

Fresh coconut procurement launched



Chief Minister Oommen Chandy launched the de-husked fresh coconut procurement scheme of the State government at Karunagapally near here on Tuesday.

The scheme is being implemented jointly by the Agriculture Department and the Kerafed. The procurement will be made through the Krishi Bhavans.

In his inaugural address, Mr Chandy said the State government had submitted a plea to the Union government to include coconut oil too in the edible oil subsidy scheme of the Centre. At present, palm oil enjoyed subsidy and if the same was extended to coconut oil, the demand for it would increase and that in turn would benefit coconut farmers.

The Chief Minister said the government had decided launching the procurement scheme when it was felt that the Central government's copra procurement scheme, through National Agricultural Marketing Federation of India Limited (Nafed) at the rate of Rs. 51,000 a quintal, was not benefitting the coconut farmers of the State because they lacked drying facilities to convert fresh coconuts into copra.

Copra

The coconuts to be procured now would be dried into copra by the Kerafed and used by its oil production units. Excess copra would be sold to the Nafed. Mr. Chandy said the State government had also requested the Centre to hike the copra procurement price fixed by Nafed.

Mr. Chandy called upon all concerned to ensure the success of the new procurement scheme through which de-husked fresh coconut was being procured at the rate of Rs. 14 a kilo gram.

Minister for Agriculture K.P. Mohanan, who presided over the function, said the government was keen that the scheme progresses without any complaints. The procurement would be made through all the 634 Krishi Bnavans of the State.

At the function, K.R. Jyothilal, secretary of the Agriculture Department, welcomed the gathering. Union Ministers K.C. Venugopal and Kodikunnil Suresh, former minister C. Divakaran MLA and P.K. Gurudasan MLA spoke. Principal Agriculture Secretary (Kollam) C.O. Hemalatha proposed the vote of thanks.

Farmer ends life

A farmer of Hoskoppa village in Sirsi taluk committed suicide on Monday night. The deceased was identified as Ravindra Bangarappa Godru Kadlera (48). Sources said Ravindra had taken a loan from local societies and from relatives and his daughter's marriage was impending, It was due to the worry that he would not be able to pay the loan that he took the extreme step, they said.

Farmers halt roadwork through farmland in Yellur

Gram panchayat didn't take our permission'



Crying foul: Farmers were caught unawares when they saw an earthmover clearing standing crops on the farmland to prepare base for the road.— PHOTO: D.B. PATIL

Farmers in Yellur of Belgaum taluk are up in arms against the gram panchayat for taking up construction of nearly 4-km stretch of road through their rich agricultural fields. According to them, the gram panchayat took up the work under the influence of Abhay Patil, BJP MLA representing the Belgaum South Assembly constituency, much against the wishes of the growers.

The farmers forced the contractor to halt work on Tuesday and warned the gram panchayat that they would fight tooth and nail against the its “unjust and anti-farmer” activities under the pretext of development.

The farmers, who were caught unawares on Sunday when they saw an earthmover clearing standing crops on the farmland to prepare base for the road, staged an angry protest outside the Deputy Commissioner’s office under the banner of Shetkari Bachao Samiti, and demanded that the work to construct 4 km of road through the fields be dropped and farmers be compensated immediately for the loss of standing crops.

The gram panchayat had proposed to lay the road from Yarmal to Yellur and awarded the contract work to an influential contractor.

Speaking on behalf of the affected farmers, Raju Marve alleged that the gram panchayat had coerced its decision under pressure from the MLA, even though there was no need to lay a road through the agricultural fields. He said the farmers had been cultivating Belgaum Basmati paddy and other crops throughout the year. A majority of the farmers had small or marginal holdings and would lose their source of livelihood if road work continued.

He said the panchayat had neither acquired the farmland nor paid compensation, but taken up construction work without the consent of growers.

Gram panchayat members promised the farmers that a meeting would be convened to discuss the issue. However, the samiti members made it clear that they would not allow construction of road through the farmland and urged the gram panchayat to drop the project.

Banana farmers receive compensation

For the first time, perhaps, the district administration has compensated banana farmers whose crops were damaged during gale and rain in April 2012. This compensation – Rs. 11.23 lakh – was possible because of Collector M. Karunagaran's efforts, say officials in the Horticulture Department.

They say that the Rs. 11.23 lakh will, to an extent, offset the loss suffered by 409 farmers, who had cultivate banana on over 150 hectares.

For every hectare of loss suffered, the farmers will get Rs. 7,500.

The officials say that the farmers, whether insured or otherwise, will not get compensation if the loss suffered is because of winds.

Mr. Karunagaran says that the officials often make a mistake in only reporting gale and not rain.

In April 2012, the gale was accompanied by hail and that enabled him to take up the issue of damage to crops with the Government.

Harvest

The Department sources say that majority of the farmers who suffered the damage were in and around Pollachi. And when the crop damage occurred, the plants were ready for harvest.

The farmers had aimed at the Tamil and Malayalam New Year for harvest and that was when the damage happened, they add.

Damage

And most of the crops that suffered damage were the traditional, long varieties because they are weightless.

'Dwarf Cavendish'

To help the farmers overcome the problem, the Department of Horticulture has been promoting hybrid dwarf varieties like 'Dwarf Cavendish' and 'red banana'.

Water-level at KRS dam dips to 82.8 feet

Brace up for water scarcity in the days ahead as the water-level in the Krishnaraja Sagar (KRS) , the main drinking water source to Mysore, Bangalore and other cities, is drying up.

The water-level in the dam was 82.8 feet on Tuesday against the full reservoir level (FRL) of 124.8 ft. It was 118.35 feet during the corresponding period last year.

The emerging predicament is reminiscent of the summers of 2000 and 2001 when the water crisis was acute owing to drought. Clashes broke out in Mysore over erratic water supply while farmers, desperate to save their standing crops, laid siege to Hongalli pumping station in Srirangapatana and switched off the pumps to stop drinking water supply to the city.

With the depleting water-levels at the KRS ,the Irrigation Department and the Cauvery Neeravari Nigam Ltd. (CNL) stopped discharging water to canals on Tuesday morning. This was confirmed by Vijay Kumar, Chief Engineer of CNL.

“We have restricted the outflow of water from the reservoir to 375 cusecs,” an official said.

“Three months ago, the department had hinted to the farmers about stopping water to canals from January.”

The Karnataka Rajya Raitha Sangha (KRRS) has decided to stage a protest against the decision. “The farmers will lose at least 60 per cent of crops due to the anti-farmer decision. The government should sanction compensation for the crop loss, besides providing interest-free loans to farmers,” KRRS leader Shambhuna Halli Suresh said.

Concern

The Association of Concerned and Informed Citizens of Mysore (ACICM) has drawn the attention of the Chief Minister and the government to the situation and has called for initiating steps to tackle the crisis, failing which the situation could become desperate for the people in the State.

M. Lakshman, convener of the ACICM, said water could be drawn from the reservoir up to a depth 60 ft, but pumping water below this level would be difficult as it is dead storage level. “The quantity of water available from 82.8 ft to 60 ft-level is only 8.379 tmcft,” said Mr. Lakshman.

The net outflow, after deducting the inflow was at 3,440 cusecs and if the water continued to be discharged from the reservoir at this rate, it could last about 28 days.

Citing irrigation department sources, Mr. Lakshman pointed out that discharge from the reservoirs to meet the drinking water requirements of Bangalore (1,600 cusecs), Mysore (200 cusecs) Mandya and surrounding places (250 cusecs), Ramanagaram and surrounding places (500 cusecs) and others (300 cusecs) would amount to about 2,850 cusecs. But with depleting water-levels, it would be impossible to maintain the discharge, and drinking water supply was bound to be affected.

Meanwhile, the reservoir levels of Kabini in H.D. Kote was 2,256.4 ft against the FRL of 2,284 ft.

Flying squads in Bihar to monitor paddy procurement

Bihar Food & Consumer Protection Minister Shayam Rajak on Tuesday directed his department to set up flying squads to monitor paddy procurement in the State.

Presiding over a review meeting, he directed the department officials to set up flying squads for monitoring of paddy procurement as per the guidelines laid down by the State Government.

Mr. Rajak asked the officials to root out middlemen from the paddy procurement process and take strict action against such elements if they were found at the procurement centres.

The procured paddy should be immediately packed in the gunny bag made available by the State Food Corporation (STF) and taken to the designated rice mills for processing, the Minister said.

The farmers payment in lieu of procurement of paddy should be settled immediately through A/C payee cheques, he said adding that a record register be maintained at all procurement centres for audit and accounting. It may be mentioned that the State Government has set a target of paddy procurement of 30 lakh metric tonnes during the kharif season 2012-13.- PTI

Untreated effluents in canal adding to farmers' woes

Many industrial units functioning near Kalingarayan Canal



Untreated effluents from the textile processing units enter Kalingarayan Canal, near Erode—
PHOTO: M. GOVARTHAN

Farmers in the Kalingarayan ayacut areas in the district are now forced to use water from Kalingarayan Canal that is mixed with untreated effluents and waste water discharged by textile processing and tannery units.

The Public Works Department stopped on December 20 the discharge of water in the canal that feeds the ayacut. But the 56-and-a-half mile long irrigation canal connecting River Bhavani with River Noyyal still carries water. “The canal should be dry by this time. But there is still good flow in the canal because the industrial units are dumping thousands of gallons of untreated effluents and waste water every day,” alleges Kalingarayan Pasana Sabhai president V.M. Velayudham.

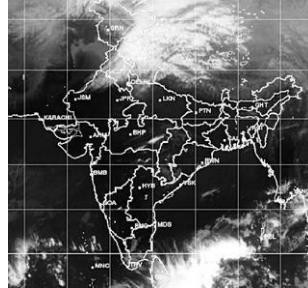
With the district facing acute water shortage, many farmers are forced to use the toxic effluents and waste water from the industries for irrigation. The ayacut has over 15,000 acres of land and farmers have taken up paddy, sugarcane, turmeric and a number of other crops for cultivation. “The canal is the only source of water to our lands. Since there is little water available in the Bhavanisagar dam, we have no option but to use the toxic effluents to save the standing crops,” says A. Periyasamy, a farmer in the ayacut. The effluents discharged in the canal are highly toxic and the possibility of toxins entering the food chain is high, environmental activists point out.

The absence of effective monitoring from the district administration and the Tamil Nadu Pollution Control Board is the primary reason that has encouraged industrial units to dump the untreated effluents in the canal, causing serious damage to the environment. A majority of the units functioning near the canal are unauthorised. “These units do not have any equipment to treat the effluents. They simply dump the effluents in the canal,” S. Arumugam, another farmer points out.

“The approved units, which claim that they have effluent treatment plants, also resort to the practice of dumping because it is an easy way out,” says district secretary of Tamil Nadu Farmers’ Association T. Subbu.

The farmers have urged the State government to initiate stern action against the industrial units that cause pollution.

Weather



ANDHRA PRADESH				
Anantapur	34	20	0	0
Arogyavaram	29	18	0	0
Bapatla	31	20	0	0
Calingapatnam	27	18	0	0
Gannavaram	30	21	0	0
Hanamkonda	30	18	0	0
Hyderabad AP	31	21	0	0
Kakinada	30	22	0	0
Khammam	32	16	0	0
Kavali	29	22	0	0
Kurnool	33	22	0	0
Mahabubnagar	33	21	0	0
Machilipatnam	31	21	0	0
Nandyal	31	20	0	0
Narasapur	30	22	0	0
Nellore	31	24	0	0
Nizamabad	33	21	0	0
Ongole	31	22	0	0

Ramagundam	31	21	0	0
Tirupathi AP	31	21	0	0
Tuni	31	23	0	0
Vizag AP	30	21	0	0
Vizag	29	21	0	0
KARNATAKA				
Agumbe	32	17	0	0
Bangalore AP	28	19	0	0
Bangalore	29	20	0	0
Belgaum AP	32	18	0	0
Bellary	34	21	0	0
Bijapur	32	20	0	0
Chitradurga	32	19	0	0
Chickmagalur	29	18	0	0
Chintamani	29	19	0	0
Gadag	32	20	0	0
Gulbarga	32	21	0	0
Hassan	31	15	0	0
Honavar	34	23	0	0
Karwar	35	24	0	0
Madikeri	26	15	0	0
Mangalore AP	34	23	tr	tr
Mysore	32	16	0	0
Mandya	31	19	0	0
Panambur	35	23	0	0
Raichur	33	18	0	0
Shirali	33	24	0	0

KERALA

Alappuzha	32	23	8	8
Kannur	33	24	0	0
Kochi AP	33	24	22	22
Kottayam	34	23	0	0
Kozhikode	34	25	0	0
Punalur	34	23	0	0
Thiruvanantha				
-puram AP	32	24	0	0
Thiruvanantha				
-puram City	32	23	tr	tr
Vellanikkara	34	24	0	0

TAMIL NADU

Adiramapattinam	32	23	0	0
Coimbatore AP	31	22	0	0
Coonoor	20	12	6	6
Cuddalore	31	24	0	0
Chennai AP	31	23	0	0
Chennai	30	23	0	0
Dharmapuri	31	19	0	0
Kanyakumari	32	25	0	0
Karaikal	31	23	0	0
Kodaikanal	16	9	tr	tr
Madurai AP	33	23	tr	tr
Nagapattinam	31	24	0	0
Palayamkottai	31	23	0	0
Pamban	31	26	0	0

Parangipettai	33	24	0	0
Puducherry	31	24	0	0
Salem	33	20	0	0
Thanjavur	31	24	0	0
Tiruchi AP	32	23	0	0
Tondi	31	23	0	0
Tuticorin	31	24	0	0
Ooty	20	9	0	0
Valparai	27	11	0	0
Vellore	29	21	0	0
LAKSHADWEEP				
Amini Divi	33	26	0	0
Minicoy	32	26	0	0
Kavarathi	32	27	0	0
OTHER STATIONS				
Kolkata (Alipore)	31	13	0	0
Mumbai	26	23	0	0
New Delhi	13	4	0	0

The columns show maximum and minimum temperature in Celsius, rainfall during last 24 hours (trace) and total rainfall in mm since October 01, 2012.

Dry weather

in A.P.

CHENNAI: Rainfall occurred at a few places over coastal Karnataka and isolated rainfall occurred over Tamil Nadu, Kerala and interior Karnataka. Dry weather prevailed over Andhra Pradesh and Lakshadweep. The chief amounts of rainfall recorded in centimetres are:

Karnataka: Sirsi PWD (Uttarakannada dt) 5 and Haveri PTO (Haveri dt) 4.

Kerala: Kayamkulam (Alappuzha dt) 5 and Chengannur(Alappuzha dt) 4. The minimum temperature fell at a few places over Tamil Nadu, Rayalaseema, at one or two places over interior Karnataka, Kerala and coastal Andhra Pradesh rose at one or two places Telangana and changed little elsewhere over the region. They were largely above normal at most places over Telangana, appreciably to markedly above normal at many places over north interior Karnataka, Rayalaseema, coastal Karnataka appreciably above normal at a few places over coastal Andhra Pradesh, Tamil Nadu, south interior Karnataka at one or two places over Kerala, above normal at a few places over rest Tamil Nadu rest coastal Andhra Pradesh and remained normal elsewhere over the region.

Forecast (valid till Thursday morning): Isolated light rain may occur over Tamil Nadu, Puducherry, Kerala and Karnataka. Mainly dry weather will prevail over Andhra Pradesh and Lakshadweep.

weather

Chennai

Chennai - INDIA

Today's Weather



Clear

Wednesday, Jan 2

Max Min

29.9° | 23.6°

Rain: 0

Humidity: 94

Wind: normal

Sunrise: 06:31

Sunset: 05:54

Barometer: 1012

Tomorrow's Forecast



Partly Cloudy

Thursday, Jan 3

Max Min

30° | 23°

Extended Forecast for a week

Friday Jan 4	Saturday Jan 5	Sunday Jan 6	Monday Jan 7	Tuesday Jan 8
30° 23° Partly Cloudy	26° 23° Overcast	26° 24° Overcast	27° 24° Overcast	26° 25° Cloudy

Airport Weather

Delhi

Delhi

Rain: 0

Humidity: 100

Wind: normal

Sunrise: 07:14

Sunset: 05:36

Barometer: 1015



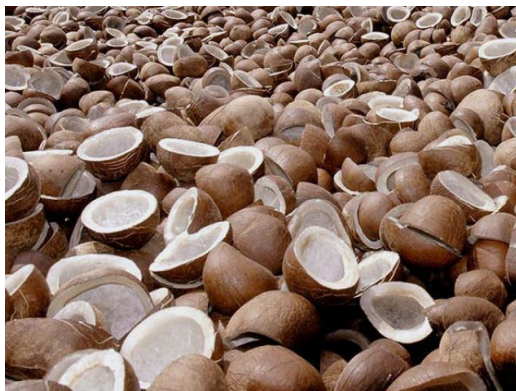
THE HINDU Business Line

TODAY FARM NEWS

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Copra tops Rs 5,000 a quintal in Kerala



Coconut oil prices continue to rule steady in Kerala and Tamil Nadu this week.

Prakash B. Rao, Vice-President, Cochin Oil Merchants Association (COMA), said that the market is ruling firm for the last few consecutive weeks, especially due to low arrivals of copra and minimal buying from corporates. This, he said, boosted market sentiments.

In Kerala, prices shot up to Rs 69 a kg (Rs 66.50) and in Tamil Nadu to Rs 67 (Rs 65). Copra prices were firm, touching Rs 5,000 a quintal in Kerala (Rs 4,700) and Rs 4,900 in Tamil Nadu (Rs 4,600).

Rally likely

Traders are expecting a further rally in prices due to poor arrivals in terminal markets. He said north Indian buyers are active in the market and it is reported that up to 300 tonnes of copra are moving to various crushing mill units in upcountry destinations every day.

Dessicated powder units

However, palm oil prices and palm kernel oil prices are ruling at last week's level of Rs 51/kg and Rs 53 respectively, he said.

Thalath Mahamood, former President, COMA, cited bulk procurement of edible copra by desiccated coconut powder companies for boost in demand. He said that the price rally is expected to continue for the short term.

Coconut production in Kerala is at the fag end and is expected to remain low till March.

There is likely to be a scarcity of copra in the State due to off season, which is expected to continue for the next two months, he added.

According to Bharat N. Khona, former Board Member, COMA, the market is likely to rule steady at the same level as the corporates and upcountry buyers are not active.

Improved buying perks up chana



Improved buying support at lower rate perked up chana (kanta) on Tuesday to Rs 3,875-3,925 a quintal (Rs 3,850-75), while chana (desi) rose to Rs 3,700. In the past one week, chana prices in Indore mandis had almost fallen by Rs 250 with rise in selling pressure and arrival of imported chana in large number.

According to traders, chana prices may see a rise or fall of Rs 100-200 in the coming days before the new crop of domestic chana hits local mandis next month. However, with available indications and prospect of bumper crop output, rally in chana appears unlikely.

Chana dal also rose marginally with rise in spot chana prices. On Tuesday chana dal (average) perked up to Rs 4,550-75 (Rs 4,525-50), chana dal (medium) at Rs 4,675-4,700 (Rs 4,650-75), while chana dal (bold) rose to Rs 4,900-25 (Rs 4,850-75).

On the other hand, slack domestic and export demand continued to drag dollar chana prices in the local mandis. On Tuesday, dollar chana ruled at Rs 4,000-4,500 amid an arrival of 3,000 bags. In container also, dollar chana is down about Rs 800 a quintal compared to its prices last week. On Tuesday, dollar chana (42/44 count) ruled at Rs 5,600; 44/46 count at Rs 5,350, 46/48 count at Rs 5,025, while dollar chana (60/62 count) quoted Rs 3,950 a quintal.

For the first time, India imports cashew kernels



Cashew exports continued to decline during the current fiscal so far, while imports of cashew kernels are gaining momentum.

Exports during April-November stood at 60,585 tonnes valued at Rs 2,477.42 crore against 74,093 tonnes valued at Rs 3,002.34 crore in the corresponding period the previous fiscal.

During the first eight months of the current financial year, the average unit value increased to Rs 408.92 a kg from Rs 405.21 in the same period a year ago.

However, the unit value fell to Rs 395.60 a kg in November whereas it was at Rs 443.59 in November last year and notwithstanding exports in November fell to 7,549 tonnes valued at Rs 298.63 crore from 9,377 tonnes valued at Rs 415.96 crore in the same month last year.

Availability of other tree nuts at competitive prices coupled with the unfavourable economic conditions prevailing in traditional overseas markets impacted the demand for cashew kernels, export sources told *Business Line*.

The traditional and other markets overseas were quiet last week, Pankaj N. Sampat, a Mumbai-based dealer, told *Business Line*.

The domestic market saw some inquiries but not much business was done.

China is reported to be buying selectively in Vietnam but volumes are small, market sources said.

Range of prices remained unchanged and was for W240 from \$3.70-3.85; W320 \$3.30-3.45; W450 \$3.05-3.15; SW \$2.60-3.10; SSW \$2.40-2.50, splits \$2.05-2.20 and pieces from \$1.45-1.70 an lb (f.o.b).

Despite limited activity for over a month until week before last, there has not been much change in kernel prices. Some processors offered at the lower end of the range and the offers were quickly picked up.

But, in general, most processors were reluctant to sell at lower levels, as they probably expect to pick up after the holidays, he said.

India has, probably, for the first time according to official statistics, imported 3,245 tonnes of cashew kernels valued at Rs 53 crore at a unit value of Rs 163.38 kg during April-November.

Imports in November stood at 298 tonnes at unit value of Rs194.96 a kg.

According to the Cashew Export Promotion Council of India, import of cashew kernels through 'mis-declaration' and under-invoicing has become rampant and that, in turn, has badly affected the domestic industry.

Balanced demand-supply keeps wheat static



Wheat futures remained bearish, while spot markets witnessed some recovery on Tuesday.

January contracts on the National Commodity and Derivatives Exchange decreased by Re 1 and traded at Rs 1,591 a quintal; it had touched a high at Rs 1,595 earlier in the day.

While the February contracts went down by Rs 4 to Rs 1,560.

Wheat spot prices on the exchange recovered by Rs 20 and traded at Rs 1,500. There was some volatility in the futures market on Tuesday.

January and February contracts fluctuated continuously between the positive and negative territory.

In the physical market, dara wheat continued to rule unchanged at its previous levels and sold at Rs 1,515-1,525.

Around 650 quintals of dara variety arrived from Uttar Pradesh and the stocks were directly offloaded at the mills.

Mill delivery was at Rs 1,515-1,520 while delivery at the chakki was Rs 1,525.

Similarly, desi wheat varieties ruled flat and quoted at Rs 2,500-50.

Radhey Shyam, an expert, told *Business Line* that since the demand matched supply in the market, wheat prices were unchanged since last week.

Dara wheat and flour prices are likely to rule around current levels for the next few days too, he added.

Flour Prices

With a steady trend in wheat, flour prices too ruled flat and quoted at Rs 1,725.

Similarly, Chokar remained unchanged and sold at Rs 1,400-50.

Groundnut oil gains on nuts shortage



Groundnut oil prices improved on Monday as millers face shortage of groundnut for crushing. In Gujarat, arrivals of groundnut are very limited as the kharif crop harvest is lower and much short of demand.

Groundnut oil loose was up by Rs 5 to Rs 1,300-1,305 for 10 kg, while groundnut oil new tin for 15 kg remained unchanged at Rs 2,205-2,210. *Telia* tin price rose by Rs 8 to Rs 1,992-1,993 for 15 kg. Around 50-70 tonnes of groundnut oil were traded by Saurashtra mills.

Groundnut arrivals stood at 3,000 bags in Rajkot; 5,000 bags in Gondal and 370 bags in Jamnagar. Groundnut was traded at Rs 1,100-1,150 for 20 kg.

According to an edible oil trader, price of groundnut oil rose but demand was limited. Prices of hand picked and selected (HPS) and commercial seed rose on lower availability.

On the other hand, cotton oil was down on slow retail demand. Cotton oil new tin declined by Rs 10 to Rs 1,080-1,090 for 15 kg and cotton oil wash stood at Rs 607-610 for 10 kg.

A Rajkot-based miller said: “Demand is not enough but we have no groundnut for crushing. In this condition price may increase further in coming days.”

Ample supply holds sugar on leash



Sugar prices ruled steady with minor changes on Tuesday on routine demand and ample supply. Volumes remained subdued despite slightly improved retail offtake at the beginning of the month.

Producers are now offering new season’s sugar at a higher price keeping overall trade subdued. Old season stocks are sold at lower price and hence, in absence of active demand, stockists are also not in mood to increase inventory, said sources.

On the Vashi wholesale spot market, sugar prices dropped by Rs 10 a quintal. Naka rates ruled unchanged for the fifth consecutive day. Mill tender rates eased by Rs 10 on lack of demand.

A wholesaler said that due to ample inventory of over 100 truckloads in Vashi market and continuous selling by producers making supply – the availability was more than required in local market. Lack of demand from neighbouring States in Maharashtra is forcing mills to concentrate on local markets.

Lifting pressure on stockists for commitments having nearby due date will weigh on sentiments. Sugar prices dropped by Rs 150-175 in December in absence of sufficient demand, he said.

In Vashi market, arrivals were 63-64 truckloads (each of 100 bags) while dispatches were 60-62 loads.

On Monday, about 13-14 mills offered tenders and sold 44,000-45,000 (each of 100 kg) bags in the range of Rs 3,160-3,220 (Rs 3,170-3,220) for S-grade and Rs 3,290-3,330 (Rs 3,290-3,340) for M-grade.

The Bombay Sugar Merchants Association's spot rates were: S-grade Rs 3,270-3,351 (Rs 3,266-3,362) and M-grade Rs 3,342-3,512 (Rs 3,342- 3,521).

Naka delivery rates were: S-grade Rs 3,250-3,300 (Rs 3,250-3,300) and M-grade Rs 3,330-3,450 (Rs 3,330-3,450).

Pepper continues downward trend

The pepper market continued its downward trend on Tuesday in the tug-of-war between bull and bear operators. Consequently, all active contracts ended at much below the previous day's closing.

Activities were limited. Both total turnover and open interest moved up marginally. The market went down to as low as Rs 400 a quintal and recovered and fell in the closing minutes.

Spot arrivals

From Angamaly area in Kerala's Ernakulam district, three tonnes of good quality pepper arrived and that was sold at Rs 372.50 a kg. "Buyers were so aggressive that it was sold out as soon as the bags were unloaded," market sources told *Business Line*.

According to them, pepper from the main growing district Idukki was not coming because of cloudy weather prevailing there and the aggressive buying by Tamil Nadu-based dealers who were ready to buy at terminal market prices. Demand from Tamil Nadu was high because of the ensuing Pongal festival, they said.

February contract on the NCDEX decreased by Rs 150 a quintal to close at Rs 34,150 a quintal. March and April also fell by Rs 210 and 180 respectively to close at Rs 33,550 and 33,605 a quintal.

Turnover

Total turnover moved up by 27 tonnes to close at 924 tonnes. Total open interest went up by 60 tonnes to end at 3,649 tonnes.

Much of the activities were concentrated on February delivery and hence its turnover was up by 64 tonnes to close at 776 tonnes while that in March and April were down by 29 tonnes and 6 tonnes respectively to close at 115 tonnes and 33 tonnes.

February open interest rose by 39 tonnes to close at 2,812 tonnes while that of March and April moved up by 20 tonnes and one tonne respectively to close at 682 tonnes and 134 tonnes.

Spot prices remained unchanged on limited activities at Rs36,500 (ungarbled) and Rs38,000 (MG 1) a quintal.

Indian parity in the international market at spot prices were at \$7,200 a tonne (c&f) while at February prices it was at \$6,500 a tonne (c&f) for Europe. Overseas markets are, by and large, on holidays and might become fully active only from next Monday, they said.

High Court asks Centre to fix realistic price for green tea leaf

The Madras High Court has directed the Union Government to fix a realistic price for the green tea leaf payable to the small tea growers in the Nilgiris.

The High Court has, in its Order dated October 12, 2012, directed the Union Government to exercise its power under Section 30 of the Tea Act 1953 by calling for a realistic report on the problem faced by small tea growers in Nilgiris district and thereafter, arrive at a scientific sharing formula between the growers and the manufacturers.

'Since the monopoly power is vested on the Government of India, it requires a scientific human approach and should not be dictated by the artificial market forces.

The endeavour of the Government must be to provide a realistic price in respect of the green leaf produced by the small tea growers and must be based upon the ground reality regarding the cost of production of such green leaf,' said Justice K. Chandru, disposing the petition from two small tea growers – R Dharuman and K.B. Bojan.

The judge also directed the Union Government to take note of the ICWAI (Institute of Cost and Works Accountants of India) Committee report dated on May 5, 2008 and (if need be) even call for any other study in this regard and arrive at a just and reasonable conclusion and price to be paid for the green leaf produced by small growers.

He has further stated that the exercise should be undertaken by the Union of India within a period of six months from the date of receipt of a copy of the said order.

The petitioners – Dharuman and Bojan went to Court as they were not satisfied with the price-sharing formula (between tea growers and manufacturers) announced by the Union Government.

Justice Chandru has, in the order observed that a large number of small growers were left high and dry as the market was largely controlled by brokers and buyers.

“The Union of India and the Tea Board have not really taken note of the direction issued by the Division Bench earlier and have hurriedly announced a formula which is far from any ground reality.”

Ishita Roy elected Secretary General of International Sericulture Commission

Ishita Roy, member secretary, Central Silk Board (CSB), has assumed charge as the Secretary General of the International Sericulture Commission, the inter-governmental organisation of silk producing countries.

According to a CSB press release, she has been elected to the post in the ISC election held at Cluj Napoca, Romania, recently.

The ISC headquarters located at Lyon has also been shifted to Bangalore and has commenced its operations.

‘Concerns over global economy behind fall in rubber prices’

The fluctuations in rubber prices depend mainly on market conditions. Whatever happens in the international market will have a direct bearing on domestic situations prevailing from time to

time. Some believe that the Rubber Board will have a decisive role in controlling the domestic market. But it is not so.

The domestic natural rubber (NR) sector was integrated with the international market through various policy decisions from the early 1990s culminating in the lifting of quantitative restrictions in 2001. The main factors impacting international rubber prices such as global supply/demand position, crude oil price movements and the consequent impact on prices of synthetic substitutes, exchange variations of currencies of major exporters etc weigh on the domestic NR market as well.

Sheela Thomas, Chairman, Rubber Board, analyses the reasons for the price fall since the second quarter of 2011. Excerpts from the interview:

What is your forecast regarding domestic production and consumption of NR in the current fiscal?

Production and consumption of NR this year are estimated to be 9,30,000 tonnes and 10,60,000 tonnes respectively, indicating a deficit of 76,000 tonnes.

How will the deficit affect the industry?

The deficit is not expected to affect the industry in any way. The opening stock of rubber on April 1, 2012 was 2,36,275 tonnes. In addition, manufacturers have an opportunity to import more than 1,25,000 tonnes through duty-free channels. Considerable amount of rubber has also been imported so far.

What is your opinion of the current fall in prices?

Over the last so many years, domestic NR prices have been moving in tandem with the international prices. Prices in the international market have been seeing a downtrend since the second quarter of 2011. The trend is mainly a result of the growing concerns about world economy, particularly in the light of the debt crises in the Euro zone. There is a fall in import demand from China and piling up of inventory in Qingdao Free Trade Zone. The corrections in crude oil prices also had a negative impact on the market.

What is the current domestic scenario?

October to January is the peak production period in India. This year's peak production period has witnessed a surge in import of NR also. More than 41,000 tonnes of NR was imported during October-November. This is 67 per cent higher than the import during the same period last year. Total import during April-November 2012 is nearly 1,54,000 tonnes.

There was also a 27 per cent decline in the purchase of major tyre companies in November compared with the previous month.

This has been mainly because of the increased availability due to import.

There has also been a four per cent fall in consumption in November compared with November 2011.

Do you foresee a recovery in price?

Attempting a forecast about prices in the near future would be difficult as it primarily depends on the movements in global economy.

Crude oil prices, currency exchange fluctuations and weather factors also play a role in rubber production, consumption and price.

Most of these factors are volatile. The world economy is in a phase of slow recovery, though with several downside risks.

The projected world GDP growth for 2013 is 3.3 per cent and that of China is 8.2 per cent. Replanting rate is expected to be higher in the coming years and so oversupply is not likely.

These are expected to be positive factors in sustaining demand and prices in the coming years.

Do you have any research programme to reduce long gestation period of rubber so as to realise an early farm income?

The extent of gestation period of rubber is mainly dependent on colonial characteristics, type and quality of planting materials used, soil and environmental factors, agro management practices and biotic and abiotic stresses.

We have been conducting research in all these areas.

Effect of agricultural practices such as irrigation, enhanced nutrient application through chemical fertilisers and organic manure, selective manuring, conservation of oriented tillage followed by heavy mulching etc. in reducing immaturity period is being studied.

Adapting good agricultural practices

Earlier studies had shown that spilt application of fertilisers also contributed to higher growth rate.

The effect of conservation pits (silt pits) on enhancing growth is already known.

A recent trial has shown that by adopting good agricultural practices in an integrated manner, 72 per cent of trees achieved tappareability in five years and nine months compared to the normal gestation period of seven years in Kerala. As regards clonal characteristics, it is seen that the newly released clones in the RR11 400 series have higher growth rates compared to the other currently popular ones.

Higher growth and resultant potential for early maturity are qualities we look for in our ongoing breeding programmes also.

Lower robusta output drags coffee exports



Indian coffee exports dropped by 9.35 per cent in the calendar year (January-December) 2012 to 3.10 lakh tonnes compared with 3.42 lakh tonnes during the same period last year.

Coffee exports in rupee terms dropped by 1.96 per cent to Rs 4,728.71 crore against Rs 4,823.48 crore.

In dollar terms, it was down 11.19 per cent at \$926.27 million against \$1,043 million. However, in terms of unit value realisation, coffee fetched Rs 1,52,104 a tonne as against Rs 1,40,645 a year ago. "During the year 2012, lower production of robusta coffee dragged down exports and fall in arabica prices impacted realisation both in dollar and rupee," M.P. Devaiah, General Manager, Allanasons, told Business Line.

"Decline in exports is due to lower than anticipated robusta production and steady decline in arabica exports over the past three years mainly due to increased domestic consumption and steady to flat arabica production," said Nishant Gurjer, Chairman KPA and managing partner of Kaapi Royale Coffee and the Sethuraman Estates.

According to the Coffee Board statistics, arabica parchment constituted 44,384 tonnes (last year's exports stood at 41,987 tonnes); arabica cherry 13,745 tonnes (12,075 tonnes), robusta 23,435 tonnes (30,263 tonnes) and robusta cherry 1,33,605 tonnes (161,911 tonnes).

Instant coffee total exports were at 95,490 (96,435 tonnes); instant coffee (Indian) 47,149 tonnes (45,268 tonnes) and instant coffee re-exports 48,341 tonnes (51,167 tonnes).

Exports in the first-three months (October-December) of the crop year 2012-13 is also down by 16.53 per cent at 47,159 tonnes compared with last year's 56,499 tonnes.

The unit value realisation of coffee stood at Rs 1,63,593 a tonne (Rs 146,949).

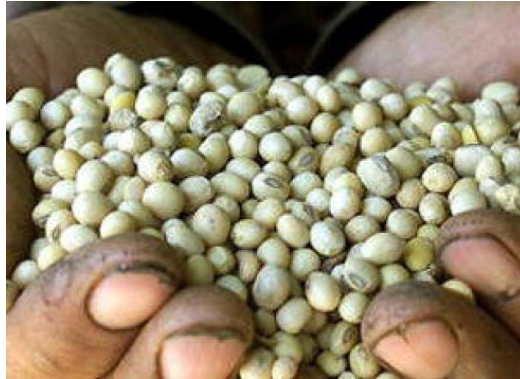
Top 5 importing countries

Italy 75,451.9 tonnes (arabica 16,222.5 tonnes, robusta 59,229.4 tonnes), Russian Federation 29,934.1 tonnes (arabica 1,037.5 tonnes, robusta 28,896.6 tonnes), Germany 25,317.1 tonnes (arabica 8,090.6 tonnes, robusta 17,226.5 tonnes), Belgium 19,616.8 tonnes (arabica 9,065.8 tonnes, robusta 1,0551 tonnes) and Slovenia 13,192.7 tonnes (arabica 96 tonnes, robusta 13,096.7 tonnes).

Top 5 export houses

CCL Products India 32,147.7 tonnes (arabica Nil, robusta 32,147.7), Allansons Ltd 30,659.9 tonnes (arabica 10,734.8 tonnes, robusta 19,925.1), NKG Jayanti Coffee 26,792.9 tonnes (arabica 8,370 tonnes, robusta 18,422.9 tonnes), Tata Coffee 21,744.3 tonnes (arabica 1,120.9 tonnes, robusta 20,623.4 tonnes) and Amalgamated Bean Coffee Ltd 21,239.1 tonnes (arabica 8,654.0 tonnes, robusta 12,585.1).

Lower soyabean arrivals hit processing firms



Poor market arrival despite a good harvest has forced soyabean processing companies, such as Adani Wilmar and Gujarat Ambuja Exports, to operate at lower capacity.

“Market arrivals were lower by about 25-30 per cent till December. This has slowed down crushing operations of almost all processing companies,” said Rajesh Agarwal, Spokesperson for Soyabean Processors Association of India (SOPA).

Besides, the lower end product price is weighing down the capacity utilisation in the industry.

Anticipating a better price, soyabean growers are holding back their produce – a move that has reflected in lower market arrivals.

Total market arrivals till December-end were in the range of 40-45 lakh tonnes, against 55-60 lakh tonnes in the corresponding year ago, Agarwal said.

SOPA has forecast an output of around 127 lakh tonnes on higher acreage and better yields.

Soyabean prices had more than doubled to touch a record of Rs 4,900 a quintal in mid-July during the kharif planting season.

Tight global supplies due to a drought in the US, Brazil and Argentina prompted the rally in prices.

However, soyabean prices crashed in recent months on record harvest and are currently ruling at around Rs 3,200.

Besides, a global glut in the crude palm oil has exerted pressure on soyabean prices.

The lower market arrival has hit not only large players but small and mid-sized companies, too, which are operating at a lower capacity, Agarwal said. Multinationals such as Cargill and Bungee have taken fewer crushing plants on lease this year.

The total installed annual soya crushing capacity is estimated at 225 lakh tonnes, while the domestic crop is pegged at 127 lakh tonnes.

The industry crushed some 25 lakh tonnes in the October-December period, about 25 per cent lower than the corresponding last year, Agarwal said.

Soyabean prices were expected to remain range-bound due to emerging crop in South America.

TNAU training programme on beekeeping

Tamil Nadu Agricultural University (TNAU) is planning to offer a day-long training programme on 'Beekeeping' on January 7.

The Department of Agricultural Entomology is imparting this certificate programme.

The programme would include hands-on-training in identification of bee colonies in nature and rearing them, artificial group rearing of bees, production and bee management techniques.

Business Standard

TODAY FARM NEWS

02.01.2013 A.M

UP sugar mills rue closure of distilleries

Already reeling under mounting sugarcane arrears, the Uttar Pradesh sugar millers are ruing the closure of several distilleries in the state in wake of the upcoming Kumbh Mela in Allahabad.

The mills are jittery that the lifting of molasses from sugar factories would be adversely affected following the closure and lead to the overflow of the molasses storage tanks.

The state excise department had recently ordered closure of a number of distilleries due to Kumbh Mela, which could prolong until March 2013.

In fact, UP Sugar Mills Association has already written to the state government top brass seeking immediate corrective measures in the larger interests of the farmers and the millers.

In its letter, Association secretary SL Gupta has maintained the closure of distilleries would adversely affect the lifting of molasses from factories and in some cases molasses lifting may be completely stopped. This would be detrimental at a time when the sugarcane crushing season was on in full swing and factories were working to full capacity.

The mills fear if molasses were not lifted, it would lead to overflow of molasses storage tanks and might even lead to halt in sugarcane in some cases, which would be against the interest of farmers.

Besides, the closed distilleries would also suffer financial losses and workmen would be idle, the Association letter reads.

Meanwhile, the mills have urged the government to review its closure decision and allow the distilleries to function, especially units which had installed effluent treatment plants or were making bio-compost out of effluent.

The free sale of molasses should be allowed during the time of the closure and its interstate movement be permitted to avoid overflow conditions.

Karnataka aims foodgrain output growth of 19%

The Karnataka government is aiming to increase its foodgrain production by 19 per cent during the 12th Plan period. The government is targeting an average of 14.3 million tonnes per annum during the period starting 2012-13 as against 12 million tonnes achieved during the 11th plan period.

According to state government the productivity of food grains, which was at 1,278 kg per hectare during the 10th Plan increased to 1,631 kg per hectare during the 11th Plan registering an increase of 27.6 per cent.

Speaking at the National Development Council (NDC), Chief Minister Jagadish Shettar, said: "The productivity of food grains was stagnant for a long time and which was at 1,278 kg per hectare in the 10th Plan. In the 12th Plan the productivity target has been fixed at 1,818 kg per hectare."

He also said, the state was able to achieve an increase of 69 per cent in average seed distribution during the 11th Plan over the 10th Plan period.

The government also said, the average sugarcane production also witnessed a 63.3 per cent growth in the 10th Plan from 19.25 million tonnes to 32.20 million tonnes during the 11th Plan. The state has, however, set an ambitious target of achieving an average sugarcane production of 48 million tonnes per annum during the 12th Plan.

It is also aiming to distribute 1.6 million quintals of seeds per year in the 12th Plan compared to 1.15 million quintals achieved during the 11th Plan.

Shettar also said: "The state could not achieve a significant growth in oil seeds and cotton production. However, this is expected to be corrected during the 12th Plan with focused attention on oil seed and cotton by setting an ambitious annual target of 1.63 million tonnes and 1.25 million bales in the 12th Plan compared to the achievement of 1.11 million tonnes and 930,000 bales respectively in the 11th Plan."

Overall, the agriculture sector has performed well, achieving a growth of 5.7 per cent during the 11th Plan period, the chief minister said. Animal Husbandry and Dairy Sector in the state have contributed significantly to the state's economy. Contributions from this sector form 22 per cent of the agricultural GSDP.

Milk production registered significant growth in the last few years and reached a production level of 4.8 million tonnes and it has the potential to reach higher levels if the shortage in green fodder is made good, he said.

"A massive programme has to be launched to increase the production of green fodder and fodder seeds. A suitable policy is to be framed which should also include research on new fodder crops," Shettar added.

Jeera down 0.65% on profit-booking

Jeera prices fell by 0.65% to Rs 14,930 per quintal in futures trade today.

However, some overseas enquiries capped the losses.

At the National Commodity and Derivatives Exchange, the May contract declined by Rs 97.50, or 0.65% to Rs 14,930 per quintal with an open interest of 294 lots.

Likewise, the March contract traded lower by Rs 30, or 0.20% to Rs 14,642.50 per quintal in 14,661 lots.

Analysts said higher area under cultivation and weak spot demand restricted the loss.

Meanwhile, sowing of jeera, a winter-sown crop, is underway in the leading cultivating states.

Cardamom recovers 0.60%

Cardamom prices recovered by Rs 6.10 to Rs 1,027.80 per kg in futures trade today.

At the Multi Commodity Exchange, the January contract recovered by Rs 6.10, or 0.60% to Rs 1,027.80 per kg in 909 lots.

Similarly, the February contract traded higher by Rs 5.90, or 0.55% to 1,072 per kg in 212 lots.

Marketmen said fresh positions by speculators and less arrivals from producing belts helped cardamom futures to gain

Potato trades 0.83% low

Potato futures traded Rs 6.40 lower at Rs 761.10 per quintal today.

At the Multi Commodity Exchange, the March contract fell by Rs 6.40, or 0.83% to Rs 761.10 per quintal in 81 lots.

The April contract also lost Rs 4.60, or 0.63% to Rs 720 per quintal in 14 lots.

Market analysts said ample supplies coupled with sluggish demand pulled down the price.

Chana remains up by 0.29%

Chana prices gained for the second straight day by adding Rs 11 to Rs 3,863 per quintal in futures trade today.

However, expectations of higher output limited the gain.

At the National Commodity and Derivatives Exchange, the January contract added Rs 11, or 0.29% to Rs 3,863 per quintal in 64850 lots.

Similarly, the April contract edged up by Rs 2, or 0.06% to Rs 3,554 per quintal in 43,400 lots.

Market analysts said increased buying by speculators and rising spot market demand kept chana futures remain higher.

Pepper slips by 0.29%

Pepper prices moved down by Rs 100 to Rs 34,200 per quintal in futures trade today.

At the National Commodity and Derivatives Exchange, the February contract fell by Rs 100, or 0.29% cent to Rs 34,200 per quintal in 665 lots.

Similarly, the March contract declined by Rs 100, or 0.30% to Rs 33,660 per quintal in 665 lots.

Marketmen said weak overseas demand and expectations of higher production but depleting stocks capped the loss.

India Meteorological Department to provide forecast, agri advisory to farmers at block level

PUNE: The agricultural meteorology division of the [India Meteorological Department](#) (IMD), which that provides weather forecast and agriculture advisories to farmers at the district level, now plans to reach out to farmers at the block level. The IMD is also in talks with the [Space Application Centre](#) at the [Indian Space Research Organisation](#) (Isro), to use satellite data for agro-met services.

The expansion of services to the block level is expected to start by January-end and cover all blocks under the 12th five-year Plan. The aim is to minimise the impact of adverse weather on crops and boost agricultural production.

N Chattopadhyay, deputy director general of agricultural meteorology at IMD's Pune division said the weather forecast and agriculture advisory for the farming community was a flagship programme of the department and the Union ministry of earth sciences. Of the 610 districts that have been identified, 587 districts are covered at present, including almost all the districts in Maharashtra.

"At present, the forecast and advisory are provided at the district level. Experts from 130 centres provide the advisory in 12 regional languages. In the next phase, we will take it to 6,000 to 8,000 blocks in the country. Information related to crops, horticulture and livestock at the block level will be more useful to villagers," he said.

Additionally, the IMD plans to cover all the blocks in the next five years by collaborating with

Krishi Vigyan Kendras that are functioning in the districts. The IMD will provide infrastructure and funding to these Krishi Vigyan Kendras and will soon sign a memorandum of understanding with them, he added.

Chattopadhyay said that satellite data from Kalpana-1 and Insat-3A will be used to get information. "We are in discussion with Isro for the collaboration. Immediate information can be acquired using satellite data. Remote sensing data can be useful for crop acreage and yield estimation, crop condition assessment of major crops and assessment of drought conditions. Other countries are using remote sensing data to prepare agro-met advisory; we can do the same. In 2013, the Union government and Isro will launch INSAT-3D, which will help to generate information.

"We are in touch with many organisations to improve forecast and relevant advisory. There is an increase in population but decrease in agricultural land in use. Moreover, climate variability should not hit the crops. Hence, the increase of crop productivity with agro-met services is useful," he added.

* IMD has involved organisations like [Indian Council of Agricultural Research](#), ministry of agriculture, state agricultural universities and other agencies for integrated agro-met advisory services.

* So far, IMD has installed around 1, 300 automated weather stations in the country. More such installation will be taken up in future.

* A pilot project to disseminate agriculture advisory services via SMS to 50,000 farmers in 10 districts of Maharashtra has been started.

GSFC bags two prestigious awards from Fertilizer Association of India

VADODARA: The [Fertilizer Association of India \(FAI\)](#) has recently awarded the Gujarat State Fertilizers and [Chemicals Limited](#) (GSFC) two prestigious awards for best production performance and for environment protection.

The best production performance award was won by GSFC, Fertilizernagar Unit, Vadodara in the category of complex (phosphate) fertilizer plants for the year 2012 at [the national](#) level.

Similarly, the environment protection award was won by GSFC's Sikka unit in the category of NP/NPK (nitrogen, phosphate, potash) complex fertilizer plants excluding captive acids for the year 2012.

The awards were received by general manager of Ammonia IV, Fertilizernagar unit H R Patel and additional general manager of Sikka unit H H Dave on behalf of GSFC's managing director Atanu Chakraborty during FAI's annual seminar.

The awards were presented by union minister of fertilizers and chemicals Shrikant Kumar Jena in a function which was attended by chief executives and other senior officials from leading fertilizer producing companies of the country.

"The FAI awards are confirmation of our focus to emerge as a path-finder in fertilizer production with matching concern towards environment, ethics and values as we are marching ahead with our expansion plans in Dahej besides strengthening our existing capacities," a release from [GSFC](#) said.