

THE HINDU

Farmers protest demanding adequate compensation

Government acquired their lands for establishing Bharathiar University



Member of Parliament P.R. Natarajan addressing farmers, whose lands were taken over for the establishment of Bharathiar University, at the Coimbatore Collectorate on Monday.— PHOTO: S. SIVA SARAVANAN

Farmers whose lands the State Government acquired way back in 1982 for the establishment of Bharathiar University staged a protest at the Coimbatore Collectorate on Monday. Their grievance: disbursement of adequate compensation.

Member of Parliament, Coimbatore, P.R. Natarajan, who led the protest, said that after the Government took over 994 acres from over 1,200 farmers, it had not given adequate compensation. In 1982, the Government paid between Rs. 3,000 and Rs. 5,000 an acre to the 400 families, who did not accept the same.

The officials then asked the farmers to take the compensation but file a case in court if they were not happy with the quantum of money given. Accordingly, the farmers moved the Coimbatore Sessions Court in 1983, which, sometime in 2007, asked the Government to pay an enhanced compensation with interest. The amount worked to around Rs. 1,200 crore.

Since the award of the verdict, the Government had done nothing but keep offering promises that the farmers would soon be compensated.

The affected persons, who now number around 1,200, had in the meanwhile staged protests and held demonstrations to no avail, Mr. Natarajan said and wanted the administration to initiate steps to compensate the farmers.

V.P. Elangovan, district secretary, Tamil Nadu Vivasayeegal Sangam, said that the affected persons were left with no choice but to stage a protest.

At the Collectorate, Mr. Natarajan addressed the farmers and joined them in condemning the State Government.

The city police removed Mr. Natarajan and 171 others from the venue.

They were later released in the evening.

Crop loan waiver: farmers turn to CM as last resort

Discussion on demands for agriculture department on Friday

Lakhs of farmers, who have raised crops other than paddy, are hoping that Chief Minister Jayalalithaa would bail them out from the crop loan burden when the demands for agriculture department are taken up in the Assembly on Friday.

While P. Ayyakkannu, State vice president, Bharathiya Kisan Sangham, and Puliyur A. Nagarajan, State vice president, agriculturists' wing of the State Congress, are demanding a total

write off of the crop loans, Rajachidambaram, State general secretary, Tamilaga Vivasayigal Sangham, wants her to at least write off the interest for crop loans.

While the Chief Minister has been focussing on delta farmers, there are at least 50 lakh farmers in the State, who have raised various other crops, who are yet to know the compensation in store for them. As per the 2010-11 figures of the National Bank for Agriculture and Rural Development (NABARD), Tamil Nadu has a paddy area of 19 lakh hectares while pulses, groundnut, horticulture crops, and plantations account for 23 lakh hectares. Of the total 81 lakh farmers in the State, at least 60 per cent are cultivating crops other than paddy.

Now that the State government has announced that all the 31 districts are drought-affected, banks are ready to reschedule\restructure the crop loans even without the *annevari* certificates from the Collectors. Besides, they are ready to extend fresh loans too.

“We are deeply thankful to the Chief Minister for her announcement. But she should clarify whether we will have to pay interest for the loans obtained which will be a serious burden,” Mr. Rajachidambaram pleads. He is worried about the possibility of banks pressuring farmers to pay interest for the existing loans for granting fresh loans.

The RBI, in its “master circular-guidelines for relief measures by banks in areas affected by natural calamities” dated July 2, 2012, says: the principal amount of the short-term loan as well as the interest due for repayment in the year of occurrence of the natural calamity may be converted into term loan. Generally, the restructured period for repayment may be three to five years The restructured portion of the short term loans and term loans which have been converted into fresh loans may be treated as current dues and not be classified as NPA.”

The NABARD sources said that restructuring means that the short-term loan would be converted into medium-term loan so that the repayment could be made after three years. “But the borrowers have to pay the entire interest. Besides, the interest subvention (four per cent from the State government and three per cent from the Central government) that they have been enjoying for prompt repayment would be lost (once they seek restructuring). Above all, when they seek fresh loan, it will be a new account and will carry an interest of nine per cent as against the normal seven per cent,” they explained.

Even for this restructuring by the cooperative sector, additional refinance could be provided by the NABARD only on government guarantee, they added.

The sources said “writing off of all the crop loans and waiving the entire interest for all the crop loans are major policy decisions and both would entail huge outgo from the exchequer.”

Mahadhanapuram V. Rajaram, working president of Cauvery Delta Farmers’ Welfare Association, says that the Chief Minister has promised a delegation of farmers that called on her recently that she will come out with a number of concessions in the budget. “Hence we are all keeping our fingers crossed,” he adds.

Farmers demand six hours of uninterrupted power

Members of the Karnataka Rajya Raitha Sangha laid siege to the Gulbarga Electricity Supply Company (Gescom) office at Shiva Nagar here on Monday, demanding six hours of quality power to irrigation pumpsets.

Gescom had failed to keep its promise of providing uninterrupted power for six hours in rural areas, they said.

The public sector power distributor was mired in corruption. It had failed to take action against individuals and firms that were involved in power theft. It had also failed to plug its transmission and distribution losses by adopting professional management practices, they alleged.

The protesters dispersed after senior officials promised to provide at least five hours of power to irrigation pumpsets.

Leaders Vishwanath Patil Koutha and Prabhurao Patil Honnaddi were present.

Goa to extend sponsored scheme for dairy farmers

The Goa government on Monday agreed to extend its sponsored schemes for dairy farmers for purchase of milch animals (cows/buffaloes) to agents from Gujarat and coastal Maharashtra, apart from Erode in Tamil Nadu at present.

Chief Minister Manohar Parrikar, who holds the Animal Husbandry portfolio, agreed to suggestions in this regard made by members during question hour in the ongoing budget session in the Legislative Assembly on Monday.

In a written reply, Mr. Parrikar stated that all animals were currently brought to Goa from outside the State and sold to farmers through cattle melas (camps) organised on Goa government farms at Copordem and Dhat.

The question was tabled by legislator Aleixo Lourenco Reginaldo of the Congress, who expressed doubts over the credentials of the agents empanelled by the State government.

He pointed out that a fake address had been given by one of the agents whose name was mentioned in the reply tabled in the House by the State government.

The government had bypassed Kolhapur, the southwest Maharashtra district, which had been its traditional market for procuring milch animals, and started buying cows from Erode district in Tamil Nadu, he said.

Mr. Parrikar said advertisements would be issued in newspapers by May calling bids from agents to supply animals.

The Goa government skipped the traditional market of Kolhapur in Maharashtra since last year, opting for Erode in Tamil Nadu considering that the place was sea facing and had a similar climate to that of Goa, he said.

Disease

Leader of the Opposition Pratapsingh Rane (Congress) told the government to be careful about diseases the animals procured from outside may have.

He also contested the claims of milk yield often made by such traders.

In reply to a supplementary, the Chief Minister admitted that Bajaj Allianz were the insurers for milch animal schemes. If other companies gave better terms, the government would also consider their proposals.

Mr. Parrikar said his government was committed to increasing milk production in Goa, which currently depended on neighbouring States to meet its daily milk requirement deficit.

“There will be at least 12,000 to 15,000 youth who will be employed in the dairy business as the government attains a target of 3 lakh litres of local milk procurement per day,” he said.

In its detailed reply, the government said that from November 2012 onwards, 1,354 cows had been purchased by dairy farmers under the Kamdhenu scheme. The milch animals are priced between Rs. 35,000 and Rs. 58,000 per animal.

Airport: farmers' forum to continue stir

The Kerala Karshaka Sanghom district meet will be held at Ezhamkulam near Adoor on Wednesday and Thursday, according to Omalloor Sankaran, Sanghom district president.

Addressing a press conference here on Monday, Mr. Sankaran said M. A. Baby, Communist Party of India (Marxist) Polit Bureau member, would inaugurate a public meeting to be held on April 4. A. Vijayaraghavan, former MP, will deliver the keynote address.

Mr. Sankaran said the Kerala Karshaka Sanghom would continue its struggle to protect the paddy fields in Aranmula and there was no question of dismantling the temporary huts erected by the Sanghom workers at the illegally converted paddy land at Aranmula.

'Restore paddy land'

Mr. Sankaran said the government should take immediate steps to restore the paddy land to its original condition. He said the Sanghom would join hands with other action councils in the struggle against the airport.

SBI notice riles farmers

Over 200 loan-recovery notice issued in Nagapattinam

Repay loans or be publicly humiliated. This is the message that the State Bank of India has sent to farmers here in the delta districts.

The country's premier public sector bank has issued notices to 200 farmers warning them that their photographs would be displayed on the banners as 'defaulters' outside the bank.

It told the farmers that their photographs would be published in newspapers and the costs for the banners and newspaper advertisements would be added to the outstanding amount of the defaulters, reads the notice that also promises legal action.

The State government recently announced drought relief for farmers by extending repayment deadlines for loans borrowed from cooperative societies. But farmers who have borrowed from the nationalised banks are yet to get any relief.

Farmers here have claimed that over 200 such notices have been put out to farmers in Nagapattinam and similar complaints were made from other Central districts.

Agripreneurship gaining ground in Madurai

Youths and seniors show interest in setting up agri businesses

V. Rajesh Kannan, now 39, was at a crossroads when he completed his bachelor's degree in agriculture in 1994. Today, he is a successful agripreneur and a net-worth individual with a growing business.

His is among the success stories of agriculture graduates who break out of the pattern of looking for the security of a government job and, instead, dare to venture into agribusiness that includes sale of seeds, pesticides, fertilizers, cattle feed, bio and organic inputs, among other things.

“Success did not come overnight. I first worked as an executive in a private company for 10 years, rose to the level of manager, learnt the nuances of agribusiness and then started my own venture. There is a lot of scope in this field but not many dare to enter it,” he says.

Mr. Kannan was part of the second batch of trainees who underwent a two-month training programme in 2004 on ‘Establishment of Agri-Clinics and Agri-Business Centres’ (ACABC) conducted by Voluntary Association for People Service (VAPS) here, a training institute approved by the Union Ministry of Agriculture.

The programme is being implemented jointly by the National Institute of Agricultural Extension Management, Hyderabad and National Bank for Agriculture and Rural Development (NABARD). VAPS, one of the 55 training institutes across the country, has trained over 1,600 students since 2002.

P. Subramanian, a former professor at Tamil Nadu Agricultural University and now a technical consultant for VAPS training centre, points out that the Centre had revised the ACABC scheme in 2010. As per the revised scheme, each successful trainee is eligible for a bank loan of Rs. 20 lakh for establishing agri clinics and business centres.

“If five of them join together for a group project, they can get Rs.1 crore. The Centre provides a subsidy of 44 per cent of the project cost to women and those belonging to Scheduled Castes and Scheduled Tribes and 36 per cent for others. Banks do not charge interest for the subsidy portion,” he adds.

There is no age bar for enrolling in the training programme. Utilising the opportunity, P. Sankar, a 59-year-old retired staff of Agricultural College and Research Institute here, joined the training programme recently. “I decided to undergo the training because during my career span I saw how reluctant farmers were to try out new ideas. They hesitate to take risks. I want to be a role model to them. I am going to venture into agribusiness by utilising the eight acres I own near T. Kallupatti,” he says with confidence.

S. Ramakrishnan, a veterinarian who retired from government service, is among those who want to take to farming as a profession post-retirement. He proposes to set up a cattle farm at Palamedu along with an agri-farm, adjacent to it, to raise fodder. “Fodder constitutes 60 per cent of cost in maintaining a cattle farm. Once we learn to control the cost of fodder, we can make big profits in this field. Being a veterinarian is an advantage for me. Others must maintain a liaison with a local veterinarian,” he suggests.

Not only the seniors, but also youngsters like 22-year-old P. Kothainayagi of Thiruvannamalai are showing interest in becoming agripreneurs. She travelled to Madurai and signed up for the training.

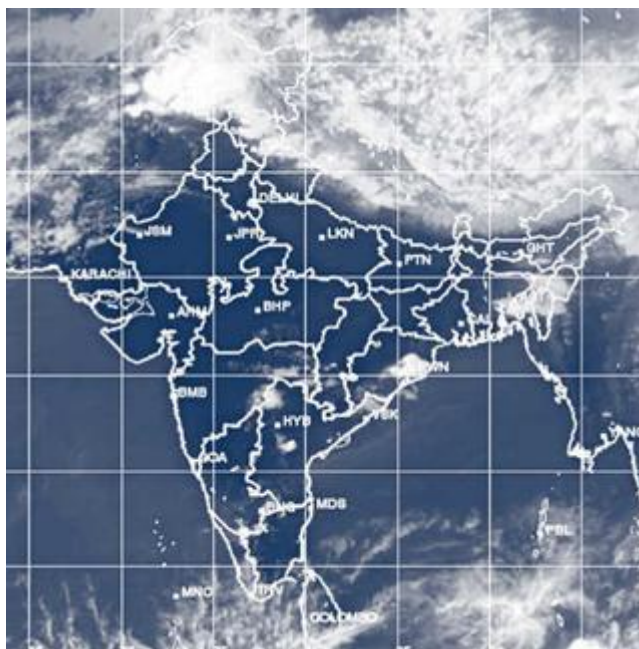
“I completed my bachelor’s degree in horticulture in 2011. Ever since, I have been helping my father, an agriculturist, and also other farmers in my village by providing tips on increasing their produce. Now, I plan to establish an agri-clinic as well as an agri-business centre in my hometown,” she says.

L. Ashokan (38) who completed his bachelor’s degree in rural development science and then a master’s degree in social work from Loyola College, Chennai, has an innovative idea.

He wants to create bio compost using coir dust. “The idea is novel but I don’t know whether banks would support it,” he doubts.

P.R. Vijayakumar, Deputy Regional Manager, Central Bank of India, says that banks are ready to extend loans for raising crops, irrigation, animal husbandry, harvesting, agricultural processing, storage of agri-produce, buying farm implements and tractors and even for purchasing shares of sugar mills.

Weather



INSAT PICTURE AT 14.00 hrs. Observations recorded at 8.30 a.m. on April 1st.

	Max	Min	R	TR
New Delhi (Plm)	33	19	0	8
New Delhi (Sfd)	31	18	0	5
Chandigarh	30	16	0	25
Hissar	32	15	0	39
Bhuntar	27	9	0	102
Shimla	20	10	0	99
Jammu	30	17	0	32
Srinagar	23	8	1	70
Amritsar	31	15	0	4
Patiala	31	17	0	23
Jaipur	33	19	0	3
Udaipur	34	17	0	0
Allahabad	36	18	0	9
Lucknow	33	16	0	1
Varanasi	35	19	0	6
Dehradun	30	17	0	17
Agartala	34	24	tr	25
Ahmedabad	37	22	0	0

Bangalore	37	21	12	13
Bhubaneshwar	37	26	0	0
Bhopal	35	21	0	21
Chennai	35	25	0	32
Guwahati	34	20	0	20
Hyderabad	37	27	0	0
Kolkata	35	26	0	1
Mumbai	34	24	0	0
Nagpur	39	21	0	15
Patna	35	20	0	1
Pune	37	17	0	3
Thiruvananthapuram	35	26	0	80
Imphal	31	15	1	29
Shillong	25	13	0	22

The columns show maximum and minimum temperature in Celsius, rainfall during last 24 hours (tr-trace) and total rainfall in mm since 1st March.

RAIN AT MANY PLACES

RAINFALL: Rain/thundershowers has occurred at isolated places over Jammu and Kashmir. Weather was mainly dry over rest of the region.

MAXIMUM TEMPERATURES : The maximum temperatures rose appreciably in west Rajasthan, rose in east Rajasthan and west Uttar Pradesh and changed little elsewhere. They were appreciably above normal in Himachal Pradesh, appreciably below normal in Jammu and Kashmir and east Uttar Pradesh, below normal in Haryana and west Uttar Pradesh and normal in rest of the region. The highest maximum temperature in the region was 38.0°C recorded at Barmer (Rajasthan).

FORECAST VALID UNTIL THE MORNING OF 03rd April 2013: Rain/thundershowers would occur at one or two places over Jammu and Kashmir and Himachal Pradesh during next 48 hours and increase thereafter. Rain/thundershowers may occur at one or two places over Uttarakhand and Punjab. Weather would be mainly dry over rest of the region.

FORECAST FOR DELHI AND NEIGHBOURHOOD VALID UNTIL THE MORNING OF 03rd April 2013: Mainly clear sky becoming partly cloudy sky towards night.

Water level

: Water level in the Papanasam dam on Monday stood at 77.60 feet (maximum level is 143 feet). The dam had an inflow of 110.95 cusecs and 254.75 cusecs is discharged from the dam. The level of Manimuthar dam stood at 88.35 feet (118 feet). The dam had an inflow of 27 cusecs and no water is discharged.

Nagercoil

Water level in the Pechipparai dam stood at 9.60 feet, 28.75 feet in Perunchani, 4.30 feet in Chittar I, 4.39 feet in Chittar II and 3.10 feet in the Poigai dam.

Water level in Periyar dam on Monday was 113 feet. While there was no inflow, the discharge was 100 cusecs. The water level in Vaigai dam was 45.90 feet with an inflow of 131 cusecs and discharge of 60 cusecs. The combined credit was 2,157 mcft.

hindustantimes

Weather Chennai - INDIA

Today's Weather



Sunny

Tuesday, Apr 2

Max Min

31° | 26°

Rain: 0

Humidity: 84

Wind: normal

Sunrise: 06:04

Sunset: 06:20

Barometer: 1010.0

Tomorrow's Forecast








Partly Cloudy

Wednesday, Apr 3

Max Min

35° | 26°

Extended Forecast for a week

Thursday Apr 4	Friday Apr 5	Saturday Apr 6	Sunday Apr 7	Monday Apr 8
				
35° 26°	36° 26°	36° 26°	36° 27°	36° 26°
Partly Cloudy	Overcast	Overcast	Overcast	Overcast

THE TIMES OF INDIA

Namakkal farmers ineligible for compensation as list of crops hit by drought inaccurate

NAMAKKAL: [Namakkal farmers](#) allege that the district administration failed to prepare an accurate list of crops damaged during drought. As a result of this, no farmer would be eligible to receive drought relief compensation, going by the Tamil Nadu state government's list, they said.

Recently, the Tamil Nadu government had announced a sum of Rs.541crore towards crop loss [compensation](#) to farmers who have lost more than 50 per cent of expected yield. Moreover, the state government declared all 31 districts, other than Chennai city, as drought-hit due to deficit rain fall. "Based on this announcement a farmer will get Rs.15,000 per acre as crop loss compensation," said R Chandrasekaran, a farmer from

Kalkuruchi, Namakkal district. "Normally, crop insurance of Rs.8,692 an acre will be provided by insurance companies only to farmers who have fully lost their crops. But in our district, only few farmers have lost their crop entirely. Most have lost 50 per cent of their yield," he said.

According to Chandrasekaran, nearly one lakh farmers have been affected by drought in the district with more than 70, 000 of them losing more than 50 per cent of their raised crops because of lack of adequate water for irrigation. "In the case of natural calamities such as droughts, floods, etc., government authorities would have issued an Annewari' certificate to indicate the extent to which the crops have been damaged," he said. The Annewari certificate issued crop-wise and area-wise, gives the position of the standing crops, Chandrasekaran added.

But the Annewari certificate issued by the Namakkal district administration contains false information, farmers alleged. The district administration had acknowledged in the certificate that only Rasipuram taluk had 100 per cent crop loss. "This means that only farmers in this taluk will get compensation for all crops," said A Chinnasamy, another farmer from Sendamangalam. "Farmers in other taluks will get compensation based on the crops mentioned in the Annewari certificate," Chinnasamy said.

According to the data available with farmers, in Kalkuruchi panchayat, many farmers had planted tapioca, the major crop in that area. But the district administration had shown turmeric, groundnut, pulses and corn as the main crops while tapioca has not been included in the Annewari list. "So, tapioca

farmers will not receive any compensation," said S Ravi, a farmer and member of Tamilaga Vivasayegal Sangam. The list prepared is not accurate, he added, leaving many farmers in the lurch.

When contacted, Namakkal district collector D Jagannathan said, "We had prepared the Annewari certificate based on the details given by farmers and it was later verified by officials. But if the farmers submit a written statement, I will look into the matter and take action if necessary".

THE NEW INDIAN EXPRESS

Collector's decision irks Pokkali farmers

Photos



The Pokkali Samrakshana Samithi has come up with protest against an order issued by the District Collector asking farmers

to start taking steps to making land ready for cultivation after April 15.

The Collector has issued the order to dry up the field from April 15, which is the first step for starting the cultivation.

Leaders of Samithi point out that for effective cultivation of pokkali paddy, the water in the field should be dried up before April 15. "This is the traditional practice in pokkali cultivation. The Samithi had informed these facts to District Collector and other officers at a meeting held recently," said Francis Kalathunkal, general convener of the Samithi.

The field should have been dried up before March 3, he said.

He alleged that the change in time schedule was introduced to protect the interests of those engaged in shrimp culture under the guise of aqua culture. Shrimp culture should not be permitted on pokkali paddyfields during April-October," he said.

"If immediate steps are not taken to reschedule the timing, thousands of acres of pokkali paddy cultivation in various coastal panchayats in Ernakulam will turn to be a failure," Francis cautioned.

He has also sought the intervention of Agriculture Minister into the issue. It is our duty to protect this type of species which has the ability to survive in saline water," he said.

Business Standard^{beta} **Govt says ready for kharif setbacks**

Agri ministry assures enough seed, fertiliser availability in case of any kharif re-sowing

The Union ministry of agriculture says it is ensuring the availability of seeds and fertilisers, as an advance check against unseasonal or delayed rain in the ensuing kharif season.

The rains were delayed in the previous season. This time, the ministry says it has kept room for accommodating re-sowing in at least two to three million hectares (ha) during the kharif. Re-sowing is needed when the first sowing doesn't give a result due to late rain; after rain (or a natural calamity such as drought or flood), farmers might prefer to re-sow the same commodity. In such cases, additional seeds and fertilisers are required, and the government says it is now trying to ensure this.

Partial drought in Maharashtra, Karnataka, Rajasthan, Gujarat, Andhra Pradesh, Tamil Nadu and West Bengal resulted in a nine-million tonne shortfall in foodgrain production last year. According to the second advance estimates in February this year, total foodgrain output was 250.14 million tonnes (mt) in 2012-13, compared with 259.32 mt the previous year. Rice fell by two mt to 104 mt and coarse cereals by five mt to 44 mt. However, a favourable climate in the rabi season yielded 10.6 mt of additional wheat production, at 88 mt.

Last year, the monsoon started with a delay of around four weeks, resulting in proportionate delay in sowing and a marginal loss in coverage area. "This year, therefore, the government does not want to take a risk, especially when the passing of the Food Security Bill requires higher foodgrain output. Hence, the government is looking at higher availability of seeds in case natural

calamities this year result in the need for re-sowing," said a ministry official.

PREVENTIVE MEASURES

Availability of seeds for current kharif season (million quintals)

Particulars	Requirement	Availability
Paddy	6.25	6.92
Jowar	0.16	0.24
Bajra	0.23	0.32
Pulses	0.71	0.82
Oilseeds	5.51	6.01

Source : Ministry of Agriculture

Against the assessed requirement of 6.25 million quintals of paddy seeds, the government wishes to ensure 6.92 million quintals in the kharif. Availability of pulses and oilseeds is officially set to rise 15 per cent and

nine per cent, respectively.

And, against the total fertiliser sale of 24.4 mt in the 2012 kharif season, the ministry is working on being able to use 31.7 mt this year. The department of fertilisers recently said there was sufficient quantity for farmers' requirements. Urea stock for the ensuing kharif is likely to be 15.3 mt, against last year's sales of 13.6 mt.

The meteorological department is yet to make a monsoon forecast but non-government forecasters have estimated a normal rainfall this year.

The government also has a contingency plan in place, in case of crop damage due to drought or other calamities in parts of the country. The agriculture ministry has earmarked one per cent of the allocation for the Rashtriya Krishi Vikas Yojana for a contingent crop programme. Unspent amounts can be used for regular medium-term mitigation programmes.

THE HINDU Business Line

Haryana bans import of wheat from other States

Karnal, April 1: It is the third consecutive time that not a single grain of wheat was available in mandis for procurement on April 1. Rabi marketing season officially started on Monday and the Government agencies began procuring wheat for buffer stocks.

Extended cold conditions in the North have resulted in delay of the crop's ripening. Harvest normally peaks during second and third week of April but this year, it could peak between fourth week of April and first week of May.

In 2011, procurement operations were delayed by a week while last year, arrivals were delayed by three days. This time, arrivals are likely to be delayed by more than 10 days, as the crop is not fully matured yet.



Ban Imposed

Haryana is the second biggest contributor of wheat to buffer stocks in central pool. Following the hopes of a bumper production and fears of inadequate storage capacity, Haryana has banned the import of wheat from neighbouring States. Commission agents have been directed not to purchase produce from the farmers of neighbouring States.

Arrangements

Mahavir Singh, Director General-cum-Special Secretary, Food and Supplies Department, said that a number of measures have been adopted to ensure smooth procurement and to create space for the new wheat stocks.

Officials have been directed to ensure adequate space for new stocks by placing old stocks somewhere else, he added. Farmers have been advised to bring their produce to the market after proper cleaning and drying. Moisture level should not be more-than 12 per cent

while the foreign matter should not be more-than 7 per cent, said Singh.

The Centre has fixed the MSP for wheat this year at Rs 1,350 a quintal against Rs 1,285 last year.

Arrangements have been made for procuring 87.30 lakh tonnes for the central pool during the coming season. A record 87.16 lakh tonnes was procured last season from Haryana.

Quality concerns



Prices decline: A tomato vendor at the wholesale vegetable market in Kesho Pur, New Delhi. Tomato prices are declining owing to poor quality of arrivals. On Monday, they quoted at Rs 14-17 a kg. — Kamal Narang

Cardamom rules steady on limited activities

Kochi, April 1: The cardamom market ruled steady last week on limited activities due to holidays on account of Holi and Easter.

Auctions were not held from Thursday to Sunday due to Easter holidays

On the other hand, in the wake of Holi there was no trading activities in the upcountry markets and hence north Indian buyers were inactive. Thus, overall, the activities were limited last week, market sources told *Business Line*.

However, exporters were active as they were having orders/good enquiries from overseas markets and an estimated 40 tonnes of good colour bold capsules were bought by them. Superior quality capsules of 7mm and above were bought at Rs 800-825-850-875 a kg.

The individual auction average was ruling below Rs 700 a kg and vacillating between Rs 630 and Rs 695 a kg for over three weeks now.

The harvesting of the current crop is over now. Whatever material arrives at the market now is of stock held by the farmers.

The market will become active only this week and given the drop in output the prices are expected to remain firm in the coming days, they claimed.

At the Wednesday auction conducted by the CPMC total arrivals stood at 61.4 tonnes and almost the entire quantity was sold. The maximum price was at Rs 969 and the and the auction average was at Rs 644.46 showing a marginal decline from the average price of Rs 668.85 on the previous Sunday, P.C. Punnoose, General Manager, CPMC, told *Business Line*.

Total arrivals and sales during the current season from Aug 1, 2012 to March 27 were at 10,146 tonnes(15,385 tonnes) and 9,645 (14,922 tonnes).

The weighted average price as on March 27 stood at Rs 752.24 against Rs 599.62 as on the same date last year.

Prices of graded varieties (Rs/kg): AGEB 930-945; AGB 675-685; AGS 655-665 and AGS -1: 645-655.

Copy of NCDEX launches cotton co.ART

Mumbai, April 1: NCDEX LAUNCHES NEW COTTON CONTRACT

NCDEX has launched new modified cotton contracts expiring on April 18, October, November and December. The 29 mm cotton futures contract is aimed at addressing the risk management requirements of the value chain participants in the cotton trade. The exchange registered no trade in the contract launched on Monday. “We will spend the next few days in creating awareness and expect volume to pick up in the coming days,” said an exchange official. NCDEX expects the participation of ginners, spinners and exporters in this contract. The cotton contract will be based on the direct delivery model, whereby the seller will directly deliver the cotton bales to the buyer. The seller can deliver the lots (of 100 bales each), either at Rajkot (basis centre) or in Kadi (additional delivery centre). Buyer has to specify a warehouse where they would like to take the delivery. The delivery centre has to be within 100 km of the municipal limits where the seller has tendered their delivery. Seller would deliver the cotton bales at the buyer’s warehouse, where it would be checked for quality by an exchange appointed assayer. It is a compulsory delivery contract, with the seller having a window starting five days before the contract expires. The entire settlement cycle would be completed within eight days from the day of tendering, the exchange has said

Cabinet may consider cut in non-urea fertilisers’ subsidy today

SHISHIR SINHA & VISHWANATH KULKARNI

Subsidy on Nutrients <small>(RS/kg)</small>				
	Nitrogen (N)	Phosphorus (P)	Potassium (K)	Sulphur (S)
2013-14*	20.88	18.68	19.5	1.68
2012-13	24	21.80	24	1.68

*Likely

New Delhi, April 1: To reduce its subsidy burden, the Cabinet is likely to consider lowering the rates on various nutrients for decontrolled potassic and phosphatic fertilisers.

Once approved, the move will bring down the decontrolled fertiliser subsidy bill by about 15 per cent, which is less than the Budget estimate.

At present, urea comes under the category of controlled fertiliser and its retail prices are fixed by the Government.

The difference between its retail and cost price is paid as subsidy.

But, phosphatic (DAP) and potassic (MOP) fertilisers are decontrolled. Here, the companies are free to fix the retail price, while subsidy is given on the basis of nutrients.

This system is known as nutrient-based subsidy (NBS), which was implemented from April 1, 2010.

“The Cabinet may discuss lower subsidy on the three nutrients, Nitrogen (N), Phosphorus (P) and Potassium (K), while subsidy on sulphur may not see any change,” a senior Government official told *Business Line*.

global prices

Since, prices of these nutrients have declined in the international markets, the lowering of subsidy would not raise the retail prices of decontrolled fertilisers, he added.

If there is no change in the subsidy rates for nutrients, the subsidy bill for 2013-14 could be Rs 32,703 crore.

However, lowering the rates would bring down the subsidy bill by 15 per cent to Rs 27,782 crore.

This is lower than the Budget provision of Rs 29,426 crore for subsidy on decontrolled fertilisers in 2013-14.

The official said with lower prices in the international market, it was expected that companies would reduce the retail prices from Rs 24,000 a tonne for DAP and Rs 17,000 for MOP.

“In case the retail prices are not reduced as expected and the companies are found to be indulging in undue profiteering, the Inter Ministerial Committee (IMC) will review and recommend suitable measures,” the official added.

New Zealand drought fuels boom for Indian dairies

VISHWANATH KULKARNI

Exporters cash in on soaring global milk prices



New Delhi, April 1: A severe drought in New Zealand that has sent global milk prices soaring is proving to be a boon for Indian dairies, especially the co-operatives, which have seen a surge in demand for skimmed milk powder in recent months.

The Gujarat Milk Marketing Co-operative Federation, which owns the Amul brand, saw its exports rise to 4,000 tonnes since the Government lifted the ban on shipments in June last year.

“Exports of SMP are good. Currently, we have an order book of about 3,000 tonnes,” said R.S. Sodhi, Managing Director, GCMMF.

Co-operatives such as Amul and the Karnataka Milk Federation seem to have more milk powder stocks than their private counterparts. Sources at the Karnataka federation said that they had exported about 5,000 tonnes and were now expecting global prices to go up further. Global skimmed milk powder prices are hovering around \$3,800-4,000 a tonne.

Smp exports

“India, which has ample milk powder stocks, can continue exporting about 10,000 tonnes a month for the next few months,” said Sodhi.

Since June last year, the total exports from the country are estimated at over 60,000 tonnes in the just-ended fiscal. These exports are largely destined to the milk-deficient South Asian countries such as Bangladesh, Sri Lanka and Pakistan.

Indian exporters are realising between Rs 170 and Rs 180 a kg for the milk powder against the Rs 140 a kg realised four months ago.

The increase in SMP exports is notwithstanding the onset of summer in North India, when milk production declines.

“Our daily milk procurement is still high by about 15 per cent over last year and such a trend is expected to continue for some more months,” said Sodhi.

Flush season

Private players such as Hatsun Agro Product Ltd and Sterling Agro Industries, who were actively exporting milk powder till a couple of months ago, have now slowed down for various reasons.

Hatsun Agro, the country’s largest exporter, has shipped over 12,000 tonnes in the last financial year. “We have to wait for at least three months for the next flush season,” said R.G. Chandramogan, Chairman and Managing Director, Hatsun, which largely operates in the South, where the flush or peak milk producing season ended some three months ago.

However, in North India, where the ongoing flush season in last phase, private dairies are focussing more on the domestic market.

“Milk powder exports are no longer viable as domestic demand is picking up,” said Kuldeep Saluja, Managing Director, Sterling Agro, makers of the Nova brand dairy products. Sterling has exported about 7,000 tonnes in 2012-13.

Sterling, which recently launched pouched liquid milk under the Nova brand in the Delhi-National Capital Region, has seen its sales touch one lakh litres a day in 1.5 months, Saluja said.

“We are aiming to sell 5 lakh litres by December 2014,” he said.

Nothing wrong with import of arecanut, says traders' body



Mangalore, April 1: Refuting charges of importing arecanut at zero import duty, a trade association has said that Customs duty to the tune of Rs 245 crore was paid during 2012-13.

The Kolkata-based Calcutta Kirana (Spices) Merchants' Association was reacting, in an e-mail sent to *Business Line*, on a report of 50 MPs seeking ban on arecanut import.

Kamalesh Kumar Gupta, Secretary of the association, said that an estimated import duty of approximately Rs 245 crore has been paid by importers at Petrapole land customs station during 2012-13 for imports of arecanut under SAPTA (SAARC Preferential Trading Arrangement).

He said that “not a single kg of arecanut has been imported in India from Bangladesh under the SAFTA (South Asian Free Trade Area) agreement.”

In one of the press conferences in February, K. Padmanabha, President of Central Arecanut and Cocoa Marketing and Processing

Cooperative (Campco) Ltd, said that arecanut was being imported into India from Bangladesh, taking advantage of SAFTA.

On the allegations of MPs memorandum to the Union Agriculture Minister that inferior quality of arecanut was imported, Gupta said that the Centre has established the Food Safety and Standards Authority of India, and has mandated it to draft rules for import of all food products.

“Authorised officers from plant quarantine, in presence of Customs officers, collect samples of the consignments of arecanut imported and send them for laboratory testing to the Central Food Laboratory and the Export Inspection Agency before clearing them for entry for consumption. Therefore, the claim of inferior quality of products flooding the markets does not stand,” he said.

On the demand MPs that minimum tariff price for import of arecanut be fixed at Rs 125 a kg, Gupta said that the cost of cultivation is a variable factor depending upon several things such as cost of land, fertilisers, labour, electricity, interest rates for loans to farmers, size of farm land, climatic conditions, the socio-economic living status of farming community, etc.

“Therefore, if the cost of cultivation of arecanut by farmers of the southern States is high as a result of culmination of these above-mentioned factors, the farming community elsewhere cannot be blamed,” he said.

Pepper futures fall as players switch over to May contracts



Kochi, April 1: Pepper prices dropped on bearish sentiments on Monday.

The market dropped on Monday “just because of market manipulators and there was no reason for prices to fall”, market sources told *Business Line*.

They said that there was circular trading aimed at creating bearish sentiments and a consequent fear psychosis in the long position holders paving the way for liquidation by them, they said.

Those holding long positions and have hedged might seek for delivery, they said.

On the spot, there was no arrival as the banks were closed. Spot prices on the exchange were Rs 365 a kg against the April delivery price of Rs 356 and the regional commodity exchange spot price of Rs 362, they pointed out. There was switching over from April to May and additional buying.

April contract on the NCDEX decreased by Rs 350 to Rs 35,600 a quintal.

May series dropped by Rs 250 to Rs 35,685.

Total turnover increased by 343 tonnes to close at 780 tonnes.

Total open interest moved up by 22 tonnes to 2,142 tonnes.

Spot prices dropped by Rs 100 to close at Rs 34,700 (ungarbled) and Rs 36,200 (MG 1) a quintal.

Indian parity in the international market was \$6,950 full April on the basis of the spot price, while at the April exchange price it is at \$6,825 (c&f) and May at \$6,850 a tonne (c&f).

Cotton rules firm on hopes Pakistan will buy



Rajkot, April 1: After rise in prices last week, cotton ruled flat despite demand. However, selling was limited. According to market sources, cotton prices may move up in coming days as arrivals slow down.

Gujarat Sankar-6 cotton was traded at Rs 39,500-39,700 a candy of 356 kg while medium grade cotton stood at Rs 39,000-39,300. About 12,000-13,000 bales of 170 kg each arrived in Gujarat and 30,000-32,000 bales arrived in India.

Cotton ready delivery quoted at Rs 4,190-4,290 a quintal in Punjab, Rs 4,150-4,180 in Haryana and Rs 4,170-4,180 in Rajasthan. In Maharashtra and Madhya Pradesh, cotton ruled at Rs 39,000-39,500 a candy.

Cotton prices were supported by strong demand, restricted selling and reports that the Cotton Corporation of India would export

around 10 lakh bales (170 kg each) from its stocks. Expectations of good export demand from Pakistan, Bangladesh and China also boosted market sentiment. Pakistani cotton imports are likely to gain pace in coming days due to lower unsold stocks and higher prices of new kapas in forward delivery.

Besides Pakistan, China may also place fresh import orders after allotment of fresh import quotas.

Rice rules steady; broken may rise

Karnal, April 1: Rice market witnessed a steady trend with the prices of aromatic and non-basmati rice ruling unaltered on Monday.

Amit Chandna, Proprietor, Hanuman Rice Trading Company, told *Business Line* that following restricted trading in the market, rice prices remained unchanged. It was the beginning of a new financial year, and this was also a reason behind the low trading and situation of the market was anticipated. Trading has been dull over the last two weeks and any major alteration is unlikely even this week, he added.

However, market sentiments are largely positive and traders are expecting some good buying this month.

Traders expect that availability of stocks may also improve in coming days as sellers will participate actively in the market now, said Amit Chandna. According to the market experts, rice prices may rule around current levels for the next few days before witnessing any major alteration.

In the physical market, Pusa-1121 (steam) sold at Rs 7,600 a quintal while Pusa-1121 (sela) quoted at Rs 6,700-6,750 . Pure basmati (raw) quoted at Rs 8,500 . Duplicate basmati (steam) traded at Rs 6,450 .

Similarly, non-basmati varieties remained unaltered. Sharbati (steam) quoted at Rs 4,940 while Sharbati (sela) was at Rs 4,800 .

PR-11 (sela) sold at Rs 3,200-3,220 while PR-11 (Raw) quoted at Rs 2,850-2,880 . Permal (raw) sold at Rs 2,400 while Permal (sela) went for Rs 2,320 .

For the brokens of Pusa-1121, Dubar quoted at Rs 3,300, Tibar sold at Rs 4,300 while Mongra was at Rs 2,600 a quintal. Demand for brokens is good in the domestic market and brokens may witness an uptrend in near future.
