Rs 22,825 fr 100 kg locally and \$5,250 a tonne c&f at the end of the week. In Vietnam and in Sri Lanka, local prices decreased by 3 and 2 per cent respectively, while in Sarawak, the local price increased marginally by 1 per cent. In Lampung prices were unchanged both in local as well as f.o.b. Marginal fall in dollar for local price was due to weakening of Indonesian Rupiah against dollar.

The market for white pepper was also quiet and showed a mixed response. In Sarawak, white pepper prices increased by 2 per cent both in local and f.o.b. In Bangka local prices fell by 2 per cent and 1 per cent in f.o.b. A sharp drop of 8 per cent was recorded for local price in Vietnam.

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### Back Transporters' 'stop booking' hits Coonoor tea sale

P.S. Sundar

Coonoor, Dec. 5

Teas worth Rs 2.04 crore remained unsold at Sale No: 48 of the auctions of Coonoor Tea Trade Association, as there were no takers for as much as 25 per cent of the 12.39-lakh kg on offer on apprehensions that the bought teas could not be moved to their destinations because of the transporters' strike. "Since December 1, transporters are refusing to book our consignments. We are deferring purchases to avoid funds being blocked in non-movable tea," a buyer told Business Line.

In the CTC market, Vigneshwar Estate topped at Rs 136 a kg. In the leaf market, Homedale Estate, auctioned by Global Tea Brokers, got the highest price of Rs 132. Orthodox

Among orthodox teas from the corporate sector, Chamraj got Rs 214, Curzon and Coonoor Tea Rs 151 each, Havukal, Kairbetta and Prammas Rs 150 each and Highfield Estate Rs 145. In all, 35 marks got Rs 100 and more.

"Primary orthodox leaf lost Rs 5-10 a kg. High priced CTC leaf and plainers eased Rs 2-4. Primary orthodox dust eased up to Rs 10. High priced CTC dusts lost Rs 3-5, better mediums Rs 2-3 and bolders Rs 2-3," an auctioneer said.

Quotations held by brokers indicated bids ranging Rs 40-45 a kg for plain leaf grades and Rs 80-130 for brighter liquoring sorts. They ranged Rs 48-55 for plain dusts and Rs 90-130 for brighter liquoring dusts.

On the export front, Pakistan bought selectively for Rs 45-79 a kg and the CIS, for Rs 40-52. Some volumes were bought by Tunisia, Bangladesh, Egypt and the US.

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**<http://www.thehindubusinessline.com/2010/12/06/stories/2010120650591300.htm>**

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### **Back Terminal market for perishable goods planned**

Our Correspondent

Madurai, Dec. 5

A terminal market complex on 50 acres for perishable goods, at an estimated cost of Rs 105 crore, is planned at Thiruvathavur, near here. The Minister for Agriculture, Mr Veerapandi S. Arumugam, on Thursday inspected the site for the proposed market, which is expected to become operational in two years.

The complex is one of the three facilities planned in the State — the other proposed sites being at Navalur near Chennai and Perundurai near Erode. These would have facilities for processing, storage and marketing of perishable goods such as vegetables and fruits with e-auction terminal.

This facility would serve the interest of farmers in 12 southern districts with procurement centres at 20 places.

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### **Back Nabard opens Farmers Club branches**

Our Bureau

Hubli, Dec. 5

Two Farmers Club divisions sponsored by Nabard and Karnataka Vikas Grameena Bank (KVGB) were inaugurated recently at Kadanakoppa village, Kalaghatagi taluk in Dharwad district.

Mr V Kalkundri, General Manager of KVGB, said agricultural scientists have a major role to play in spreading hi-tech agriculture concepts based on organic farming methods.

Mr Y N Mahadevaiah, Assistant General Manager of Nabard, said the bank would take the assistance of KVGB in implementing extension programmes in the district.

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**Back A crop whose growth is constrained by slew of factors**

*FOCUS: SUNFLOWER.*



Sunflower (*Helianthus annuus*.) plant originated in western North America and is grown throughout the world because of its relatively short growing season. The world estimated production of sunflower seed in 2008-09 was at 33 million tonnes (increase of 23 per cent from 2007-08) and the area harvested was 23.68 million hectare.

Sunflower seeds had a share of 8 per cent of the total global oilseed production (404 mt ) in 2008-09, with the highest share of soyabean (55 per cent) followed by rapeseed (14 per cent) and cottonseed (10 per cent).

The average productivity of the sunflower seeds is 600-3,000 kg/ha depending on the climatic conditions and irrigation, which is a critical factor for high yields. The sunflower oil (linoleic sunflower oil) is high in polyunsaturated fatty acids (about 66 per cent linoleic acid) and low in saturated fats, such as palmitic acid and stearic acid and therefore addresses the demands of the consumers as healthy edible oil.

The main producers of sunflower seed are Russian Federation (22 per cent) followed by EU-27 (21 per cent), Ukraine (19 per cent) and Argentina (11 per cent) with respective share of the total production in the year 2008-09. The Russian Federation, Ukraine and Argentina referred to the “sunflower triangle” are the major producers of sunflower seed and by products, contributing to half of the sunflower production in the world and each country impacts the global sunflower market dynamics dramatically.

India ranks 11th in the world with a production of 1.16 mt of sunflower seed in the year 2008-09 with rabi season (November-March) accounting for 70 per cent of the annual production. Three states namely Karnataka (43 per cent), Andhra Pradesh (28 per cent) and Maharashtra (13 per cent) account for more than 80 per cent of the sunflower production in India. India ranks fourth in the area under cultivation of sunflower seed in the world with 1.83 million ha after Russian Federation, Ukraine and Argentina.

The area under cultivation dropped to 1.48 million ha and the production had dropped to 0.90 mt in 2009-10 (Fourth Advance Estimates). The average yield of sunflower in India is about 650-750 kg/ha, which is approximately half of the world average. This may be attributed to the lower level of area under irrigation at 25 per cent, poor quality seeds, vulnerability to drought and damage due to disease and pests.

#### Edible oil consumption

In India, edible oil consumption is growing at the rate of 6-8 per cent annually due to the rapid economic growth and increased consumption. Domestic production has stagnated and is unable to meet the domestic demand and thus zero import duty has favoured the import of edible oils. India imported 515,479.78 tonne of sunflower seed oil crude in 2009-10, registering an 84.52 per cent growth from the previous year, the value of the import is at Rs 208,863.39 lakh for 2009-10. India imports sunflower edible oil mainly from Ukraine, Russia and Argentina. The



effective import duty structure for crude sunflower oil is nil today as compared with 41.2 per cent during 2007.

The oil prices in India move largely in line with the international palm oil price movements and domestic demand and supply situations. Sunflower oil being healthier oil commands premium over other edible oils especially palm and soyabean. The branded segment for the sunflower oil is growing at 20 percent annually and providing a vibrant market.

The MSP for sunflower seed at present is Rs 2,350/quintal with an increase of Rs 135/quintal over the last year. Sunflower being the fourth most important oilseed crop in the country saw phenomenal increase in the area from 1970's after its commercial production.

#### Constraints

However, the growth is also constrained by many factors such as pest infestation and diseases such as downy mildew, alternaria blight and leaf spot. The heavy nutrient depletion due to high requirements by the sunflower plant and the shortage of the hybrid and improved certified seeds are the factors owing to the low productivity. Sunflower production follows a systemic weather risk as most of the area is under rain fed irrigation.

The public sector has played an important role in increasing the production in India; the Technology Mission on Oilseeds (TMO) had increased the oilseed area by 50 per cent and yield by 80 per cent during its period. The government launched Integrated Scheme on Oilseeds, Pulses, Oilpalm and Maize to provide more flexibility to the States in implementation based on regionally differentiated approach and to promote crop diversification. Also in the present budget, the Government has provided Rs 300 crore to increase production of pulses and oilseeds, for organising 60,000 pulses and oilseed villages in rainfed areas. The oilseed economy in the country is governed by the trade policy and increased imports recently are attributed to decline in tariffs.

Source: YES Bank

(Responses are invited from readers. The responses may be sent to [agri-biz@thehindu.co.in](mailto:agri-biz@thehindu.co.in))

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## **Back India, China to determine global fertiliser prices**

*Policies of the 2 nations play a pivotal role, say experts.*

Harish Damodaran

New Delhi, Dec 5

Lower subsidy rates to firms by India and export curbs on urea and phosphates by China – these two factors are likely to determine the course of global fertiliser prices in the coming year.

With respective nutrient consumption of 51-52 million tonnes (mt) and 27-28 mt – in terms of nitrogen (N), phosphorus (P) and potassium (K) – China and India account for 45 per cent of the world's annual fertiliser usage of 170 mt. Their actions, hence, substantially influence international prices.

India, on November 19, announced sharp reductions in the per-kg subsidy rates on N, P, K and sulphur effective from April 1. These would effectively slash the per-tonne concession available to companies on di-ammonium phosphate (DAP) from Rs 16,268 to Rs 12,960 (\$ 361.5 to \$288 at Rs 45-to-the-dollar) and from Rs 14,692 to Rs 12,831 (\$326.5 to \$ 285) on muriate of potash (MOP).

If retail prices remain at their existing Rs 9,950 (\$ 221) on DAP and Rs 5,055 (\$ 112) on MOP, the gross realisation to companies, inclusive of the new subsidy levels, would be around \$509 a tonne on DAP and \$397 on MOP. This is as against the current landed cost of \$ 620-630 a tonne for imported DAP and \$370 for MOP.

India: Subsidy cuts

Even for urea, the Government has benchmarked the new subsidy payable on N to a landed price of \$280 a tonne, which is below the actual cost plus freight rate of \$395-400 on imported material.

During 2010-11, India will import an estimated seven mt of urea, eight mt of DAP and six mt of MOP. Being the No. 1 buyer of urea and DAP and No. 2 in MOP (after the US) gives it sizable leveraging power: The recent subsidy cuts are essentially aimed at international suppliers, who are being told to reset prices that can be absorbed by the world's largest importer.

This point was emphasised by Government as well as industry representatives at the Fertiliser Association of India's Annual Seminar here last week, where they repeatedly warned overseas delegates against “demand destruction” and charging prices beyond cost of production plus a “reasonable” return.

China: Export tax

But China, on its part, has imposed an export tax of 110 per cent on fertilisers, effective from December 1 to June 30, 2011. Unlike India, China, in recent times, has become not only self-sufficient, but even a significant exporter of urea and DAP (including to India). Its clampdown on exports – a response to domestic inflationary concerns – is seen to tighten global supplies, which might offset India's move to talk down prices.

Which of these two forces would prevail is difficult to say now. Both China and India, being in the Eastern Hemisphere, enter the market around the same time after February and buy till November. The western hemisphere countries – US, Brazil and Argentina – buy largely during November to March.

“With China turning self-sufficient, India is really the only big buyer left today. And that makes a difference”, noted Dr G. Ravi Prasad, President, Coromandel International Ltd. He also referred to the fresh capacities coming up in 2011 – the three mt Ma'aden DAP plant in Saudi Arabia, besides the Qafco-V (Qatar) and Sorfert Algerie (Algeria) facilities for 2.5 mt of urea – that could ease availability. In MOP, too, some 8.2 mt of additional capacities are projected between now and 2013.

Mr Luke Hutson, Senior Markets Analyst at the UK-based FMB Group, felt that Indian companies would be in a position to negotiate a “good price” for MOP, similar to the \$370 rate they contracted for this fiscal. “As regards urea, given the extent of rise in gas prices, importing under \$300 seems unlikely. Even for DAP, you may have to settle for \$520 or so”, he said.

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### Back Completion of irrigation projects imperative for farm growth



Key concern: In addition to food and nutrition security, energy security, one must ponder over water security as well.

G. Chandrashekar

It is common knowledge that water is the most critical input for agriculture. Scientific management of water together with other inputs and agronomy result in enhanced crop productivity. One of the biggest challenges currently confronting Indian agriculture is the low level of input usage leading to low productivity. Water could be an exception though. In many regions, water usage for agriculture has been indiscriminate, while in others it is deficient.

The facts are clear. India's precipitation - about 900 mm annually – is perhaps the second highest in the world. Water usage is dominated by agriculture and related activities in the form of irrigation that claims almost two-third of the total water demand. At a distance, follow others such as domestic requirements (6-9 per cent), industries (5-7 per cent) power generation (3-5 per cent) and the rest for other sectors.

As the economy continues to register robust growth, demand for water has been expanding rapidly with irrigation, industry and domestic needs competing for an increasing share. This is least surprising because of increase in population (117 crore people growing at about 1.7 per cent a year, adding 1.8 crore to the population annually), construction of dwelling houses and

infrastructure facilities as also expansion of industrial activity. On the other hand, supply has been declining on per capita basis as demand growth continues to outstrip supply growth.

#### Water stressed

According to experts, India will be a highly water stressed country from 2020 onwards. Water stress is defined as availability of less than 1,000 cubic metres of water per person per annum. We are rapidly moving towards that alarming situation. In addition to food and nutrition security as also energy security, one must seriously ponder over water security as well.

A substantial amount of water can be conserved and utilised more scientifically if greater emphasis is placed and focussed attention paid to expansion of irrigation facilities. However, a large number of the country's irrigation projects have remained incomplete for several years and there have been heavy time overruns and cost overruns. This does not speak well about the governments' ability to manage water resources.

#### Irrigation potential

According to the information provided by the State governments, total irrigation potential created in the country up to March 2010 is 108.21 million hectares (Mha). Till the end of Tenth Five-Year Plan ended March 2007, 102.7 Mha of irrigation potential is claimed to have been created, but the utilisation was lower at 87.2 Mha. Over the last fifty years, enormous amounts have been spent on creation of irrigation potential. According to the Ministry of Water Resources, total expenditure under Major and Medium Irrigation sector, Minor Irrigation sector and Command Area Development and Water Management (CAD & WM) sector from I Plan to X Plan is an estimated Rs 2,50,287 crore.

Further, the outlay for these sectors during the first three years (2007-08 to 2009-10) of the XI Five-Year Plan is Rs 1,25,355 crores. A study undertaken to ascertain the reasons for the gap between the irrigation potential created and the irrigation potential utilised has revealed that a number of factors have contributed to under-utilisation of irrigation potential. The factors include: (a) lack of proper operation and maintenance; (b) incomplete distribution system; (c) non-completion of command area development works; (d) changes from the initially designed cropping pattern; and (e) diversion of irrigable land for other purposes.

The Central Government initiated the Accelerated Irrigation Benefits Programme in 1996-97 under which so far 283 major/medium projects have been provided with Central assistance. Of these projects, 124 have been completed; 11 are nearing completion; 5 projects are deferred; and remaining 143 projects are ongoing. Of the 143 ongoing projects, 48 are on time and 95 projects are delayed. The Ministry of Water Resources says the reasons for delay in completion of projects include land acquisition problems, resettlement and rehabilitation problems, delay in obtaining mandatory clearances, contractual problems, litigation, delay in completion of works to be taken up by agencies other than water resources/irrigation department such as railway crossing, shifting of electric line, providing road crossing, shifting of gas pipeline etc. Delay also occurs due to law and order problem, short working seasons in hilly States and northeaster States. Because of cost and time overruns, a large number of irrigation projects are languishing. It is estimated that nearly Rs 1,00,000 crore would be required to complete the pending irrigation projects. How these will be funded and what will be the timeline is anybody's guess.

Non-completion or delay in completion of irrigation projects is exerting a devastating effect on the country's agriculture.

The dependence on monsoon is as high as 60 per cent, while only 40 per cent of land is irrigated. Worse, despite incurring humungous amounts of money towards creating what is called 'irrigation potential', the actual area under irrigated cultivation has shown no marked improvement at all.

Acreage data of last several years for major field crops — rice, wheat, coarse grains, pulses, oilseeds, cotton and sugarcane - show there has been no marked expansion of cultivation of major field crops under irrigated conditions. This raises a serious question about the utility of all the expenditure incurred on 'creating irrigation potential'.

Of what use is the creation of irrigation potential if the same is not utilised for agriculture production. Farmers on the field are unable to access irrigation water simply because it does not reach them.

Obviously, there are last mile connectivity problems in a number of cases. These have to be addressed without further delay. Policymakers and project implementers need a wake up call before it is too late.

(Responses are invited from readers. The responses may be sent to [agri-biz@thehindu.co.in](mailto:agri-biz@thehindu.co.in))

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**hindustantimes**

Mon, 06 Dec 2010

Chennai - INDIA

Today's Weather



Cloudy

**Monday, Dec 6**

Max Min

26.9° | 22.9°

Rain: 07 mm in 24hrs

Humidity: 84%

Wind: Normal

Sunrise: null

Sunset: null

Barometer: 1003.0

Tomorrow's Forecast



Rainy

**Tuesday, Dec 7**

Max Min

28° | 23°

Extended Forecast for a week

Wednesday

Dec 8



26° | 25°

Rainy

Thursday

Dec 9



26° | 26°

Rainy

Friday

Dec 10



27° | 25°

Rainy

Saturday

Dec 11



28° | 25°

Rainy

Sunday

Dec 12



29° | 24°

Rainy