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Prolonged wet spell worries cotton farmers of Adilabad

Work in the fields is hindered which may lead to extra investment by way of weeding operations and application of fertilizers

As the monsoon so far turned out to be the wettest in Adilabad in recent memory, the first signs of worry are beginning to show among cotton farmers.

The prolonged wet spell, the current having started five days back, is hindering work in the fields which will eventually lead to extra investment by way of weeding operations and application of fertilizers. The crop is at a stage which requires weeding to be carried out both manually and by spraying of weedicides.

Also, it is time for applying fertilizers.

While water logging in the black cotton soil prevents labourers from entering the fields, the rainfall washes away any fertilizer that has already been applied.

In some cases the fertilizer actually aids the growth of weeds in the fields.

“A dry spell is the need of the hour as not much time has been spent in the fields since the start of monsoon.

There are a lot of things to be done,” observes Kyatham Mallesh of Jainad mandal.

HEAVY SHOWERS

Meanwhile, there was rainfall across the district with intermittent spells of heavy showers on Monday. As almost all mandals have received excess rainfall so far during the season, the district averages at 41 per cent excess having recorded 250 cm of rainfall since June 1.

Though the hill streams ran in spate during the day there was no major dislocation of life in the district. Only farmers needed to suspend their work owing to heavy showers.

Karnataka, Tamil Nadu clash at Cauvery panel meet

TN wants 34 tmcft in July, 50 tmcft for August to save Samba crop

Karnataka and Tamil Nadu on Monday clashed during the third meeting of the Cauvery Supervisory Committee here over latter's share of the river waters.

Tamil Nadu sought a direction from the panel to Karnataka for making the stipulated release of Cauvery waters in July. But, Karnataka said it had already released about 34 thousand million cubic (tmc) feet of water between June and July 13.

Further release would be made if the rainfall was good, Karnataka is reported to have said.

The panel, chaired by Water Resources Secretary Alok Rawat also demurred at giving any assurance and noted that Tamil Nadu's receipt of the stipulated waters till July 31 at Biligundlu would depend on the behaviour of the monsoon in the next fortnight.

Tamil Nadu pointed out that in view of the recent heavy rainfall in the Cauvery catchment area of Karnataka and inflows into Karnataka reservoirs, the Delta farmers were anticipating release of water by Karnataka as per the final order of the Cauvery Water Disputes Tribunal (CWDT) award for the cultivation of the Samba crop.

Unless the Committee ensures the release of 34 tmcft of water due to Tamil Nadu in July and 50 tmcft for August, as stipulated in the CWDT order, the samba cultivation will be put to severe stress, the State said.

The panel noted that, so far on account of good monsoon rain, Tamil Nadu had received about 34 tmcft water as against 44 tmcft during June and July (till July 13) including its share of 10 tmc ft water in June. By July 31, it should receive another 10 tmcft as the forecast was that monsoon would be good.

The meeting was attended among others by Tamil Nadu Chief Secretary Sheela Balakrishnan and her Karnataka counterpart S.V. Ranganath, Central Water Commission Chairman Rajesh Kumar and senior officials from Kerala and Puducherry.

The next meeting will be held in August to review the Tamil Nadu water receipts till July 31.

Animal Farm

The Manor Farm is run by Farmer Jones who mistreats his farm animals. The animals unite and drive him out. Under the stewardship of Snowball, a pig, productivity in the farm increases. The animals rename the farm "Animal Farm" and look forward to many successful years ahead. However, the situation in Animal Farm takes a gradual but irreversible turn for the worse after Snowball is driven out of the farm by Napoleon, another pig. Published in 1945, the book is one of the most popular works of political allegory from the 20th century.

"Replace land acquisition with lease"

Land rights group calls for a direct relationship between the farmer and the government

In keeping with the Gandhian principle of equality and Babasaheb Ambedkar's notions of social justice, the land rights organisation Bhumi Bachao Andolan has mooted the idea of "Kisan Sarkar Sajhedari" (Farmer-government partnership) for establishing a direct relationship between the farmer and the government, without mediators.

Power issue

"The farmers will not sell, but lease out their land. This includes agricultural land owned by farmers as well as common gaon sabha (village community) land — owned collectively by all the members of the village, including the landless. Industries can build their units and pay lease rent to the farmer; with every successive rise in price of the land, the rent can increase," said Jan Sangharsh Vahini convenor Bhupendra Singh Rawat, who is also the leader of the Andolan, while floating the idea.

Bhumi Bachao Andolan has suggested these provisions to respective ministries, parliamentary committees and political parties. It said the Land Acquisition Act, 1894, formulated during the British Raj, is being followed 68 years after Independence even though it has promoted forcible land acquisition across the country, helping the class-in-power to grab the agricultural land while dispossessing the farmers, making them jobless and denying them the fair market rate.

“In the aftermath of the land acquisition, the agricultural plots are distributed. Those who have got this land are extracting maximum benefit from it but those dispossessed despite living off it for generations are not even given a share of it.”

Mr. Rawat, while addressing a press conference here, said the provisions formulated to benefit the capitalists in the Land Acquisition Act cannot be democratic. So, the Act should be scrapped and in its place such provisions should be included in the law for using and sharing the agricultural land, which is needed for acquisition for some developmental work, in a democratic way with the farmers and the villagers.

A major victory

He said at an all-party meeting recently on the issue of provision of acquiring land of the farmers, it was demanded that the government come up with a provision to take it on lease. The meeting had also discussed provisions pertaining to farmers’ right to ownership of land.

“The consensus on the provisions of the right to fair compensation, resettlement, rehabilitation and transparency in the Land Acquisition Bill is a major victory to farmers’ struggle launched by Bhumi Bachao Andolan,” Mr. Rawat said.

Those who have got land are extracting maximum benefit from it, but those dispossessed despite living off it for generations are not even given a share of it
Bhupendra Singh Rawat
Jan Sangharsh Vahini convenor

Acidic indigestion on the rise in cattle

A new health problem in cattle has been identified by Animal Husbandry Department officials of the district.

This may lead to even death of animals if not addressed in time or the illness persists for a long period.

The officials, who stood first in the country on the day-to-day reporting to the Union government under National Animal Disease Reporting System (NARDS), found that acidic indigestion was found in about 12,000 cases reported from the district till July 10. Officials attribute the disease to grazing of cattle in open fields and consumption of polluted water. Usually,

in the rural areas especially, the cattle graze in open lands where more naturally grown grass – heteropogon contortus (Garika gaddi) - is available. As it is available free, the farmers prefer to graze them in these fields resulting in the ill health of animals. The animals also eat weeds.

After consuming the grass, the animals develop bloat in the stomach and considerable reduction in milk production. Usually, the animal recovers in three days. However, at times, it requires the assistance of veterinary expert.

“The farmers are experts in identifying the problems of cattle at very early stage and address it in time. However, if it the disease is not identified and addressed in time, it can lead to death,” K. Lakhma Reddy, Joint Director, Animal Husbandry, told *The Hindu* .

Officials attribute the disease to cattle grazing in open fields and consuming polluted water

Recent spell of rains spurs agriculture activity

Standing crops were withering away due to moisture stress

The recent spell of rains came as a boon to the farmers bringing them a great relief and spurring agricultural activities in Kurnool district.

The rains was of immense help to standing crops which were almost withering away due to moisture stress. Groundnut in Yemmiganur area, maize in Atmakur and Nandikotkur area were sown in the first spell of rains in June end.

The sowing activity for minor millets and other rain-fed crops also increased. According to G. Narasimha Rao, former Associate Director of Agriculture University, cotton is going to be a dominant crop this season, which is likely to cross one lakh hectares. The stable returns and less incidence of pest helped farmers to go for the crop.

Maize is likely to cross 20,000 hectares this season due to good market for the commodity. The price of maize almost crossed Rs. 1,500 per quintal while average yield under good crop conditions was around 30 to 40 quintals per acre. The associated risk was also less in maize cultivation.

Meanwhile, Dr. Narasimha Rao suggested that the farmers under KC canal, especially up to 120 km point, should prefer irrigated dry crops so that they could cultivate two crops instead of single paddy crop. Cultivating paddy involved several risk factors such as high incidence of pest due to late transplantation and water shortage during critical grain filling stage.

According to him, the area under minor millets was growing year after year due to increase in consumption. Dry land farmers would have good prospects if the crops were cultivated with the support of machines.

Banks abuzz with activity

Meanwhile, banks were abuzz with the activity of farm loans and other agriculture products. Crop insurance, recovery of loans to extend interest concession and adverse weather conditions support package were some of the issues handled by the banks.

Organic farming did the trick For this Bharamasagara couple



60-year-old B.S. Shantaveerappa and his wife B.S. Pushpa were small-time entrepreneurs in Bharamasagara of Chitradurga district who had just taken to farming casually by planting areca saplings on their ancestral land of 3.27 acres. But a visit to Mysore inspired them to become full-time farmers when they happened to taste Nanjangud rasabale.

“We were fascinated by the distinct taste of the banana and inquired about that exotic variety with the shopkeeper. We went to Nanjangud to get some saplings. But we were shocked as we could not get even a single sapling

there. We were directed to the UAS-B's Plant Tissue Culture Lab," says Mr. Shantaveerappa.

"We took about 1,000 saplings from the university and planted in between the two-year-old areca plants. We followed organic method of cultivation and opted for drip-irrigation, which gave us a good yield. Though people started flocking to our farms to buy the loose fruits, we sold the entire standing crop at Rs. 6 lakh to a merchant," he noted.

According to him the total expenditure incurred by them on cultivating these fruits was about Rs. 80,000 including the cost of saplings. "We have earned a profit of about Rs. 5.2 lakh from the fruits. The profits further increased as the farmers in our area bought even the banana suckers for Rs. 35,000," he says, while pointing out that a large number of farmers now want to take up cultivation of Nanjangud rasabale.

His wife, a physically challenged person who played a crucial role in taking care of the banana cultivation, is thrilled by this and is keen to experiment further with agriculture.

Government urged to set up sugarcane control board

Objective is to regulate supply and purchase: association

The Karnataka State Sugarcane Growers' Association has urged the government to constitute a sugarcane control board for regulating the purchase and supply immediately as crushing season was expected to start in another 10 days all over the State.

The Board, it said, was essential to protect the interests of sugarcane growers and help farmers get huge arrears due from sugar factories. Addressing a press conference here on Monday, Kuruburu Shantha Kumar, president of the association, and Tejasvi Patel, general secretary, said that the previous government, following a vehement demand from growers all over the State, had agreed to constitute the board and the Congress government was yet to form it.

Warning

If it was not formed by this month-end, the sugarcane growers would resort to agitation of a serious kind in front of the Vidhana Soudha, they warned.

They urged the government to instruct all sugar factories to give a minimum price of Rs. 3,500 a tonne of sugarcane. Farmers had sustained huge expenditure on growing sugarcane as cost of fertilizer had gone up considerably and labour had become dearer, they said.

Mr. Kumar said that many sugar mills had not yet settled the bills of farmers for the sugarcane supplied last year. More than Rs.1,400 crore was due to be paid to growers since 2011-12, he said.

Sugarcane in over 2.5 lakh acres of land in the State had withered owing to failure of rain and irregular power supply and the government should compensate the losses suffered by farmers at the rate of Rs. 2,500 an acre for sugarcane withered, he said.

Farmers should be given a compensation of Rs. 30 lakh an to those on whose lands high tension electric wires were passing. This system was in vogue in the neighbouring Andhra Pradesh, he said.

While welcoming the interest-free loan scheme to farmers announced by the Chief Minister, Mr. Kumar said that the government should ask nationalised banks to distribute loans to farmers at zero per cent interest, which would benefit about 80 lakh farmer families in the State.

M.V. Gadi, Nijaguna Kelageri, Siddanal, Mallikarjun , Basavannanavar, Athihalli Devaraj, Bhagya raj, Anjenappa, Rudrappa and other leaders were present.

Farmers grievances meet

The monthly farmers grievances day meeting will be held at the collectorate here at 11 a.m. on July 19. The District Collector M. Ravikumar will preside over the meeting. An official press release called upon the farmers and their representatives to participate in the meeting and get their grievances solved. — Special Correspondent

SC notice to TN on farmers' plea

The Supreme Court on Monday issued notice to the Tamil Nadu government on a writ petition filed by Kodivery Anai Pasanatharargal Sangam for a direction to release 15 tmcft of water to Thadapalli and Arakankottai ayacuts across Bhavani River at Kodivery anaicut.

A three-Judge Bench of Chief Justice Altamas Kabir and Justices Ibrahim Kalifulla and Vikramajit Sen issued notice on the petition, who are small farmers having marginal holdings at Thadapalli and Arakankottai. The Bench issued notice returnable in four weeks.

The Sangam said: “The Government of Tamil Nadu made drastic changes which led to diversion of Bhavani River as a result of which farmers in these localities are affected and their life and livelihood is in question. The government now releases only 4.65 TMC ft of water for the whole year for the Bhavani basin lands even though 70 TMC ft of water flows in river Bhavani. Continuous discharge of water every year from April 15 onwards for a period of 10 months is not followed. Instead, the government diverts and discharges water to the Lower Bhavani Project (LBP) canal for new irrigation cutting down 15 TMC ft of water which the Arakankottai and Thadapalli ayacuts are entitled. Area of cultivation has been cut down from 49,000 acres to 11,000 acres for first crop and no second crop is possible.” The petitioner said “farmers are forced to cultivate only the long-term crops which require only periodical wetting once in 10 days. Ayacuts in the first 28 km alone are able to cultivate paddy remaining are forced to cultivate long-term crops like turmeric, banana and sugarcane. The agricultural lands are converted into plots and being sold.”

Hence the present writ petition for a direction to the government to release 15 tmcft of water to meet their irrigation requirements.

Betel prices shoot north, but growers stuck in red

Lack of rains, shortage of farm hands, rising input costs devastate farms



trapped:It is estimated that at least 350 hectares was under betel vine till some years back but it has shrunk to less than 75 hectares now in Karur region.—File photo

Despite the produce costing the habitual consumer quite a fortune these days, betel-vine growers in Karur district are sore that they are not getting the right price. This at a time when the fields are devastated by the continuing drought like conditions, lack of rains, shortage of farm hands and rising input costs.

Betel vine is grown in gardens mostly along the banks of River Cauvery and also fields abutting Kattalai High Level Channel in the interiors of Kulithalai and Krishnarayapuram belt.

Areas such as Pugalur, Pungodai, Semangi, Muthanur, and Thalavapalayam along the banks of Cauvery and villages off Sithalavai, Mahadanapuram, Lalapet, Kumaramangalam see a lot of farmers take to betel vine cultivation traditionally.

Though individual consumption of betel vine has seen a steady decline over the years, marriages and festivals were keeping them afloat all these days. The leaves plucked from the gardens in Karur district would be packed off to destinations including Velayuthampalayam and Velur shandies besides Erode, Dindigul, Madurai, Tiruchi, Thanjavur, Tiruvarur and Nagapattinam districts.

While betel vine cultivation flourished once, the adverse factors ranged against the growers forced a sharp decline in the area under betel vine in the past few years. It is estimated that at least 350 hectares was under betel vine till some years back but it has shrunk to less than 75 hectares now.

Naturally that has resulted in the price of the produce go up in the market. ``A *kowli* of betel comprising 100 leaves fetches the farmers Rs.15 at the shandies and for some other varieties even less. But the produce changes hands continuously to be sold at the petty shops for 75 paise a leaf depending on the size. See how much we are loosing,” points out S. Chelladurai of Lalapet.

Till a couple of years back, the growers were getting a good price except in days of glut when the price would not meet even plucking costs. ``We have

to contend with pest attacks, diseases, inclement weather, lack of water for irrigation, short of manpower and dwindling returns. Many times I have felt like doing away with the crop but could not do so as I have little option left,” rues P. Kumarasamy Gounder of Velayuthampalayam who has been raising betel vine for more than three decades. He admits t have reduced the area under the crop from three acres about six years ago to just half an acre now.

Both farmers concede that they could not look up to the governments for help as the market fluctuates menacingly. Reflecting the opinion of other betel vine growers they feel that something like establishing a proper regulated market for betel vine in Karur, Namakkal, and Tiruchi district could help farmers get a remunerative price.

‘Desist from using excess urea’

Farmers should desist from using excess urea for the kuruvai crop currently being raised and instead, resort to crop protection techniques as recommended by the agriculture department, said M. Ravikumar, District Collector. In a press release issued here on Monday, he said that excess application of urea will result in pest attack and hence farmers should simultaneously use other nutrients.

Grievance day meeting for farmers on July 26

Farmers’ grievances day meeting will be held at the Collectorate here at 10.30 a.m. on July 26. Petitions given by the farmers in the previous grievance day meeting will be discussed at the meeting . Farmers should submit two copies of petitions for initiating action. Officials’ reply will be displayed on the notice board in the conference hall of the collectorate, Collector N. Venkatachalam said in a press release. — Staff Reporter

Training programme for farmers

The Department of Agriculture will organise a three-day residential training programme for farmers at the training centre in Aurad from July 18. Resource persons will speak on understanding climate patterns, rainwater harvesting, integrated farming, and use of farm equipment. Farmers will be

paid a travel allowance. Interested persons can call 9972081730 or 7259004651.

— Special Correspondent

Gulbarga district gets Rs. 40.5 lakh for horticulture development



For grapes, Rs. 30,000 is provided as assistance per hectare in the first year, and Rs. 10,000 in the second and third years, if 1,100 seedlings are planted on a hectare of land.— File Photo

The district was provided Rs. 40.5 lakh under the National Horticulture Mission for 2013–14 to improve the coverage under horticultural crops, and encourage cultivation of nutritional plants and vegetables in kitchen gardens by individual families.

Deputy Director of Horticulture Manjunath told *The Hindu* here on Saturday that the department's efforts to popularise cultivation of horticultural crops among farmers had helped increase coverage in the district.

Horticultural crops were being cultivated on more than 20,236 hectares. This was owing to extension activities and concessions extended by the department under various programmes, including the horticulture mission.

For the cultivation of fruit-bearing trees, the department extends a sum of Rs. 15,444 a ha in the first year and Rs. 5,148 a ha in the second and third years, if more than 156 seedlings are planted in a ha. If the orchard is

limited to 123 seedlings a ha, the assistance in the first year would be Rs. 12,890 in the first year and Rs. 4,064 in the second and third years.

If less than 100 seedlings are planted in a ha, the assistance would be limited to Rs. 9,990 in the first year followed by Rs. 3,300 in the second and third years.

Similarly for grapes, Rs. 30,000 is provided as assistance per ha in the first year, and Rs. 10,000 is provided in the second and third years if 1,100 seedlings are planted in a ha. If less than 400 seedlings are planted, the assistance would be Rs. 21,600 in the first year and Rs. 7,200 for the next two years.

For pomegranates

For pomegranates, Rs. 18,000 a ha is provided for the first year, and Rs. 6,000 for the next two years.

The department also encourages floriculture; assistance of Rs. 35,000 a ha is extended to small and marginal farmers for cultivating roses, carnations and other varieties. Assistance is also provided for the construction of community tanks and ponds, he added.

Water released from KRP Dam for first crop

Existing water storage level satisfactory: Minister



Minister for Municipal Administration, Rural Development, Prisons, Law and Justice K.P. Muunusamy (second right) releasing water for first crop from KRP Dam on Sunday.—Photo: Special Arrangement

Water from the Krishnagiri Reservoir Project (KRP) Dam was released for the first crop from the right and left main canals on Sunday on the orders of Chief Minister Jayalalithaa.

Sluice gates

Minister for Municipal Administration, Rural Development, Prisons, Law and Justice K.P. Munusamy opened the sluice gates of the canals in the presence of MLAs K.E. Krishnamoorthy (Bargur), and Manoranjitham Nagarajan (Uthangarai), District Panchayat Chairman K. Ashok Kumar and Collector T.P. Rajesh.

Tanks

After opening the sluice gates of the dam, Mr. Munusamy told reporters that a total of 9,012 acres of agriculture land in 16 villages would benefit for

the next 150 days from July 14 through 26 irrigation tanks on the course of the canals.

“Water is being released as the existing water storage level is satisfactory and expecting good rainfall this season and that would improve the storage of water bodies,” he said.

A total of 4,287 acres in the ayacut of right main canal and the small lakes on the way and 4,725 acres in the ayacut of left main canal and the lakes on its way would be irrigated.

Periyamuthur, Sundekuppam, Thimmapuram, Soutaalli, Thalialli, Kalvealli, Kundalapatti, Mittaalli, Erraalli, Penneswaramadam, Kaveripattinam, Balekuli, Marichettihalli, Nagojanaalli, Janapparuralli and Paiyur would benefit from the dam water, the Minister said.

The Minister appealed to the farmers to use water judiciously so that the tail-end farmers would also get water.

Water level in the KRP Dam stood at 43.50 ft (841.16 cft) as against its full height of 52 ft (1666.29 cft) on Sunday.

Water released through both the canals was 155 cft per second, he added. Representatives of ayacut farmers, C. Prakasam, District Revenue Officer, V. Jagannathan, Executive Engineer, and S. Kumar, Assistant Executive Engineer of Water Resources Organisation attached to the Public Works Department, were also present on the occasion.

Farmers told to use water judiciously so that those in the tail-end areas also get water

Utilise weather based crop insurance scheme, farmers told

The district administration has set a target of covering minimum 80 per cent of the total number of 1.32 lakh farmers under the Weather Based Crop Insurance scheme, Deputy Commissioner Sameer Shukla has said.

Inaugurating the special publicity drive to sensitise farmers on the Union government scheme here on Monday, Mr. Shukla said farmers have to come forward to avail themselves of the scheme, which provides financial support in case of crop loss due to adverse weather conditions. Mr. Shukla said the Union government had selected seven districts in the country to launch the special publicity drive and Dharwad was one among them.

This scheme covers 11 main crops cultivated in 14 hoblis of the district. It was mandatory for farmers availing crop loans, farmers who have not taken loans could avail the benefits of this scheme. July 31 was the last date to pay the premium.

Mr. Shukla flagged off the publicity vehicle at the Deputy Commissioner's office here on Monday.

Draft farm policy moots energy-smart approach

The draft agricultural development policy submitted to the government by the drafting committee has mooted an energy-smart approach based on optimum use of local renewable energy sources for farming to minimise dependence on fossil fuels and reduce greenhouse gas emissions.

Substituting bioenergy for fossil fuels offers important rural development opportunities as well as a means of climate change mitigation, says the drafting committee headed by K. Krishnankutty. "The food sector requires energy, it can also produce energy. An energy-smart approach to agriculture can take advantage of this dual relationship between energy and food," says the policy document. It recommends changes to the current farming and processing practices at each stage of the food supply chain to become less energy-intensive. The recommended steps include the use of more fuel-efficient engines, popularisation of compost and precision fertilizers, irrigation monitoring and targeted water delivery, adoption of no-till farming practices and the use of less input-dependent crop varieties and animal breeds.

The document says where good solar, wind, hydro, or biomass energy sources exist, they can be used as a substitute for fossil fuels in farming, animal husbandry, dairying and aquaculture as well as food storage and processing.

Energy conservation experts feel that the recommendations are timely and relevant in the light of the global efforts to save fuel and cut down on emissions.

The policy moots the promotion of 'conservation agriculture', which replaces mechanical soil tillage with 'biological tillage' to reduce energy requirement and make farming sustainable. Conservation agriculture

involves the use of crop residues to produce a layer of mulch on the soil surface, which becomes a habitat for a number of organisms that take over the task of tilling the soil. This method imposes limitations on the use of synthetic pesticides and mineral fertilizers with the potential to harm soil life.

The draft policy moots the use of agricultural wastes like livestock manure, rice husk and kitchen waste as feedstock for biogas plants that could provide power for agricultural production and processing. It recommends the installation of solar and wind hybrid power generating equipment to generate electricity for farming activities like winnowing and pumping. The committee has mooted an incentive scheme to encourage farmers to take to energy-efficient methods of agriculture.

Efficient engine

General secretary of the Society of Energy Engineers and Managers (SEEM) R. Harikumar said adaptation and refitting of agricultural machinery like tillers and tractors with more efficient engines and components would contribute substantially to improvement of productivity. He feels that modernisation of post-harvest equipment like paddy dryers and rice mills could reap rich dividends and extend the concept of energy-smart agriculture. "Popularising rice with bran is another method that could be adopted in Kerala, both for energy-saving and health reasons." K.M. Dharesan Unnithan, Director, Energy Management Centre, points out that harnessing renewable energy makes sense only if agricultural equipment like pumps are energy-efficient. "The first priority is to replace the old inefficient machines with star-rated ones that use less energy". Combining rainwater harvesting with drip irrigation would also help improve productivity.

Stakeholders to discuss report on neera prospects today

A meeting being convened by the Minister for Excise K. Babu in the State capital on Tuesday to discuss the recommendations of a committee, which studied the prospects of tapping and marketing neera, is expected to forge a consensus among industry stakeholders on how to go about the

business, that has raised the prospect of generating at least Rs. 5,400 crore of additional income annually.

The meeting is being convened in the background of a high-level committee, headed by the State excise commissioner, recommending that there was no hurdle to opening up tapping and marketing of neera, the unfermented sap from coconut flowers, provided it was done under firm supervision.

The committee said in its report that neera tapping could be done by federations of coconut producer societies, registered and controlled by the Coconut Development Board (CDB) or by cooperatives of toddy workers but the committee called for separate processing units for neera and toddy and delinking the sale of the two products from coconut palms.

The Coconut Development Board, which is strongly lobbying for opening up the neera business, has said that the over 40 lakh coconut farmers in the State have not been given a hearing in the din of claims over neera playing spoilsport with the toddy business.

The chairman of the board T.K. Jose says that the only problem that neera business faces today is the lack of trained technicians for tapping the sap.

Trade unions have raised apprehensions that toddy tappers will lose jobs if neera production is permitted. On the contrary, neera tapping opens up a great opportunity for generating employment in the rural areas, he said. K.M. Sudhakaran, president of the Kerala Kallu Chethu Thozhilali-Vyavasayi Federation, CITU, however, claimed on Monday that neither the KAU nor the CDB had demonstrated whether neera tapping and sales would be practical.

N. Azhakesan, president of the Desiya Kallu Chethu Vyavasaya Thozhilali Federation (INTUC) is open to the idea of opening up the neera business. He warned against ditching traditional toddy tappers and workers in the name of the new business. These are the issues that will come up for discussions at the meeting.

Demand for passion fruit in Idukki

Cultivating passion fruit is now more than a hobby in Idukki. The procurement centres in major towns have started buying the fruits directly

from farmers. The price at the procurement centres is around Rs.25 per kilogram. Babychan, an exporting agent, said there were industries in Erattupetta, Mundakkayam and Thiruvananthapuram that extract the juice from the fruit and sell it. However, farmers have not started commercially cultivating it. “The vine grows on its own and provides the fruit, which is being sold,” said Anoj Kunnumpurathu, a resident. He said that earlier farmers used to destroy the vines. But now they collect the fruits and sell them.

Seminar on fish farmer clubs

The Fisheries Department will organise a seminar on the ‘Significance of empowering fish farmer clubs’ for fish farmers in the district at the district panchayat auditorium here at 10 a.m. on Wednesday. District panchayat president K.V. Sasi will inaugurate the seminar. Those selected as the best fish farmers in the district under the ‘Matsya Keralam’ project will be honoured on the occasion. — Staff Reporter

Water released from Vaigai dam

Water was released from the Vaigai dam on Monday to irrigate the first crop in the double-cropping areas under the Periyar ayacut in Madurai and Dindigul districts.

Talking to reporters, Finance Minister O.Paneerselvam and Minister for Cooperation K.Raju said 900 cusecs would be released continuously for 120 days to facilitate transplantation work and help raise nurseries.

A total of 45,041 acres of land – 29,501 acres in Madurai north block and 13,747 acres in Vadipatti block in the district, and 1,793 acres in Nilakottai block in Dindigul district – would benefit from the release of water, they pointed out.

Theni Collector K.S.Palanisamy advised farmers to use certified seeds for a bumper yield. Madurai Collector L.Subramanian assured farmers of an adequate stock of fertilizers, including urea, DAP and complex fertilizers, at the primary agriculture cooperative banks and the cooperative stores. Organic manure, azola, micro nutrients, pesticide and crop protection materials were also stored for supply to farmers, he noted. The Collectors

recommended the raising of short-term crops and sought the co-operation of farmers with Public Works Department engineers to ensure optimal distribution of water.

Periyar Vaigai Division (PWD) Superintending Engineer C.Rajesh said the water level stood at 49.8 feet in the Vaigai dam. The inflow into the dam was 771 cusecs and the discharge was 960 cusecs, which included 60 cusecs released to meet the drinking water needs of Madurai city. The storage was 1,967 mcft.

Periyar dam had 124.5 feet of water, with an inflow of 1,132 cusecs and a discharge of 1,372 cusecs. The storage was 3,519 mcft.

The water level was 22 feet in the Manjalar dam, 27.88 feet in Sothuparai and 26.25 feet in Shanmuga river. Both inflow and discharge were maintained at eight cusecs in Manjalar dam. The other dams had no inflow. Thekkadi recorded a rainfall of 2 mm.

A total of 45,041 acres of land – 29,501 acres in Madurai north block, 13,747 acres in Vadipatti block, and 1,793 acres in Nilakottai block will benefit

Minister to open fodder plant at Muthalamada

The new plant will manufacture fodder enriched with protein and mineral mixtures

Minister for Agriculture and Animal Husbandry K.P. Mohan will inaugurate the new Densified Fodder Block plant at Muthalamada in the district on Saturday.

This new plant of Kerala Feeds Limited (KFL), a company under the State government, would manufacture fodder enriched with protein and mineral mixtures. It would improve the use of low quality fodder materials like paddy and wheat husk, said Ani S. Das, Managing Director of KFL.

He said 70 per cent of cost of production of milk was for cattle feed alone. KFL employed internationally acclaimed least cost formulation (LCF) software for feed manufacturing process. This reduced the cost of the manufactured feed, without compromising on the quality.

He said by the end of this year, the production capacity of KFL would be 2,000 tonne per day. As part of the 'Idukki package' recommended by the

M.S. Swaminathan Commission, a high-tech feed plant with 300 MT capacity would be started at a cost of Rs.60 crore at Thodupuzha in Idukki district.

Dr. Das said the KFL had plans to undertake a project with the support of Union Ministry of Women and Child Welfare to distribute goats to 10,000 women in the State for the uplift of women and children of economically backward segments in the society. He said though the cattle population in Kerala had drastically come down to 14.72 lakh in 2011 from 17.4 lakh in 2008, there was a remarkable increase in goat and rabbit population. Lack of good quality and specific feed for these animals was a constant set back for the farmers rearing them. It was then that the KFL decided to start a goat and rabbit pellet feed manufacturing unit.

It was also setting up a Urea Molasses Multimineral Block (UMMB) plant for utilising poor quality roughages, a constant problem for farmers.

Rs. 150 crore allotted'

To stock fertilizers and distribute them among farmers, Tamil Nadu Cooperative Marketing Federation Limited has earmarked a sum of Rs.150 crore. It was essential to provide fertilizers during cultivation season. Adequate arrangements were made to stock fertilizers such as urea, MoP (Muriate of Potash), complex fertilizers and DAP (Diammonium Phosphate) at Primary Agricultural Cooperative Credit Societies to ensure their timely supply to the farming community, Joint Director of Agriculture Tuticorin, D.Ranjithsingh Dhanraj said here on Monday.

He appealed to the farmers to get receipts for the fertilizers purchased. The State was keen on supplying fertilizers at the lowest rate among all other states. Hence, the farmers should utilize this opportunity, be cautious and avoid being cheated by the dealers, he said. "Urea provides nitrogen to crops. Nitrogen promotes green growth and also invites pests and causes disease attacks. Hence farmers are advised to get their soil samples tested for nutrients. Based on the results, technical officers would recommend application of fertilizers," he said.

Farmers seek strengthening of embankments

Owing to breaches to Vamsadhara right canal on Sunday midnight, farmers of Tekkali and other areas were worried over damage to paddy fields. Hundreds of acres were inundated. The farmers asked irrigation and revenue officials to strengthen the embankments immediately to avoid inundation.

Schedule to release water into Bhadra reservoir announced

A meeting of Bhadra Command Area Development Authority (CADA) held recently has finalised the schedule to release water.

According to the schedule, water will be released into the right and left bank canals of the Bhadra reservoir from July 10 to August 31 and from September 10 to October 31 for the monsoon crop.

As on Monday, the water level in the reservoir was 161.60 feet against the maximum level of 186 feet. Speaking to *The Hindu*, Superintendent Engineer of Bhadra Reservoir Project (BRP) B.N. Phaniraju said that the water level in the reservoir was expected to reach the brim by the end of July this year.

At present, the reservoir had 43 tmc of water, he said. It may be mentioned here that owing to poor rainfall in the catchment areas of the reservoir last year, water storage was also low. With the objective to ensure economic use of the available water,

Directed

Bhadra CADA had directed the farmers in the command area against the cultivation of paddy that requires high quantities of water.

The CADA had asked farmers to take up the cultivation of ragi, maize, and pulses that require less water.

Mr. Phaniraju said as water storage in the reservoir was good this year owing to heavy rain in its catchment areas, no restriction was imposed on the cropping pattern. The farmers in the command area could take up cultivation of paddy as well, he said.

Kuruvai crop on 26,000 hectares in Tiruvarur

Farmers being given inputs free of cost under special package



AID:Food Minister R. Kamaraj distributing assistance to a beneficiary under the Kuruvaai special package scheme at Valangaiman in Tiruvarur district.

A total of 12,134 hectares of land had been covered under kuruvaai so far and another 14,000 hectares of land will be brought under the crop in the current season in Tiruvarur district, said R. Kamaraj, Minister for Food.

Speaking after distributing agricultural implements under the special kuruvaai package for farmers at Valangaiman near here, Mr. Kamaraj said both conventional and System of Rice Intensification (SRI) methods of paddy cultivation were being adopted. While 4,820 hectares of land were covered under the conventional method, 7,314 hectares were covered under SRI method.

The special package complete with fertilisers, bio-fertilisers, pesticides, and borewell pipes has imbued confidence in farmers, he said.

Under the package, farmers would get free implements worth Rs. 4.32 crore before the end of the month.

The inputs under the scheme included 1,589 tonnes of gypsum worth Rs. 55.60 lakh, micronutrients worth Rs. 29.12 lakh. Pesticides worth Rs. 48.14 lakh would be given as part of the package.

The Agriculture Department would focus on popularising SRI technique among farmers and demonstration sessions would be held in select villages under the National Agriculture Development Programme and National Food Security Mission to benefit 14,152 paddy cultivators. M. Ganesan,

Additional Director of Seeds, and P. Manimaran, District Revenue Officer, spoke. The Minister distributed free inputs worth Rs.2.70 lakh to 95 farmers.

Cotton exports plunge 36 per cent till June



Cotton exports are estimated to have plummeted by 36 per cent to 9.14 million bales in the first 11 months ended June of the current marketing year, a latest U.S. Department of Agriculture (USDA) report said.

The country had shipped 13.91 million bales of cotton in the August-June period of the 2011-12 marketing year. — PTI

Recent spell of rains spurs agriculture activity

Standing crops were withering away due to moisture stress

The recent spell of rains came as a boon to the farmers bringing them a great relief and spurring agricultural activities in Kurnool district.

The rains was of immense help to standing crops which were almost withering away due to moisture stress. Groundnut in Yemmiganur area, maize in Atmakur and Nandikotkur area were sown in the first spell of rains in June end.

The sowing activity for minor millets and other rain-fed crops also increased. According to G. Narasimha Rao, former Associate Director of Agriculture University, cotton is going to be a dominant crop this season, which is likely to cross one lakh hectares. The stable returns and less incidence of pest helped farmers to go for the crop.

Maize is likely to cross 20,000 hectares this season due to good market for the commodity. The price of maize almost crossed Rs. 1,500 per quintal while average yield under good crop conditions was around 30 to 40 quintals per acre. The associated risk was also less in maize cultivation.

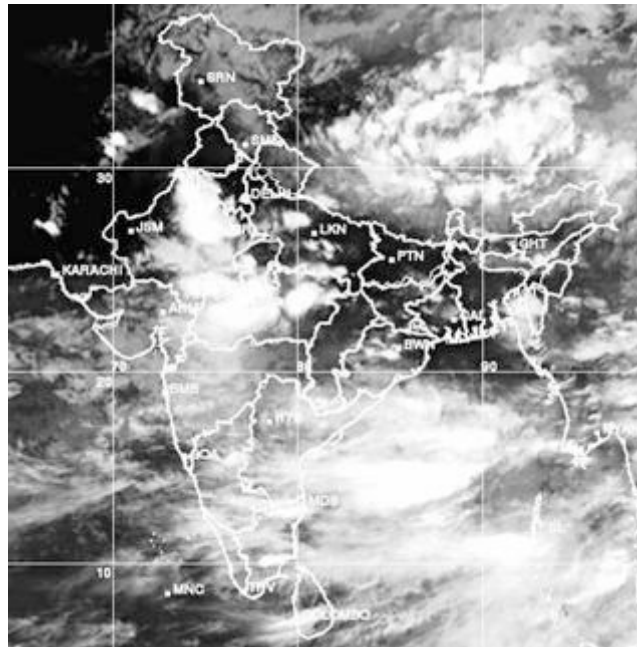
Meanwhile, Dr. Narasimha Rao suggested that the farmers under KC canal, especially up to 120 km point, should prefer irrigated dry crops so that they could cultivate two crops instead of single paddy crop. Cultivating paddy involved several risk factors such as high incidence of pest due to late transplantation and water shortage during critical grain filling stage.

According to him, the area under minor millets was growing year after year due to increase in consumption. Dry land farmers would have good prospects if the crops were cultivated with the support of machines.

Banks abuzz with activity

Meanwhile, banks were abuzz with the activity of farm loans and other agriculture products. Crop insurance, recovery of loans to extend interest concession and adverse weather conditions support package were some of the issues handled by the banks.

Weather



INSAT PICTURE AT 14.00 hrs. Observations recorded at 8.30 a.m. on July 15th.

	Max	Min	R	TR
New Delhi (Plm)	37	27	2	233
New Delhi (Sfd)	37	27	4	221
Chandigarh	35	28	0	376
Hissar	39	28	0	183
Bhuntar	33	23	tr	209
Shimla	23	17	0	415
Jammu	34	25	14	279
Srinagar	33	20	2	87
Amritsar	37	25	1	216
Patiala	36	27	7	275
Jaipur	33	27	2	205
Udaipur	29	26	0	256
Allahabad	36	27	0	450
Lucknow	35	23	0	358
Varanasi	35	28	0	310
Dehradun	28	24	6	1366
Agartala	32	26	2	414
Ahmedabad	31	26	1	405

Bangalore	27	20	3	233
Bhubaneshwar	31	24	1	343
Bhopal	27	24	1	594
Chennai	36	27	0	231
Guwahati	35	25	34	428
Hyderabad	30	23	3	304
Kolkata	35	27	0	434
Mumbai	31	27	3	1274
Nagpur	25	22	145720	
Patna	35	28	0	154
Pune	28	22	1	351
Thiruvananthapuram	31	23	15	628
Imphal	32	23	37	389
Shillong	26	18	37	453

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

MONSOON ACTIVE

The axis of Monsoon trough at MSL passes through Ganganagar, Narnaul, Gwalior and thence southeast-wards.

RAINFALL: Rain/thundershowers have occurred at many places over west Uttar Pradesh, at a few places over Himachal Pradesh, east Rajasthan, east Uttar Pradesh and Uttarakhand and at isolated places over rest of the region. The chief amounts of rainfall in cm are: (3 cm and above)

HIMACHAL PRADESH: Dharamsala, Kangra and Bangana 5 each, Baijnath and Nagroita Surian 4 each and Jhandutta, Mehre Barsar and Arki 3 each, **PUNJAB:** Ranjeet Sagar Dam 5, **EAST RAJASTHAN:** (5 cm and above) Atru and bari 9 each, Bayana 8, Basi, Jaipur tehsil and Manohar Thana 7 each, Bansur and Lachmangarh 6 each and Sapotra, Bamanwas, Bonli and Swai Madhopur 5 each, **EAST UTTAR PRADESH:** (5 cm and above) Sikandra Kanpur 11, Bindiki 8, Beberu and Keterniaghat 7 each, Fatehpur, Rasoolabad and Sardanagar 6 each and Kaiserganj, Gaighat, Sawayajpur, Kheri Lakhimpur, Karvi and Biswan 5 each, **WEST UTTAR PRADESH:** Mauranipur 7, Garotha 6, Jalalabad 4 and Rath, Mahroni and

Saharanpur 3 each and UTTARAKHAND: Kasipur 6, Chamoli, Bambasa and Munsiyari 3 each,

HEAVY RAINFALL WARNING : Heavy rainfall may occur at one or two places over Uttarakhand during next 24 hours. Heavy rainfall may occur at one or two places over Uttar Pradesh on 17th July.

FORECAST VALID UNTIL THE MORNING OF 17th July 2013 : Rain/thundershowers may occur at many places over Himachal Pradesh, Uttarakhand and east Rajasthan. Rain/thundershowers may occur at many places over and Jammu and Kashmir during next 24 hours and decrease thereafter. Rain/thundershowers may occur at a few places over Punjab, Uttar Pradesh and Haryana (including Chandigarh and Delhi) during next 24 hours and increase thereafter. Rain/thundershowers may occur at one or two places over rest of the region.

FORECAST FOR DELHI AND NEIGHBOURHOOD VALID UNTIL THE MORNING OF 17th July 2013: Generally cloudy sky. Rain/thundershowers may occur in some areas



THE TIMES OF INDIA

Fear of glut slashing price of apple crop leaves growers worried

While Himachal Pradesh government is gearing up to meet the challenges for the apple season by making adequate arrangement of trucks and other facilities, farmers on their part are worried about their produce as flooding of market in the coming days would decrease the price of their produce. Each year glut in the market forces farmers to sell their produce at lower price as the state lacks adequate facility to store the crop for longer duration.

With government expecting 3.5 crore apple boxes (of 20 kg each) this year, fear of glut slashing the price of apple crop has already left the growers worried. Last year, large scale supplies from state and imported apple had created glut in the markets of Delhi, Ahmedabad, Kolkata and Chandigarh due to which apple price had fallen.

Even the fact that apple production constitutes about 48 percent of the total area under fruit crops and about 87 percent of the total fruit production, state government has not been able to create required infrastructure like Compressed Atmospheric (CA) stores in Himachal Pradesh to ensure their proper storage for longer duration. Since long apple growers of Himachal Pradesh are demanding to set up cold chain infrastructure to preserve the perishable crop for longer duration.

An apple grower from Ratnari village of Shimla district Ashutosh Chauhan said that last year too apple price had fallen drastically after apple from J&K and Himachal flooded the market. Chauhan said last year in the beginning

of the season, farmers had sold varieties like super chief at Rs 3,500 per box in the Delhi market while in the local Dhali market of Shimla apple growers had got over Rs 3,000 per box.

Founder member and ex vice-chairman of HP Fruit Growers Association and board of directors member of APEDA Prakash Thakur, who himself is a leading apple grower from Thanedar area of Shimla district, said that only six CA stores were set up in Himachal Pradesh with combined storage capacity of 21000 metric ton (MT). Adani Agro Fresh has set up three CA stores with combined capacity of 18000 MT, Dev Bhoomi has set up one CA store with capacity of 2000 MT while two CA stores set up by state government owned HPMC has the storage capacity of 1000 MT.

Thakur said that there is need to have storage capacity of 2.4 MT so that during adverse market conditions farmers can store their produce for longer duration and to sell it when they good price. He said more CA stores in private sector are proposed in Shimla district. "HPMC has submitted the proposal to construct more CA stores in Rohru, Baagi, Anu and Kharapthar. A decision on this proposal would be taken up in APEDA's meeting to be held in September," he added.

Business Head of Adani Agro Fresh, Srinivas Ramanujam said in their three CA stores they store 9 lakh boxes each season while this year they have decided to store apple in CA stores located in Lalru, Nalagarh and Delhi. "We have decided to increase our purchasing capacity this year," he added.

Farmers learn methods to grow exotic veggies

Remember the occasions when you carefully noted every little step of the recipe on a cooking show on TV, but abandoned the task midway when the chef threw in some exotic European vegetable that was either too hard to find or too expensive?

Well, all that is going to change as local farmers have been imparted training to grow European vegetables like broccoli, lettuce, brashly, chinese cabbage, celery, chard, brussels sprouts beans, collards, cucumber, gourds and mushroom. Cultivation of these vegetables under climate control technique is set to begin from the month of August.

Officials of the district horticulture office said the vegetables would be grown under the climate control technique with the facility of greenhouse effect at Holagarh block of the district. Farmers from Holagarh, Chaka, Meja and Manda are being apprised about the methods introduced by the district horticulture department.

District horticulture officer PK Shukla said, "With the introduction of climate control techniques, we hope to grow a large variety of European vegetables." Farmers are being told how the greenhouse technique is the best source of protective cultivation of highly improved vegetables and flowers. The horticulture department has set up three greenhouses at Holagarh and Saidabad of around 1,000 square meters each and each greenhouse costs over Rs 9 lakh.

Shukla informed that training of the farmers is underway and would be completed by the end of July. He added that farmers from scheduled caste have been selected for the training and they are being offered useful tips to grow vegetables on less investment and better cultivation environment.

Government's decision to allow FDI in agriculture to boost growth

India's biggest seed company Advanta BSE 2.96 % was trading over 30% below its peak valuation in early March 2013. Yet the stock has generated over 50% returns for its shareholders in the past one year. The company will certainly be a favourite as the industry's prospects appear bright, especially with the government set to open up the sector to attract foreign investment.

For the quarter to June '13, Advanta reported a spurt of over 120% in net profit to Rs 31.7 crore at the consolidated level. For the first half, profits were up 35% year-on-year. This strong performance comes on the back of a very good year in 2012, when it posted a near five-fold spurt in net profit.

India's seed industry is expected to grow at a CAGR of 17% over the next four years. The government's decision to allow FDI in the sector makes the industry more attractive even for private equity funds. "In the long run, the prospects of the (seed) sector would be good. In fact, this sector would be one of the best sectors to play in the entire value chain," says Sandeep Raina, AVP, Retail Capital Markets, Edelweiss Financial Services. Advanta could well be a beneficiary then.

TNAU hopes to ride the boom in agriculture jobs

Farming may be a losing proposition for many in the country, but an agriculture degree could fetch you a well-paying job in no time.

According to K Ramasamy, vice chancellor, Tamil Nadu Agricultural University (TNAU), at least 10,000 jobs that call for post graduates and PhDs in agriculture-related studies come up every year. He says only about 6,400 of the vacancies get filled up. So, a degree in agriculture studies offers assures a job and, hence, there is a major demand for agriculture related courses, adds Ramasamy.

Not surprisingly, there is a massive rush to get admission to one of the 1,330 seats TNAU offers in nine undergraduate disciplines. TNAU has so far sold nearly 20,000 applications. With three more weeks left for the application process to close, officials expect that at least 30,000 applications will be sold.

The maximum demand is for BSc agriculture as this is a broad-based course which offers several options for specialised higher studies. Ramasamy says an agriculture graduate can easily find a job that offers a starting salary of around Rs 20,000. "For those willing to relocate to

Maharashtra and other states, there are even better options," he said. There are several export-oriented firms there that provide better paying jobs.

TNAU also offers several B Tech programmes linked to agriculture studies. They provide several opportunities for self-employment, entrepreneurship and specialisation. Interestingly, a lot of scholarships and grants are on offer for agriculture students. From the coming year, fellowships of Rs 8,000 and Rs 12,000 are available for undergraduate and post graduate students who pass the entrance test held by the Indian Council of Agricultural Research (ICAR). Those who wish to do research also have a slew of fellowships to choose from.

All the under-graduate courses are four-year courses. "An aspect which only few know is that after completion of the degree, there are opportunities for directly joining for Ph D in European and American universities," he said. There are several who complete their doctoral degrees in a short span of time and join universities or reputed agencies like the United Nations.

Agriculture technologies too offer enormous opportunities, according to Ramasamy. There are harvesters and weeders that can be operated in air conditioned settings, but no one has come up with a tractor with an air conditioned cabin. The one who develops it, can capture a huge market, he says. At present there are several graduates who have formed agro-machinery hubs to rent out equipment to farmers. There are all those who sell agro-based food products. Millet cookie, for example, has become a huge hit. Clearly, it is a sector that offers immense opportunities.

District receives more rain this monsoon season when compared to previous year

In what could be heartening news to the public and farmers, the amount of rainfall in the district over the last month is more than rainfall in the previous year. This past June, Coimbatore received 54.5 millimetres of rain while

last year the district had received only 11.1 millimetres. Though the South West monsoon is only mid-way, this may be good news for many farmers who had feared a similar drought like situation in the region like the previous year.

"Compared to the previous year, the district received more rains last month," said N Maragatham the head of agro-climate department at Tamil Nadu Agricultural University (TNAU). At the same time, only after the South West monsoon is over a final conclusion is possible, she said.

However, farmers say that rains were not distributed evenly. Some worry that the uneven distribution may affect agriculture in the long-term. T Rajendran, a farmer from Thudiyallur said, "The rains have been limited only to some areas. The uneven distribution may affect crops in the long run".

Experts say it is time for farmers to take up measures to reduce water consumption and improve productivity. B J Pandian the director of water technology centre said that by taking up a series of measures farmers can make use of the available resources efficiently.

"By resorting to effective strategies, water can be conserved," he said. In the case of rice, techniques like System of Rice Intensification (SRI) can help increase productivity while limiting consumption of resources. This includes adequate space between seeds and techniques to cover the water in the fields to conserve the moisture in the land. Green manure, if cultivated for long term use, will improve the physical properties of the soil. Plants like 'daincha' can be planted and tilled before the sowing season.

Experts say that crops including maize, pulses and vegetables are most suitable for the region. N Asokaraja, head of the department of agronomy at TNAU said, "Testing the soil before the start of cultivation would help determine the nutrients in the soil. Based on this fertilisers should be used. Measures like drip irrigation must be used wherever possible."



Inflation rises to 4.86% in June, onion prices shoot up by 114%

Inflation rose to 4.86 per cent in June, driven mainly by rising prices of food articles, especially vegetables including onion. Inflation based on the Wholesale Price Index (WPI) had stood at 4.70 per cent in May. In June, 2012, it was 7.58 per cent.

As per official data released today, WPI inflation in the food articles category rose to 9.74 per cent, driven mainly by price rise in onion, cereals and rice.

The rate of price rise in food articles, which has a 14.34 per cent share in the WPI basket, was 8.25 per cent in May. Inflation in onion shot up by 114 per cent in June, from 97.40 per cent in the previous month. Vegetables prices too went up by 16.47 per cent during the month, from 4.85 per cent in May. It was (-)9.05 per cent in April.

Inflation in the manufactured items category, however, declined to 2.75 per cent in June from 3.11 per cent in May. The non-food articles category, which include fibre, oil seeds and minerals, saw a sharp rise in inflation to 7.57 per cent, from 4.88 per cent in May. Inflation for April was revised downwards to 4.77 per cent from 4.89 per cent as per provisional estimates.

The inflation data would be closely watched by the Reserve Bank while formulating its first-quarter policy scheduled for July 30.

There have been demands for lowering interest rate in the backdrop of declining inflation. While the Reserve Bank has lowered interest rates by 1.30 percent since January 2012, the banks have cut lending rates by only 0.30 per cent.

hindustantimes.com

Weather-Chennai

Today's Weather



Tuesday, Jul 16

Max Min

Tomorrow's Forecast



Wednesday, Jul

17

Cloudy

Max Min
35° | 25°

Partly
Cloudy

17
Max Min
36° | 26°

Rain: 0

Sunrise: 05:50

Humidity: 79

Sunset: 06:39

Wind: normal

Barometer: 1005

Extended Forecast for a week

Thursday
Jul 18



36° | 26°

Partly Cloudy

Friday
Jul 19



37° | 26°

Overcast

Saturday
Jul 20



36° | 26°

Overcast

Sunday
Jul 21



35° | 26°

Overcast

Monday
Jul 22



36° | 26°

Overcast

Airport weather

Rain: 0

Sunrise: 05:33

Humidity: 79

Sunset: 07:20

Wind: normal

Barometer: 1002

Food prices bite, pain to worsen as weak Rs. stings

Skyrocketing onion and vegetable prices and costlier staples such as rice and wheat pushed India's wholesale price index (WPI)-based inflation to 4.86% in June, adding to an array of problems for the government battling to the steer the country out of a web of economic mess in an election year. The latest spike in WPI inflation, which was at a 40-month low of 4.7% in May, has largely been driven by high food prices that grew at 9.74% in June compared to 8.25% in May.

Overall on a country-wide average, vegetable prices grew 16.47% in June - up from



WHY YOU SHOULD WORRY

4.86%

India's wholesale prices based inflation in June, up from 4.71% in May

16.47%

Rise in vegetable prices in June, up from 4.85% in May

Home budgets feel the heat

- Costlier veggies, cereals to push up food costs
- Higher diesel and petrol prices will knock up the cost of ferrying goods, including food items, which will push up overall prices
- A weak rupee will raise prices for most manufactured and imported goods – a large part of a household's monthly grocery consumption such as pulses, edible oil
- India is a net importer of pulses – a staple for most families in the country. A weak rupee means costlier dal

HT FILE PHOTO

4.85% in May - as heavy rains and floods in Uttarakhand and other regions affected crop and disrupted supplies.

Late on Monday, the Reserve Bank of India moved in to check speculation in the currency market and fixed a daily limit on how much banks can borrow from the central bank - 1% of banks' deposit base or Rs. 75,000 crore, for the entire banking system. If a bank requires more funds, it can borrow emergency money using the marginal standing facility (MSF) at sharply costlier 10.25% from 8.25% earlier.

Higher prices have hurt family budgets hard, especially at a time when firms, squeezed by costly input and borrowing costs, have offered meagre salary hikes and are holding back expansion and hiring.

"Earlier we used to budget for a month. Now we have to revise the budget almost every day," said K Ratna, a housewife from Chennai.

The sharp slide in the rupee, which has fallen nearly 13% since May, is likely to knock up prices of almost everything from farm to fork, effectively negating gains from a potentially bountiful summer harvest.

The rupee is hovering around 60 to a dollar and has dashed hopes that RBI will make loans cheaper.

RBI governor D Subbarao said the central bank will take into account the inflation numbers while deciding on a rate cut in its July 30 meeting.

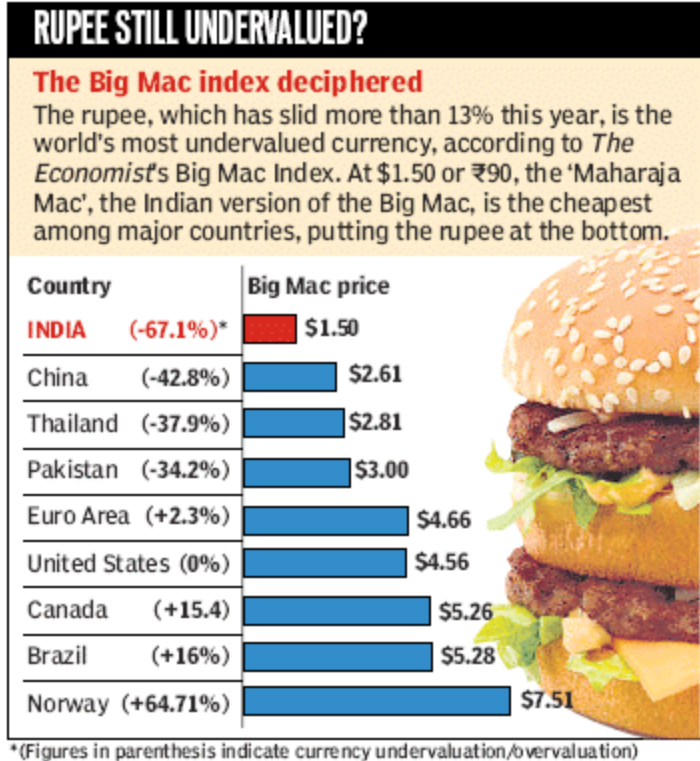
"Of course we will take into account inflation numbers. Beyond that I have no comment," Subbarao told reporters after a meeting with finance minister P Chidambaram.

Chidambaram met Prime Minister Manmohan Singh and Subbarao to discuss measures to arrest the rupee's fall and reverse the economic slowdown.

The central bank will also sell government bonds worth Rs. 2,000 crore in the secondary market to suck out liquidity.

In June, onion prices grew by 114% during the month, while egg, meat and fish prices grew 12.23%-- up from 97.4% and 11.21% respectively in May. Rice and wheat prices also grew jumped 19.11% and 13.83% in June compared to 18.48% and 12.65% growth in May.

Retail price data, which was released last week, broadly mirrored similar trends with shop-end prices of vegetables and cereals soaring sharply in June. India's retail inflation stood at 9.87% in June, up from 9.31% in May.



THE HINDU Business Line

Promoting new strain



Important cereal: A Bhutanese farmer drying his harvested corns at his house in Deothang area of Bhutan's Samdrupjongkhar District. Maize is an important cereal crop in Bhutan. To increase productivity, the Bhutanese Ministry of Agriculture has released a new variety that gives better results than the local variety. Concerted efforts are being made by the Ministry to induce farmers to take up the new variety. Maize accounts for 49 per cent of total domestic cereal cultivation with rice accounting for 43 per cent. — Ritu Raj Konwar

Soyabean, oil slip on weak global cues



Both soya oil and soyabean traded low on weak global cues and buying support.

Soya refined on Monday ruled at Rs 655-58 a quintal (Rs 655-60), while soya solvent declined to Rs 620-25 a quintal (Rs 624-28).

In futures, however, soya oil traded marginally higher with its July and August contracts on the NCDEX closing at Rs 688.90 (up 40 paise) and Rs 672.30 (up Rs 3). Amid arrival of 55,000-60,000 bags in Madhya Pradesh, soyabean in State mandis ruled at Rs 3,550-3,700 (down Rs 50 from last week).

However, improved buying support in futures saw soyabean's July and October contracts on the NCDEX closing higher at Rs 3,799 (up Rs 24.50) and Rs 3,155.50 (up Rs 40) respectively.

Plant deliveries ruled stable at Rs 3,725-3,780 .

According to traders, bullish trend in soyabean in near future appears unlikely, given adequate carryover stock and enthusiastic sowing report in the season so far.

In Madhya Pradesh, over 90 per cent sowing of the oilseed has been completed. Given increase in support price to soyabean by the Government, sowing is expected to increase by 7-10 per cent, according to Soyabean Processors Association of India.

Rains in various parts of Madhya Pradesh in the past few days have also affected buying sentiment in soyabean, leading to sluggish trend in its prices.

Soyameal also ruled sluggish on weak buying support at Rs 33,000-33,200, while it was Rs 33,400-500 a quintal on the port.

Top price for Chamraj tea at Coonoor sale

For the fourth consecutive week, Chamraj Estate has topped Coonoor Tea Trade Association auctions. At Sale No: 28, its Orange Pekoe orthodox leaf grade fetched Rs 261 a kg.

“Chamraj tea is able to top consistently because of the produce meeting the specific demands of the connoisseurs. Export is its major forte,” D Hegde, member of Tea Board’s Tea Council of South India monitoring exports, told *Business Line*.

Among other orthodox teas, Corsley got Rs 190, Havukal and Kairbetta Rs 178 each, Kodanad Rs 173 and Highfield Estate Rs 172. In all, 29 marks got Rs 125 and more per kg.

Homedale Estate tea, auctioned by Global Tea Brokers, topped CTC market when Pooja Trading Co bought it for Rs 168.

Crosshill Estate topped CTC leaf market at Rs 163. Vigneshwar Estate and Hittakkal Estate got Rs 163 each and Shanthi Supreme Rs 160. In all, 49 marks got Rs 125 and more per kg.

Quotations held by brokers indicated bids ranging Rs 68-73 a kg for plain leaf grades and Rs 115-150 for brighter liquoring sorts. They ranged Rs 75-82 for plain dusts and Rs 120-160 for brighter liquoring dusts.

Buyer resistance saps spot rubber

Domestic rubber prices turned weak on Monday. On the spot, the market remained under pressure as the gap between the local and global rates increased raising import fears.

A drop in the futures on the National Multi Commodity Exchange kept the sentiments under pressure during the day. The most active counters fell on buyer resistance though there was not much selling pressure either from dealers or growers.

Sheet rubber declined to Rs 192 (Rs 195) a kg at Kottayam and Kochi, according to traders and the Rubber Board. The trend was mixed.

July futures dropped to Rs 189 (Rs 193.04), August to Rs 182.50 (Rs 184.42), September to Rs 173.20 (Rs 175.34), October to Rs 165.35 (Rs 168.41), November to Rs 162.70 (Rs 163.81) and December to Rs 164.00 (Rs 164.75) on the NMCE.

RSS 3 (spot) dropped to Rs 153.26 (Rs 154.72) at Bangkok. The Tokyo Commodity Exchange remained closed on account of Ocean Day.

Spot rubber rates Rs/ kg : RSS-4: 192 (195); RSS-5: 186 (187); Ungraded: 175 (176); ISNR 20: 176 (176) and Latex 60%: 143 (143).

Sunflower oil demand boosts vegoil imports by 21% in June

Vegetable oil imports increased by 21 per cent in June to 9,47,591 tonnes against 7,83,315 tonnes during the same period a year ago.

Edible oil imports were up at 911,091 tonnes against 892,066 tonnes in May, while non-edible oil shipments were 36,500 tonnes against 25,898 tonnes.

The sharp rise in vegetable oil imports were largely due to jump in demand for sunflower oil.

Refined palm oil shipments more than doubled to 2,96,230 tonnes in June against 1,27,619 tonnes in the same period a year ago.

Crude palm oil imports were down seven per cent at 3,53,542 tonnes (3,81,613 tonnes).

Sunflower oil imports were up 15 per cent at 1,01,480 tonnes (87,859 tonnes).

Overall import of vegetable oils in the oil year (between November and June) was up 12 per cent at 71,45,060 tonnes against 63,95,199 tonnes.

Import of refined palmolein was down at 2,96,230 tonnes in June against 3,73,837 tonnes in May due to reduction in duty difference between crude and refined palmolein in the exporting countries.

Import of refined palmolein oil in last eight months was at 15,44,254 tonnes compared with 12,12,552 tonnes in the same period a year ago.

While palm oil import increased 23 per cent to 57,53,688 tonnes (46,77,609 tonnes) in last eight months, import of soft oil such as soybean, sunflower and rapeseed reduced 24 per cent to 11,88,232 tonnes (15,78,829 tonnes).

The sharp depreciation in rupee has almost negated the recent fall in edible oil prices in the international markets.

In last one year, refined palmolein prices have fallen 16 per cent or by \$159 (Rs 9,381) a tonne and crude palmolein and crude soybean oil were down 15 per cent each or by Rs 8,319 a tonne and Rs 10,207 a tonne, respectively.

However, the sudden rupee depreciation to 60 level has put pressure on vegetable oil imports.

edible oil stocks

As on July 1, edible oil stocks at various ports were estimated at 6,90,000 tonnes consisting of crude palm oil 3,00,000 tonnes, refined palmolein 2,30,000 tonnes, degummed soybean oil 80,000 tonnes, crude sunflower oil 80,000 tonnes and about 13,70,000 tonnes in the pipeline.

Total stocks, at ports and in pipeline, were at 20,60,000 tonnes against 19,75,000 tonnes in May, according to the Solvent Extractors' Association data.

Cardamom rules steady as demand matches supply



Cardamom ruled steady on matching demand and supply coupled with limited activities at auctions last week.

Arrivals were comparatively lower.

Buyers, exporters and from upcountry, were not aggressive in covering.

The first round of picking is underway and two-third of the arrivals was from the new crop. But 7-8 mm capsules were much less.

The current round of picking could last till the month-end, while the second round of picking will commence from mid-August.

Superior grade material is expected to arrive in the second round, market sources told *Business Line*.

However, the market showed a sluggish trend overall as buying was limited to meet immediate requirements on hopes that prices will fall further in the coming days.

Exporters are said to have bought an estimated 20 tonnes of cardamom last week. They were buying 6.5 and above size green bold capsules at Rs 650 a kg, they said.

Individual auction average price was vacillated between Rs 505 and Rs 565 a kg.

Arrival of carryforward stocks dropped to negligible levels.

As the weather conditions are favourable, the new crop is expected to be better than that of the current season ending this month, traders said.

Total arrivals at the Sunday auction held by KCPMC decreased to 51 tonnes from 71.7 tonnes and almost the entire quantity was sold out, P.C. Punnoose, General Manager, KCPMC, told *Business Line*.

The maximum price was Rs 921 and the minimum Rs 385. The auction average price was Rs 535 against Rs 536 last week.

Total arrivals and sales during the current season have been put at 15,699 tonnes and 15,049 tonnes, respectively.

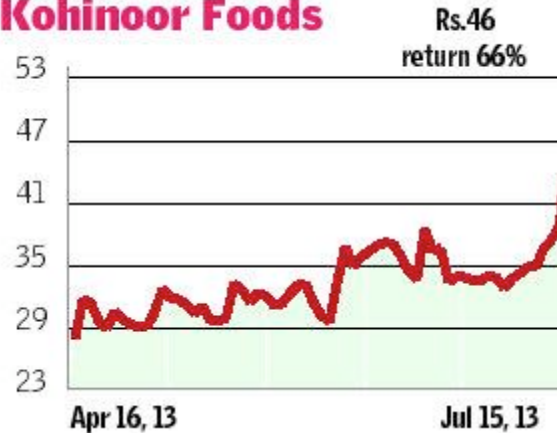
Total arrivals and sales during the corresponding period last year were 20,124 tonnes and 19,347 tonnes, respectively.

The weighted average price as on July 14 stood at Rs 694.09 against Rs 638.58 the same time last year.

Prices of graded varieties were (in Rs/kg): AGEB: 800-810; AGB: 600-610; AGS: 590-600; and AGS-1: 570-580.

Abu Dhabi firm to invest Rs 112 cr in Kohinoor Foods

Kohinoor Foods



The venture will procure a minimum of 25,000 tonnes of basmati rice from Kohinoor,

The aromatic basmati rice is attracting increasing investor interest, mainly from West Asia.

The Abu Dhabi-based Al Dahra International Investment LLC is set to invest about Rs 112 crore in Kohinoor Foods Ltd (KFL) through equity shares allotted on a preferential basis.

This will lead to Al Dahra getting a 20 per cent stake in KFL. This deal also provides for the Abu Dhabi firm to acquire another 4.99 per cent in the next six months, after completion of investments on a fully diluted basis.

In a reaction to this development, Kohinoor Foods scrips hit the upper circuit on the Bombay Stock Exchange on Monday to touch Rs 46.05 a share. The board of Kohinoor Foods on Friday decided to issue about 70,48,306 equity shares on a preferential basis to Al Dahra at a consideration of Rs 160 a share.

The Abu Dhabi firm is a subsidiary of Al Dahra Holding LLC , which has invested in food production in various countries such as the US and Spain. The holding company is into agricultural production and is responsible for compliance with the United Arab Emirates' food security programme. Its investment in various countries is to ensure “continuous and smooth flow” of food to the UAE and other Arab countries through trans-national food programmes.

Al Dahra Holding deals with production and distribution of products such as wheat, rice, potatoes, corn, olives, dates and grapes.

The Abu Dhabi firm's investment in Kohinoor Foods is the second such instance of a West Asian firm investing in an Indian rice company.

Recently, Hassad Foods, part of the Qatar Investment Authority, the Sovereign Wealth Fund of Qatar, announced the acquisition of a majority stake in the Delhi-based Bush Foods Overseas Pvt Ltd, a basmati rice and ready-to-eat products maker, for an undisclosed sum.

This trend assumes significance as West Asia is the biggest market for basmati rice and India has a major market share in the region, where it competes with neighbour Pakistan.

Analysts said the overseas interest in Indian companies will continue to rise, as such deals ensure assured supplies. Recently, Herba Foods, a subsidiary of Spanish-firm Ebro Foods, said it would acquire 100 per cent stake in Taraori Rice Mills, owned by Olam Agro India.

As part of the deal, Kohinoor Foods has also decided to enter a joint venture with Al Dahra to develop and manage a facility that would convert brown rice to white.

The proposed rice facility in Abu Dhabi would have a capacity of 60,000 tonnes a year and scalable up to one lakh tonnes with a storage facility of 30,000 tonnes.

Kohinoor expects to get a 20 per cent stake in the proposed joint venture for providing supervision and guidance to the new entity.

Officials said Kohinoor will not have to invest any cash in the proposed venture.

Also, the venture would procure a minimum of 25,000 tonnes of basmati rice from Kohinoor, which will be the exclusive supplier from India.

On formation of new joint venture with Al Dahra, the Kohinoor board has decided to dissociate from its existing venture in Dubai, the Rich Rice Raisers Factory LLC and sell its holdings in the same.

For fiscal ending March 2013, Kohinoor reported a net profit of Rs 9.75 crore on revenue of Rs 1,087 crore.

As on March 21, 2013, Kohinoor had a debt of Rs 802 crore.

Cotton may wilt but not below Rs 40,000/candy



Cotton prices ruled steady after a slowdown in demand at the higher level. According to market traders, mills buying has declined slightly since the past few days.

Gujarat Sankar-6 cotton was traded at Rs 42,500-43,000 for a candy of 356 kg. However, during last three sessions cotton price has dropped by Rs 500-700 .

Raw cotton or kapas price was traded unchanged at Rs 1,050-1,120 a maund of 20 kg at Rajkot and gin delivery kapas was traded at Rs 1,120-1,140.

About 4,000-5,000 bales (of 170 kg) arrived in Gujarat and 8,000-10,000 bales arrived across the country.

A broker said that cotton prices moved up in recent times and demand from mills has come down since past few days. Prices could decline this week

but they are unlikely to drop below Rs 40,000 a candy as there is not enough stock of cotton.

Monsoon, weak futures cool edible oils



Edible oils market witnessed bearish trend on Monday, tracking weak futures markets, good progress of monsoon and excellent kharif sowing data in main producing States.

Tracking sharp decline in futures , local refineries lowered their rates by Rs 5-6 for 10 kg amid slack demand. Palmolein, soyabean, sunflower, rapeseed and cotton refined oil declined by Rs 3-6. Groundnut oil ruled steady.

Sentiment was weak due to slack demand.

During the day isolated trade took place on need-based demand in middle month. Vaibhavi sold about 200-250 tonnes of palmolein at Rs 529 for July 25 while resellers offloaded 180- 200 tonnes of palmolein at Rs 528-530.

Towards the day's close, Liberty was quoting palmolein at Rs 538-540, super palmolein Rs 575 for July-August and super deluxe Rs 595.

Ruchi quoted palmolein at Rs 540 for Jul-August-September, super palmolein Rs 560 for July-August, soyabean refined oil Rs 655 for July-August and sunflower refined oil Rs 815 for July-August. Allana was quoting palmolein at Rs 538-542 and super palmolein Rs 575.

Gokul's palmolein's rates were Rs 540. Resellers were quoting palmolein at Rs 529-530.

In Rajkot, groundnut oil extended gain by Rs 10 to Rs 1,610 for *telia* tin and Rs 1,050 (Rs 1,050) for loose (10 kg).

Soyabean arrivals were about more than 1.25 lakh bags and its prices were Rs 3,575-3,675 ex mandi and Rs 3,750-3,800 for plant delivery.

Mustard seeds arrivals were 95,000 bags and the prices were Rs 3,120-3,600.

Malaysian BMD crude palm oil's August contracts closed lower by 22 to MYR 2,287 , September by 23 to MYR 2,278 and October by 25 to MYR 2,268 .

The Bombay Commodity Exchange spot rates (Rs/10 kg) were: groundnut oil 1,000 (1,000), soya refined oil 655 (661), sunflower exp. ref. 755 (755), sunflower ref. 815 (820), rapeseed ref. oil 690 (692), rapeseed expeller ref. 660 (662) cottonseed ref. oil 652 (655) and palmolein 530 (536).

Vikram Global Commodities (P) Ltd quoted Rs 570/10 kg for Malaysian super palmolein - July delivery.

Lack of cues holds sugar futures steady



Sugar prices on domestic futures market ruled almost steady on Monday in absence of any cues from the physical market which will remain closed for two days in protest of Local Body Tax.

Prices at upper mill level were unchanged on eased demand in middle month.

A Vashi-based wholesaler said: "Spot market is closed for two days till Tuesday in support of call given by Federation of Associations of Maharashtra in protest of LBT. In futures market prices remained range-bound with thin volatility. Due to bandh there were no loading/unloading or local dispatches in and from Vashi market. Local retail transporters have also supported the agitation. As Vashi market carries 120-125 truckloads of inventory, there is no need to worry about shortage of the commodity.

Retail shopkeepers are working as usual."

Due to bandh, arrivals at Vashi market were meagre but there were no local dispatches.

On Saturday, about 13-14 mills sold about 38,000-40,000 bags to the local traders through tenders at steady rates of Rs 2,930-3,000 (Rs 2,930-3,000) for S-grade and Rs 3,030-3,110 (Rs 3,030-3,110) for M-grade.

In Mumbai nominal sugar prices in spot were: S-grade Rs 3,062-3,145 (Rs 3,062-3,145) and M-grade Rs 3,192-3,311 (Rs 3,192-3,311).

Nominal naka rates were: S-grade Rs 3,020-3,070 (Rs 3,020-3,070) and M-grade Rs 3,130-3,220 (Rs 3,135-3,220).

Pepper rises on buying, limited supply



Pepper prices gained on Monday on buying interest amid limited supply. There was no activity today on the terminal market as there were no arrivals.

However, on the future, some activities were seen in the closing hours and that aided the prices to move up, market sources told *Business Line*.

On the NMCE, July, Aug and Sep contracts increased by Rs 462, Rs 244 and Rs 24 respectively to close at Rs 40,600, Rs 40,870 and Rs 40,300 a quintal.

turnover rises

Total turnover was at 38 tonnes up by three tonnes. Total open interest remained unchanged at 113 tonnes.

spot slips

Spot prices dropped by Rs 200 a quintal to close at Rs 38,300 (ungarbled) and Rs 40,300 (garbled) despite limited arrivals and thin activities, they said.

global prices

Indian parity in the international market was at \$6,975 (c&f) for Europe and \$7,125 (c&f) for US and remained out priced.

Vietnam Asta was quoted at \$6,650 (c&f) while Brazil was quoting \$6,450 for B Asta.

Indonesia was not offering.

However, Sri Lanka was offering competitively at \$5,900 a tonne (c&f)

Kochi 525 GL material.

Turmeric trade now bets on lower output



Despite poor arrivals, turmeric prices failed to rise on account of lack of fresh upcountry orders.

“Virtually no trader has received fresh upcountry order. Traders are awaiting the same. Only by the middle of August, they may receive fresh orders, till then no exporter is interested in buying the spice. On Monday, only 2,187 bags arrived for sale, of which only 50 per cent was sold. This is the lowest arrival after one month, ” said R.K.V. Ravishankar, President, Erode Turmeric Merchants Association.

He said that the price is on a slide all over the country and even quality turmeric is available at Rs 6,200 a quintal in Andhra Pradesh and Maharashtra. “Farmers are having more than 25 lakh bags of turmeric with them and we expect production this year to be 20 lakh tonnes.

Since annual demand is estimated at 55 lakh bags, lower production could lift prices.

Prices may touch between Rs 9,000 and Rs 10,000 a quintal after September,” he said.

At the Erode Turmeric Merchants Association sales yard, the finger variety was sold at Rs 4,199-6,674 a quintal and the root variety Rs 3,888-5,727 .

Salem Hybrid Crop: The finger variety fetched Rs 6,317-7,529; the root variety Rs 5,511-6,017. Of the 340 bags that arrived, 138 were sold.

At the Regulated Market Committee, the finger variety was sold at Rs 5,283-6,534; the root variety Rs 4,316-5,700. Of the 104 bags on offer, 55 found takers.

At the Erode Cooperative Marketing Society, the finger variety quoted Rs 5,299-6,511; the root variety Rs 5,064-5,740. Of the 277 bags put up for sale, 268 were traded.

Rice seen range-bound on slack demand



The rice market may continue to witness a range-bound trend in the coming days, said market sources.

With the trading being lukewarm, prices of aromatic and non-basmati varieties were quoted with marginal fluctuations on Monday.

Amit Chandna, proprietor of Hanuman Rice Trading Company, told *Business Line* that only need-based buying is taking place in the market. Domestic demand has failed to pick up but the availability of stocks has improved and it may pick up further in the coming days, he said.

He further said that market sentiments are low and there could be some softness in prices later this month.

In the physical market, Pusa-1121 (steam) improved by Rs 50 to Rs 7,550-7,650 a quintal, while Pusa-1121 (sela) quoted at Rs 7,000-7,050.

Pure basmati (raw) quoted at Rs 8,800-8,820. Duplicate basmati (steam) dropped by Rs 100 to Rs 6,600.

For the brokens of Pusa-1121, Dubar quoted at Rs 3,900, Tibar sold at Rs 4,400 while Mongra was at Rs 3,050 .

In the non-basmati section, Sharbati (Steam) went up by Rs 30 and sold at Rs 4,750-4,800 while Sharbati (Sela) quoted at Rs 4,300 , Rs 100 down from previous levels.

Permal (raw) sold at Rs 2,300-2,350 while Permal (sela) went for Rs 2,300 . PR-11 (sela) dropped by Rs 100 and sold at Rs 2,900 while PR-11 (Raw) quoted at Rs 2,750 .

Prices of PR14 (steam) increased by Rs 100 and sold at Rs 3,400 .

Paddy arrivals

Around 8,500 bags of different paddy varieties arrived at the Karnal Grain Market Terminal on Monday from the Uttar Pradesh. About 1,000 bags of Pusa-1121 arrived and quoted at Rs 3,050-3,075 a quintal. Around 7,000 bags of PR and 500 bags Sharbati arrived and both the varieties remained unsold.

Business Standard

India's coffee consumption set to recover in 2013-14

According to USDA, consumption in India has been hovering around 1.2 million bags for last 5 years; slipped to 1.1 mn bags in 2012-13

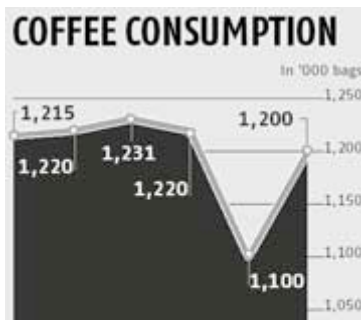
India's coffee consumption is set recover to 1.2 million bags (72,000 tonnes) in 2013-14, a modest rise of nine per cent compared with 1.1 million bags (66,000 tonnes) in 2012-13, according to the United States Department of Agriculture (USDA). Before falling in 2012-13, average annual consumption in India stood at about 1.2 million bags through five consecutive years, USDA said in its latest report 'Coffee: World Markets and Trade'.

Typically, USDA's estimate is lower than the estimate provided by the Coffee Board of India, which is yet to publish the latest consumption figures. "Consumption of coffee in India is always debatable. The Coffee Board of India always projects a higher number, while it is low in the case of USDA," said Ramesh Rajah, president, Coffee Exporters Association of India. Coffee consumption in India is growing at an average one-two per cent annually.

Compared to 2012-13, consumption has shown signs of growth. It is estimated consumption would rise despite near-flat production levels. USDA has pegged domestic coffee bean production at 5.2 million bags (312,000 tonnes) for the crop year starting October. On an average, India's annual bean production stood at 5-5.2 million bags in the past three years. For 2013-14, USDA has projected exports from India at 3.75 million bags, the same as that recorded last year. Of the estimated production of 5.2 million bags this year, the share of Arabica is pegged at a record high of 1.7 million, while that of Robusta is pegged at 3.5 million bags.

"World coffee production in 2013-14 is forecast at 146 million bags, down by 4.4 million bags from the previous year, primarily due to Brazil's Arabica trees entering the 'off-year' of the biennial production cycle and, to a lesser extent, Central America and Mexico continuing to struggle with coffee leaf rust," USDA said. Global bean exports are pegged below last year's record, while consumption is expected to rise modestly.

"In India, higher input costs, along with the



elimination of subsidies for fertilisers and diesel, have increased production costs for growers. Labour expenses, which could account for more than 50 per cent of the cost of cultivation, continue to escalate, while greater off-farm employment opportunities have created labour shortages,” USDA said.

Adoption of mechanisation has been slow and limited to a few plantations, primarily due to uneven terrain and small and fragmented growing areas.

Climate change conundrum

Is Indian agriculture able to withstand extreme variations in climate?

How will climate change impact the Indian monsoon? This is a question for which there is yet no clear-cut answer. A general perception among the climatologists is that the total annual rainfall in India may increase due to global warming-driven surge in moisture load of the atmosphere. That may seem to be a positive factor. But, at the same time, incidence of extreme rainy bouts of the kind witnessed in Uttarakhand recently are also projected to become more frequent, which can be perilous. The indications are that these changes will vary in different regions and will be accompanied by a rise in temperature. The agriculture sector is bound to be affected by these variations.

A fresh study of the past performance of the monsoon and the probable impact of the emerging rainfall pattern on Indian agriculture by a weather scientist M Rajeevan, advisor to the ministry of earth sciences, puts this issue in cogent perspective. It does not notice any well-defined long-term trends in the time series data of the average annual monsoon rainfall in India between 1901 and 2012. But it does find significant regional deviations. What stands out distinctly are the episodes of above or below normal rainfall lasting for several decades at a stretch. Of prime concern is the recent phase of below-average rainfall beginning around the mid-1970s that has followed an equally protracted wet period, going back to the 1930s.

This phenomenon assumes significance, when considered along with the uptrend in surface air temperature. The time series data on annual average

temperature between 1901 and 2011 shows a trend rise of 0.56 degree Celsius per 100 years. This is close to the global warming trend.

"There is substantial increase in surface temperature since the mid 1970s," says Rajeevan in his paper published in a book entitled "*Climate change and sustainable food security*". It has been brought out jointly by the Bangalore-based National Institute of Advanced Studies and the Indian Council of Agricultural Research (ICAR). The paper adds that the surface warming (temperature rise) is noticeable over most parts of the country, barring some pockets in the northwest. The night temperatures have increased sharply in recent years, highlighting the role of greenhouse gases.

Such changes in the climate may influence crop farming in four ways. First, the alterations in temperature and rainfall may alter the present demarcation of the country's agro-ecological zones. Enhanced evapo-transpiration is likely to intensify drought stress, especially in the semi-tropics and subtropics. Second, the changed carbon dioxide content of the atmosphere may benefit crops due to a higher rate of photosynthesis and more efficient water use. Third, water availability (or run-off) and length of growing season may affect the agriculture negatively or positively in different areas. And fourth, overall crop losses may be exacerbated due to variable climate and increased frequency of extreme events, including droughts and floods, and changes in precipitation and temperature.

However, the Indian farm scientists, as also the vast national agricultural research network, one of the largest in the world, seem confident to take the emerging challenges head on. ICAR director-general S Ayyapan has asserted that strategies are already in place to reorient and strengthen basic research and accelerate the flow of technology. Special focus is on developing situation-specific integrated farming systems, involving animal husbandry and fisheries for arid areas, coastal and hilly regions, and irrigated and rainfed farming. Development of models for climate-resilient agriculture and evolution of drought and heat tolerant mechanisms for managing crops and farm animals are among the 12th Plan's priorities for farm research.

The success of these efforts would, however, rely crucially on raising the

funding for agricultural research from the current meagre 0.6 per cent of the farm sector's gross domestic product (agricultural GDP) to 1.0 per cent in the short run and 2.0 per cent later on. The fact that also needs to be borne in mind is that the Indian agriculture has managed to adjust and adapt itself to changing circumstances over the centuries, when there was hardly any support from organised research. Now that well-directed research & development backing is available, there is no reason it would not be able to face the stress and strains due to climate change.

Turmeric surge 3.7% on tight supply

Turmeric for delivery in August shot up by 3.69%

Turmeric prices surged by 3.78% to Rs 5,934 per quintal in futures trading today as speculators created fresh positions, driven by a rise in domestic as well as export demand in the spot market against tight supplies from producing belts.

At the National Commodity and Derivatives Exchange, turmeric for delivery in July surged by Rs 216, or 3.78% to Rs 5,934 per quintal with an open interest of 1,555 lots.

Similarly, turmeric for delivery in August shot up by Rs 214, or 3.69% to Rs 6,062 per quintal in 21,095 lots.

Market analysts said fresh positions created by speculators on the back of a rise in domestic and export demand in the spot market amid tight supplies from producing regions mainly pushed up turmeric prices at futures trade.

Jeera rises 0.5% on export demand

Jeera for delivery in August edged up by 0.18%

Jeera prices rose by Rs 80 to Rs 13,600 per quintal in futures market today as speculators enlarged their positions, driven by exports demand.

However, higher supplies in the spot market and rains in the leading cultivating states restricted the upside.

At the National Commodity and Derivatives Exchange, jeera for delivery in July rose by Rs 80, or 0.59% to Rs 13,600 per quintal with an open interest of 366 lots.

Similarly, jeera for delivery in August edged up by Rs 25, or 0.18% to Rs 13,775 per quintal in 16,656 lots.

Market analysts said the rise in jeera prices at futures trade was attributed to exports demand but higher supplies in the spot market and reports of rains in the leading cultivating states, limited the upside.

**Castor seed climbs 1.80% on increased buying
Marketmen said strong industrial demand against restricted supply in physical markets, mainly kept the prices in green zone**

Castor seed prices sputtered by Rs 62 to Rs 3,510 per quintal in futures trading today following increased buying by traders, driven by firm spot as well as overseas markets sentiment.

Marketmen said strong industrial demand against restricted supply in physical markets, mainly kept the prices in green zone.

Pick up in export demand also helped to boost the trading sentiments, they said.

At the National Commodity and Derivatives Exchange, castor seed prices for current July contract shot up by Rs 62, or 1.80% to Rs 3,510 per quintal, with an open interest of 1,990 lots.

Most active August contract rose by Rs 42, or 1.18% to Rs 3,597 per quintal, having an open interest of 2,09,990 lots.