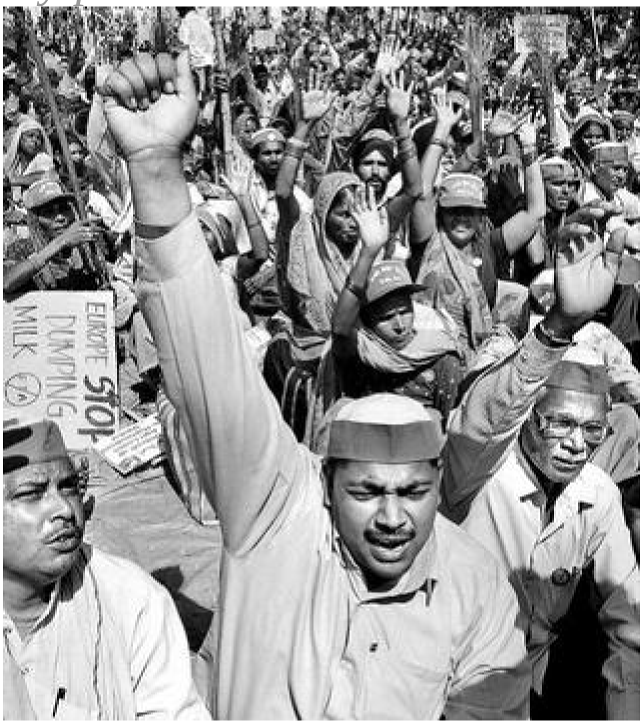
THE HINDU

Farmers descend on Jantar Mantar with a slew of demands

They vow to stay put in Delhi till their demands are met



LIVELIHOOD ISSUE:Farmers stage a protest inNew Delhi on Monday.— Photo: Rajeev Bhatt

Reeling under price rise and dipping returns for their produce, thousands of farmers from all over the country poured into the capital on Monday to start a mahapanchayat, demanding, among other things, a farmers' income commission to guarantee a minimum livelihood income.

Opposing diversion of farmland for other purposes, they wanted the government to impose a moratorium on land acquisition and announce a 'fair and remunerative price' for their produce, including a profit above the cost price, to help them lead a life of dignity. Furthermore, Parliament should meet at a special session to discuss suicides among farmers.

However, it appears the farmers lack the voice and the lobby to make themselves heard as none from the government approached them, and by the end of the day, the mahapanchayat declared that farmers would “stay put” at Jantar Mantar till their demands were met.

Kisan annadata hai aur woh bhookh se mar raha hai [Farmers provide food, yet they are dying of hunger],” said Susheela, a woman from Gonda district of Uttar Pradesh. Splaying her fingers one by one to count farm inputs that were getting out of reach because of high prices, she said it was getting difficult day by day for farmers to survive. “That is why farmers are committing suicides,” added Sugani from Gorakhpur.

The story was the same from participants of the mahapanchayat, organised by the Bhartiya Kisan Union and the National Alliance of People’s Movement, under the Indian Coordination Committee of Farmers’ Movements.

The meeting was addressed, among others, by Rakesh Tikait, Yudhvir Singh, Medha Patkar, Ajmer Singh Lakhowal, Vijay Jawandhiya, Yogendra Yadav and representatives from Tamil Nadu, Kerala, Odisha Karnataka, Uttar Pradesh and Madhya Pradesh.

“We are looking for the government. Where is the government? On March 8, 2011, we met the Prime Minister. He said he would get back in 25 days, but did not. What is our fault? Is it that we are feeding the country and have produced surplus. If our demands are not met, farmers will take an agriculture holiday. The government will be responsible for the consequences,” Mr. Tikait said.

“A bottle of water costs Rs. 18-Rs. 20 a litre, but we get merely Rs. 15 for a kilo of milk. It does not even cover the cost of feed for our cattle, leave alone our livelihood,” argued Prakash Singh of Sangrur.

The mahapanchayat said in a memorandum submitted to Prime Minister Manmohan Singh that it was the government's responsibility to improve the net incomes of farmers, tenant cultivators and farm workers. Besides fair and remunerative price, the government should come out with price compensation and crop insurance schemes and find out ways of stopping suicides among farmers.

Asserting that food and farmers could not be treated as a "commodity," the mahapanchayat opposed futures trading in food commodities that led to price volatility, free trade in agriculture and foreign direct investment in retail which would imperil the livelihoods of small farmers, small retailers and street-vendors.

Farm ponds quench the thirst for jobs

It helps in recharging groundwater and facilitate fish farming

A pond being dug at a village in Thanjavur district under the MNREGS.

Farm ponds are being dug throughout Thanjavur district under the Mahatma Gandhi Rural Employment Guarantee Scheme (MGNREGS).

Besides providing livelihood to a large number of people by way of employment, the ponds, when completed, will recharge groundwater, irrigate agricultural land, and help in taking up agriculture and allied activities such as fishing.

Twenty four persons were employed to build a farm pond of 30 metres x 28 metres at Gopalapuram in Marunkulam panchayat in Thanjavur block on Saturday.

The workers had been given a mandate to dig up to a depth of five feet. They were paid based on their work.

Chinnatha, 64, said that she had been working for two weeks in the pond. She is paid Rs 124 a day. The maximum wage is Rs. 132 a day. Jayalakshmi, another worker, said she had completed 100 days of employment under MGNREGS already. But as the State government had now extended the time of employment to 150 days under the scheme, she was getting this employment. Lashmanan, a farmer for whom the pond is being built, is working under the scheme.

He said he would take up fish farming in the pond besides using the water for irrigation.

Farm fresh vegetables on wheels

The scheme launched in the district

Farmers would directly sell fresh vegetables from their farms to the consumers without middlemen, under the Farm Fresh Vegetables on Wheels programme under the Rashtriya Krishi Vikas Yojna, Collector and Chairman of RKVY in the district V. Sheshadri said while launching the programme in the district on Monday.

The Union Horticulture Ministry initiated the scheme under public private partnership to provide a link to the farmers with the agri-based private sector and help them enter the market with quality products.

Two out of the five vehicles sanctioned for the district were flagged off by Mr. Sheshadri. They will go round the areas where apartment and housing complexes are concentrated. Groups of farmers formed into societies and will sell their products in the city. The societies are formed in K. Kotapadu, Chodavaram and Padmanabham mandals. One of the members will bring the vegetables grown by other members to the city, driving the van himself. Mr. Shesadri handed over the key of the mobile van to secretary of the society at Adduru Satyanarayana to mark the launching of RKVY in the district. Additional Joint Collector Y. Narasimha Rao was also present.

Visakhapatnam is the second district in the State after Hyderabad in which the Farm Fresh Vegetables on Wheels under RKVY was introduced, Assistant Director of Horticulture G. Prabhakara Rao said. Small and marginal farmers are preferred for the scheme. Fifteen to 20 of them form as a society and each farmer is given Rs. 54,750 for securing quality seeds, fertilizers, pesticides along with vermin bed, shade net house, etc.

Farm sector in AP gets whopping Rs. 25,000 crore

In a first for the Congress government in Andhra Pradesh, Agriculture Minister Kanna Lakshminarayana on Monday presented immediately after the regular budget for 2013-14 a new agricultural action plan for the farm sector which proposes to allocate a sum of Rs. 25,962.02 crore for the year 2013-14.

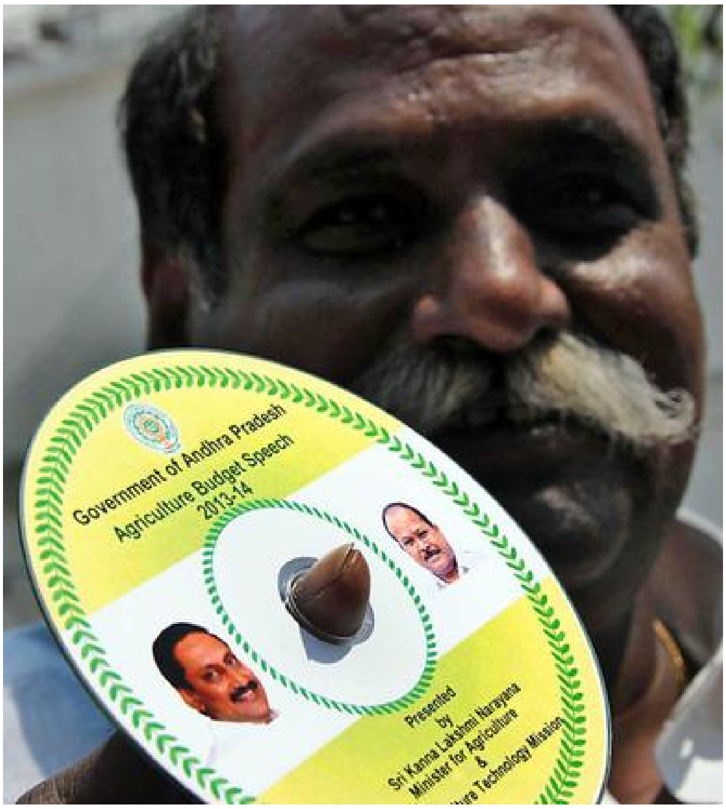
The Minister said that this agriculture budget would show the way in ushering in a new era for farmers and suggest solutions for the problems engulfing the farm sector. The budget includes a plan component of Rs. 17,694.61 crore and non-plan component of Rs. 8,267.41 crore.

Supplementary to these proposed budgetary allocations, an amount of Rs. 72,450 crore has been planned under the agricultural credit plan. This makes the total investment for the farm sector Rs. 98,940.54 crore as against Rs. 79,924.78 crore, an increase of about 24 per cent over last year. In tune with the basic theme of the 12th Five Year Plan, “faster, more inclusive and sustainable growth” and in order to achieve the growth target of 6 per cent under the farm sector, the State has set an ambitious target of increasing food grain production to 300 lakh tonnes by 2016-17. The Minister said key strategies identified for the farm sector to grow rapidly are: establishment of agriculture technology mission for convergence among concerned departments, strategies to optimise and harness the potential of horticulture, animal husbandry and fishery as farm sector growth engines.

Highlighting the farm sector initiatives, the Minister said for the year 2013-14, the government proposes to continue the implementation of supply of quality seeds, Polam Badi (Farmers Field School), extension services, RKVY, National Agricultural Insurance Scheme, National Food Security Mission, Pavala Vaddi, interest free crop loans to farmers, farm mechanisation and input subsidies.

A controversy broke out in the Assembly whether the government was entitled under the Constitution to present a separate budget for agriculture. However, Finance Minister A. Ramnarayana Reddy clarified that there was a printing error in the books circulated to members and it was indeed an action plan that was presented by Mr. Kanna Lakshminarayana. TDP members, however, staged a walkout.

State bungles on agriculture budget



A TDP member shows a CD of the Agricultural budget speech circulated by the government during budget presentation in the Assembly on Monday.— Photo: Mohammed Yousuf

A FAUX PAS

- No mention in agenda of Agriculture Minister presenting a separate budget
- At the last moment, officials made to strike off 'budget speech' in the booklet and instead add 'action plan'
- Anam admits mistake, says certain legislature procedures have not been followed
- Government decides to come out with a comprehensive policy for the farm sector

TDP walks out terming it unconstitutional; threatens to move privilege motion

After all the hype it created over presenting the “first ever Agriculture budget in the history of Andhra Pradesh,” the government floundered forcing it to be a mere “action plan” when it finally came up before the Assembly on Monday.

The faux pas committed by the government was such that it triggered an uproar in both Houses. In the principal Opposition, Telugu Desam staged a walk out terming it as “unconstitutional” and threatened to move a privilege motion, even as Agriculture Minister Kanna Lakshminarayana started presenting it.

Homework not done

Senior legislators across the political spectrum contended that introduction of such “separate budget” was against constitutional provisions and established legislative procedures. Without proper homework, the government, in its enthusiasm to show the emphasis it was according to farm sector, went to town and even got the “Agriculture budget speech 2013-14” booklets printed hurriedly. The Minister also held an all-party meeting to take their inputs.

But realising the mistake late, the government made officials at the last moment to strike off the words ‘budget speech’ with a pen and instead add “action plan 2013-14”. They could do nothing inside the booklet as the words “agriculture budget” were used for over 40 times. Confusion began as there was no mention of the Agriculture Minister presenting this separate budget in Monday’s agenda. Opposition smelt something amiss and ridiculed the government for presenting a document that would not pass legislative scrutiny.

Later in the day, Finance Minister Anam Ramanarayana Reddy admitted that the government indeed committed a “mistake” in the introduction of budget for agriculture along with the annual budget.

Though there was constitutional provision for such separate budgets, the Business Advisory Committee had to discuss the issue and the Legislature should be informed in advance. “We have identified the lapse that certain legislature procedures were not followed and brought it to the notice of the Assembly Speaker, Legislative Council chairman and Chief Minister N. Kiran Kumar Reddy,” he said. Floor leaders of all parties were also consulted on the issue.

He said the government had decided to come out with a comprehensive policy for the farm sector as nine departments as well as 19 other “sub-divisions” were related to its functioning. There was no effective coordination among the departments due to the absence of integrated policy.

To queries, he said the government sought to present the state of affairs of agriculture sector as supplementary agenda and the allocations made to the sector formed an integral part of the overall budget.

Communication gap

In the Legislative Council, the Leader of the Opposition, Dadi Veerabhadra Rao said rules were not followed as even Council Chairman A. Chakrapani was not informed about the presentation.

Mr. Chakarpani agreed and said the communication gap was owing to lack of proper liaison between the Cabinet and the Council. “Please inform this to the Chief Minister,” he told the Leader of the House C. Ramachandraiah. K. Dilip Kumar (Graduate) sought to know whether it was an agricultural budget or policy statement or an action plan.

Kanna's Rs.98940 cr. boost to agriculture

Agriculture Minister Kanna Lakshminarayana unveiled an ambitious Rs. 98,940- crore annual plan for agriculture and allied sectors for the 2013-14 marking an increase of 24 per cent over last year.

Presenting the first of its kind plan in the Assembly on Monday after changing it from "agriculture budget," Mr. Lakshminarayana said it included a provision for Rs. 25,962 crore encompassing plan and non-plan components and Rs. 72,450 crore agriculture credit plan.

"It will usher in a new era for farmers and suggest solutions for the problems engulfing the sector for decades," he declared. Describing it as innovative initiative of Kiran Kumar Reddy government, he said it was aimed at giving special focus to agriculture and allied areas.

All departments dealing with land and water have been included in the plan, he said.

These are agriculture, horticulture, animal husbandry, fisheries, sericulture, forest, co-operation, irrigation in command area development, ground water, food processing, marketing, ware-housing and sugar department. A "concerted and synergetic effort" was envisaged as 60 per cent of the population depended on agricultur."

Agriculture continued to be a major source of employment, but faced crisis frequently. It was linked to several departments but lacked convergence, he said. This would ensure close coordination among various departments, address production and post-production problems, and cost -effectiveness in the technological interventions.

Some of the objectives of the annual plan listed out by the Minister include setting up of Agriculture Technology Mission to accelerate the sector's growth rate, identify best crop management options to enhance productivity of the selected crops by 25 per cent and build capacity of the stakeholders.

'Hullabaloo over agriculture budget meaningless'

Former Rajya Sabha member Yalamanchilli Sivaji who championed several causes for farmers in the State said the 'hullabaloo' over the first Agriculture Budget was meaningless because there was no 'delivery system'.

"Half-baked proposals will only get half-baked results," he said. The State government did not have the infrastructure to disburse Rs 72,450 crore to farmers, he said.

Dr Sivaji said the lion's share of funds for developing infrastructure had been earmarked for Hyderabad and surrounding areas, starving the rural areas.

He said over a lakh crore rupees have been spent in Hyderabad till now and more was allocated in the budget. A very high percentage of the GDP was being put in the State Budget and the budget deficit was also very high.

Water level

: Water level in the Papanasam dam on Monday stood at 79.60 feet (maximum level is 143 feet). The dam had an inflow of 233.45 cusecs and no water is discharged from the dam. The level of

Manimuthar dam stood at 92.07 feet (118 feet). The dam had an inflow of 180 cusecs and no water is discharged.

Water level in Periyar dam on Monday stood at 113 feet with an inflow of 100 cusecs and discharge of 100 cusecs. In Vaigai dam, the water level was 46.24 feet with an inflow of 28 cusecs and discharge of 60 cusecs. PWD officials said that the combined credit was 2205 mcft and there was no rain in the region on Monday.

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hindustantimes

Weather

Chennai - INDIA

Today's Weather

Sunny

Tuesday, Mar 19

Max Min

31° | 24°

Rain: 0
Humidity: 94
Wind: normal

Sunrise: 06:14
Sunset: 06:19
Barometer: 1011

Tomorrow's Forecast

Partly Cloudy

Wednesday, Mar 20

Max Min

33° | 23°

Extended Forecast for a week

Thursday Mar 21	Friday Mar 22	Saturday Mar 23	Sunday Mar 24	Monday Mar 25
33° | 23°	32° | 23°	32° | 22°	32° | 22°	32° | 22°
Partly Cloudy	Overcast	Overcast	Overcast	Overcast

THE TIMES OF INDIA

South Gujarat farmers under I-T scanner for selling land

SURAT: Farmers of certain pockets in south Gujarat have come under the scanner of Suratincome tax department after increased real estateactivity and industrial development in rural areas.

In the last few months, the I-T department has issued hundreds of notices to the farmers for getting agricultural land converted to non-agricultural purpose and striking land deals with developers and business houses.

Official sources said agricultural income is exempt from income tax. It is only when agricultural land is converted for non-agricultural purpose that the land becomes a capital asset as defined under the act and the farmers are liable to pay the capital gain tax. In rural areas of Vyara, Vapi, Valsad and Navsari, farmers are converting their lands for NA purpose and are not discharing their tax liabilities, the sources added.

"We have sent notices to farmers in the region who had got their land converted for non-agricultural purpose and also asked tax assessees belonging to diamond, textile, real estate and other business houses to pay up advance tax by March 31," commissioner of income tax said.

However, the department has been conducting awareness seminars in rural areas to sensitize farmers on their tax liability subsequent to sale of NA lands. tnn

Singh said the department was confident of achieving the revenue target set for 2012-13 at Rs 3,265 crore. Till now, the department has collected revenue to the tune of Rs 2,476 crore.

"The department is also keeping an eye on under reporting of income in sectors like diamond, textile and real estate in the city. We will take necessary action in this regard," Singh added.

THE NEW INDIAN EXPRESS

Agri sector a big draw for investors

The Kingdom of Bahrain offers opportunities aplenty in the agriculture and food processing sectors. The firms in both the countries are keen to invest in these sectors.

The business to business meet (B2B) which was held in Kochi on the sidelines of the visit of the Crown Prince of Bahrain, here on Monday, put forward opportunities in the food processing sectors.

“There is huge opportunity in the food processing sector in Bahrain. We are also exploring opportunities in Kerala in this sector. If suitable proposals emerge we will definitely invest in the sector,” Ebrahim Zainal, vice-chairman, Bahrain Chamber of Commerce and Industry told Express.

The delegates who participated in the B2B meet from the food processing sector in Kerala also said that some of the delegates from Bahrain expressed interest in the food processing sector in the state.

Business Standard beta

Jobless growth is now official

Create more productive jobs to absorb the shift from agriculture

That India has to focus on an agenda to create productive jobs out of agriculture is a strong policy message from the Economic Survey 2012-13. Notwithstanding decades of post-Independence development, it still is "one of the few examples left in the world of an enormous population still largely dependent on agriculture" to borrow an expression of the late historian Eric Hobsbawm. To be sure, the shift in the population away from agriculture towards industry and services in towns and cities - a process termed modern economic development - is underway, but still has a long way to go.

While many progressive changes have taken place on the economic front, the share of India's population living off the land remains huge at 52 per cent. In fact, in most countries that have experienced modern development, the share of population dependent on agriculture is less than five to 10 per cent. Given the far-reaching nature of these changes, textbooks consider the share of the population dependent on agriculture as a yardstick of economic development. What is impeding a faster pace of structural transformation in India is the sluggish pace of productive job creation outside of agriculture.

For starters, India's rapid economic growth of 8.7 per cent per annum between 2004-05 and 2009-10 has had little impact on this process of structural transformation. The share of agriculture in total employment shrank from 57 per cent to 53 per cent over this period, with 15 million workers migrating to towns and cities for work. But the manufacturing and services sectors did not fully absorb them. Manufacturing shed five million jobs, while services employed only 3.5 million workers during this period. In fact, it was the pull of construction growth that led to workers moving out of agriculture*.

The limited impact of booming growth on employment generation is captured in an indicator called employment elasticity or the rate of change of employment per unit of gross domestic product (GDP) growth. This has been secularly declining in the 2000s from 0.44 from 1999-2000 to 2004-05 to a near-zero level of 0.01 from 2004-05 to 2009-10: "on account of which we can argue that the phenomenal growth India has achieved during the last five years was jobless growth"*. This prognosis of jobless growth cannot be dismissed lightly since it bears the official imprimatur of the think tank of the Planning Commission.

If a rapid pace of expansion is not employment-intensive, the problem is much worse when GDP growth has begun to nosedive. Just as the Twelfth Plan (2012-17) is kicking off, it has plunged from 6.2 per cent in 2011-12 to five per cent in 2012-13. If we apply the elasticity of employment of 0.19 used in the Plan document from past data to the GDP growth of five per cent, only 4.4 million employment opportunities are likely to have been generated this fiscal than the annual average of 6.7 million opportunities projected over the five-year period till 2016-17**.

Declining GDP growth clearly translates into fewer opportunities for gainful employment for those who leave the countryside to the towns and big cities for work. At a time when organised sector employment growth is sluggish, if not contracting, the brunt of adjustment is borne by the low-paying unorganised or informal sector that includes self-employment and casual odd jobbing. In contrast to the organised sector, work conditions in this sector are outside the pale of trade unionism or labour legislation. The rapidly proliferating construction jobs, for instance, are predominantly in the unorganised sector.

The limited productive employment outside agriculture, thus, raises serious questions over the quality of non-agricultural jobs being generated. As if all of this weren't bad enough, the Twelfth Plan document observes a trend of growing informality even within the organised sector. Informal employment in the organised sector has increased from 46.6 per cent in 2004-05 to 57.8 per cent in 2009-10. The upshot is that instead of agriculturists getting absorbed in manufacturing and services, what is happening is only a movement from the informal agricultural sector to the informal non-agricultural sector**.

The big policy challenge ahead is to address the questions posed by the Economic Survey. How many workers will industry and services have to absorb in the coming years? How many will they absorb if they continue creating jobs as they have in past? Creating more productive jobs is imperative if the farm to non-farm sector shift accelerates and the share of agriculture in employment goes further down from 52 per cent to, say, 40 per cent. But if fewer jobs are created outside agriculture, more will be forced to stay in this sector, increasing the pressure on land and lowering incomes.

In this milieu, there are no prizes for guessing that social strains are bound to intensify as income inequalities worsen even further. Manufacturing and services must become the engine of employment growth, so that modern economic development takes place. This calls for skill development on a massive scale. Labour law reform that encourages greater flexibility while providing a safety net for the unemployed is equally necessary. Jobless growth will only ensure that the demographic dividend becomes a demographic curse.

** Santosh Mehrotra, Ankita Gandhi, Partha Saha and Bimal Krishna Sahoo "Joblessness and Informalisation: Challenges to inclusive growth in India", Institute of Applied Manpower Research Occasional Paper, December 2012*

See also Jayan Jose Thomas' "India's Labour Market during the 2000s: Surveying the

Changes", Economic and Political Weekly, December 22, 2012

***Draft Twelfth Five-Year Plan 2012-17, Vol 3, Social Sector, Planning Commission*

From the Ivory Tower makes research from the academic world accessible to all our readers

Basa fish comes to industry rescue

The Indian sea food industry, hit hard by the global slowdown as well as a supply crunch, has turned to a fish species found in southeast Asia and China to lift its fortunes.

The Basa, a catfish native to Vietnam's Mekong River Delta and Thailand's Chao Phraya basin, is not only being imported in large numbers by Indian seafood outlets, but is also being farmed in certain areas.

The seafood market is facing a serious supply crunch due to lower catches from both, inland and sea-based fishing. Local sea food export companies too are struggling due to poor offtake from traditional overseas markets like the US and Europe. The global economic crisis had affected seafood exports badly in the current financial year.

Both these factors have caused seafood export houses in India to turn to importing Basa, since it's gaining good demand not only in India, but across the globe.

On an average, India imports over 5,000 tonnes of basa every month, almost all of it from Vietnam. A large number of restaurants across major metros like Mumbai and Delhi are serving Basa to fish lovers. Also, a large number of super markets in major cities are selling packed sliced Basa.

"Basa, a fresh water fish, can be farmed in large ponds. In just six months, it will attain a weight of two-three kg. Soya cake is its main feed. Moreover, it's very easy to cook and is very tasty," Anwar Hashim, former president of the

Seafood Exporters Association told Business Standard.

Recently, farmers in Andhra Pradesh started farming Basa on a scale. The productivity in Andhra is 50 tonnes/hectare. It is a promising rate compared to the rate of other items like Scampi and Black Tiger shrimp.

In India, there is serious shortage for fish as the catch is very low during January - May. Average price of fish grades like King Fish, Pearl spot etc had increased to a range of Rs 350-450/Kg so that the restaurants and caterers are not in a position to serve these items that Vietnam is the major producer of Basa and exports a million tones of fish meat made out of this annually.

Low value and suitablity for making any type of dish are the major attraction of Basa. Processed meatof the fish can be sold at a price tag of Rs 150/Kg.

According to him local consumers can not afford high value items. Even the prices of Indian Sardine and Mackarel have doubled in recent weeks..Mackarel is being sold at a price tag of Rs 150 -180/Kg and Sardine attracts a price of Rs 60-80 /Kg.

Market pulse for various agro commodities: Mangal Keshav

Kerala government has cut VAT on Cardamom auctions to 2% from 5%, in order to help cardamom auctioneers

Arrivals of chilli crop declined to about 35,000 bags while off-take remained steady on supportive local demand at auctions held at Guntur market. Spot rates were offered in the range of '60-'63 per kg.

Arrivals of jeera crop eased slightly to about 35,000 bags while demand too was down with 30,000 bags getting traded auctions held at Unjha market. Spot rates are trading firm at '132-'134 per kg, as per local traders.

Spot rates of pepper garbled declined '365 per kg and that of un-garbled was down at '350 per kg. Arrivals declined to 27 tons while trades too were down at 25 tons at auctions held at Kochi market, as per IPSTA.

Arrivals of turmeric crop declined below 10,000 bags at Nizamabad market, but increased to more than 6,500 bags across mandis of Erode. Spot rates traded firmly & were quoted in the range of '67-'70 per kg across different locations, as per local traders.

Kerala government has cut VAT on Cardamom auctions to 2% from 5%, in order to help cardamom auctioneers, but this would benefit only those who conducted auctions in the recognized centers of the spices board. Average price of small cardamom declined to '638.2 per kg while maximum price offered was down at '873 per kg, as per spice board. Total inflow of small cardamom crop declined to 27.6 tons from which ~25.9 tons were sold at GHCM auction.

Arrivals of Soya bean crop declined to about 0.8lakh bags across MP market & down ~2,500 bags at mandis of Indore while supply was down to 0.15-0.2lakh bags each across mandis Maharashtra & Rajasthan, as per trade reports.

Spot rates of Soya bean seed Indore (ex-mandi) closed at '35 per kg while that of Mustard seed Rajasthan closed at '34 per kg., as per SEA of India.

Inflow of mustard seed crop increased to 115,049 quintals, while average of closing spot rates were down at '3,114.4 per quintal, as per agriculture marketing board of Rajasthan.

Average arrivals of chana crop were reported steady across major trading centers while demand too has started picking up ahead of local festivals. However, prices at spot & on futures remained steady with slight gains in last couple of sessions.

Mentha oil futures eased om profit booking, while spot rates too were down by '10-'12 per kg on increased supply & poor demand at local mandis.

Arrivals of oil drums increased to more 400 across major trading centres.

Mentha oil falls almost 3% on low demand

Prices were affected as speculators reduced their positions

Mentha oil futures for March fell Rs 35.10, or 2.96%, to Rs 1,150 per kg in 488 lots.

At the Multi Commodity Exchange (MCX), the April contract traded Rs 29.90, or 2.51% lower at Rs 1,159.10 per kg , in 234 lots.

Mentha oil extended losses for the third straight day.

Prices were affected as speculators reduced their positions.

Increased arrivals in the physical market from major producing belts in Uttar Pradesh triggered the downtrend.

Besides, profit-booking also put pressure on the prices.

Crude palm oil down 0.6% on profit-booking

Profit-booking by speculators and subdued spot demand had a negative impact

Crude palm oil futures for March declined Rs 2.70, or 0.59% to Rs 451.30 per 10 kg 166 lots.

At the Multi Commodity Exchange (MCX), the April contract traded lower by Rs 2.70, or 0.58% to Rs 455.80 per 10 kg in 91 lots.

Profit-booking by speculators and subdued spot demand had a negative impact.

Weakening trend in the overseas markets also put pressure on the prices.

Wweakening overseas trend was triggered due to speculation that palm oil's stockpiles in Malaysia will hold near a record as an export tax curbs demand influenced crude palm oil prices.

On the Malaysia Derivatives Exchange (MDEX), palm oil lost 0.80% to $765 a tonne.

Potato hits 4% upper limit on surging demand

Rising spot demand amid restricted arrivals from producing belts helped the trade

Potato futures for April shot up by Rs 34, or 4%, to Rs 883.90 per quintal in 33 lots.

At the Multi Commodity Exchange (MCX), the May contract traded higher by Rs 33.60, or 4%, to Rs 874.50 per quintal in 6 lots.

Rising spot demand amid restricted arrivals from producing belts in UP, Punjab and, Madhya Pradesh supported the potato futures trade.

Rabi oilseed area increases marginally : COOIT

Also estimates overall oilseed crop production for kharif and rabi season at 25.6 million tonne

The area, this rabi season, under oilseeds has witnessed a marginal increase of 2% to 90.94 lakh hectare owing to a rise in rapeseed acreage, according to Central Organization for Oil Industry and Trade.

COOIT also estimated the overall oilseed crop production for kharif and the rabi season at 25.6 million tonne compared to 26 million tonne last year.

Total vegetable oil availability from kharif and rabi oilseeds crops for the year 2012-13(Nov-Oct) is estimated to be tad up at 81.97 lakh tones compared to 81.52 lakh tones last year.

The import of vegetable oil during 2012-13 oil year (Nov-Oct) is also likely to increase by about 500,000 to touch 700,000 tonne and is estimated in the range of 10.7 to 10.9 million tonnes from 10.1 million tonnes last year.

Rapeseed-mustard including toria production increased to 7.3 million tonne from 6 million tonne last year.

THE HINDU Business Line

2 silkworm breeds released for field trials

Bangalore, March 18: The Central Silk Board (CSB) has released two high productive silkworm breeds – Bivoltine double hybrids (and improved cross breed for large-scale field trials.
Union Minister for Commerce, Industries and Textiles Anand Sharma released the breeds that will undergo large-scale field trials in Karnataka, Andhra Pradesh and Tamil Nadu.

These breeds have been developed by the CSB scientists and it is expected to enhance farmers' income significantly.

The Minister also launched the new vanya silk products made out of mill spun eri silk yarn, an outcome of joint research by CSTRI-Bangalore and NIFT-TEA knitwear Fashion Institute Tirupur, CSB and NIFT-TEA.

Sharma also launched Silk Mark India Fusion Label that gets integrated with the silk fabric.

Speaking on the occasion, Sharma called upon the stakeholders of sericulture and silk industry to help India to emerge as major silk producing and silk goods exporting country of the world.

He also assured to the stakeholders that there would be no roll back on the duty hike on imported raw silk.

Sharma also assured that the Centre will consider hiking custom duty on imported Chinese silk fabrics.

95% of teas sold at Coonoor sale

Coonoor, March 18: As much as 95 per cent of the year's lowest volume of 8.60 lakh kg offered for Sale No: 11 of Coonoor Tea Trade Association auctions was sold with prices rising Rs 2 a kg over the previous sale.
Cross Hill Tea Factory's tea, auctioned by J. Thomas and Co, topped CTC market.

"Our pekoe dust grade topped when Belmount Tea and Produce Co bought it for Rs 190. This is the highest price fetched by any CTC leaf or dust grade of any factory this week. Totally, our six marks fetched Rs 175/kg", Cross Hill Operations Head Dinesh Raju told *Business Line*.

Homedale Tea Factory's Pekoe Dust, auctioned by Global Tea Brokers, came close second at Rs 189 followed by Vigneshwar Estate tea, auctioned by Paramount Tea Marketing at Rs 178.

In all, 102 marks got Rs 125 and more a kg.

Among orthodox teas, Chamraj got Rs 260, Sutton Rs 226, Siruvani Rs 200, Havukal Rs 193, Glendale Rs 190, Kodanad Rs 189 and Highfield Estate Rs 185. In all, 28 marks got Rs 125.

Quotations held by brokers indicated bids ranging Rs 84-87 a kg for plain leaf grades and Rs 120-160 for brighter liquoring sorts.

They ranged Rs 98-100 for plain dusts and Rs 120-160 for brighter liquoring dusts.

Spot rubber rules static

Kottayam, March 18: Spot rubber closed unchanged on Monday. The market remained under pressure following the sharp declines in Tokyo rubber futures. The sentiments were also affected by a weak closing on the National Multi Commodity Exchange

(NMCE) but the prices managed to sustain at the prevailing levels on supply concerns.
Sheet rubber finished flat at Rs.162.50 a kg at Kottayam and Kochi, according to traders and the Rubber Board. Volumes were dull.

Meanwhile, the key Tokyo rubber futures weakened more than three per cent as the rubber inventories in Chinese warehouses and Japanese ports recorded a sharp rise.

In futures, the April contracts closed at Rs 163.90 (Rs 164.56), May at Rs 167.24 (Rs 167.00), June at Rs 168.91 (Rs 170.05), July at Rs 169.51 (Rs 172.10) and August at Rs 169.31 (Rs 171.75) a kg on the NMCE.

RSS 3 (spot) dropped to Rs 157.22 (Rs 158.96) a kg at Bangkok. The March futures declined to ¥260.4 (Rs 148.34) on the Tokyo Commodity Exchange.

Spot rubber rates Rs/kg were: RSS-4: 162.50 (162.50); RSS-5: 160.00 (160.00); Ungraded: 156.50 (156.50); ISNR 20: 160.00 (160.00) and Latex 60%: 108.00 (108.00).

Pricey organic mangoes make a splash this season

Mumbai, March 18: As the summer ushers in the mango season, demand for organic mangoes (from orchards that don't use pesticides to tackle inspects and chemicals to accelerate the ripening process and pesticides for the trees) are on the rise.
This has resulted in traders selling these mangoes at Rs 1,400 a dozen, while regular ones fetch Rs 1,000.

Ajay Vaishnav, a trader, said that the demand for organic mangoes has picked in the last three years.

People have become conscious about the ill-effects of calcium carbide that is used for ripening the fruits. Some orchards owners are making efforts to get certified from international agencies for organic mangoes, he said.

Amrita Kasbekar, Partner at Sankalp Farms near Pune that has over 10,000 mango trees, said ripening agents such as calcium carbide are known to be carcinogenic.

It is this awareness, which is weaning people away from the regular mangoes, she said.

The farm, spread over 170 acres, manages to produce about three lakh organic mangoes a year. The farm has also got organic certification from the French agency ECOCERT.

"We extensively use Neem as a fungicide and cow dung as manure. For insects, we use pheromone traps," Kasbekar said. A pheromone trap is one that uses hormones to lure insects.

A number of corporate houses such as TCS and Star network are allowing stalls to be set up in their office premises for sale of organic mangoes.

Dr Vivek Bhide, an expert who is also on the committee for constituting mango and cashew board in Maharashtra, said that it is still early days for organic mangoes to make a mark in the market. "What we require is research and development facilities that can help organic farming," he said.

Bhanu Farms sets up vegetables, fruits processing unit in M.P.

Kolkata, March 18: Bhanu Farms, promoted by Keshav Bangur's flagship BFL Corporation, has set up a 35,000 tonnes a year processing plant for fruits and vegetable at Jabalpur in Madhya Pradesh.

cold-chain facility

The processing unit, with a cold-chain facility, has come up at an estimated investment of Rs 60 crore.

Peas, American sweet corn, baby corn, white corn, cut green beans, carrot dices, broccoli, cauliflower florets besides mango, litchi, strawberry, orange and tomato pulps among others would be some of the products to be processed at the unit.

According to Anubhav Misra, Head, sales and marketing of Bhanu Farms, nearly 15 per cent of the plants total processing capacity would be met through the company's own farm spread over 100 acres.

The rest 85 per cent would initially be procured from farmers through mandis.

"The processing unit started operations in December 2012 with green peas supplied from our farm as well as procured through mandis. Moving forward, we plan to enter into contract farming arrangement with farmers for specific products such as beans, carrot and broccoli," Misra told *Business Line*.

The frozen products would be launched in Kolkata, Siliguri, Bhubaneswar and Patna under the brand – Nature's Gold.

The company has tied up with retail majors such as Metro and Reliance among others for supply of frozen fruits and vegetables.

Contract Farming

The company plans to enter into contract farming agreement with around 700-800 farmers in villages in and around its processing unit.

"For the next season starting August, we will look to procure a small percentage of our requirement through such arrangements," he said.

The share of produce procured through contract farming would slowly be scaled up to 35-40 per cent by January 2014, he added.

"The soil and climatic conditions in these areas are well suited to grow these crops. We only need to address the mindset of people. We will use our farm, which is also our R&D centre for demonstrating the crops to these farmers," he said.

AP unveils country's 1st 'action plan' for farm sector

To provide Rs 3,622 cr for agriculture power

Hyderabad, March 18: The Andhra Pradesh Government has come out with the country's first Budget proposals for the agriculture sector. It has proposed an action plan of Rs 25,962 crore for agriculture and allied subjects for the 2012-13 financial year. The programme earmarks Rs 17,694 crore for the Plan component, with the rest being allotted for non-expenditure.

Action plan

Presenting the exclusive 'Action Plan' for the primary sector at the Legislative Assembly here on Monday, Agriculture Minister Kanna Lakshminarayana pegged the total investments for the sector at Rs 98,940 crore against Rs 79,924 crore, an increase of 24 per cent over the last year. Investments included Rs 72,450-crore planned under the agriculture credit plan.

The Agriculture Minister announced a Rs 100-crore fund for market intervention to ensure minimum support price for crops such as paddy, jowar, maize, ragi and pulses.

A Rs 590-crore Natural Calamities Fund to provide farmers immediate relief in times of distress has also been proposed.

The other major allocation is for agriculture power. The Government would provide Rs 3,622 crore to power distribution companies (discoms) towards power subsidy.

It also talked about high-voltage distribution systems to about 2.50 lakh connections in 16 districts at a cost of Rs 1,115 crore.

With a view to add value to fams products, the plan allotted Rs 120 crore to set up oil palm processing units, rice bran oil mills, oleoresins and spice oil (chillies and turmeric) units.

Faux pas

Though the Government went to town about the first ever Budget for agriculture and allied subjects in the last few weeks, it finally came out with an Action Plan and not with a Budget.

The printed material suggested that it is Budget Speech but officials, at the last moment, struck off the word ‘Budget’ with a pen and mentioned ‘Action Plan’.

Another version doing rounds was, the Government had decided to avoid using the word ‘Budget’ as it could pose technical problems.

The Major Irrigation Ministry, too, objected to play a subservient role, claiming agriculture is a much smaller subject financially speaking.

Spot cardamom takes cues from futures, rules flat

Kochi, March 18: The cardamom market continued to stay sluggish last week with the prices remaining nearly flat at auctions. The individual auction average ruled below Rs 700 a kg.

Upcountry buyers were inactive and those in the market were not covering aggressively on the anticipation that the prices might fall further.

Many of them are hoping that the stocks held by farmers would be higher and that the release of inventory later would lead to a further decline in prices.

But, one of the market observers in Bodinayakannur, the main trading hub for cardamom in the country, told *Business Line* today that “the prices may not fall as the current crop has been less than 50 per cent of what it was last season”.

He said that “the market is following the speculative price trend on the computer screen instead of looking at and following the real market here”.

This means that players in the spot market are taking cues from the futures market.

He said the harvesting is over now.

Whatever material arrives at the market now is from stocks held over by farmers.

Good colour bold 8mm capsules were fetching Rs 1,050-1,100 and 7-8 mm material was sold at Rs 900-925 at the Bodi open market, he said.

Active exporters

However, exporters continued to be active and estimated to have bought about 30 tonnes of superior variety cardamom last week.

At the auction on Sunday conducted by the KCPMC, total arrivals increased to 72.5 tonnes from 64 tonnes on the previous Sunday and the entire quantity was sold.

The maximum price was at Rs 1,027 and the minimum was at Rs 454 .

Auction average price improved marginally to Rs 674.68 from Rs 646 last Sunday, KCPMC sources said.

arrivals and sales

Total arrivals and sales during the current season from Aug 1, 2012 to March 17 were at 9,604 tonnes and 9,116 tonnes respectively.

Total arrivals and sales during the corresponding period last year were at 14,653 tonnes and 14,225 tonnes respectively.

The weighted average price as on March 17, 2013 stood at Rs 757.74 against Rs 584.44 as on the same date last year.

Prices of graded varieties, slipped slightly due to slack domestic demand, in Rs/kg were: AGEB 940-950; AGB 680-690; AGS 660-670; and AGS -1: 650-660.

Dry spell continues to prevail in the growing areas with rise in temperature.

“At present, the plants are in good shape but, if the dry spell continued for long that would badly affect the plants. In fact, one summer shower in a month at least is inevitable for cardamom plants for its good being”, growers said.

Cotton wilts as higher prices curb demand

Rajkot, March 18: Demand for cotton declined after prices touched Rs 40,000 a candy last week.
Gujarat Sankar-6 cotton was down by Rs 100-200 to Rs 39,200-39,300 a candy (of 356 kg) for average quality.

Best quality Sankar-6 quoted Rs 38,500-38,800 while V-797 cotton A grade was Rs 30,500-31,000.

arrivals

About 32,000-33,000 bales of 170 kg cotton arrived in Gujarat and 95,000 bales cotton arrived across the country.

Total arrivals were reported at 20,000 bales in Maharashtra, Madhya Pradesh reported 9,000 bales and Gujarat reported 35,000 bales.

Kapas or raw cotton also traded lower by Rs 5 at Rs 975-990 for 20 kg. Kadi delivery kapas stood at Rs 995-1,010.

A Rajkot-based cotton trader said that demand was marginally down from mills' side on Monday after prices quoted Rs 40,000 on Saturday.

price outlook

Cotton price may further decline in this week.

However, according to traders and brokers, overall trend is bullish as arrival is low and export demand is likely to emerge.

Moreover, farmers were also retaining their produce and the revised estimate for cotton production for the year 2012-13 has also come down.

Cyprus effect cools edible oils market

Mumbai, March 18: Imported edible oils such as palmolein and soyabean oil ruled steady in physical market despite weak futures on Monday.
Malaysian palm oil futures closed lower as traders turned cautious after a radical bailout proposal for Cyprus triggering a broad-based decline in commodity markets.

Domestic soyabean oil futures closed lower by Rs 2.75-3.85.

In spot market, groundnut oil dropped by Rs 5 for 10 kg in line with bearish Saurashtra markets.

Rapeseed oil and cotton refined oil inched up by Rs 2 and Rs 3 each being a cheaper alternative. Sunflower oil was unchanged.

The volume was isolated due to year ending. Morale was cautious, said a broker.

In local market, activities remained dull on slack demand. There was a talk of some needy resellers selling palmolein at Rs 500-level in isolated trade.

Indigenous edible oils were also under pressure from higher arrivals of kharif crops.

Mustard seeds arrivals were 5.10 lakh bags in the country and prices were Rs 3,150-3,400.

Towards the day's close, Liberty was quoting palmolein at Rs 511 ex-Shahpur and Rs 508 ex-JNPT. Super palmolein was Rs 550 and sunflower refined oil Rs 780.

Ruchi was quoting palmolein at Rs 510 Patalganga and Rs 507 ex-JNPT, soyabean refined oil was Rs 641 for March and Rs 645 for April 1-10. Sunflower refined oil was Rs 771. Allana quoted super palmolein at Rs 550.

In Saurashtra-Rajkot, groundnut oil declined Rs 5 to Rs 1,860 for *telia* tin and by Rs 10 to Rs 1,210 for loose (10 kg).

Malaysian BMD crude palm oil's April futures settled lower at MYR 2,386 (MYR 2,406), May at MYR 2,386 (MYR 2,414) and June at MYR 2,385 (MYR 2,417) a tonne.

The Bombay Commodity Exchange spot rates (Rs/10 kg): groundnut oil 1,210 (1,215), soya refined oil 640 (640), sunflower exp. ref. 685 (685), sunflower ref. 770 (770), rapeseed ref. oil 697 (695), rapeseed expeller ref. 667 (665) cottonseed ref. oil 608 (605) and palmolein 505 (505).

Vikram Global Commodities, Chennai, quoted Malaysian super palmolein at Rs 555 ex-Chennai for April delivery.

Talk of stock release from warehouses drags pepper

Kochi, March 18: Pepper prices fell on bearish sentiments on Monday. Consequently, all the active contracts ended below the previous day's close.
Bearish sentiment has been created in the anticipation that more materials locked up in the warehouses being released soon. However, the lots cleared by checking laboratories a few weeks ago allegedly have not been released so far. This is notwithstanding the fact that some expert processors based in Idukki and Kochi are said to have deposited about 10 to 12 tonnes of pepper in the exchange warehouse after complying with the 'know your depositor' norms. Some five tonnes of pepper were reportedly deposited in December also, trade sources claimed.

"If the pepper cleared by the labs were released, it would in turn create strong bearish sentiments in the market. Some do not want this to happen and therefore, the material is not being released," market sources told *Business Line*.

Today, there was liquidation in the March and April. Turnover dropped marginally. There was no selling pressure on the spot except in Karnataka for low bulk density pepper. Thirty seven tonnes of fresh pepper arrived and of it 35 tonnes were traded all afloat at the average price of Rs 348 a kg.

Domestic demand is met by supplies from Karnataka, they said. March contract on the NCDEX decreased by Rs 355 to Rs 36,940 a quintal. April and May contracts dropped by Rs 175 and Rs 75 respectively to Rs 35,590 and Rs 35,650 a quintal.

Total turnover decreased by 76 tonnes to 1,143 tonnes. Total open interest fell by 175 tonnes to 2,506 tonnes. Spot prices fell by Rs 200 in tandem with the futures market to Rs 34,800 (ungarbled) and Rs 36,300 (MG 1) a quintal.

Indian parity in the international market was at $7,050 (c&f) at spot prices for March shipment while April and May were at $7,000 a tonne (c&f) levels.

Rice seen steady on domestic, overseas demand

Karnal, March 18: Despite restricted trading, the rice market witnessed a steady trend with prices of aromatic and non-basmati

rice ruling without much alteration from previous levels on Monday.
The market has seen some buying over the last few weeks and prices of full grain aromatic and non basmati rice are likely to rule around current levels for the next few days, said Tara Chand Sharma, proprietor of Tara Chand and Sons.

Traders expect that market may witness some need-based buying with marginal fluctuation in prices this week. Due to year-ending in March, buyers are placing smaller orders, he added.

Overseas demand especially from Africa, West Asia and South-East Asian countries is also supporting the market.

In the physical market, Pusa-1121 (steam) sold at Rs 7,650-7,700 a quintal while Pusa-1121 (sela) quoted at Rs 6,700-6,800.

Pure basmati (raw) quoted at Rs 8,500.

Duplicate basmati (steam) traded at Rs 6,500 . Sharbati (steam) quoted at Rs 4,900-5,000, while Sharbati (sela) was at Rs 4,800-4,850.

PR-11 (sela) was at Rs 3,200-3,250 while PR-11 (Raw) quoted at Rs 2,850-2,900 .

Permal (raw) sold at Rs 2,400 while Permal (sela) went for Rs 2,350.

For the brokens of Pusa-1121, Dubar quoted at Rs 3,300, Tibar sold at Rs 4,300 while Mongra was at Rs 2,600.

Paddy Trading

Around 1,000 bags of Pusa-1121 arrived at the Karnal grain market terminal and sold at Rs 3,400-3,500 a quintal.

Weak buying crushes soyabean, oil

Indore, March 18: Ahead of the expiry of March contracts on the NCDEX, soya oil has been ruling flat in Indore mandis for the past one week, even as there is absence of demand in the physical market. Though in the first four-five days of the last week, soya oil plummeted to Rs 640-45 for 10 kg.
However, as the date of contract expiry approach fast, downtrend has come to an end and its has been ruling firm at Rs 650-655 for the past two-three days.

Similarly, soya solvent also ruled stable at Rs 615-20 on absolute weak buying support. In futures also, soya oil traded lower on weak global and buying support with its March and April contracts on the NCDEX closing at Rs 686.30 for 10 kg (down Rs 3.75).

Amid an arrival of 65,000 bags, soyabean in State mandis ruled at Rs 3,400-3,500 a quintal (down Rs 50 from last week). Arrival in Indore was 3,000 bags, Ujjain – 3,500 bags and Dewas – 5,000 bags. Plant deliveries also ruled stable at Rs 3,550-3,600 on weak demand for soyameal. Soyabean futures also traded lower on weak global cues and buying support with its March and April contracts on the NCDEX closing at Rs 3,625 a quintal (down Rs 32) and Rs 3,487 a quintal (down Rs 7.50).

Weak demand has also dragged soyameal prices both in the domestic market as well as on the port. On Monday, soyameal prices in the domestic market ruled at Rs 30,800-31,000 , while on the port, it was quoted at Rs 31,800-32,000 a quintal.

Sugar rules flat on ample supply, slack demand

Mumbai, March 18: Sugar prices ruled unchanged at all levels on Monday as the trade awaited outcome of meeting regarding sugar policy.
Mills continued selling at prevailing rates that kept supply ample in local markets. On the other hand, local demand was need-based in middle of the month.

A wholesale trader said: “Activities remained routine as mills continued selling due to month-end. All were cautious ahead of the crucial meeting to be held at Delhi on policy changes regarding decontrol of sugar sector or hike in excise duty. As sugar prices are ruling weak in other producing centres demand here continued to be limited to only local distribution markets”.

On the NCDEX, sugar April futures declined by Rs 13 to Rs 3,030, May contracts dropped by Rs 20 to Rs 3,071 and June was lower by Rs 20 to Rs 3,149 till noon.

In Vashi market, arrivals were 64-65 truckloads (each of 100 bags) and local dispatches were 62-63 loads.

On Saturday evening, about 14-15 mills sold 43,000-45,000 bags to local traders for Rs 3,000-3,060 (Rs 3,000-3,060) for S-grade and Rs 3,100-3,200 (Rs 3,100-3,200) for M-grade.

The Bombay Sugar Merchants Association's spot rates were: S-grade Rs 3,142-3,221 (Rs 3,142-3,221) and M-grade Rs 3,226-3,401 (Rs 3,226- 3,401).

Naka delivery rates were: S-grade Rs 3,100-3,130 (Rs 3,100-3,130) and M-grade Rs 3,170-3,270 (Rs 3,170-3,270).
