

#### Cotton price to be stable, says TNAU

Domestic and Export Market Intelligence Cell (DEMIC) of Tamil Nadu Agricultural University has predicted the Masipattam sown cotton price to be between Rs. 4,200 and Rs. 4,500 a quintal in July-August.

This is the period the Masipattam (February-March) sown cotton is harvested. This forecast has been derived at from analysing the cotton price that prevailed in Konganapuram Cooperative Marketing Society.

#### **Export orders**

Increase in export orders, if any, from China, Bangladesh and Pakistan may bring positive changes in price, otherwise the price will be stable. Hence, farmers are asked to take up sowing with varieties suitable for the Masipattam taking into account the above forecast.

Tamil Nadu, being the major consumer of cotton in India (47 per cent), produces five lakh bales from 1.2 lakh hectares. Masipattam is a special season for cotton in Tamil Nadu and MCU 5, MCU 7, Surabhi, Suvin and Bt varieties are cultivated in this season.

The Government of India has estimated that the area under cotton during 2012-13 will be marginally lower by around five per cent at 117.73 lakh hectares compared to the 121.8 lakh hectares last year. The Cotton Advisory Board has estimated a crop size of 330 lakh bales and consumption of 234 lakh bales for 2012-13.

To protect cotton farmers, the Government has increased Minimum Support Price of cotton to Rs. 3,900 a quintal from Rs. 3,300 a quintal for long staple cotton.

### Now, Aavin diversifies into nutty chocolate bars



The chocolates, priced at Rs. 30 for a 45 gm pack, will be available across Chennai city at Aavin's 75 parlours —Photo: Special Arrangement

In a bid to use surplus milk and diversify its product portfolio, Aavin has begun production of chocolate bars.

Chief Minister Jayalalithaa who launched the products — 'Nutty' and 'Milky and Nutty' — at the Secretariat on Wednesday expressed her happiness over diversification of the product base of Aavin.

The chocolates will be available across the city at Aavin's 75 parlours and will soon be sold in other parts of the State. The chocolates are priced competitively at Rs. 30 for a 45 grams pack. A similar product by a popular brand is priced at Rs. 37.50 for 45 gm.

Last year, dairy development minister V. Moorthy and senior officials of Aavin visited Belgium for first-hand information on the production of value-added milk products. In a press release here, Aavin said such value-added milk products were sold through its outlets to ensure due income to milk producers and supply quality products to consumers.

The new variety, Nutty, comprises dark chocolate, nuts and skimmed milk powder. Milky and Nutty, on the other hand, has milk chocolate and nuts.

The chocolates are manufactured at the dairy major's Ambattur plant where up to 100 kg of chocolate is produced every day. Each 100 gm of chocolate contains 25 gm of fat, 7 gm of protein and 63 gm of carbohydrate, of which sugar constitutes 57 gm.

The energy value per 100 gm of chocolate is 505 calories. According to sources at the Tamil Nadu Milk Producers Cooperative Federation, Aavin was unable to give sufficient returns to its milk producers.

"We have to change our range of products to meet the demands of the modern consumer. Every product that we bring out as a value addition benefits the farmers too. Margins on value-added products are always higher than those on the basic raw material, milk," an official said. During the launch, the Chief Minister handed a pack of Nutty to Mr. Moorthy and another to chief secretary Sheela Balakrishnan. Secretary of dairy development Gagandeep Singh Bedi and Aavin managing director T.K. Ramachandran were also present on the occasion.

### A family's endeavour to promote millet as staple



Nature power:Millet-based food products being prepared at a home in Madurai on Friday—Photo: S. James

L. R. Kannan's home in Kamarajar Salai is buzzing with activity. His five-member family is busy promoting the health value of small millet by manufacturing different kinds of flour, packing and selling them to their neighbours at a nominal price of less than Rs 30. Rava dosa, puttu, chappathi and pearl millet flour are some of the products on sale.

"We are happy that a large number of people have started realising the value of millet. The protein rich products made of small millet are gaining popularity in Madurai", according to Mr Kannan.

The motivation to launch the enterprise came after Mr. Kannan's sister T. S. Urmila attended a course conducted by the **Tamil Nadu Agriculture University** last year on manufacturing food items from small millet. Mrs Urmila left her <u>job in</u> a private company and with the aid of her sister in law L.K. Jayanthi started manufacturing small millet flour.

"During my training, I understood how healthy small millet are. I wanted to promote them and my sister in law joined me. Later, my entire family involved itself in promoting small millet. Now we have several satisfied customers, Mrs Urmila said.

"We also go to apartments in the city, interact with the women to promote the flour. We also give suggestions and pass on ideas to our neighbours and any one interested manufacturing small millet flour", she said.

Sixty eight- year- old Brindha, who grew up on a diet of millet, was only too happy to join the team. "There is a general conception that food items made of millet are not as tasty. We want to dispel that notion", she told *The Hindu*.

"We buy millet from the market at present. But we are planning to buy them directly from the farmers in Tirumangalam area. This will not just be cost effective, but will assure farmers that millet are still in demand", concluded Mr Kannan.

#### Water level

Water level in the Periyar dam on Friday stood at 112.80 feet (136 feet) with an inflow and a discharge of 105 cusecs each. The level in the Vaigai dam was 48.13 feet (71 feet) with no inflow and a discharge of 60 cusecs. The combined Periyar credit stood at 2,370 mcft.

### Rs.15,000 compensation for 1 lakh drought-hit ryots

About one lakh farmers in Nagapattinam district would get the compensation of Rs.15,000 per acre for drought- hit fields announced by Chief Minister Jayalalithaa, according to T.Munusamy, Collector.

In a release, he said the disbursal of the relief would be done on a war-footing.

He said that as against the normal samba\thaladi area of 3.3 lakh acres in the district, cultivation was taken up only in about 3.24 lakh acres. Of that, crops in 1.81 lakh acres were found to have been affected more than 50 per cent and they would be extended Rs. 15,000 per acre.

For this the district had already been allocated Rs. 272.6 crore.

The list of farmers who would benefit had already been prepared by the village administrative officers and the agricultural extension officers. The compensation granted to Nagapattinam district would be passed on to the agricultural cooperative credit societies through the Kumbakonam District Central Cooperative Bank. The branches maintaining the insurance accounts would also be provided funds.

The funds would be transferred to the accounts of the farmers through the electronic clearing service. "This amount will not be adjusted against the crop loan arrears of the concerned farmers", the Collector categorically spelt out allaying their misgivings.

Referring to the fields where the loss is less than 50 per cent, the Collector said that they would be provided compensation by the insurance company in accordance with the loss suffered by them. The State Government's contribution in this regard would be received by the Agriculture Department which in turn would pass on to the insurance companies.

In order to ensure expeditious disbursal of the relief under the crop insurance scheme, crop harvest test assessment is being speeded up by the Agriculture Department, the collector added.

#### Subsidy to provide fillip to food processing industry

Entrepreneurs who are interested in starting food processing units in Perambalur district would be able to get a maximum subsidy of Rs.50 lakh (25 per cent) under the National Food Processing Mission.

In a release, District Collector Darez Ahmed said this mission is being implemented by the Union Ministry for Food Processing and the Tamil Nadu Government from April 1, 2012 to 2017-18.

The major objective of this programme is to reduce the loss of agricultural and horticultural produce by processing. Besides, the <u>income</u> of the farmers would be improved by ensuring remunerative prices for their produce. In addition, by providing training to the entrepreneurs, improving the quality of the produce and encouraging exports are the other aims.

In this regard, subsidy of 25 per cent (maximum of Rs.50 lakh) would be provided for establishing new food processing units, modernising or expanding the existing food processing industries and for purchase of equipment and setting up infrastructural facilities.

The subsidy would be released in two instalments. Under this mission, value addition could be provided to food grains, vegetables, fruits, pulses, oil seeds, other agricultural produce and milk.

Perambalur district produces three lakh metric tonnes of maize in 43,000 hectares. Similarly 80,000 tonnes of small onion is produced in 8,000 hectares.

The release pointed out that from maize, it would be possible to produce corn flakes, corn syrup, glucose, starch, rava, noodles, corn oil, etc.

Similarly, using small onion, it is possible to produce onion powder, paste, flakes, etc. Apart from setting up oil units and modern rice mills, industries to produce rice bran oil, rice powder, chilled milk, flavoured milk, ice cream, paneer, etc., could also be set up.

These enterprises could be taken up by individuals, Government organisations, co-operative units, non-governmental organisations, private units etc. Required skill training would be extended to the interested entrepreneurs. They would be informed of the places where the requisite equipment and machinery are available. Nationalised banks are ready to extend financial assistance.

Those interested could contact Deputy Director (Agricutural Marketing), Perambalur, on 04328-224030. They could get the details also fromwww.mofpi.nic.in

Mission aims to reduce the loss of agricultural and horticultural produce by processing

#### Spray urea on mango trees



A farmer airing his grievance during the monthly agricultural grievances meeting in Salem on Friday.– PHOTO: P. GOUTHAM

Farmers in the district were asked to go for urea spray if the mango trees do not flower this month.

During the monthly agricultural grievances meeting held at the Collectorate here on Friday, officials from the Horticulture Department said that mango was cultivated in about 5,000 hectares, and banana in about 2,600 hectares.

Flowering in mango trees usually occur in December and January. Because of change in climate, flowering may in February too.

"Flowering in young trees should be removed for healthier growth," said the official. He said that for increasing the productivity, bananas should be wrapped in plastic foil so that it gains 20 per cent more weight during its growth. Officials spoke about various schemes under the National Agricultural Development Programme (NADP).

The working of cotton picking machine was demonstrated during the meeting. The scientific design of the hand-held machine, which is very easy to use, and its adaptability to a variety of cotton picking were explained.

Farmers were asked to go for drip irrigation as they might experience water scarcity during summer. Various government grants for purchasing agriculture gadgets were explained to farmers. They were asked to use the schemes.

District Revenue Officer N. Prasanna Venaktesan; Joint Director of Agriculture A. Sengutuvel; officials from Horticulture Department; and farmers participated.

#### Water level

Water level in the Papanasam dam on Friday stood at 47.60 feet (maximum level is 143 feet). The dam has an inflow of 139.10 cusecs and no water is discharged from the dam.

The level of Manimuthar dam stood at 80.65 feet (118 feet). The dam has an inflow of 10 cusecs and no water is discharged.

The water level in Pechipparai dam stood at 3.80 feet, 33.60 feet in Perunchani, 5.15 feet in Chittar I, 5.25 feet in Chittar II and 6.70 feet in Poigai dam.

#### Union hopes to get a good price for its milk powder stock this summer

A record quantity of milk powder and butter produced by the Mysore and Chamarajanagar Milk Union from the surplus milk generated during the "flush season" last year have been stored in Karnataka Milk Federation's deep freezers in Mysore and Bangalore, in anticipation of a good price in the north Indian markets.

The milk powder and butter is estimated to be worth around Rs. 40 crore, according to sources in the union.

Mysore Milk Union Managing Director Suresh Babu told *The Hindu* that 1,790 tonnes of milk powder and 790 tonnes of butter had been produced by the union when the average milk procurement was around 5.2 lakh litres last monsoon.

"Milk procurement went up to a record 6.25 lakh litres (highest in the history of the milk union) during the flush season last year," he said.

Till November last, 2,300 tonnes of milk powder had been produced at the Mysore dairy.

After some portion of the stock was liquidated, 1,790 tonnes of milk powder was remaining, he stated.

Mr. Babu said the milk union had taken a loan of Rs. 20 crore (at 10 per cent interest) from a bank here to meet expenses such as payment of procurement price to milk producers.

"However, the State government had agreed to share the interest burden," he added.

"We will repay the loan when the milk powder and butter stocks are cleared as we are hoping for a rise in demand in March and April from States such as Delhi, Punjab and West Bengal. On getting a good price, we will liquidate the stock. This can help us pay better price to our producers," he said.

The Managing Director also said the government had sanctioned Rs. 3.6 crore to the union.

#### Mega dairy

The union is gearing up to submit a detailed project report to the Centre through NABARD, seeking grants for its Rs. 116-crore mega dairy proposed at Alanahalli here.

Mr. Babu said the Centre would be requested to share 50 per cent of the project cost while 10 per cent of the cost would be borne by the State government and the remaining by the union.

The fully-automated mega dairy would be the second such in the State after Bangalore.

"It's a fully computerised plant with hi-tech features. It also cuts down the cost of production," he said.

### Plant for densification of livestock feed opened

The Mysore and Chamarajanagar Milk Union on Wednesday inaugurated a plant for densification of livestock feed in Chamarajanagar. Managing Director Suresh Babu told *The Hindu* that it was south India's first such plant, where paddy waste would be compressed with feed and molasses to produce cattle feed bricks.

He said the plant had been set up at a cost of Rs. 2.6 crore with support of Rs. 1.6 crore from the government under the RKVY scheme.

The compressed feed would cost Rs. 13.7 a kg. This is a low-cost feed formula as the area is drought-prone, he explained.

#### Farmers urged to make use of technology

Dharmasthala Gramabhivraddhi Yojane has done laudable work in the field of agriculture, education, religion and health sectors, said district in-charge Minister Vishweshwara Hegde Kageri.

He was speaking at the 33rd State-level 'Krishi Mela' on the premises of Agriculture Research Centre at Nellikeri grounds in Kumta on Friday.

D. Veerendra Heggade, Dharmadhikari of Sri Kshetra Dharmasthala, said farmers should make use of technology in agriculture. Brahmanand Saraswati Swami said there was a need to empower farmers who were the backbone of the country.

We should use modern technology in agriculture, he added.

#### State plans wheels for farmers' weal



The State department of agriculture has sanctioned the allocation of 550 two-wheelers to agricultural offices across Kerala, a move that has been widely welcomed.

The Directorate of Agriculture plans to cover the more than 1,000 Krishi Bhavans across Kerala in two phases. The first phase will see allocation of 550 two-wheelers, exhaustively covering Kollam, Palakkad, Wayanad and Kannur districts where Leads (Lead Farmer-centred Extension Advisory and Delivery Services) programme is being implemented on a pilot basis.

The aim of the move is to strengthen the extension services in Krishi Bhavan; to ensure effective utilisation of time and activities of extension staff; to see that timely attention is paid to field problems and that remedial measures are taken through improved mobility, effective implementation and supervision of plan schemes, said the office order.

"The move to allot two-wheelers to agricultural officers is a welcome move. It should have come much earlier", said Kerala Agricultural University's director of extension, P. V. Balachandran on Monday.

He said that at present the farm officers are helpless if they get a call from a farmer to visit his or her fields. The officer has to depend on public transport or make personal arrangements. The distribution of two-wheelers will help take farm officers, now mostly engaged in clerical works, to the fields and closer to their farmers, Dr. Balachandran said.

A farm officer told *The Hindu* that it was a welcome step. Two-wheelers will help agricultural officers reach their farmers easily and in real time, the official said pointing out that sometimes farmers meet with such an emergency that they are forced to make their own transport arrangements for the agricultural officer.

The four LEADS districts will get a total of 288 two-wheelers, which are expected to be distributed before the end of the current financial year. The rest of the two-wheelers, 262, will be distributed in the other districts.

The agricultural officers will get a fuel allowance of Rs. 550 a month too according to the new government order.

## Fish market work in progress



The modern hygienic fish market at Ettumanur is being constructed at a cost of Rs.3.46 crore.

The construction of the modern hygienic fish market at Ettumanur is nearing completion.

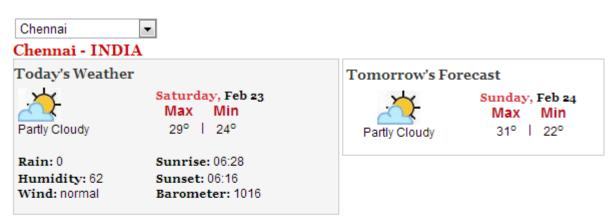
The establishment of the facility is a joint project of the National Fisheries Development Corporation and the Coastal Area Development Corporation under the Fisheries Department in collaboration with the Ettumanur grama panchayat.

According to official sources, the project is being implemented at a cost of Rs. 3.46 crore.

The market complex will consist of a hall for wholesale <u>business</u> and 40 stalls for conducting retail business.

Other features of the facility will include a modern ice production unit, water treatment plant, waste treatment plant, drainage, market management office, freezing units and a resting area.

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### Extended Forecast for a week

Monday	Tuesday	Wednesday	Thursday	Friday
Feb 25	Feb 26	<b>Feb 27</b>	Feb 28	<b>Mar 1</b>
<u></u>	200	<del>\</del>	<del>\\\</del>	<del>\</del>
31°   22°	30°   21°	31°   19°	33°   19°	33°   19°
Partly Cloudy	Overcast	Sunny	Sunny	Sunny

# Business Line

#### From sugar to cane

The Government seems to have finally made up its mind on decontrol of the sugar industry, with Food Minister K. V. Thomas hinting at a decision as part of next week's Budget proposals, if not earlier. Decontrol would imply two things. First, mills will no longer have to surrender 10 per cent of their output as 'levy' for the public distribution system (PDS). Since this sugar is currently impounded at about Rs 19 per kg — as against corresponding realisations of Rs 31 on open market sales — it amounts to mills subsidising the Government to keep the PDS going. Second, even for the balance 90 per cent, it is the Government that now decides how much each mill can sell ('release') every month in the open market. Dispensing with the 'release mechanism' along with levy obligation would give mills the freedom to do what they want with their sugar in an open market environment — which is how it should be for any industry.

Abolishing levy does not mean the PDS would be starved of sugar. The Government can procure its requirements from the open market or even float global tenders for the same. True, that may cost it an extra Rs 3,000 crore, which is also the loss that mills are bearing on supplying 2.5 million tonnes (mt) of levy sugar annually. But the higher subsidy outgo can be funded through an additional excise of 4 per cent on the entire 25 mt of annual production. Sugar today attracts a flat 0.98-per-kg excise duty, working out to slightly over 3 per cent. This is considerably lower than the rate on a vast array of mass consumer goods. Moreover, given an average monthly household consumption of 5-6 kg, shelling out Rs 1.5/kg more as excise — as is reportedly being proposed — shouldn't really bite.

But the Government needs to move beyond sugar to even *sugarcane* decontrol. If mills are allowed to do what they want with their sugar, growers must also have the freedom to sell to the mill of their choice. Right now, this is not possible because each factory is assigned an exclusive cane area, on which no other mill can come up. It, thus, binds all growers in the area to supply to that particular mill. In order to ostensibly protect growers' interest, the Government, then, gets into fixing the cane price to be paid by mills. As in the case of sugar, there is no reason why the Government should decide which mill a particular grower must supply to and at what price. Sugarcane decontrol would lead mills and growers to enter into mutually beneficial

market-based contractual sourcing arrangements. The Government's role in the event should at best be confined to overseeing and ensuring enforcement of these contracts. The very fact that mills require assured cane supplies, just as growers too desire some price certainty while planting a 12 month-long crop, may eventually make even this function redundant.

The Government must go beyond sugar to sugarcane decontrol. Like mills, farmers too must have the freedom to choose their customers.