

## IIHR to host symposium

At a time when nearly one-third of the population is starving and 40 per cent of children are malnourished in the country, food crops worth Rs. 90,000 crore are being lost every year to diseases and pests.

As this problem is assuming serious proportions, about 250 scientists from across the country in the field of plant pathology are set to brainstorm at the Indian Institute of Horticultural Research (IIHR) in Bangalore on Tuesday to find ways and means of reducing food crop loss due to diseases so that it is possible to not only increase food production, but also make agriculture a viable economic option for farmers.

### For sustainable agriculture

Director of the Indian Institute of Horticultural Research Amrik Singh Sidhu told presspersons in Bangalore on Monday that the institute would host a three-day national symposium on 'Blending conventional and modern plant pathology for sustainable agriculture' starting on Tuesday.

The symposium is being jointly organised by the IIHR, University of Agricultural Sciences - Bangalore and the Indian Phytopathological Society. "The symposium will come out with an action plan as well as a roadmap for management of various diseases causing crop losses," he said.

### Ripple effect

Expressing concern over the seriousness of the situation, he pointed out that there were many classic examples in the history of plant pathology wherein fungal diseases in potato, rice and other crops had caused famines and led to loss of human lives.

IIHR's Plant Pathology Division Principal Scientist P. Chowdappa said import of fruits and vegetables too had contributed to increase in the incidence of new diseases.

### **Illegal tapping of groundwater irks ryots**

Farmers are getting more and more irked as illegal tapping of groundwater from Tirupur city and its immediate suburbs for commercial usage has once again allegedly become rampant in the region.

“Already, we have been struggling to irrigate the crops due to failing monsoon and with the exploitation of groundwater from predominant agrarian belts for other purposes, water scarcity is becoming acute, threatening the very existence of farming profession itself,” K. C.M. Balasubramaniam, one of the progressive farmers who had sought the intervention of district administration to stop the exploitation of groundwater, told *The Hindu*.

According to farmers, over exploitation of groundwater resources is taking place at Nochipalayam, Karaipudur, Iduvampalayam, Chinnakalipalayam, Vachipalayam and Iduvai areas.

K. Vanchipalayam Durai, a farmer-cum-activist, pointed out that illegally-drawn water from open wells, through borewells and even by collecting water from PAP canal in the pretext of conserving for irrigation was diverted for use in wet processing units in textile industry, marriage halls and construction sites.

“The water tanker operators mostly pay a pittance of Rs. 100 for every load of 12,000 litres to the owner of the land from where the water is sucked out and then sell the same quantity to the end-user at Rs. 800 to Rs 1,000,” he pointed out.

But many of the farmers who are now seeking relief against the exploitation of groundwater admit that some of the members from agrarian community too need to be blamed for lending a helping hand to water tanker operators.

“A section of farmers are allowing usage of the free electricity supplied to them exclusively for agricultural purposes, to draw water from wells and underground resources for commercial sales,” Mr. Durai pointed out.

## Disconnecting service connections

As a solution, the farmers, who are starving for water, have come up with an appeal to the revenue administration and Tamil Nadu Generation and Distribution Corporation to initiate steps to permanently disconnect the service connections utilized for drawing underground water on a commercial basis.

## Record paddy procurement

Despite 42 per cent deficient rains during the last monsoon, Punjab has succeeded to procure more than 133 lakh metric tonnes of paddy in the current kharif season as compared to 118 lakh MTs last year, setting a new record for national food grains' buffer.

An official release quoting a spokesman of the State Government on Monday, while attributing the new record to the toil by the farmers who incurred an extra expenditure of Rs. 900 crore on diesel to save the paddy, pointed out that the government had provided free electricity worth Rs. 5200 crore to farm sector.

The release said that according to the latest figures the State-owned agency, PUNGRAIN topped the procurement chart by mopping up 29.6 per cent of the arrivals. It was followed by PUNSUP and MARKFED that procured 22.8 per cent each. While the State agencies procured 95.4 per cent of the paddy that arrived in the procurement centres, private millers purchased 4.6 per cent.

Ludhiana district with 15.74 lakh MTs led the procurement operations, while Sangrur with 15.59 lakh MTs was at second slot and Patiala at 12.40 lakh MTs ranked third.

## Badal demands Rs. 1800 as MSP for wheat

Rejecting the proposal of Commission for Agricultural Costs and Prices (CACP) for a freeze, Punjab Chief Minister Parkash Singh Badal on Monday demanded that the Centre must immediately announce Rs.1800 per quintal as the Minimum Support Price (MSP) of wheat for next Rabi season.

Through a statement issued here Mr. Badal said that the proposal of giving a bonus of Rs.40 per quintal over last year's MSP of Rs.1285, amounted to rubbing salt on the wounds of the

farmers instead of bailing them out of crisis. He said that the apathetic attitude of Congress-led UPA Government towards peasantry stood exposed by this decision, which would have far reaching repercussions on the farming community that was already reeling under heavy debt due to the wrong policies of the Union Government.

Justifying his demand, Mr. Badal emphasised the need to offset the recent increase in costs of farm inputs which had accounted for at least Rs.1000 crore as extra burden on farmers. He cautioned that the prevailing MSP was much below the expectations of the farmers and would unleash a further slowdown in the primary sector. He said that it was a paradoxical situation that when the country had been importing wheat from Australia at much higher price, there was hardly any justification to deprive the local producers of the same price.

Mr. Badal said that Congress should have rewarded the farmers, especially of Punjab, for their contribution in making country self-reliant in the food grain production at the expense of their only two precious resources of water and soil. He said that denial of hike in MSP on wheat spoke volumes of the UPA's tough anti-farmer posture. "These anti-peasant policies would jeopardise the country's food security," he sounded a grim warning.

The Chief Minister said that before taking such irrational decisions the leaders of UPA government should have reviewed the agriculture scenario in a holistic manner and acted responsibly to prevent the peasantry from pushed towards economic disaster by recklessly hiking the cost of agricultural inputs.

Mr. Badal said that the UPA owed an explanation to the farmers regarding the ever widening gap between the agricultural costs of inputs and squeezed margin of profit due to stagnated MSP to the farmers in their regime since 2004. He said that it was time that the Centre was honest and fair while deciding the issues relating to peasantry rather than politicising them.

## **Brf**

### **Guaranteed market access to dairy ryots**

A large private dairy and manufacturer of milk products, Parag Milk Foods on Monday said it was committed to help dairy farmers of Andhra Pradesh by offering guaranteed market access for all their milk.

“We have invested about Rs.110 crore at our state-of-the-art plant in Chittoor district, with a milk processing capacity of 8 lakh litres a day, said Devendra Shah, chairman of the company in a press release.

### **Sustainable weed management, need of the hour**

It is better to adopt the approach of managing weeds rather than controlling them. Weed management should form a part of Integrated Group Management. Integration of herbicides application with agronomic practices can increase the weed control efficiency,” P. Subbian, Registrar of Tamil Nadu Agricultural University (TNAU), said here recently.

Speaking at a training on “Sustainable Weed Management Options: Approaches and Applications” at the university, the Registrar said with rising labour cost and growing unavailability of labour, farmers were switching to herbicides from manual weeding.

However, the continuous and indiscriminate use of herbicides had resulted in the development of resistance besides causing soil, environmental and human health hazards. Herbicides alone may not give the best optimum solution to all weed problems.

“Integrated approaches should consist of cultural practices that suppress weeds by using crop competitiveness, planting weed-free crop seeds, using herbicides possessing multiple mode of action, using classical biological agents and bio-herbicides similar to countries like Canada and the Netherlands,” he said.

“Nano-technology has the solution to improve efficacy and degradation of the herbicide residues and also nano-encapsulation of herbicides for dry lands and suitable nano particles for degrading different herbicide molecules are also under research,” he added.

Research on weed control had begun in TNAU in 1982. Weed control strategies for almost all crops and cropping systems had been developed by the centre and recommended to farmers. The problem of invasive weeds due to import of foodgrains was also being surveyed extensively, Mr. Subbian said.

### **Farmers rally for support to make Dec. 7 bandh a hit**

Representatives of various farmers' organisations in the district have appealed to people from all walks of life to support the bandh call given by them on December 7 in the Cauvery delta districts to protest Karnataka's refusal to give water to Tamil Nadu.

"People should support it as this is a livelihood issue. We appeal to traders to down shutters on that day. Tamil Nadu government should join the bandh too," they told presspersons on Monday.

Sami Nadarajan, district secretary of Tamil Nadu Vivasayigal Sangam affiliated to the CPI (M), A. Panneerselvam, district secretary of Tamil Nadu Vivasayigal Sangam affiliated to the CPI, P. Ramanathan, president, Sugarcane Producers' Association, and R. Sukumaran, district president, Thamizhaga Vivasayigal Sangam, in a joint press meet, said that the standing samba crop in the delta districts is withering for want of water.

Karnataka should have released water at least on humanitarian grounds. Karnataka has not respected the Cauvery River Water Disputes Tribunal order, Cauvery River Authority, and even Supreme Court.

Farmers hope that Supreme Court may issue an order on Monday for releasing water from Karnataka.

"It is our right to get our due share of water," they said.

They also demanded payment of Rs.10 lakh as relief to the families of four farmers who have committed suicide in Nagapattinam and Ariylaur districts.

### **Steps to protect dairy farmers**

Minister for Dairy Development K.C. Joseph has said that the government has initiated steps to protect the interests of dairy farmers in the State and to attain self-sufficiency in milk production.

Speaking after inaugurating the concluding ceremony of Milma Fest-2012 and a dairy farmers' meet, organised jointly by the Dairy Development Department and Milma at Channothkolly near Pulpally, on Sunday, Mr. Joseph said that the recent hike in milk price was effected with the aim of retaining dairy farmers in the sector.

When milk price was hiked, production also increased considerably, Mr. Joseph said. Earlier, the State was buying nearly 8 lakh litres of milk a day from the neighbouring States, which was reduced to 1.5 lakh litres a day after the price hike, he said. It showed that if dairy farmers were provided remunerative prices, they would continue in the sector, Mr. Joseph said.

“But, it does not mean that the government would help the farmers by hiking the price every time,” the Minister said.

The government had urged the Union government to include dairy sector in the Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS), Mr. Joseph said. If it was done, the State government could provide daily wages to marginal dairy farmers, the Minister added.

Mr. Joseph said the government would launch 20 new dairy development offices in the State soon, of which two would be in Wayanad district.

### **Chittur paddy farmers seek steps to save crop**

The Desheeya Karshaka Samajam has sought Chief Minister Oommen Chandy’s immediate intervention to get the State’s share of water from the inter-State Parambikulam Aliyar Project (PAP) and save the second crop of standing paddy from drying up for want of water in 18,000 hectares in Chittur taluk.

Desheeya Karshaka Samajam general secretary Muthalamthode Mani has said that “if immediate action is not taken to get 1.75 TMCF water required to save the standing crop from Tamil Nadu, the entire paddy cultivation in 18,000 hectares in the Chitturpuzha irrigation scheme will be lost.”

“Tamil Nadu had promised to release 1.75 TMCF water for paddy cultivation in Chittur till January 31, 2013. On the basis of this, Kerala officials asked the farmers to take up second crop of cultivation. The farmers were planning to abandon the second crop as the northeast monsoon had failed in November. But the Tamil Nadu stand that they can only release .75 TMCF water, instead of the promised 1.75 TMCF, is a betrayal of the farmers of Kerala,” he said.

According to the farmers' forum leader, this is also a violation of the PAP agreement by Tamil Nadu. As per the agreement, Kerala should get 7.25 TMCF water annually for Chitturpuzha. But this year so far Kerala received only 2.62 TMCF water and another .55 TMCF water will be released till December 15, 2012. Thus, the total share will come to only 3.02 TMCF as against 7.25 TMCF.

"Tamil Nadu refused to release 1.75 TMCF water to save the standing crop at Chittur when the Parambikulam group of dams is having a total storage of 5.7 TMCF water which they are taking to their areas through the Thirumurthy dam. This is gross injustice to the farmers of Chittur and blatant violation of the PAP agreement."

### **Political will**

Mr. Mani urged Mr. Chandy to show the political will to take up the matter with the Tamil Nadu Chief Minister. He said Kerala should take the same stand that Tamil Nadu had taken for getting Cauvery water for them from Karnataka. He also urged the Chief Minister to approach the court against the violation of PAP agreement by Tamil Nadu.

"The PAP agreement had expired in 1988 and the Tamil Nadu government did not show any interest to renew it as they wanted more of Kerala water from Anamalayar for renewing the agreement," he said. Though the Tamil Nadu officials had said earlier that there was not enough water in the Parambikulam group of reservoirs to fulfil the commitment to Kerala this year, they were releasing water to their areas through the contour canal, he said.

Irrigation Department officials had informed the farmers that they would be able to supply water from the Moolathara right bank canal (RB canal) up to Vempura and from the Pemparamada canal to Chandanappuram and from the Kunnamkattupathy canal to Kuttippalam. The water would be made available up to January 31 as against the usual supply till March 31 for the second crop. Because of this, the farmers cultivated only short-duration paddy, which would bring down the yield by one-third, Mr. Mani said.

Besides the annual commitment, Tamil Nadu should provide a share of the surplus yield of water from the Parambikulam group of reservoirs. But Kerala did not get it generally, Mr. Mani pointed out.



## Falling water-level, impact of canal work concern farmers

Enough water in KRS for irrigation till December-end: official



Dire situation: Water-level at Krishnaraja Sagar was 98.7 ft on Monday. It was 121.57 ft on the same date last year.

Agricultural activities are likely to be affected in Mandya in the coming months as the water-level in the Krishnaraja Sagar (KRS) is reducing drastically. Besides, even if it rains, water will be stopped for three months in the Visvesvaraya canal, owing to proposed modernisation work.

Water-level at KRS was 98.7 ft at 6 a.m. on Monday. It was 121.57 ft on the same date in 2011. Inflow was 1,364 cusecs, while outflow was 5,149 cusecs.

### Modernisation

The Irrigation Department is taking up modernisation work along the canal, which supplies water to more than 1 lakh acres. Chief Minister Jagadish Shettar inaugurated the project on November 23. The State government has allocated Rs. 330 crore for it.

Work will begin in January and the department will stop water in the canal for three months.

### A worried lot

Farmers of the region are worried about losing their crops, Shanbhunahalli Suresh, general secretary, Karnataka Rajya Raitha Sangha, told *The Hindu* here on Monday.

At present, the reservoir has 13 tmcft of water, while the standing paddy and sugarcane crops need at least 0.5 tmcft a day, Mr. Suresh said.

“The paddy crop in most fields across the district is in milky stage (the stage before grain filling and maturity). The Irrigation Department has completely failed to manage water effectively,” he added.

### **Requirement**

The Cauvery Neeravari Nigam Ltd. (CNNL) has to release at least 5,000 cusecs of water a day to Chikka Devaraya canal, Virija canal, Bangara Doddi canal, Visvesvaraya canal, Right Bank Low Level canal and Left Bank Low Level canal for irrigation, a CNNL officer said.

There was sufficient water for irrigation till December-end. The rest would be reserved for supply of drinking water to Bangalore, Mysore and Mandya districts, the official said.

### **Action plan**

The KRRS has requested the district administration to ensure that farmers don't lose their crops. “We have requested Deputy Commissioner B.N. Krishnaiah to take steps to provide long-term loans to farmers, fodder and electricity supply for borewells,” Mr. Suresh said.

According to him, a majority of farmers are contemplating not sowing paddy this year, as the crop needs lots of water.

Echoing this sentiment, Mahadeva, a farmer from Malligere, blamed the government for the situation. This was the result of releasing water to Tamil Nadu, he said.

### **Power cuts leave “Uzhavan Unavagam” in the dark**



The increase in power cuts in the past few months has taken a heavy toll on 'Uzhavan Unavagam' (Farmer's Eatery), the novel initiative undertaken by the former Madurai Collector U. Sagayam to help both farmers and an increasingly health conscious urban populace.

Opened with much fanfare in September 2011 in an effort to revive traditional food culture, the eatery serves various recipes made exclusively out of minor millets and other agricultural products.

In order to cater to the tastes of an urban population, the healthfoods are packaged into contemporary dishes such as dosa, idly and soup.

Stalls were allotted to farmers who underwent training at Home Science College and Research Institute in Madurai.

However, stall keepers told *The Hindu* that the patronage, while very high initially, had dropped in the past few months as the eatery was, literally, languishing in darkness because of the power cuts. The stalls were open only in the evening hours between 4.30 p.m. and 9.30 p.m. Of these five hours, power supply is disrupted for at least three hours. With the farmers running the stalls, being financially weak, they are unable to afford inverters or generators. Cooking with the aid of candles and emergency lamps was also proving very difficult.

In the initial stages, the eatery serviced more than 500 consumers on week days and 700 on week ends generating an average daily income of nearly Rs. 8,000 for the farmers. In the first four months of its operation, the eatery served a total of 65,000 consumers generating nearly Rs. 10 lakh, according to official sources. At present, the arrivals have dropped to around 300 on week days and 500 on week ends.

"Only the regular customers are ready to eat in the dark as they find the food here to be very nutritious. Even they complain that their family members are reluctant to eat in the dark," a stall keeper said.

A doctor from Dindigul, who was a regular patron, said that Uzhavan Unavagam was a rare opportunity for an urban populace that was increasingly facing a lot of lifestyle-related health issues. Such initiatives have to be promoted as the food offered here was very healthy and difficult to obtain otherwise.

Stall keepers said that they were taking part in events organised by hospitals in the city as many doctors were advising their dishes for sugar and diabetic patients. More than 40 varieties of millet based recipes were served at these stalls. The dishes served include, among others, sola dosai, ragi idly, varagu pongal, mudakkathan dosai, ragi murukku and sola biscuits.

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### **Seminar on solutions for energy crisis at ALC**

Pune-based Lokayakth Founder Member Neeraj Jain explained instances like the Rawatbhata, Chernobyl Catastrophe etc. to the students and told them how lakhs of people lost their lives in the name of nuclear energy production.

Speaking at a seminar "Sustainable Solution to the Energy Crisis" at the Andhra Loyola College on Monday, he focussed on the effects of atomic energy, radiation it causes and the challenges faced during the disposal of this radioactive waste.

The interests of the common man were not being considered and the decisions were made in the favour of Corporates, he opined. This was evident in how India was encouraging the setting up of nuclear and thermal plants which are being shut down in other countries, he said. He suggested some alternatives like increasing the efficiency, curbing waste of energy and renewable energy usage.

“If the people are given surplus energy at the current prices then there will be no need of disastrous nuclear plants and thermal plants,” he said. Director Fr. J. Thainese, O. Mahesh, special guest Rev. Fr. B.J. Shailendra and students from various colleges participated.

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The government had urged the Union government to include dairy sector in the Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS), Mr. Joseph said. If it was done, the State government could provide daily wages to marginal dairy farmers, the Minister added.

Mr. Joseph said the government would launch 20 new dairy development offices in the State soon, of which two would be in Wayanad district.

### **Give quality feed for chicken**

The Agrometeorological Advisory Services attached to the Tamil Nadu Veterinary and Animal Sciences University has advised poultry farmers to use quality feed ingredients to prevent feed contamination.

The report states that feed ingredients for the chicken are found to be contaminated with *ecoli* and *salmonella*.

Farmers should follow strict security measures to control infectious laryngo-tracheitis and necrotic enteritis.

Reports of post mortem examination carried on dead birds revealed that the cause of death was these infections. Occurrence of mycotoxins in fresh maize would reduce egg production.

Farmers should test maize before feeding the birds.

Weather report for the next few days states that the maximum temperature will be in the range of 30 degree Celsius to 31 degree Celsius, while minimum temperature can come down to 20 degree Celsius.

### **Humidity**

Humidity will be in the range of 54 per cent to 88 per cent. The weather conditions can result in increase intake of feeds by the birds. The Krishi Vigyan Kendra has asked farmers growing paddy to spray chloripyriphos on the crops at the rate of 2 ml a litre of water, as paddy crops have found to be affected by leaf folder worms.

Cassava crops have been affected by 'red mite' and asked farmers to use 'Omite' at 0.5 ml a litre of water and spray either in the morning or evening hours.

### **District pins its hopes on remaining days of monsoon**

With the winter, summer showers and South-West Monsoon having disappointed Coimbatore district with scant and deficient rainfall, now the district pins its hopes on the remaining 25 days of the North-East Monsoon.

Winter rainfall during the months of January and February this year also had been the lowest of 2.9 mm. Winter rainfall in Coimbatore had been good in the last 10 years except in 2002 when it was just 2 mm, while it was just 0.8 mm in 2009 and it was nil in 2010.

Similarly, summer rainfall had also been very poor for the district with just 89.9 mm, also considered the lowest in the last 10 years except for 46 mm in 2002 and 85.2 mm in 2010. All the other years, it had witnessed good rainfall bringing some benefit ahead of South-West Monsoon. As far as South-West Monsoon was concerned, 2012 recorded only 68.1 per cent, the lowest ever in the last 10 years. Poor rainfall was witnessed in 2002, when it was only 98.4 mm and 77 mm in 2003.

But, what comes as a solace for the district is the 208.1 mm of rainfall received by the district in the month of October, the first month of the North-East Monsoon. This was definitely higher than the normal or average rainfall of 189 mm, say Revenue Department sources.



With 25 more days to go, it would be too premature to conclude whether North-East Monsoon would bring benefits or would lead to disappointment.

When it came to the total rainfall received in mm over a period of one year, 2012, so far, seems to be the lowest with just 368.9 mm posting a – 46 per cent deficient rainfall. The highest rainfall in a year was during 2005, when the district recorded 941 mm and the lowest had been in 2002 when it was just 434.3 mm. Otherwise, the total rainfall in the district over an year had been in the range of 500 mm to 700-odd mm.

Though, the district had gone through a scanty and deficient rainfall all through, as far as agriculture was concerned, it was a “so far so good scenario”, as a majority of the farm activities were based on assured farming, i.e., irrigation with only a marginal area coming under rainfed cultivation.

The district accounted for 1.80 lakh hectares under cultivation with crops such as paddy, millet, maize, sugarcane, cotton, pulses and vegetables. Of the 1.80 lakh hectares, more than 80 lakh hectares accounted for standing crops such as coconuts under assured irrigation. But, crop coverage in the district had been quite normal, till date, officials pointed out.

Paddy was also under assured irrigation. Other crops such as millets, maize, vegetables, banana and sugarcane have a mixture of rainfed as well as assured farming through irrigation. Only those dependent on rain would face a setback.

Farmers irrigating about 30,000 to 35,000 hectares who are dependant on rain are likely to be either partially or fully hit.

Even that would largely depend on the rain during the remaining days before the monsoon exits.

### **No supply of palm oil**

Palm oil being one of the most essential commodities has not so far been supplied to the fair price shops this month much to the disappointment of the consumers. Hence, the civil supplies department owes an explanation to the public as to why the supply of the same has not so far been effected till date to the fair price shops.

K. Chelliah,

*Aundivilai.*

### **Extend darshan timings**

Kanyakumari is a tourist centre. Every day thousands of tourists visit the place. Arulmigu Sri Bhagavathi Amman temple is very old and famous. Thousands of devotees offer prayers. At present, darshan timings are from 4.30 a.m. to 12.30 p.m. and from 4 p.m. to 8.10 p.m. The devotees cannot visit the temple during after noon. They have to wait for darshan time at 4 p.m. Moreover, during November, December and January, several lacks of Ayyappa devotees throng the temple. So the authorities concerned should keep the temple open from 4.30 a.m. to 9 p.m. continuously. It will be much helpful to the devotees.

K. Ananthanarayanan,

*Kanyakumari.*

### **A boon**

The introduction of core banking system in State banks enables the pensioners to submit their life certificate in November in the home branch or any branch of State Bank of India, duly showing their pension payment order book with photo proof and the savings bank (pension) account book. Pensioners residing with their children temporarily at a place far away from the home branch during November can submit their life certificate without any difficulty. This relaxation, due to internet linking of accounts through computers through out India, is very useful to senior citizens, especially above the age of 80 years. Thanks to the higher officials.

Shanmuga Subramanian,

*Kodeeswaran Nagar.*

### **Ensure bus facility**

Eraniel railway station is an important station as Eraniel Palace, Padmanabhapuram Palace, Mondaikadu Amman temple, Aruvikkarai, Thiruvattar Adikesavan temple, Mathur Hanging bridge, Thirparappu water falls and Colachel port are nearby. Tourists and others intending to visit the above places reach Eraniel station and they are in a quandary to reach Monday market

bus stand to facilitate them to reach the respective places. Either they have to trek by foot or hire an auto but auto-stand is not nearby to reach Monday Market bus stand.

Though there is a demand from Eraniel Train Passengers' Association and others to provide bus connectivity between Monday market bus stand and Eraniel station for long but till now no action has been taken to run bus from Monday Market bus stand to Eraniel station. tourists.

V. Kumar,

*Thekkurichy.*

### **Aadhaar card implementation**

This refers to the news report on 'Direct cash transfer of subsidies through Aadhaar from January 1,' vide *The Hindu*, dated November 25, 2012. It has been reported that direct cash transfer of subsidies through Aadhaar card would be implemented in the first phase in 51 districts across 15 states from January 1, 2013 and the scheme would cover the entire country by the end of the year 2013.

The introduction of direct cash transfer to the beneficiaries' bank accounts is a welcome step as it would eliminate the middle men and the delay in getting the subsidy amount. But the work on registration, taking photographs etc., of all the beneficiaries has not yet been taken up and completed fully in many areas.

Further, since the form/questionnaire for getting the card is printed in English, the beneficiaries find it difficult to fill up the forms and submit them to the authorities concerned easily for which they have to seek the help of the brokers. It defeats the very purpose of the scheme.

S. Nallasivan,

*Tirunelveli.*

### **Basic amenity needed**

The residents of Vinayaga Nagar near EB office in Thallaiyuthu facing a lot of hardship in getting basic needs like proper water supply and road facility. Residents of ward no. 12 get drinking water supply once in a week.

All the wards should be merged with Naranmalpuram special panchayat to get benefits.

Praveen. K,

*Sankar Nagar.*

### **Tuticorin or Thoothukudi?**

In Middle East and European countries for issuing work permit or residence visa, it has become mandatory that the birth certificate to be authenticated by the respective State and then endorsed by the Ministry of External Affairs. We can understand that this is for the security reasons. But residents from Tuticorin face a peculiar situation.

In many of the passports the place of birth is entered as Tuticorin but in the birth certificate issued by the Corporation it is mentioned as Thoothukudi.

It becomes extremely difficult to convince the authorities of the host countries that both are one and the same place. It leads to delays in settling down.

To tide over the situation, a footnote may be printed in the birth certificate that “Tuticorin is also called as Thoothukudi” quoting the gazette notification.

I appeal to the corporation authorities to consider this or any other option better known to them.

J. Edison Devakaram,

### **Paddy procurement hits new low as district grapples with water scarcity**

Tamil Nadu Civil Supplies Corporation (TNCSC) may have to be content with lesser procurement of paddy during this samba season as prospects of samba appear bleak due to scarcity of water in the Cauvery delta districts. As Kuruvai was raised only in pump-set irrigated

areas, and with private parties giving a better price than TNCSC, the corporation has procured very less during Kuruvai season.

For example, in Thanjavur district, the corporation had procured only 767 tonnes in Kuruvai. “By this time last year, we procured 1.50 lakh tonnes,” said TNCSC officials. Samba is the major procurement season for TNCSC and the procurement last year in Thanjavur district alone was 6.5 lakh tonnes.

This year, TNCSC expects to procure four to five lakh tonnes, but farmers say this is not possible as samba prospects are bleak for want of water. “Leave alone procurement by TNCSC, if samba fails this year, food security will be under threat,” said farmers.

There were two seasons of procurement previously, i.e. Kuruvai from October one to December 15 and samba from December 16 to July 31. The corporation followed various procurement policies like monopoly procurement in which the corporation alone will purchase paddy in the districts, parallel procurement in which it will purchase along with private traders and levy system.

From October 1, 2002, the corporation has been following the decentralised system of procurement as per minimum support price and uniform specification fixed by the Central government.

Procurement was good in the last decade from 2002 and it had reached 23.10 lakh tonnes in 2010-11 from 1.59 lakh tonnes in 2002-03. The corporation opened 347 direct purchase centres in 2002-03 and procured 1.59 lakh tonnes. During 2003-04, there were 571 DPCs and procurement was 3.10 lakh tonnes. “The corporation hopes to procure samba paddy this year from pump set irrigated areas. This is sure but rain-fed and canal irrigated areas may not account much,” say officials.

TNCSC hulls the paddy purchased by it in its 23 modern rice mills and through private hullers. It stores rice and moves the stocks to public distribution system through co-operatives and other agents. PDS will be hit if TNCSC does not procure adequate paddy and convert it into rice. TNCSC does market intervention whenever farmers are in distress or produce lower quality paddy due to natural calamities like floods.

Chennai ▾

## Chennai - INDIA

### Today's Weather



Partly Cloudy

**Rain:** 0

**Humidity:** 74

**Wind:** normal

**Tuesday, Dec 4**

**Max Min**

28.4° | 21.2°

**Sunrise:** 06:17

**Sunset:** 05:41

**Barometer:** 1011

### Tomorrow's Forecast



Partly Cloudy

**Wednesday, Dec 5**

**Max Min**

31° | 22°

### Extended Forecast for a week

**Thursday**  
**Dec 6**



30° | 22°  
Partly Cloudy

**Friday**  
**Dec 7**



27° | 24°  
Overcast

**Saturday**  
**Dec 8**



26° | 23°  
Cloudy

**Sunday**  
**Dec 9**



26° | 23°  
Cloudy

**Monday**  
**Dec 10**



25° | 23°  
Cloudy

### Airport Weather

Delhi ▾

**Delhi**

**Rain:** 0

**Humidity:** 71

**Wind:** normal

**Sunrise:** 06:59

**Sunset:** 05:24

**Barometer:** 1017



# THE HINDU Business Line

TODAY FARM NEWS

03.12.2012 P.M

04.12.2012 A.M

03<sup>rd</sup> dec 2012 P.M

## Parag Milk Foods expanding AP facility



Dairy products maker Parag Milk Foods is investing Rs 80 crore in its Andhra Pradesh processing facility to soak up surplus milk produced in the State and convert it into high-end, value-added dairy products.

While half the investment is being made in the current fiscal, the remaining Rs 40 crore will be spent in the next fiscal. This will see the plant's milk procurement capacity go up to 10 lakh litres per day from the current six lakh litres.

This is part of the overall Rs 450 crore investment plan lined up by the firm for the next five to seven years that includes setting up its third and four processing plants in the country and see its total procurement capacity move up to 50 lakh litres a day from the present 20 lakh litres.

“We have not yet finalised the locations for the two new plants, but these will be located in the north and east,” Devendra Shah, Chairman, told media persons here today.

Parag Milk, which completed its second round of PE funding recently, is planning to tap the capital market to raise part of the proposed Rs 450 crore investment. “But given the current market conditions, this may take a couple of years,” he said.

### **New brands**

The company, which owns dairy products brands such as Go and Gowardhan, will be launching two new brands in the next few months. “The first will be launched in the next two months. These will be in the high-end segments,” he said, without disclosing the product category.

Explaining the rationale behind its Andhra Pradesh expansion, Shah said the State produced 11.6 million litres of milk, but only about 13 per cent was being procured by the organised sector.

“Farmers here are saddled with surplus milk, which is why we chose to expand our facility in Palamner in Chittoor district,” he added.

Also, the procurement price in Andhra Pradesh was the lowest compared with other milk producing centres. While it was Rs 17 a litre in the State, the procurement price ranges from Rs 19.50 in Maharashtra to Rs 22 in Gujarat.

### **Brand makers' buying heats up groundnut oil**

Fresh buying by branded edible oil manufacturers pulled up groundnut oil prices by Rs 10 for 15-kg tin.

Moreover, lower arrival of groundnut also supported the price sentiment.

However, retail demand was below normal as price was too high.

### **Brands**



A miller said, “Manufacturers of branded oils have entered the market and started to buy. With this sufficient groundnut is not available for crushing as this year crop size expected to be low.

Groundnut oil price may not gain much as demand in retail is very nominal.”

About 80-100 tonnes of groundnut oil were traded in Saurashtra’s mills and loose groundnut oil was traded up by Rs 5 to Rs 1,280-1,285 for 10 kg.

New tin for 15 kg rose by Rs 10 to Rs 2,150-2,155 while *telia* tin gained Rs 8 to Rs 1,963-1,964.

### Arrivals

Groundnut arrivals stood at 20,000 bags in Rajkot, 16,000 bags in Gondal and 2,400 bags in Jamnagar.

HPS TJ37 80-90 count was offered at Rs 82,500-83,000 a tonne, G2 80-90 count at Rs 83,500-84,000 , TJ37 50-60 count at Rs 85,500-86,000 and bold 50-60 count at Rs 78,500.

### Cotton oil steady

On the other hand, cotton oil ruled almost steady at Rs 1,150-1,160 for 15 kg tin.

Cotton oil wash was down by Rs 5 to Rs 642-645 for 10 kg. About 250-300 tonnes of cotton oil was traded here.

### Aromatic rice rally snaps; non basmati firm

After rallying for the last one month, aromatic rice witnessed some downward revision in its prices on Monday.

Prices of non-basmati rice ruled firm at previous levels.

The market has seen some buying and prices of pure Basmati have increased by Rs 1,500 a quintal over the last few weeks, said Amit Chandna, proprietor of Hanuman Rice Trading Company.

Traders expect that correction in aromatic varieties is a temporary phase and aromatic varieties may regain their previous levels in a few days, while major changes are unlikely in non basmati varieties, he added.

In the physical market, prices of Pusa-1121 (steam) eased by Rs 100 and sold at Rs 6,000-6,100 while Pusa-1121 (sela) sold at Rs 5,150-5,325 , Rs 50 down.

Pure basmati (raw) went down by Rs 100 and quoted at Rs 7,000 while pure basmati (sela) sold at Rs 6,500 .

Duplicate basmati (steam) traded at Rs 5,000-5,125 , Rs 75 down.

On the other hand, non basmati varieties continued to rule firm at their previous levels. PR-11 (sela) sold at Rs 2,550-2,650 while PR-11 (Raw) quoted at Rs 2,600 .

Permal (raw) sold at Rs 2,100-2,250 while Permal (sela) went for Rs 2,200-2,300 .

Sharbati (steam) quoted at Rs 3,800 while Sharbati (sela) was at Rs 3,500.

### **Paddy Arrivals**

About 20,000 bags of PR variety arrived and went for Rs 1,150-1,200 a quintal, Sharbati arrived with a stock of around 5,000 bags and quoted at Rs 1,750-1,850 , around 5,000 bags of DB variety arrived and sold at Rs 2,550-2,650.

About 15,000 bags of Pusa-1121 arrived and quoted between Rs 2,750 and Rs 2,925 , pure basmati paddy arrived with a stock of around 5,000 bags and sold at Rs 3,200-3,450.

### **Weak demand for meal may drag soyabean**

Weak global cues and selling pressure outmanoeuvring demand have led to a sluggish trend in soya oil prices in the past few days. Soya refined on Monday ruled at Rs 695-700 for 10 kg, while soya solvent declined to Rs 663-65 for 10 kg.

On the back of weak foreign support, soya oil in the past one week has declined by Rs 10. Soya refined December contract on the NBOT closed at Rs 724.50 after opening at Rs 720.50 in the morning. On the NCDEX also, buying support lifted soya oil with its December and January contracts closing at Rs 722 (up Rs 11.65) and Rs 708.90 (up Rs 16.50) respectively.

Soyabean also traded lower on weak demand in soya DOC and global cues. On Monday, soyabean in Madhya Pradesh mandis declined to Rs 2,090-3,100 a quintal amid arrival of 2.5 lakh bags. Arrival in Indore and Dewas mandis was recorded at 8,000 bags each, while it was 9,000 bags in Ujjain mandi.

Plant deliveries in soyabean also declined to Rs 3,160-80 on weak buying support from crushers. Soy seeds December and January contracts on the NCDEX closed at Rs 3,153 (up Rs 47) and Rs 3,185 (up Rs 73.50) respectively.

According to Mukesh Purohit, a local soya oil manufacturer, given weak foreign support and slack demand in soyameal, soyabean may see some decline in the coming days before rising.

Soya DOC continued to trade lower on lack of buying support both in the export and domestic market. On Monday, soya DOC ruled steady in the domestic market at Rs 26,500 a quintal.

### **Turmeric continues to slide as orders dry up**



Spot turmeric continued to rule weak on lack of upcountry orders. No improvement in price or sales were seen on Monday.

“Virtually no trader has received fresh orders from North India and so they are quoting decreased price for the yellow spice. We are expecting some orders within couple of days. If no

order is received till December 10, certainly there would be no order till February from North India. The lack of upcountry demand is due to the onset of winter there ,” said R.K.V. Ravishankar, President, Erode Turmeric Merchants Association.

He said though the prevailing price of the turmeric is not feasible for farmers, it is higher than last year.

Last year, during this month turmeric was sold at a maximum price of Rs 4,699 a quintal, the hybrid variety at Rs 4,889.

But this year the farmers are getting Rs 1,000 more.

Last year during this period, sales were encouraging and arrival was 12,000 bags.

This year the farmers are getting a maximum price of Rs 5,586 , the hybrid Rs 5,833. But arrivals were around 4,500 bags and the sale was only 45-50 per cent.

At the Erode Turmeric Merchants Association Sales yard, the finger variety was sold at Rs 4,019-5,291 a quintal; the root variety Rs 3,681-4,519.

**Salem Hybrid Crop:** The finger variety was sold at Rs 4,563-5,833; the root variety Rs 4,316-4,939.

Of the 1,526 bags that arrived only 300 bags were sold.

At the Regulated Market Committee, the finger variety fetched Rs 4,309-5,344; the root variety Rs 4,299-4,997 . Of the 800 bags on offer, 624 found takers.

At the Erode Cooperative Marketing Society, the finger variety was sold at Rs 4,209-5,586; the root variety Rs 3,899-5,017. Of the 1,083 bags that arrived, 1,015 were sold.

At the Gobichettipalayam Agricultural Cooperative Marketing Society, the finger variety was sold at Rs 4,399-5,475, the root variety Rs 3,869-5,072.

Of the 468 bags, 373 found takers.

**Cardamom turns bullish on unfavourable weather**

The cardamom market continued to move up on export buying and domestic buying at last week auctions.

Individual auction average at all the auctions stayed above Rs 825 a kg, except for one auction where it was at Rs 807 last Monday.

Exporters were seen buying and an estimated 30 tonnes of cardamom were bought by them. They are said to be having orders in hand, but at lower rates, and hence they are waiting for the prices to decline, trade sources in Bodinayakannur said.

Upcountry buyers were very active and covering good quantities. A bullish sentiment has emerged in the market given the unfavourable weather conditions prevailing in the growing areas so far this year. Besides, inventories in the upcountry markets are said to be empty. Retailers all over the country are also said to be “buying small quantities”, market sources told *Business Line*.

Demand has started picking up in North India for the festival season, winter and wedding season, they said.

The positive trend is also attributed to emptying of pipelines in the North Indian markets following the boycott of auctions for over a month recently by the traders in protest against raising of the minimum bidding rates. Revival in demand from upcountry markets was visible in recent days, market sources in Kumily and Bodinayakannur said.

### **Arrivals high**

In the meantime, arrivals last week soared to around 545 tonnes which the trade attributed to release of stocks piled up during the suspension of auctions for over six weeks.

According to market sources, arrivals are expected to be normal as the crop this season is estimated to be 50 per cent of the output last season. It is, in fact, evident from the arrivals and sales so far in the current season, which is nearly half of the arrivals during the same period in the last season. Now, third round of picking is over and the remaining crop would be harvested in two or three round of picking and that might last till February next year.

At the Sunday auction conducted by the KCPMC, total arrivals declined to 85.5 tonnes from 95.5 tonnes the previous Sunday and the entire quantity was sold out. The maximum price was at Rs 1,135 a kg and minimum was at Rs 505 . Auction average price increased to Rs 854.29 from Rs 835 the previous Sunday, P.C. Punnoose, General Manager, CPMC, told *Business Line*. Good quality material arrived yesterday and hence the bulk fetched around Rs 850 while 8mm bold was sold at Rs 1,100-1,200, he said.

Total arrivals and sales during the current season from Aug 1 were at 4,682 tonnes and 4,464 tonnes respectively. In the corresponding period last season, they were at 8,038 tonnes and 7,817 tonnes, official sources said.

The weighted average price as on Dec 2, 2012 stood at around Rs 760.27 against Rs 572.13 on the same date last year.

**Prices of graded varieties (Rs/kg):** AGEB 1,010-1,020; AGB 810-820; AGS 775-785; and AGS - 1 750-760.

### Pepper moves up on circular trade

The pepper market moved up on circular trading by bull operators on Monday. The December contract increased substantially despite heavy liquidation.

February showed a decline when its open interest indicated a sharp rise. March moved up marginally.

“They were pushing up December delivery knowing that there was no pepper with the sellers,” market sources told *Business Line*. With the rise in December delivery, the difference between it and February has widened, they said.

There were no arrivals from the primary markets. No physical pepper was available in the primary markets in Kerala and Karnataka, they said.

December contract on the NCDEX increased by Rs 610 a quintal to close at Rs 38,410 a quintal while February declined by Rs 15 to close at Rs 34,380 a quintal. March moved up by Rs 60 a quintal.

## Turnover

Total turnover increased by 1,995 tonnes to close at 3,725 tonnes, indicating circular trading, market sources said. Total open interest dropped by 393 tonnes to close at 7,472 tonnes.

December open interest fell by 581 tonnes to close at 5,018 tonnes showing heavy liquidation while that of February and March increased by 179 tonnes and 9 tonnes respectively to close at 2,037 tonnes and 360 tonnes.

Spot prices in tandem with the futures market trend moved up by Rs 100 a quintal to close at Rs 37,200 (ungarbled) and Rs 38,700 (garbled) a quintal.

Indian parity in the international market was at \$7,250 - \$7,300 a tonne (c&f) Europe today following the rise in the futures.

The high parity for Malabar in Sept-Oct has deprived the country of export of the commodity.

### Crude futures jump to Rs 4,875 per barrel

Crude oil futures prices rose 0.58 per cent to Rs 4,875 per barrel today as speculators created fresh positions amid a firm trend in Asia.

At the Multi Commodity Exchange, crude oil for delivery in December gained Rs 28 or 0.58 per cent to Rs 4,875 per barrel with a business turnover of 13,628 lots.

Similarly, the oil for January delivery moved up by Rs 27 or 0.55 per cent to Rs 4,932 per barrel with a business volume of 1,347 lots.

Market participants said the rise in crude oil futures was on account of a firm trend in Asia on signs that China's economy may be picking up after a prolonged slowdown.

Meanwhile, crude oil for January delivery advanced by 11 cents to \$89.02 a barrel on the New York Mercantile Exchange.

### Jasmine flower prices touch a high of Rs 1,200 per kg



Adverse climatic conditions like heavy mist has resulted in a sharp decline in jasmine production in Sathyamanangalam and nearby areas and prices touching a peak of Rs 1,200 per kg.

The price, which touched Rs 1,200 per kg on Sunday, came down by Rs 100 today, Sathyamangalam Flower Producers Association President P Murugesh said.

The crop is raised in over 50,000 acres in about 75 villages round Sathyamangalam, noted for jasmine cultivation.

Jasmine cultivators said heavy mist has affected the crop and expect production to continue to be low till February due to winter season.

Farmers harvest jasmine and bring it to the shandy run by the Sathyamangalam Flower Producers Association where they are sold to buyers all over the state and also from Karnataka.

Murugesh said 40 tonnes are sent every day from April to September to UAE and other West Asian countries by flights.

The quantity has come down to only 2.5 to three tonnes a day and so prices have increased to Rs 1200 a kg. Today, it decreased by 100 a kg, he said and said prices would remain at between Rs 1000 to Rs 1100 a kg till February. Last year also the prices touched Rs 1500 a kg.



## Chana futures extend decline



Chana futures on the National Commodity and Derivatives Exchange Ltd (NCDEX) continued their downtrend on Monday.

December contract opened marginally higher at Rs 4,095 a quintal against the previous close of Rs 4,094. It made a high of Rs 4,100 and low of Rs 4,018. It was trading lower by 1.66 per cent at Rs 4,026 at 12.40 pm.

December contract had lost nearly three per cent on Saturday on heavy selling pressure. Demand has come down sharply after the festival season.

Chana acreage under rabi crop has increased substantially this year after the hike in minimum support price announced by the government. The late monsoon this will also prove good for rabi season.

Higher output estimates and higher inventory with stockists will further pressurise prices.

## Emphasis on quality in spices production

India is giving strong emphasis for the development of spices sector with high importance on production of quality spices ensuring food safety.

Inaugurating the 27th sub committee meeting of the ISO on spices, culinary herbs and condiments here on Monday, A. Jayathilak, Chairman of Spices Board, has urged development of standards to ensure quality and food safety.

“Today’s multi-faceted spice trade industry and fast changing world calls for a close partnership between countries,” he said and added that globalisation presents many challenges and it is necessary that the countries work in co-operation for mutual benefits.

The ISO sub committee meeting is being held in India after a gap of 30 years. The current meeting is being attended by delegates from Spain, Sri Lanka and Iran besides India.

Experts in the field of quality, food safety, scientists from Indian Institute of Spices Research, CFTRI, Agmark, Spices Board, representatives of the spice industry are participating in the three day deliberations which will conclude on December 5.

This meeting is designed to enhance development of spice trade through global standards.

### **AVT on Forbes’ best companies list**

AVT Natural Products Ltd, Kochi, has been recognised by Forbes as one among 200 best companies from Asia-Pacific region with under \$1 billion revenue.

The award function held in Singapore to honour the companies of this elite list was attended by dignitaries from around the world. Ajit Thomas, Chairman of AVT Natural and M.S.A. Kumar, Managing Director represented AVT Natural.

Ajit Thomas received the award from Christopher Forbes, Vice-Chairman of Forbes Media LLC. The list published on August 18 is based on the financial data of the preceding 12 months.

AVT Natural with \$47 million (Rs 260 crore) sales, \$11 million (Rs 60 crore) net income and \$52 million (Rs 290 crore) market capitalisation, is one among 23 companies from India to find a place in this list. AVT Natural is part of AV Thomas Group of companies based in South India.

### **Absence of buyers saps spot rubber**

Domestic rubber prices declined on Monday.

According to observers, there were no buyers in the local market even at lower levels as they expected an improvement in arrivals amidst the peak production season.

Sheet rubber weakened to Rs 164 at Kottayam and Kochi from Rs 165 and Rs 166 a kg respectively, according to traders and the Rubber Board.

The December series declined to Rs 165.99 (167.91), January to Rs 168.01 (169.13), February to Rs 170.10 (171.39), March to Rs 172 (173.55) and April to Rs 179.10 (179.93) a kg on the National Multi Commodity Exchange.

RSS 3 (spot) dropped to Rs 164.96 (165.03) a kg at Bangkok.

The December futures improved to ₹250 (Rs 166.31) from ₹246.6 during the day session, but then finished unchanged in the night session on the Tokyo Commodity Exchange.

**Spot rates were (Rs/kg):** RSS-4: 164 (165); RSS-5: 159 (162); ungraded: 154 (156); ISNR 20: 158.50 (159) and latex 60 per cent: 108 (108).

### **Extractors body seeks import duty on crude palm oil**

The Solvent Extractors Association of India (SEA) has urged the Government to impose 10 per cent import duty on crude palm oil and 20 per cent on RBD palmolein. The move will help farmers who are experiencing sharp fall in prices of fresh palm fruit bunches and soyabean.

Besides helping farmers, the Government can generate revenue of Rs 4,000-5,000 crore, said Vijay Data, President, SEA, in a letter addressed to Finance Minister P. Chidambaram, Agriculture Minister Sharad Pawar, Consumer Affairs minister K.V. Thomas and Commerce Minister Anand Sharma.

Most of the RBD palmolein is consumed by hotels, canteens, restaurants and the food industries. While a small quantity of palmolein is consumed by lower income group, they are protected by subsidy of Rs 15/kg.

The decrease in CPO and RBD palmolein prices in the international market has severely affected soyabean price in the domestic market. Soyabean prices have fallen to Rs 3,200 a quintal from Rs 4,800 in July when farmers had undertaken sowing operations. Prices may drop further with arrivals peaking. The fall in prices will also have an impact on current rabi sowing of rapeseed/mustard.

There are reports that farmers have uprooted oil palm trees in Tamil Nadu after the steep fall in CPO prices in the international markets, said Data.

Malaysia and Indonesia have huge palm oil stock of over five million tonnes. In order to get rid of this excess stock, these palm oil producing countries are pushing their exports into India.

The average CIF (cost, insurance and freight) price of CPO has dipped to \$770 a tonne from \$1,184 in April last year. Similarly, RBD palmolein has fallen to \$840 a tonne from \$1,205 in April. In last six months, RBD palmolein and CPO prices have fallen by 33 per cent to over \$400.

In India, RBD palmolein prices have fallen to Rs 51,800 a tonne from Rs 62,131 in July.

The Government should also consider de-freezing the tariff value on RBD palm oil and other oils to align with current market price as being done for RBD palmolein on fortnightly basis to check the undue advantage, said SEA.

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### Cashew market buoyant with mixed undertone

The cashew market last week was buoyant with mixed undertone as some processors sold at significantly lower prices while others were able to sell close to higher levels seen in the previous two weeks.

The domestic market continued to be firm although activity was limited. Indian festival offtake during Sep to mid-Nov has been good and inventories in consuming centres are not too large. It would be reasonable to expect good activity before the next domestic season that starts in mid-Jan, Pankaj N. Sampat, a Mumbai-based dealer told *Business Line*.

Price range at the end of the week was W240: \$3.65-3.90, W320: \$3.25-3.45, W450: \$3.05-3.15, SW: \$2.60-3, SSW: \$2.40-2.50, splits: \$2-2.20 and pieces: \$1.40-1.70 FOB.

Such a wide range of prices for the same grade confuses and distorts the market. Slow movement of the lower grades is another concern as it increases the grade differentials and has impact on overall realisation and kernel parity of Raw Cashew Nut (RCN) prices.

In the the last 5-6 weeks, “there has been steady buying of small volumes by all markets which has kept the market moving within a range – bunched up buying would have resulted in an unnatural jump”, he said. This has also helped movement of 2012 crop RCN stock.

During December, “we expect steady buying to continue from the US and Europe as most players would like to cover reasonable portion of their early 2013 positions before the year ends”, trade sources claimed.

RCN market also saw reasonable activity last week with spot parcels in India and Vietnam as well new shipments from West Africa at prices ranging from \$900 to \$1,100. Sales in Tanzania auctions around \$1,300 are picking up but so far most of the buying has been by traders. Very small quantities have been picked up by shellers, they said. Brazil continued purchases in Africa even while its own crop is being harvested. “There are also reports of a big shortage there”, they added.

### **TN delta farmers concerned on samba crop prospects**

With water released from the Mettur dam only to meet the drinking water needs, the survival of the samba crop in Delta districts in about 10 lakh areas, appears bleak.

The farmers associations have announced a series of agitations to highlight their plight.

All farmers associations, both political and apolitical, have called for demonstrations before the Central government offices at the taluk headquarters in the Cauvery Delta districts on December 7.

The farmers, though disappointed with the outcome of the talks between the Tamil Nadu and Karnataka Chief Ministers, are yet hopeful that the Supreme Court would come to their aid after assessing the water availability in both States.

A release of at least 10 thousand million cubic feet (tmcft) of water by Karnataka, would be helpful to save the crops, sources said..

According to S. Ranganathan, Secretary, Cauvery Delta Farmers Association, the water could be used for at least two wettings.

Otherwise, the entire samba crop could be lost and it will be the first time ever since the construction of Mettur dam in 1924 that such a calamity would occur.

He called upon all farmers associations, irrespective of their political affiliations, to unite for a common cause and work together.

### **Vegetable oil imports likely to remain at last year's level**

India's vegetable oil imports are likely to be at last year's record at 10.2 million tonnes in the 2012-13 marketing year which began last month, on strong domestic demand, according to an analyst.

"Indian consumption is also expected to grow at a healthy pace but overall India's imports will be about the same as the last year," Godrej International Ltd Director Dorab Mistry said in a paper.

The vegetable oil imports from November to April may be somewhat higher than 2012, but in the later half, they will be slightly lower, he said, adding that the country would purchase more palm oil and slightly less soya and sunflower oils from the international market.

Among vegetable oils, shipment of palm oil is likely to increase to 80.50 lakh tonnes this year from 76.88 lakh tonnes in 2011-12, while sunflower oil imports to 9.50 lakh tonnes from 10.80 lakh tonnes last year.

However, soyabean oil imports are expected to decline to 10 lakh tonnes from 11.34 lakh tonnes in the review period.

On mustard crop, Mistry said: "If all goes well, India should harvest a mustard seed crop of about 6.5 million tonnes. Overall India's production of vegetable oils should expand this year mainly on account of a higher mustard crop."

The country started the current marketing year on November 1 with record opening stocks of 1.65 million tonnes.

In the paper, which was presented at international palm oil conference held in Bali last week, Mistry said the government could impose 10 per cent import duty on crude palm oil (CPO) and 20 per cent on refined palm oil products.

India, the world's largest edible oil importer, has zero import tariff on CPO and 7.5 per cent on refined palm oil.

On global prices of vegetable oil, Mistry said prices are expected to remain range-bound in the first half of the year and to begin a major bear market in the second half.

# Business Standard

TODAY FARM NEWS

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## Oil firms focus on production in fight for foreign assets

Faced with soaring demand, stagnant output at home and a need to diversify from Iranian crude imports lost to Western sanctions, Indian oil companies are hungry for deals like ONGC's Kashagan buy that promise supplies sooner rather than later.

State-run ONGC Videsh has agreed to pay about \$5 billion for 8.4 percent of the Kashagan field in Kazakhstan, the world's largest oilfield discovery in four decades - which could boost its output by about 16 percent within a year.

The deal adds to a stable of assets that span some of the trickiest territories in the world - Sudan, Iran, Iraq, Syria and Libya among them - accumulated as parent Oil and Natural Gas Corporation (ONGC) struggled with domestic output.

But it's a drop in the ocean for the world's fourth-biggest crude importer - it buys in 3.5 million barrels per day (bpd) where the energy gap triggers constant power cuts. Asia's third-largest economy plans to hit 8 percent growth in 2014/15 and by 2030 that could lift it to be third-largest in the world and also the No. 3 energy consumer, according to BP.

Oil supplies have become more urgent as Western sanctions over nuclear projects squeeze Iran, once India's second-biggest supplier. India's imports from Tehran slipped by nearly a fifth to 257,000 bpd in April-September.

"Our priority is to look for discovered, developed and producing assets which give us production growth immediately," T.K. Anantha Kumar, head of finance for Oil India, the country's other state-run explorer, told Reuters.



While not all the oil bought overseas turns up in domestic refineries, it can give companies a stake in the global crude trade, enhancing their flexibility for supplies and potentially helping profits.

ONGC Videsh said in its 2011/12 annual report that its tough production targets - 20 million tonnes of oil equivalent by 2017/18 and 60 million tonnes by 2029/30 - mean it "needs to concentrate on acquiring assets in (the) development and production phase initially" before looking at exploration acreage.

Parent ONGC does not have a good track record in exploration and was slated this year by the state auditor for focusing too much on producing fields at home.

"Definitely we are looking at a good mix of producing as well as exploration assets because we want to increase our contribution" to India's energy security, an ONGC Videsh official told Reuters on condition of anonymity.

## ACQUISITIVE ASIA

Indian companies will face sharp competition for these assets, however, from Asian rivals Japan and China - also major clients of Iran and facing their own demand challenges, the former because of nuclear power plant closures.

With all but two of Japan's reactors idled and the government set on reducing reliance on atomic power after the Fukushima disaster, Japan's energy explorers are on a quest for upstream assets overseas, often with strong state support.

Should ONGC complete the purchase of the Kashagan stake - ConocoPhillips' existing partners in the project have a right of first refusal on it - it could be working alongside Japan's biggest energy explorer, Inpex Corp <1605.T>, which has a 7.56 percent share.

Chinese state oil companies CNOOC <0883.HK>, Sinopec Group, the parent of Sinopec Corp <0386.HK> <600028.SS>, and PetroChina <0857.HK> <601857.SS> have been among the world's most acquisitive oil firms in recent years. CNOOC has bid \$15.1 billion for Canadian oil and gas producer Nexen, while Sinopec recently paid \$1.5 billion for UK North Sea assets and \$2.5 billion for a one-fifth stake in a Nigerian offshore field.

Asian companies may be willing to buy into countries where the political situation deters Western buyers - reflected in the spread of their portfolios. The Kashagan field has been plagued by disputes with the Kazakh government and cost overruns.

"In some cases, the political context can inhibit international oil companies from investing in a country where Chinese and other Asian companies have jumped in," said Siddik Bakir, Middle East and South Asia energy analyst at IHS World Markets Energy in London, in an email.

Chinese companies, which have also suffered in Sudan and Syria, are interested in investing in Myanmar and have often leveraged government-to-government deals with developing or politically risky countries where international majors can't or don't bother to go.

More recently, both Chinese and Indian companies have turned their attention to OECD countries such as Canada and the United States, while maintaining their interest in the rich prospects of Latin America and Africa. ONGC Videsh, for example, is focusing on Africa and Latin America, its managing director, D.K. Sarraf, said, after a policy shift last year away from politically risky regions. Oil India is focused on North America and Africa.

## BIG CHEQUES

And while the search for fundamental energy supplies such as oil, natural gas and coal continues, new sources such as oil sands or shale deposits are taking centre stage.

Chinese companies have struck multi-billion dollar deals for such assets in the United States, and an Indian consortium - including ONGC and Oil India - is in the running for oil sands properties in Canada.

ONGC Videsh "will need to be prepared to face more international competition on a regional and global level, particularly from Chinese companies," Bakir said.

"Indian state-run companies don't have a good track record of competing and winning against Chinese companies in a bidding scenario, especially when you have to write a cheque for more than \$5 billion," said a resources banker with a European bank in Mumbai. "In those cases, Chinese companies will continue to have an upper hand."

ONGC Videsh reckons it needs \$20 billion to buy the assets it needs up to 2030, while Oil India is looking to invest up to \$1.82 billion for assets that could give it an extra 1.5-1.75 million tonnes a year of oil.

But unlike Chinese companies which enjoy financial independence, India's state-owned energy companies have not been very successful in closing big overseas acquisitions, often because of delays in securing government approvals at home.

They may be sitting on huge piles of cash, but New Delhi is in no mood to throw money around at the moment with a fiscal deficit big enough to threaten an expensive credit downgrade.

### **Water diversion for thermal power plants to reduce irrigation potential in Vidarbha: Report**

Amidst the ongoing controversy over the multi-crore irrigation scam, a study by Greenpeace reveals that the diversion of water of the Wardha and Wainganga rivers for the upcoming thermal power plants in the under-developed Vidarbha region would reduce irrigation potential and worsen agrarian crisis. As of 2010, more than 55,000 Mw of coal-based power plants are proposed in the Vidarbha and they would require 2,050 million cubic metres (MCM) or 72 thousand million cubic (TMC) ft water.

According to the Greenpeace study, almost 1,700 MCM water is being proposed to be taken from the Wardha and Wainganga river basins that would otherwise have irrigated about 340,000 hectares of farmland. The report comes at a time when the Maharashtra government has released a white paper, which clarifies that the irrigation potential in the state has been 28 per cent in the last decade, and not a mere 0.1 per cent as portrayed in an earlier State Economic Survey.

However, according to Greenpeace, if all power plants of 55,000 Mw are commissioned, the water availability for irrigation would be reduced in Vidarbha region, which may, in turn, increase the irrigation backlog. Jai Krishna, a Greenpeace campaigner, told reporters that analysis of a 24-year period from 1981 till 2004 shows that there has been variation in rainfall in these two river basins. Water availability for the Wardha and Wainganga basins mostly depends on the monsoon months between July and October.

"The water availability in the Wardha and Wainganga sub basin shows a definite reduction upon the completion of all reservoirs for any other purposes like irrigation or urban uses. The various thermal power plants proposed in the region further reduce it by 1,706 MCM. Since water use of thermal power plant is consumptive, all the 1,706 MCM of water required would be available for any other purposes. This, in terms of water available for future uses, translates to reduction of about 40 per cent of the water available in the Wardha basin and 16 per cent for the Wainganga basin," said Jai Krishna.

According to Greenpeace, the impact of increase of coal-based power plants in the Vidarbha region from 4,500 MW to 55,000 MW has raised many concerns about issues related to higher levels of pollution, environment damage and loss of farmland for the plant as well as the transmission lines.

### **Coffee exports dip over 8% on weak global prices**

India's coffee exports declined by over a eight per cent to 0.3 million tonnes (mt) till November of the current calendar year impacted by weak global prices as a result of higher supplies, according to the Coffee Board.

The country had shipped 0.32 mt of the bean in the corresponding period last year, its said. "Generally, coffee exports are doing well. But if you compare with last year's record level, the shipments have come down due to weak global prices following higher supply from other countries," said a senior Coffee Board official.

Global demand remained firm but less lucrative price curbed shipments despite ample domestic availability for the export purpose, he added. During the January-November period of this year, the country shipped 0.30 mt of coffee, of which robusta and arabica varieties stood at 0.15 mt and 56,018 tonnes, respectively, according to data released by the Board.

## Punjab chief minister slams UPA for anti-farmer stance

CHANDIGARH : Out rightly rejecting the proposal of CAPC to freeze the Minimum Support Price (MSP) of wheat and in addition Rs 40 per quintal as bonus on it during Rabi 2013-14, the Punjab chief minister Parkash Singh Badal slammed the Congress led UPA government for its anti-farmer stance and immediately demanded the MSP of wheat to be fixed at Rs.1800 per quintal against the last year Rs.1285.

The chief minister said that the apathetic attitude of Congress led UPA government towards peasantry stood exposed by this decision, which would have far reaching repercussions on the farming community that was already reeling under heavy debt due to the wrong policies of the Union government. Mr. Badal categorically said that the ostensible move of Centre to give Rs 40 per quintal bonus to the farmers on wheat amounted to rubbing salt into their wounds rather than bailing them out in this hour of crisis.

He further said that Congress should have rewarded the farmers especially of Punjab for their major contribution in making country self-reliant in the food grain production at the expense of their only two precious resources i.e. water and soil.

## FDI in multi-brand retail to benefit farmers: Tarun Gogoi

GUWAHATI: Coming out in favour of Centre's decision to allow Foreign Direct Investment in multi-brand retail, Assam chief minister Tarun Gogoi on Sunday said entry of big multinational companies would benefit local farmers.

"The big companies will buy directly from local farmers and this will benefit the farm sector. FDI in the sector would also do away with the problem of middlemen," Gogoi said here while addressing a farmers' meet.

He said the government will make available Rs 500 crore for boosting irrigation in the state's farm sector, as per a proposal made by Assam agriculture minister Nilamoni Sen Deka.

Gogoi said rice production in the state has crossed 50 lakh tonne from around 29 lakh tonne a few years ago due to various schemes and programmes launched for the sector.

"Assam's economy cannot progress without development of agriculture. Our effort has been to implement programmes to bring about a Green Revolution in the state," he said.

He added that from this month the state government has put in place arrangements for purchase of paddy from farmers at minimum support price.

### **Government aid must to relieve drought-hit farmers of Buldhana district**

NAGPUR: The drought conditions in the district are the biggest concern for every citizen. While the situation in the remaining districts of Vidarbha is normal, Buldhana received scanty rainfall similar to the adjoining region of Marathwada.

The government needs to urgently address various problems arising out of drought situation or else Buldhana's farmers will not be able to survive till next rains. With hardly any rains, the kharif crop has been already destroyed and there is no water for the rabi crop. Wells have been requisitioned for drinking purposes.

Most farmers do not have the money to feed their families till they sell the next kharif crop. They will also need money to buy seeds, fertilizers, pesticides for the next kharif crop. Government has to formulate a plan to help the suffering farmers.

It is agonizing that the government so far has not announced any comprehensive relief package in spite of the fact that Maharashtra has suffered one of the worst droughts. So far relief

measures have only been piecemeal.

Many villages of Buldhana district are facing acute drinking water shortage in this season. The problems will further escalate in summer. The situation in southern part of Buldhana particularly Sindhkhed Raja and Deulgaon Raja talukas is very alarming. With all most negligible rainfall, most reservoirs remained dry and water level in wells is too low.

Currently, water is being supplied to affected villages by tankers from nearby areas which too have not recorded sufficient rainfall. In such conditions, plans will have to be chalked out to bring water from Akola or Yavatmal districts if required. The cattle also need water to survive until next rains. Arrangements will also have to be made to provide fodder to the cattle owners.

I will have to be vigilant to ensure that Buldhana is not ignored when drought relief measures are announced. The focus will be on drought-hit [Marathwada](#) districts. Next will be Western Maharashtra because the people's representatives there are more influential. Buldhana is the only drought affected district in Vidarbha, which as a region has received above average rainfall.

As if there were fewer problems, the government's decision to install fast electric meters has further added to the poor farmers' woes. With the fast electric meters the power bills are getting doubled. This is becoming a major burden on the citizens who are already fighting drought related problems.

The new infra-red (IR) meters are supposed to be better than the existing electronic ones. However, my experience shows that they are faulty. I have observed that if you keep a 100 W electric bulb on for 10 hours then it records one unit of power consumption and same is the case if it is kept on for five hours. What kind of accuracy is this? The meters must be replaced immediately.

MSEDCL periodically replaces meters saying that it would improve accuracy. This is all

humbug. The meters are supplied by the company of some politician. Criminal cases must be registered against the guilty officials. I will raise this issue in the winter session. I will not allow the energy ministry to loot the poor public. Their false claims will be exposed.

This year government has not declared minimum support price (MSP) for cotton, soyabean and sorghum (jowar). This has led to traders looting poor farmers. Traders are using various tactics to buy produce from farmers at cheaper prices. When the yield has been badly affected due to drought, it will be disastrous if farmers don't get proper price for their produce.

Many politicians from Western Maharashtra including chief minister Prithviraj Chavan want to make taluka as a unit for calculating the backlog. This will harm the interests of people in backward regions of Vidarbha and Marathwada. I will resist this tooth and nail.