

Soaring vegetable prices leave Mysoreans seething



Owing to poor arrivals in the market, prices have gone up, says Dyavappa, a vendor.

'Lack of rain to blame as it has made cultivation difficult'

Soaring vegetable prices have left Mysoreans vexed. Prices have not come down for almost one-and-a-half months.

Less stock

Vendors say the lack of rainfall is to blame as it has made cultivation difficult. Owing to poor arrivals in the market, prices have gone up, said Dyavappa, a vendor from Mellahalli, who sells vegetables here. According to him, vendors too are not happy to quote higher prices but they have no other option.

A kg of beans costs Rs. 80 in prominent markets such as Devaraja, Mandi, and Vani Vilas. At one point, the price went up to Rs. 120 a kg. Carrot costs not less than Rs. 80 a kg.

The cost of ginger has gone up to Rs. 160 a kg in Mysore.

Afsar, who sells ginger at the Devaraja Market, said that it costs Rs. 220 in the Bangalore market.

Lalita, who sells lettuce, says she gets it from Shimoga and Bangalore. Lack of rainfall has dissuaded farmers from growing it in and around Mysore. A small bunch of coriander costs Rs. 20 now against Rs. 5 last month. She used to get coriander from Ganjam, Vaddarahalli, Pandavapura, Hosahundi villages and other areas around Mysore, she said.

“I have reduced the quantity of vegetables I buy,” said Saroja, a housewife in Chamarajapuram. In fact, she manages with small quantities from vendors who come to her apartment. She said that buying vegetables from shops was a nightmare as they sold it at two or three times over the market rate. Both farmers and customers were suffering, it was only the middlemen who were rejoicing, she said.

Reasonably priced cotton seed keeps farmers happy



Cotton farmers are a happy lot, at least at the beginning of kharif this year, as they are able to purchase Bt cotton seeds much below the prescribed retail price. An ongoing war between Bt cotton seed manufacturing companies has flooded the market with different brands of seeds which has brought about the downfall in the price from the Rs. 930 to between Rs. 800 and Rs. 850 per packet weighing 450 grams.

According to insiders, Bt seed manufacturers have flooded the market with their popular products like Brahma, Mallika, Bunny etc to take care of the competition put up by a plethora of smaller companies that have sprung up lately. "At least 50 new companies have released their product into the market this season," says Chitikesh Narsaiah, a leading cotton commission agent who is also licenced to supply seeds and fertilizers in Adilabad.

"The usual shortage of Bt cotton seed here will not be experienced this year also because the area under cotton cultivation will be reduced drastically. "Farmers in the major cotton producing mandals like Jainad, Bela, Boath, Bazarhatnoor, Ichoda, Koutala, Sirpur (T), Kagaznagar, Dahegaon, Asifabad, Wankidi etc are likely to opt for soyabean this year," Mr. Narsaiah opines. According to independent estimates, the normal cotton area of 3.5 lakh hectares will be reduced by more than 50,000 hectares while the normal area under soyabean cultivation can go up by a similar extent to reach 1.75 lakh hectares. Only those farmers who are dependant on rainfall and are helpless owing to old debts will continue with cultivating cotton, say observers.

"The government had proposed an increase of only Rs. 100 over the maximum support price of Rs. 3,900 per quintal of cotton while it has increased the MSP for soyabean by Rs. 350 per quintal to Rs. 2,530. While cotton commanded good price at the fag end of the season soyabean brought handsome returns almost all through the season gone by," says Addi Ramchander Reddy, another cotton commission agent, as he forwards reasons for decrease in cotton area. The trend in availability of Bt cotton seed or reduction of area under cotton cultivation is not restricted to Adilabad district alone. Mr. Narsaiah says it can be seen across Telangana region and also in Vidarbha and Marathwada regions of neighbouring Maharashtra

Don't extract methane: farmers

'TNPCB denial to project is the victory for farmers'

Farmers of Tiruvarur district have appealed to the State government not to make operational the project for extracting methane from Cauvery delta districts as it is apprehended that it will affect underground water.

They made this appeal at the monthly farmers' grievances day meeting here on Thursday. They said both the State and the Central government owe an explanation to the people of the district on the project. Though the State government has signed a Memorandum of Understanding with a private company for extraction of methane from Cauvery delta districts, people do not know much about the project.

P.R.Pandian, a farmer from Kottur, said that Tamil Nadu Pollution Control Board (TNPCB) has denied permission to the methane project. This is the victory for the farmers. But farmers should fight against the project till the State and the Central government cancel the project

Over 1.2 lakh drought-hit farmers get ID slips

More than 1.2 lakh drought-affected farmers have been issued photo identity slips in Perambalur district to collect a relief amount of Rs 50.66 crore.

According to a release from Darez Ahmed, district collector, Chief Minister Jayalaliithaa has ordered a relief of Rs 60.79 crore to 1.58 lakh farmers in the district who have suffered a crop loss of more than 50 per cent.

Since May 2, distribution of relief is being carried out through the 52 primary agricultural cooperative banks (PACBs). This distribution is done after the issue of photo identity slips to farmers by the village administrative officers. Farmers can collect the relief amount from the PACBs using the slips and there is no necessity for them to submit any computerised chitta copy at the PACBs.

So far more than 94,000 farmers have collected a relief amount of Rs 42.15 crore.

Drought relief: farmers complain of irregularities

Say areas worst affected by drought were left out of the survey



dissatisfied: Farmers taking part in a meeting held at the Collectorate in Dindigul on Thursday.

Complaints over irregularities in distribution of drought relief to affected farmers, identification of right beneficiaries and careless survey of drought-affected areas by revenue officials marked the agriculturists' grievance day meeting here on Thursday.

Representatives of farmers' associations complained that many affected farmers were not included in the beneficiary list. The areas worst affected by the drought were left out of the survey conducted by the Village Administrative Officers (VAO), they said and demanded a re-survey to identify the actual affected areas and genuine beneficiaries. Farmer V. Durai Kannan from Eriyode charged that compensation was not distributed properly. The VAO did not verify

the affected areas in person. He had prepared the drought report on the basis of available records. There were irregularities in distribution of compensation to farmers in Kombaipatti, Eriyode and Kovilur. One farmer received a compensation of Rs.72,000 for the crop loss in 10 acres while the government offered only Rs.3,000 per acre as compensation, he complained. Collector N. Venkatachalam agreed that the farmer was eligible to receive only Rs.30,000 and ordered an enquiry.

Kambiliyampatti farmers' representative M.C. Natrayan said that more than 2,000 farmers were affected and standing crops in 3,000 acres destroyed in his village. But compensation was given to mere 266 farmers only.

Farmers D. Thangaraj and R. Satyan appealed to the district administration to direct insurance companies to pay the compensation for sugarcane farmers.

The Collector advised the farmers to use water judiciously as the storage level was low in many water bodies. The total rainfall in May was 104.77 mm, 95.63 mm less than the average rainfall of 199.8 mm and this reflected in poor storage level, he said.

Of the total 91,488 wells in the district, 10 per cent had enough water that could be pumped for two to three hours in a day. From the remaining wells, water could be pumped for one to two hours only. Farmers should raise short-term crops such as small grains, pulses and oil seeds.

There was adequate stock of hybrid seeds and fertilizers, he assured.

The farmers need not pay any tax for lifting silt from irrigation tanks. But if they used silt for commercial purposes such as making bricks, they should pay the tax, he clarified.

Private water suppliers exploit groundwater sources

Borewells in several parts of town go dry, intensifying drinking water problem



Illegal: A private tanker is being filled with water from a borewell near Erode. The indiscriminate pumping of groundwater by private suppliers intensifies water scarcity in Erode town. —

PHOTO: M. GOVARTHAN

Overexploitation of groundwater by the private suppliers has left borewells in several parts of the town dry, intensifying the drinking water problem and leading to environmental hazards.

Since there is a huge demand for water, a few persons had drilled a number of boreholes in the town, particularly in the newly added areas of the Corporation, for the purpose of selling the water to private suppliers.

“Some of the boreholes in our area were drilled more than 1,000 ft deep and generators were installed to pump water from these boreholes round-the-clock. We see several tankers making more than 200 hundred trips to the town everyday carrying thousands of litres of water from our area,” R. Eshwaramoorthi, a resident in Ragupathinaickan Palayam, said.

The overexploitation of groundwater has left almost all the boreholes in the area dry, forcing the residents to depend on the private suppliers for water requirement, he added.

Though there were established norms to prevent the overexploitation of groundwater, officials in the civic body and water resource organisation of the public works department were yet to make any efforts to address the issue.

“Overexploitation will result in land subsidence, salt intrusion, aquifer depletion, water quality degradation and other environmental hazards . It is a serious problem. Water has become a big business,” admits an official in the public works department, who did not wish to be quoted.

The problem of overexploitation of water exists in almost all the parts in the district.

“Water is the most sought after commodity following the monsoon failure. A private supplier charges his customer at least Rs. 2, 000 to Rs. 2,500 per fill. The supplier pays a minimum of Rs. 1,500 to Rs. 2,000 to the seller of the water. If a land owner allows 10 trips a day from his borehole, he earns at least Rs. 15,000. It is a huge money. So many persons have purchased generators and installed motors with the horsepower (HP) ranging from 20 to 30 to draw the water and sell it. Some of the land owners have even drilled more than two boreholes in their land and drawing water from them,” pointed out District Secretary of Tamil Nadu Farmers Association T. Subbu.

“Groundwater is a scarce and shared natural resource. But a few individuals have built a profitable business by overexploiting groundwater,” he charged.

Many farmers and residents appealed to the authorities concerned to initiate immediate measures for the effective regulation of groundwater abstraction.

Many councillors in the Corporation have also expressed serious concern over the issue and urged the civic body to address the problem.

Officials, however, said it was difficult to monitor the pumping of water from the boreholes. We could, however, regulate the supply from the private players, they said

Move to ban gutka will hit areca growers: Kateel

Nalin Kumar Kateel, Dakshina Kannada MP and Bharatiya Janata Party (BJP) leader, said on Thursday that the State government's sudden decision to ban gutka will spell doom for a large number of arecanut growers.

Addressing presspersons here on Thursday, Mr. Kateel said thousands of farmers in Dakshina Kannada, Uttara Kannada, Udupi, Chikmagalur, and Shimoga grew arecanut. The government's decision would affect the livelihood of these arecanut growers.

Instead of banning Gutka, the State government should have taken other measures such as removal of addictive substances which went in the manufacturing of gutka. Even if the government decided to remove arecanut products from gutka, it should have come up with some alternative scheme to help arecanut growers.

"We are not against the ban on gutka, but the government should come up with an alternative programme to help arecanut growers", he said.

Though many states banned gutka, the former Chief Minister Jagadish Shettar had not banned Gutka as it would affect a large number of farmers. Instead, he provided support price for arecanut, he said.

Mr. Kateel said the government's reported move to bring the Sri Krishna Math/Temple under the Muzrai Department too was not well thought of. Chief Minister Siddaramaiah had not been able to explain the reason for this reported move.

The State government's other move to reverse the Karnataka Prevention of Cow Slaughter and Preservation (Amendment) Bill, 2012 passed by the previous BJP government, and restore the previous Karnataka Prevention of Cow Slaughter and Cattle Preservation Act, 1964, too was a wrong move. "Both these moves were against the sentiments of the majority community", Mr. Kateel said.

Kota Srinivas Poojary and Monappa Bhandary, MLAs, were present.

Expect more rain in Bidar this year

Rainfall will be 10 per cent more than normal

Rainfall in Bidar district is expected to be 10 per cent more than normal.

"The Meteorological Department has also predicted that the number of rainy days will be more than 58 this rain year (June 2013 to May 2014)," said Vishwanath Biradar, weather scientist at the agricultural research station.

He was speaking at a pre-monsoon training programme for farmers at the Krishi Vigyan Kendra here on Thursday.

More than last year

Dr. Biradar said rainfall was expected to be at least 20 per cent more than that of last year.

The annual average rainfall over 112 years was 855 mm rain, but last year, the district received only around 670 mm. This was enough to sustain crops, but it did not improve groundwater level. This year, the district might get 850 to 900 mm rain, he said.

Early signs

According to him, the first monsoon showers are expected between June 7 and 11. The movement of cold winds from the Arabian Sea towards the mainland started on May 23. This was an early sign of a normal monsoon, he said.

The highest amount of rainfall was expected in August, Dr. Biradar said. Farmers who choose to cultivate crops harvested in August should pick varieties that can withstand heavy showers and stand in inundated fields, at least for a few days, he advised.

For example, soya bean would not be affected by heavy rain, whereas farmers would have to be careful about sensitive crops such as green gram and niger.

Special red gram planting method from Bidar catching on

It is being practised in Andhra Pradesh, Maharashtra and Tamil Nadu too

A special technique of planting red gram, developed by farm scientists here, is gaining popularity beyond the State.

The 'Bidar red gram technique' (BRT), developed by the Agriculture Research Station (ARS) and popularised by the Krishi Vigyan Kendra (KVK), is being practised by growers in Andhra Pradesh, Maharashtra and Tamil Nadu.

The method involves raising seedlings in polythene bags and transplanting them in the field after a month. This has increased the yield by three or four times, while also reducing the cost of inputs.

Farmers who harvested around five quintals an acre now get yield of 15 quintals an acre using this method, claims C.R. Konda, head of research at ARS in Bidar.

According to him, a seedling raised this way is like a potted plant. It gets focussed attention and does not have to compete for food, water or sunlight. As the rate of mortality is low, there is no need for extra seeds. This brings down the cost of cultivation.

Besides, he explains, transplantation increases the pod bearing strength of the plant. In the traditional method, a plant that can bear between 50 and 100 pods. But, a transplanted seedling can bear up to 2,000 pods, thus increasing the yield. The technique is also used for cotton crop in Gadag, Dharwad and Bagalkot districts, he adds.

Labour intensive

“However, the system has some limitations,” admits Ravi Deshmukh, programme coordinator, KVK, Bidar. First, it is labour intensive, as people have to fill the polythene bags with mud and fertilizer and dibble seeds in them. Seedlings require care for the first 35 days before they are transplanted. Besides, transplantation should be done by hand, thus calling for more manual labour.

Second, the crop needs protective irrigation twice in its 90-day lifecycle. If farmers can ensure these two conditions, they can hope for significantly higher yields with lower costs, Mr.

Deshmukh claims.

DC cancels leave for Agriculture officials

Deputy Commissioner N.S. Prasanna Kumar has cancelled all leave for officials from the Agriculture Department who are required to monitor the supply of fertilizer and seeds for the kharif season.

Presiding over a meeting of Agriculture and Revenue officials here on Thursday, Mr. Kumar said no official would be allowed to leave the headquarters or place of posting and no leave would be

sanctioned to assistant agricultural officers whose presence was required for the smooth supply of fertilizer and seeds to farmers in the next two months, without the permission of the Deputy Commissioner. He called for proper coordination between the Agriculture and Revenue departments to ensure that the process was completed without any trouble.

Inspection

The Deputy Commissioner asked deputy tahsildars to visit the raitha samparka kendras and VSSNs in the district to conduct checks.

Fertilizer should be sold as per the new rates, he added. With the price of urea having fallen, even as there was a slight increase in the prices of complex fertilizer, demand for urea had increased. However, farmers should be made aware that only urea would not help increase the yield, he said.

Annual crops, tea gardens benefit as rain lashes Udhagamandalam

Pedestrians inconvenienced as rainwater inundates roads



Determined to enjoy themselves:Undeterred by rain, tourists headed for the Government Botanical Garden and other places of interest, in Udhagamandalam on Thursday. -Photo: M. Sathyamoorthy

Even as the South West Monsoon which played truant last year was being eagerly looked forward to this year by all sections of the society in The Nilgiris, Udthagamandalam and its surroundings experienced a welcome downpour accompanied by thunder on Thursday. The rain lasted for about an hour.

Owing to faulty storm water drains, it flooded some of the roads, including the Snowdon Road and the Old Garden Road.

In the process it subjected pedestrians to considerable hardship.

However the rain did not deter the large number of tourists who are here from proceeding to popular tourist spots like the Government Botanical Garden, the Ooty Lake and Doddabetta Peak.

Welcoming the rain, farmers told *The Hindu* that it was highly beneficial to standing annual crops and tea gardens.

Official sources said that some of the reservoirs in Ooty had benefited.

While Pandhalur received fairly good rains, Kotagiri, Coonoor and Kundah experienced only a drizzle.

RARS readies coconut seedlings

Hybrid variety to be supplied on June 1 in a tradition over 25 years old



Quality hybrid coconut seedlings will be distributed at the Kerala Agricultural University's Regional Agricultural Research Station (RARS) at Pilikode in Kasaragod on June 1, a practice the station has been following for more than 25 years.

The RARS, covering Kasaragod, Kannur and Kozhikode, is known for its hybrid coconut varieties as it was there the world's first coconut hybrid was evolved in 1936.

K. Abdul Kareem, Associate Director of Research, RARS, said preparations were under way for the delivery of hybrid coconut seedlings on June 1.

The station had been meticulously delivering this service to farmers on the first of June every year, when hundreds of farmers from the State and outside would throng the station to purchase the seedlings, he said.

"The coconut hybrids developed at the RARS include Lakshaganga, Anandaganga, Keraganga, Kerasree and Kerasoubhagya. Of these, Kerasree, Lakshaganga, and Anadaganga are the varieties produced for sale this year," Dr. Kareem said.

He said the gate of the station would be opened at 4 a.m. on June 1, coupon/printed application form would be distributed from 8 a.m. and billing would start at 9 a.m.

As many as 20,000 seedlings were ready for sale and one applicant would be given a maximum of 10 seedlings.

A hybrid seedling would cost Rs.100 and a non-hybrid one, Rs. 40.

Dr. Kareem said a hybrid coconut would yield 100 nuts a year.

"A hybrid seedling is the result of nearly three years of precise, and persistent effort of a team of labourers, technical staff, administrative staff and scientists," Dr. Kareem said.

Temple City not green enough

Public urged to plant saplings and maintain them



GREENERY: Trees planted as part of the afforestation on the premises of Tamil Nadu

Polytechnic in the city.— Photo: G. Moorthy

: To offset the eroding green cover, the Forest Department and a few NGOs are constantly finding ways to plant more trees in the Temple City.

But statistics indicate that the green cover is inadequate, and that the planting of saplings needs to be stepped up.

Forest data establish that only 20 per cent of Madurai district is under a green canopy. The ideal forest cover requirement for any geographical area is 33 per cent, says District Forest Officer A.S. Marimuthu.

The Forest Department claims it planted nearly two lakh saplings in 2012.

The rock afforestation project and the massive tree planting drive extended the green cover, but a lack of proper maintenance resulted in loss of trees and the extent of green cover continues to be a mirage, say forest officials.

According to the Forest Department records, rock afforestation was carried out on 10 hectares of reserve forest near Kodimangalam.

Aavi, neem and peepal saplings were planted on 20 hectares near Usilampatti and Sholavandan.

“We maintain the saplings in the reserve forests. But the saplings planted in educational institutions have to be overseen by the respective managements.

The survival rate of the saplings in reserve forests is 80 per cent, whereas it is less than 70 per cent in educational institutions and other public places”, Mr Marimuthu told *The Hindu* .

In February 2013, the Forest Department planted 6,500 saplings in public places, schools, colleges and residential areas to mark Tamil Nadu Chief Minister Jayalalithaa’s

65th birthday. “We do have internal and external monitoring teams that visit the places where the saplings are planted. The teams supervise the maintenance of the saplings once in three months for three years. However, a few are felled for developmental projects and some die due to lack of adequate rains, and because of drought.

In schools and colleges, trees wither during the summer vacation because there are no staff to take care of them”, Mr Marimuthu says.

M. Sheik Dawood, president, Walkers’ Club, says that the club’s bore water is insufficient to maintain the trees.

“The Forest Department planted around 150 saplings on the club’s premises in February. We undertook the maintenance. But the water available with us was inadequate. Therefore, we purchased two tankers of water every week to meet the needs of our saplings here”, he says.

“We ensure that all trees are in good condition. If there is any obstruction to the growth of the sapling, we replace it with a fresh one immediately,” he adds.

Despite the claims of the Forest Department that the survival rate of trees in educational institutions is low, a number of educational institutions in the city are interested in enhancing the green cover on their campuses.

“Last year we planted only 20 saplings. This year, we will plant at least 100 with the help of the Forest Department”, says C. Muthiah, principal of Kendriya Vidyalaya, Narimedu.

Tamil Nadu Polytechnic maintains the 50 saplings planted by Madurai Green, a non-governmental organisation (NGO), last year.

“We already have several trees on our campus. These trees add to the green cover of our campus and we will be planting more herbal trees this year,” said R. Anbukarasi, principal.

Supplementing the initiatives of the Forest Department, a few NGOs are also working to improve the forest cover. Madurai Green planted 36,800 saplings in the city last year.

“This year our target is 40,000. We have the support of nearly 160 residents’ welfare associations to support our mission. After planting saplings, we visit the places every month and replace the saplings if they do not survive”, says N. Chidambaram, project coordinator of Madurai Green.

“We also provide training for youth to set up nurseries for their living. We organise ‘green walks’ every month to create awareness of the significance of trees,” he adds.

Mr Marimuthu says that the survival rate of saplings planted in farmlands and maintained by the farmers is 90 per cent.

The Tamil Nadu bio-diversity conservation project launched in 2011 involves farmers in conservation. Around 62000 saplings were planted in 10 villages in Usilampatti through the project last year.

“We are trying to raise awareness among farmers of the benefits of conserving trees. We have planted species such as teak, kumil, sandalwood and casuarina trees in their farmlands and, in the long run, they will be able to enjoy the benefits,” say the forest officials.

Coconut farmers to get drought relief

The government has allocated drought relief of Rs.4.85 crore for coconut farmers, said Joint Director of Agriculture M.Syed Ahamed Meranji.

In a press statement issued here on Thursday, he said that owing to severe drought, 50 percent of the yield was affected in the coconut plantations raised in over 12,127 acres in Kanyakumari district.

The Chief Minister has ordered that Rs. 4,000 per acre be issued to each affected farmer.

Deposited in banks

The funds had been deposited in the Primary Agriculture Co-operative Banks (PACB).

The affected farmers could receive the money from their respective PACB after submitting the required documents, he added in the release.

Cane farmers form national-level body to negotiate with Centre

In the wake of the Rangarajan Committee report that has recommended far-reaching changes in the sugar policy, the farmers across the nation have joined hands to form Indian Sugarcane Farmers' Association, according to R.V.Giri, general secretary of the Tamil Nadu chapter of the Consortium of Indian Farmers' Associations (CIFA).

Mr Giri said the national conference of the sugarcane farmers held recently in Bangalore under the aegis of the CIFA had unanimously agreed to the two recommendations of the committee such as dispensing with the levy sugar obligation on sugar mills and also doing away with the quantitative restrictions on sugar sale in the open market.

However, the CIFA noted with concern that another recommendation relating to profit-sharing between the sugarcane farmers and the sugar mills in the ratio of 70: 30 (of the total proceeds to be obtained through the sale of sugar and by-products such as molasses and bagasse) remained a contentious issue.

Recovery rates

Even though the sugar mills were yet to come to terms with the profit-sharing recommendation, there existed a vast disparity among the farmers in terms of varied recovery rate.

Sugarcane raised in the States of Tamil Nadu and Uttar Pradesh had an average recovery rate of 9.2 per cent (or in other words 92 kg of sugar can be obtained from every 1,000 tonnes of sugarcane) but their counterparts in the States of Maharashtra, Karnataka, Punjab and Haryana used to get a recovery of up to 11 per cent. Therefore, if the profit sharing formula were to be applied the farmers of the latter four States would stand to gain. Therefore, the CIFA had deemed it fit to form the Indian Sugarcane Farmers' Association (ISFA) to take up the issues pertaining to the sugarcane farmers at the national level, he said.

The CIFA has authorized the ISFA to hold talks with the Centre as well as with the Indian Sugar mills Association to find solutions to any outstanding issue in the sugar sector.

Since the CIFA was an umbrella organization, comprising farmers raising various crops, it had set up the 'Sugarcane council' to deal exclusively with the sugarcane related issues.

In this 11-member council Mr Giri and G. Ajithan of the Salem Cooperative Sugar mills are the members. It would be good for the Tamil Nadu sugarcane farmers if the State government comes forward to discuss the issues touched upon by the Rangarajan committee, Mr. Giri said.

Putting his green thumb to test



Eco-way:Rohini Vijayan Nair interacts with workers at his farm in Thiruvananthapuram.

Farming is no 'hobby' for Abu Dhabi-based businessman Rohini Vijayan Nair from Vithura.

Realising that the rooftop garden at his flat in Abu Dhabi is just too small for his experiments, this agri-enthusiast has now taken up farming in 100 acres of land at his hometown here.

"I needed to do a little more than terrace cultivation and thus took to farming in 100 acres of rubber plantation last year," says Mr. Nair, who manages to juggle farming in Kerala and business abroad.

Thanks to his effort and willingness to take up farming amidst his busy schedule, the land is now full of medicinal and indigenous plants, tropical trees, and various fruit trees along with rubber trees. He has also taken up banana and cashew cultivation.

But unlike other farmers, this man wanted to make sure that his farming techniques did not, in anyway, affect the natural pattern of the soil and land. The search for a suitable farming method finally ended with the zero-budget natural farming advocated by noted agricultural scientist Subhash Palekar.

“The method involves using locally obtainable natural bio-degradable materials and traditional techniques to improve fertility. Though it is not ‘zero-budget’ here as many other factors such as the State’s climate and the labour cost have to be taken into account, it is a highly successful model,” he says.

And those who need proof of how beneficial and environment-friendly the method is, Mr. Nair has a test farm. In three sections of this land, he has been using bio-fertilizers, chemical fertilizers, and ‘Jeevamritham’ (fertilizer used for zero-budget farming), separately.

“When visitors ask me how nature-friendly the technique is, I want to show them the results of the three types of farming, their pros and cons. When they see the test farm and the produce, they themselves will understand how profitable budget farming is,” Mr. Nair says. His date with farming does not end here. He takes classes for school children and organises field trips to his farm for them.

He says that many people have land but are not willing to cultivate. “But the younger generation is willing to listen and if we inculcate an interest in them, may be we can bring back what we have lost,” Mr. Nair says

100 p.c. subsidy for drip irrigation

Cent per cent subsidy will be granted to small and marginal farmers choosing to go in for drip irrigation in Tiruchi district. According to a release from Jayashree Muralidharan, Collector, Tiruchi district has been given a drip irrigation target of 950 hectares for horticultural crops and 535 hectares for other crops.

Earlier, small and marginal farmers were getting a subsidy of Rs. 43,816 an acre. As per the new order, small farmers will get 100 per cent subsidy (up to five acres), marginal farmers cent

per cent subsidy (up to 2.5 acres), and other farmers 75 per cent subsidy. The maximum area eligible for subsidy is five hectares.

In order to get 100 per cent subsidy, the farmer should be small or marginal with own land or with 10-year lease. The land should have adequate water and should have a pumpset.

Applications would be considered on first-come-first-served basis. Small and marginal farmers should have certificate from tahsildar. The subsidy would be paid according to the spacing adopted while raising the crops.

This subsidy would be extended through the Department of Horticulture.

Those interested could contact horticulture or agriculture officers in their region for details and applications.

Rice prices continue to rise in Krishna district



Matter of concern: With little paddy procurement from farmers, prices of white/fine rice have been soaring for the past fortnight.

White Rice Price variation in Krishna District

Rice variety	Prices are per 25 kg bag	
	March 2013	May 2013
1061 average quality	Rs. 400	Rs. 500
1061 fine quality	Rs. 600	Rs. 750
BPT average quality	Rs. 750-800	Rs. 900
BPT fine	Rs. 900-1000	Rs. 1100
Samba	Rs. 1000	Rs. 1100

There was an average Rs. 100 to Rs.250 increase per 25 kg.

With farmers possessing almost no paddy grown in the kharif 2013, middlemen and rice millers are having a field day in fixing prices of various varieties of rice in the market in Krishna district.

Given the monopolistic behaviour of all people involved in the rice business between the farmer and consumer, prices are skyrocketing since early March. There was an average Rs.100 to Rs.250 increase per 25-kg bag of any quality or variety of rice in wholesale market. "It was not the demand for rice from customers in wedding season to blame for soaring prices. The prices are expected to go up further in next few weeks as there was no paddy production in rabi season in Krishna district," Machilipatnam Rice Merchants' Association president Y. Sekhar told *The Hindu*.

The varieties largely preferred by all classes of people from all income groups are 1061, BPT (grown in Krishna district) and Samba which is largely imported from neighbouring Godavari districts. "One kg of fine quality Samba variety rice is Rs.48 now which was between Rs.35-38 in March in wholesale market.

Though rising of prices is a common phenomenon, the rate of increase is much higher this year” said K.V.N. Prasad, a wholesale dealer from Machilipatnam rice market. The fluctuation in rice prices normally witness during the post-rabi season, in which local variety M7 production would influence in price fixation.

However, there was no production of M7 in the recent Rabi in Krishna district due to ongoing canal modernisation works. According to wholesale dealers, the middlemen from other parts in Andhra Pradesh now eyed on Kharif paddy, which was stored by big farmers.

‘India doesn’t seem sincere about implementing framework on tobacco’

World No Tobacco Day will be observed today

Anti-Tobacco Forum convener Vasanthkumar Mysoremath has expressed concern that India “is not sincere about implementing the Framework Convention on Tobacco Control (FCTC) despite being a signatory to it”.

Grim reality

Speaking on the eve of World No Tobacco Day on May 31, Mr. Mysoremath said there was a death every 8 seconds as a direct result of using tobacco products. However, no sincere efforts were being made to tackle the issue on a war-footing, he alleged.

He said the World Health Organisation’s FCTC requires that all 174 countries that are signatories to the agreement to reduce availability of tobacco by 80 per cent by 2020.

However, only 19 countries have implemented comprehensive national bans so far.

The statistics

Mr. Mysoremath pointed out that India produces 620 million kg of tobacco annually and is the third largest producer after China and Brazil and second largest consumer after China.

Globally, 6 million people die annually and more than 80 per cent deaths occur in the developing world, he added.

One-third of the global adult population and almost half of the children are regularly exposed to second-hand smoke (SHS) while 6,00,000 people die each year from exposure to this. Mr. Mysoremath added that in India, more than 50 million women are exposed to SHS during pregnancy.

Citing the Global Adult Tobacco Survey India Report, he said that 34.6 per cent of adults in India were using tobacco while 5,500 Indian youth began using tobacco every day.

Criticising the government for not curbing tobacco production, Mr. Mysoremath said it was a paradox that elected representatives were sympathising with the demands of tobacco farmers and putting pressure on the Union government to give better prices even for illegally grown tobacco.

Incidentally, Periyapatna, Hunsur and H.D. Kote in Mysore district are among the leading tobacco cultivating taluks in the country.

Suggested deterrents

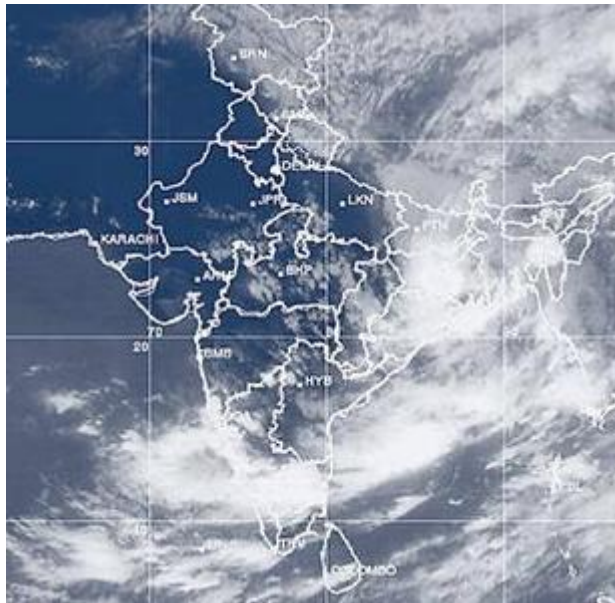
Mr. Mysoremath said that prices of cigarettes as well as smokeless tobacco should be increased. He also urged the Tobacco Board to refuse to procure tobacco grown in excess by licensed farmers as well as tobacco cultivated illegally.

He also called for a 10 per cent reduction in the number of licence-holders every year and an annual 10 per cent reduction in the acreage of permitted land for cultivation by licensed tobacco farmers.

Mr. Mysoremath added that the license renewal fee should be hiked by 100 per cent every year

He added that to process 1 kg of tobacco, 7 kg of wood was required. This translated into more than 1,65,000 trees being cut per season

weather



New Delhi (Plm)	44	29	0	27
New Delhi (Sfd)	43	28	0	22
Chandigarh	42	24	0	52
Hissar	44	22	0	41
Bhuntar	33	11	0	173
Shimla	27	17	0	136
Jammu	34	22	0	55
Srinagar	23	8	1	223
Amritsar	43	23	0	16
Patiala	43	25	0	28

Jaipur	43	32	0	21
Udaipur	40	28	0	15
Allahabad	43	29	0	11
Lucknow	41	26	0	1
Varanasi	42	28	0	21
Dehradun	40	23	0	44
Agartala	33	25	12	793
Ahmedabad	41	27	0	6
Bangalore	31	22	1	149
Bhubaneshwar	32	24	7	119
Bhopal	42	29	0	53
Chennai	38	28	0	86
Guwahati	33	23	34	568
Hyderabad	39	22	8	61
Kolkata	27	25	26	153
Mumbai	35	29	0	0
Nagpur	45	33	0	24
Patna	37	28	0	36
Pune	36	24	0	3
Thiruvananthapuram	33	25	0	217
Imphal	30	23	11	415
Shillong	26	16	38	366

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

Heat wave

Heat wave conditions are prevailing over isolated pockets of west Rajasthan and south Uttar Pradesh.

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

MAXIMUM TEMPERATURES: The maximum temperatures rose in Himachal Pradesh and changed little elsewhere. They were appreciably above normal in Haryana, Punjab and Uttarakhand, above normal in west Rajasthan and west Uttar Pradesh, markedly below normal in Jammu and Kashmir and normal in rest of the region.

The highest maximum temperature in the region was 46.1°C recorded at Dholpur (Rajasthan).

FORECAST VALID UNTIL THE MORNING OF 1st June 2013: Weather would be mainly dry over the region.

FORECAST FOR DELHI AND NEIGHBOURHOOD VALID UNTIL THE MORNING OF 1st June 2013: Mainly Clear sky.



THE TIMES OF INDIA

Tree census begins in Coimbatore

A tree census was conducted in the city on Wednesday by Forest College and Research Institute, Mettupalayam, along with some voluntary organisations. On Wednesday, they assessed the tree cover in Ramnagar. A full-fledged study will be conducted from June 5 for all wards within Coimbatore corporation.

The members, consisting of students from the institute and member of various environmental organisations were divided into groups of five and took stock of the trees in the area.

A Balasubramanian, a professor at the institute and co-ordinator of the programme said based on this study the potential spaces for tree planting can be identified so that further corrective steps can be initiated. He also added that the tree's length, width and even the GPS position will be noted using sophisticated equipment like clinometer, haga altimeter and tree range finder.

NI Jalaludin, president of Nature Conservation Society (NCS) said residents were pleased with the initiative. "We thought people would not allow us to enter their homes to assess the trees. However, as people had read about this in the newspapers, they responded very well to our initiatives," he said.

"We are attempting to take a detailed stock of the trees in the region. According to the directions of the United Nations, 33 per cent of the human living area must be tree cover. Trees are the only living organisms which can generate oxygen and contain pollution. The data will help us assess and improve the environment," he said.

Forest department to plant 50,000 saplings in Belgaum

The forest department will plant more than 50,000 saplings at various places across the city during this monsoon. The saplings will be planted from June 5.

Majority of the saplings will be planted in prime locations, new layouts and government open lands. Apart from this, the forest department will also distribute saplings to colleges, organisations and industries. Nearly 12 varieties of plants

like Sampige, Bevu, Sandalwood, Singapore Churi, Bottlebrush will be planted across the city. Belgaum city corporation and Belgaum Urban Development Authority will also help forest department financially. According to officials, more than 50,000 saplings of various species would be planted in the next three months. Plantation drive will start from June 5 and will be completed by September.

"The plantation drive will start from Ramthirthanagar and other prominent and new layouts across the city. Already people have started showing keen interest in growing plants; they should continue the same in their respective localities and if possible, they should form 'Plant Protection Committee' in their respective localities. Once we plant the saplings, the public role is also very important, we may come once in ten days, but it is the responsibility of the concerned public to see that the plants are growing. If possible, they should put water to plants, which are nearby to their houses. Apart from Ramthirthanagar, the saplings will also be planted in Autonagar, Ruckmininagar and other open spaces," added Ambady Madhav, Deputy Conservator of Forest, Belgaum.

The monsoon is expected to hit the district by June. The weather department has forecast normal rain during coming three months. Similar green initiatives have been taken in the past by the forest department.

Seed producers undergo training

A monthly training camp of Seed Producers and Nursery Growers Association (SPNGA) was organized at Punjab Agricultural University. The camp was coordinated by the Directorate of Extension Education of the PAU.

During the camp, Dhaliwal, programme director and additional director of extension education, gave marketing tips for farm products with special emphasis on seed and nursery. Besides, the university experts dwelt upon the quality seed production of vegetable crops, protection of plant varieties and farmer's right, and nursery production.

Stressing on increasing the farm productivity, SPNGA president, PPS Pangli laid emphasis on the growers to maintain regular contact with the PAU experts for timely technical expertise and guidance.

TS Riar, coordinator, SPNGA, laid thrust on the cooperative seed marketing system and production orientation concept.

Chennai – INDIA

Today's Weather



Friday, May 31

Max Min

34° | 28°

Partly Cloudy

Rain: 0

Sunrise: 05:41

Humidity: 70

Sunset: 06:31

Wind: normal

Barometer: 1004

Tomorrow's Forecast



Saturday, Jun 1

Max Min

34° | 29°

Cloudy

Extended Forecast for a week

Sunday

Monday

Tuesday

Wednesday

Thursday

Jun 2

Jun 3

Jun 4

Jun 5

Jun 6



35° | 29°

31° | 28°

35° | 27°

36° | 27°

36° | 27°

Cloudy

Overcast

Overcast

Overcast

Overcast

Jayaltheaprotessparidecontroofsugarsector

Tamil Nadu government on Thursday strongly protested the Centre's decision to partially decontrol sugar sector, saying the move to remove levy obligation on sugar mills and decontrol the regulated release mechanism will adversely impact supply of the sweetener through PDS. Chief minister J Jayalalithaa said that there was no clarity over the continuance of Centre's subsidy scheme in this matter beyond the financial year 2014-15.

At present, levy sugar released to Tamil Nadu by Centre was 10835 MT per month which met only one third of the total requirement for distribution under PDS.

Her government was already incurring heavy expenditure towards providing subsidy for supply of sugar through the PDS, she said in a letter to Prime Minister Manmohan Singh.

Under the new dispensation, Centre will provide a subsidy of Rs. 18.50 per kg only for the quantity committed under levy, but to be procured in the open market, with a rider to retain the retail price of Rs.13.50 per kg at Fair Price Shop levels, she said.

The state had been informed this subsidy by Government of India will be available only for the financial years 2013-2014 and 2014-2015, adding "there is no clarity whether this arrangement will continue beyond 2014-2015."

"The sudden withdrawal of levy obligation on sugar mills will expose the supply of PDS sugar to the vagaries of the market and the resultant volatility. Further, any price fluctuation over Rs. 32 per kg in the open market will have to be borne by the State, which is already saddled with a huge subsidy burden," she said.

The new arrangement will also create uncertainty in ensuring adequate supply of sugar through PDS at affordable cost to the poor, as the state will have to procure the entire stock from the open market, she added.

Jayalalithaa said the decision of Ministry of Food and Public Distribution to do away with levy obligation on sugar will have a severe impact on the welfare of the poor and downtrodden whom she said depend fully on PDS for sugar.

"I request you to reconsider the decision of withdrawing the levy sugar obligation on sugar mills and continue with the existing levy system of sugar in the interest of the public, or to guarantee that the entire difference between the open market price of sugar and issue price in PDS would be borne as subsidy by the Government of India and continue the subsidy beyond 2014-2015 as well," she said.

The decision to partially decontrol sugar sector, the only industry left under the government control, was taken by the Cabinet Committee on Economic Affairs (CCEA) last month.

Under the regulated release mechanism, the Centre fixes the sugar quota that can be sold in open market. Of late, this mechanism has been relaxed and the quota is now being released on half-yearly basis from the earlier monthly-wise.

In levy sugar system, millers are required to contribute 10% of their output to the Centre for running ration shops at cheaper rate.

Spot rubber weakens further

Spot rubber weakened further on Thursday. The market seemed to be moving in tandem with the global sentiments as TOCOM rubber futures fell more than three per cent to a three-week low following a rise in the yen and drop in equity markets.

Sheet rubber slipped to Rs 169 (Rs 169.50) a kg both at Kottayam and Kochi, according to traders and the Rubber Board.

The trend was mixed.

RSS 4 June contracts improved to Rs 167.10 (Rs 166.07); July to Rs 166.24 (Rs 164.79); August to Rs 164.36 (Rs 163.46) and September to Rs 163 (Rs 162.05) while October moved down to Rs 162 (Rs 162.35) on the National Multi Commodity Exchange.

RSS 3 (spot) weakened to Rs 170.96 (Rs 172.03) at Bangkok.

The June futures closed at ¥249.2 (Rs 138.08) on the Tokyo Commodity Exchange.

Spot rubber rates in Rs/kg were: RSS-4: 169 (169.50); RSS-5: 165 (165); Ungraded: 157 (157); ISNR 20: 157 (158.50) and Latex 60%: 108 (108).

Training programme

The Rubber Board organises four-day training in marketing and export management of natural rubber (NR) at the Rubber Training Institute, Kottayam from June 25 to 28. The course content includes NR market, futures trading, opportunities for export, formalities for foreign trade, price factors, export regulations, licensing, exim policies of the Government, market development and

export promotion measures. The fee for training is Rs 1,600 (12.36 per cent service tax extra).

SC/ST candidates will be given 50 per cent concession in fee.

Pepper moves up on buying support

Pepper futures on the IPSTA trading moved up on Thursday on good buying support amid limited arrivals.

All the active contracts ended marginally above the previous day closing.

arrivals

Arrivals continued to show a declining trend as the fund needs for educational purposes of the growers seem to have ended.

Sellers were reluctant to sell at lower levels.

Growers in the High Ranges said there were buyers at their door steps at the terminal market prices on a cash-and-carry basis.

Leading exporters were showing interest to buy at Rs 332-333 a kg from Karnataka while sellers in Battery and Pulpally in Wayanad were offering at Rs 342-343.

But buyers were quoting Rs 337-338.

High Range pepper was offered at Rs 345 while Rajakumari at Rs 348.

Buyers were quoting Rs 346.

Domestic demand was picking up as the buyers were seen keen to stock before the onset of the monsoon, market sources told *Business Line*.

Spot prices

On the spot, around 35 tonnes arrived and offered at Rs 337.

June contract increased by Rs 74 a quintal at Rs 35,674. July contract went up by Rs 49 at Rs 35,774. August surged by Rs 191 at Rs 35,966.

Total open interest moved up by one tonne to 45 tonnes. Total turnover decreased by seven tonnes to 95 tonnes.

Spot prices remained unchanged at Rs 33,700 (ungarbled) and Rs 35,200 (MG 1) on matching demand and supply.

Indian parity in the international market was at \$6,500 a tonne (c&f) for June shipments and at \$6,600 a tonne (c&f) for July.

Depression brings squally weather to Odisha, West Bengal

Wednesday's depression over Bay of Bengal beat predictions and chose to drop anchor around the Head Bay of Bengal (off Kolkata).

It did not move into Bangladesh, but crawled over to coastal West Bengal where it remained practically stationed overnight, the Met Department said.

The US Joint Typhoon Warning Centre had alluded to this probability in its bulletin issued by Wednesday evening.

The depression was located to a region 30 km south-east of Midnapore on Thursday afternoon, but was expected to weaken into a low-pressure area by Friday.

It has thrown up a trough of lower pressure extending from south-east Uttar Pradesh and extending into east-central Bay of Bengal.

Winds blow into the trough and the moisture carried by them will pour down as rain under its footprint. The Met Department has warned of thunder squall at one or two places over Bihar, Jharkhand, north Odisha, West Bengal and Sikkim during the next two days.

SQUALLY WEATHER

These areas fall under the footprint of the trough. Heavy to very heavy rainfall would lash north Odisha, West Bengal, Sikkim, Bihar and Jharkhand.

Squally winds speed reaching 40-50 km/hr and gusting to 60 km/hr would prevail along and off north Odisha and West Bengal coasts until Friday afternoon.

Sea condition will be rough to very rough along and off north Odisha and West Bengal coasts during this period. Fishermen have been advised not to venture into the sea. Outlook from Sunday to Thursday suggested possibility of rain or thundershowers at many places over north eastern States, sub-Himalayan West Bengal, Sikkim and Andaman and Nicobar Islands.

LIKELY ONSET

Rainfall activity is expected to scale up along west coast. This phase could likely witness the onset of monsoon over the Kerala coast. Rain or thundershowers would occur at one or two places over East India and south Peninsular India during this period. On Thursday, a seasonal outlook from the Busan, South Korea-based Asia-Pacific Climate Centre said that India will experience normal to above normal monsoon during both June and July.

There could be a slight setback in August, but that should not undo the overall performance of the monsoon, the agency said. vinson.kurian@thehindu.co.in

Turmeric trade expects N. Indian orders in end-June

Turmeric traders are hopeful of bagging upcountry demand within a month's time.

"Turmeric prices are ruling steady for the past couple of days, still no fresh order is received by any trader. They receive good orders in the last week of June. If the monsoon improves the price may be remain stable, else it may go up. But the present price is double than last year's

price, so the farmers are not affected,” said R.K.V. Ravishankar, President, Erode Turmeric Merchants Association.

He said due to heavy production last year, the arrival of bags for sale was very high. But this year due to decreased production the arrivals are minimum. Due to quality arrival of the hybrid finger variety turmeric, the buyers quoted higher price and it increased by Rs 250 a quintal.

At the Erode Turmeric Merchants Association sales yard, the finger variety was sold at Rs 4,424-7,134; the root variety Rs 4,199-6,295.

Salem Hybrid Crop: The finger variety fetched Rs 5,989-7,889 and the root variety Rs 5,889-6,411. At the Regulated Market Committee, the finger variety was sold at Rs 6,319-7,037; the root variety Rs 5,116-6,324. Of the arrival of 566 bags, 363 were sold.

At the Erode Cooperative Marketing Society, the finger variety quoted Rs 5,750-7,100; the root variety Rs 5,219-6,311. All the 277 bags were traded.

At the Gobichettipalayam Agricultural Cooperative Marketing Society, the finger variety was sold at Rs 6,060-7,542; the root variety Rs 5,867-6,489. All the 46 bags found takers.

Range-bound trading seen in rice

Rice market may rule range-bound following lack of buying interest in the coming days, said trade experts.

Rice market witnessed a mixed trend on Thursday. Aromatic rice varieties went further down on slack demand while non-basmati varieties ruled flat on moderate buying.

Amit Chandna, proprietor of Hanuman Rice Trading Company, said that sluggish demand at all levels pulled aromatic varieties down by Rs 50-100 a quintal while non-basmati varieties managed to maintain their previous levels.

In the physical market, Pusa-1121 (steam) went down by Rs 50 and sold at Rs 8,100 while Pusa-1121 (sela) quoted at Rs 7,400 , Rs 100 down.

Pure basmati (raw) managed to maintain its previous level and quoted at Rs 9,000 . Duplicate basmati (steam) traded Rs 100 down and was at Rs 7,000 .

For the brokens of Pusa-1121, Dubar quoted at Rs 4,000, Tibar sold at Rs 4,500 while Mongra was at Rs 3,000 a quintal.

Permal (raw) sold at Rs 2,400 while Permal (sela) went for Rs 2,400-2,450 . PR-11 (sela) sold at Rs 3,200-3,250 while PR-11 (Raw) quoted at Rs 2,900 . PR14 (steam) sold at Rs 3,400-3,500 a quintal.

Thin demand dissolves sugar

Sugar prices on the Vashi market declined further by Rs 5-10 a quintal for selected varieties on thin local demand. Ample supply from producers and limited offtake kept sentiment cautious amid bearish futures market.

Mill tender rates were down by Rs 10 and naka prices were unchanged. Prices in domestic futures market dropped by Rs 5-9 till noon on profit booking. The volume was thin at upper level due to absence of buying enquiry from neighbouring States, said sources.

Jagdish Rawal of B. Bhogilal and Co., told *Business Line*, "Continuous supply from producers in the local market and less than expected demand is pushing up inventory in Vashi market and keeps stockists away from taking bulk buying risk. Demand in beginning of new month will decide the future trend."

On Thursday about 58-60 truck loads (of 100 bags each) arrived in the market and local dispatches remained lower at around 55-56 truck loads.

On Wednesday evening, 13-14 mills offered tenders and sold 37,000-38,000 bags at Rs 2,920-2,990 (Rs 2,930-3,000) for S-grade and Rs 3,010-3,090 (Rs 3,020-3,100) for M-grade.

Bombay Sugar Merchants Association's spot rates were: S-grade Rs 3,076-3,151 (Rs 3,080-3,142) and M-grade Rs 3,176-3,351 (Rs 3,200-3,351).

Naka delivery rates: S-grade Rs 3,030-3,080 (Rs 3,030-3,080) and M-grade Rs 3,100-3,180 (Rs 3,100-3,180).

Profit booking pounds jeera



Jeera futures declined on profit booking by traders, while spot jeera price remained unchanged on normal trading activity.

On the NCDEX, jeera June contract was down Rs 20 to Rs 13,030 a quintal with an open interest of 9,690 lots. NCDEX July jeera contract decreased Rs 7.50 to Rs 13,222.50 with an open interest of 9,513 lots.

At Unjha mandi of Gujarat, about 14,000-15,000 bags of jeera arrived and traded the same on Thursday. Best quality jeera was quoted at Rs 2,280-2,380 for 20 kg and rough quoted at Rs 2,055-2,155.

In Singapore, one per cent Indian jeera offered at \$2,425 -2,450 a tonne FOB Mumbai.

According to market analysts report, hedgers selling in futures market in order to protect their long position in physical market weighed on prices. Right now demand is moderate, but traders are expecting exports orders.

Selling pressure holds edible oils steady



Palmolein declined by Rs 3 on Thursday on increased selling pressures in resale by speculators to fulfil advance commitments amid bearish futures markets.

Cotton refined oil dipped by Rs 4. Groundnut oil was up by Rs 5 for 10 kg tracking firm Saurashtra market.

Soyabean, sunflower and rapeseed refined oil were steady. With thin volume, sentiments remained cautious.

Soyabean arrivals were 75,000-80,000 bags including 35,000 bags in Madhya Pradesh and its prices were Rs 3,850-75 ex-mandi and Rs 3,950-75 for plant delivery. Mustard seed arrivals were 2.35-2.40 lakh bags and the prices were Rs 3,030-3,560.

Towards the day's close, Liberty was quoting palmolein Rs 517-520, super palmolein Rs 555 and sunflower refined oil Rs 780.

Ruchi was quoting palmolein at Rs 523 ex-Patalganga, soyabean refined oil Rs 668 for June and July, sunflower refined oil Rs 765. Allana quoted soyabean refined oil at Rs 670 for July 10-17.

In Gujarat, palmolein ex-Kandla was Rs 503-508. In Saurashtra – Rajkot, groundnut oil improved by Rs 10 to Rs 1,560 for *telia* tin and by Rs 10 to Rs 1,010 for loose (10 kg).

Malaysian BMD crude palm oil's June contracts were MYR 2,335 (MYR 2,359), July MYR 2,369 (MYR 2,402) and August MYR 2,372 (MYR 2,399) a tonne.

The Bombay Commodity Exchange spot rates (Rs/10 kg): groundnut oil 1,030 (1,025), soya refined oil 667 (667), sunflower exp. ref. 675 (675), sunflower ref. 765 (765), rapeseed ref. oil 695 (695), rapeseed expeller ref. 665 (665) cottonseed ref. oil 641 (645) and palmolein 508(511).

Vikram Global Commodities, Chennai quoted Malaysian super palmolein at Rs 560 ex-Chennai.

Weak buying crushes mustard



Weak buying support and demand have led to a downtrend in mustard oil with its prices in Indore mandis going down by Rs 5 to Rs 645 for 10 kg in the past one week.

In Moorena and Neemuch mandis also, mustard oil declined to Rs 642 (down Rs 3) and Rs 638 (down Rs 4).

In Rajasthan mandis , it was down Rs 5 to Rs 640 each.

Similarly in Jaipur and Gujarat also, mustard oil declined by Rs 5 to Rs 655 and Rs 635 for 10 kg respectively.

seeds

Mustard seeds, on the other hand, ruled higher amid decline in arrivals.

On Thursday, mustard seeds in Indore mandis ruled at Rs 4,400-4,500 (up Rs 150 from last week), raeda rose to Rs 3,200-3,300 (up Rs 50).

futures

Contary to mustard seeds prices in the physical market, mustard seeds have been trading low in the futures on weak buying support with its June and July contracts on the NCDEX closing at Rs 3,454 a quintal (down Rs 8) and Rs 3,499 (down Rs 10).

Plant deliveries of mustard seeds for Jaipur line were quoted at Rs 3,490-95 (Rs 3,530-35).

inflow

Arrival was recorded at 2.40 lakh bags on Thursday with Madhya Pradesh recording an arrival of 22,000 bags, UP - 23,000, Punjal/Haryana - 23,000, Rajasthan - 1.30 lakh bags, Gujarat - 17,000, while 25,000 bags were offloaded in the remaining parts of the country.

Business Standard

FMC might restrict number of delivery centres in agri commodities

In most agri commodities, the number of delivery centres is restricted already due to the lack of widespread network of participants

The Forward Markets Commission (FMC), the commodity derivatives markets regulator, is planning to restrict the number of delivery centres in agri commodities to avoid some complexities in futures trading.

"Sometimes, a large number of delivery centres create problems. Hence, we want to restrict it for which the Commission is waiting for the final recommendations of the sub-committee of the advisory committee," said Ramesh Abhishek, chairman, FMC.

Surprisingly, in most agri commodities, the number of delivery centres is restricted already due to the lack of widespread network of participants. While in the commodities like soybean on NCDEX, the number of delivery centres is just "one" and in the case of guar, wheat and turmeric, the same stands at seven, nine and six, respectively. On the MCX too, the number of delivery centres in guar and cotton stands at nine and seven, respectively.

Discussing on the first set of recommendations by the sub-committee, Abhishek said a majority of members was of the view that hedgers' participation in most of agri commodity is very low, which needed to be enhanced. FMC is considering organising capacity building programmes by engaging brasses (including chief executive officers and agri heads) of major corporates engaged in any type of agri business to utilise the commodity exchange platform for effective price risk management.

Also, FMC may consider recommending to the Institute of Chartered Accountants of India (ICAI) to amend the accounting standards and also the Securities and Exchange Board of India (SEBI) to ensure disclosure of unhedged commodity exposure of all listed companies in their annual and quarterly reports.

Talking about the pooled price of agri commodities from spot markets, Abhishek said the existing practice, either by an exchange itself or independent agencies, was currently going on. But, there is always room for improvement in the mechanism of pooled prices to bring in more transparency in the system.

To enhance participation in less liquid contracts, FMC is considering aggressively on market making for which a set of guidelines is being worked out currently.

The commodity markets regulator is considering working in close co-ordination with agencies like National Bank for Agriculture and Rural Development, Warehousing Development and Regulatory Authority, Central Warehousing Corp and National Agricultural Cooperative Marketing Federation of India to bring in more efficiency into the commodity eco-system and increase farmers' participation in the commodity futures market.

The sub-committee has eminent agri experts as its members such as Paul Joseph, formerly principal adviser, Planning Commission; C J George, managing director, Geojit BNP Paribas; Vijay Sardana, head-food security, UPL Group and Rajnikant Rai of ITC Ltd.

"Within the limited powers, we have zero tolerance for price manipulation," the chairman said when asked about the attributes to lower participation in agri commodities.

FMC felt the need to appoint aggregators to increase actual farmers' participation in commodity futures.

DECCAN Chronicle

CWC report says Tamil Nadu worst hit by drought

Tamil Nadu perhaps has a strong case for claiming 'compensation' from Karnataka and 'relief' from Centre for drought this year.

And none can illustrate the water crisis the state is facing or rather its case than the Central Water Commission (CWC). According to a weekly CWC report on the water level of 84 reservoirs in the country, TN reservoirs have recorded minus (-)86 per cent departure from the normal storage, highest for any state in the country this year, followed by Andhra Pradesh at minus 47 per cent from normal storage. Of the 84 reservoirs, only 54 reported more than 80 per cent of normal storage and 22 of the remaining 30 have storage up to 50 of normal storage. Except Vaigai and Parambikulam dams, which have 39 per cent and 33 per cent of normal storage, the remaining major TN reservoirs are almost parched with Mettur and lower Bhavani, recording only 11 per cent as on May 16. Aliyar dam was grim reminder with just 10 per cent of normal storage.

Mettur dam, the lifeline of delta farmers and arterial drinking water source for Salem, Erode and parts of Tiruchy among others only have 0.125 bcm (billion cubic meters) of water against the 2.647 bcm live capacity at full reservoir level (FRL). In fact, the entire Cauvery basin only has 2.71 per cent of normal storage, a minus (-)90 per cent deviation from the last 10 years' average. The present storage of Cauvery basin is 10 per cent of the last 10 years average storage (27.48).

West Bengal (293 per cent), Madhya Pradesh (210 per cent), Jharkand (123 per cent) and Uttarkhand (142 per cent) besides Uttar Pradesh and Odisha are among the states that had more than normal storage. A vital statistics from the report that could draw everyone's attention is the fact that Karnataka has no deviation from normal storage, against the minus (-)86 per cent suffered by TN.

According to the report, eastern and central India received surplus rains this year, while the south, except Karnataka, that witnessed no deviation from normal storage, has suffered high deficiency.

FINANCIAL TIMES

China: a bubble in the tea market?

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Commodity markets may have lost their lustre as many investors have gone elsewhere. But there's often a chance of a profit for those who know where to look.

Pu'er, a strong, earthy tea produced in China's Yunnan province has seen its price rise by as much as 80 per cent over the past six months – even as prices for other Chinese teas have remained stable. Pu'er traders have seen it before – in a speculative bubble that burst six years ago. This time the run-up in prices has been more modest – so far.

In Kunming, capital of Yunnan province, Old Banzhang, a type of the finest Pu'er, last year went for Rmb5,000 a kilo in the form of tea leaves pressed into cakes. Now it commands almost Rmb9,000 a kilo, according to China Securities Journal, citing a local tea shop manager.

Zhou Chonglin, a Kunming-based tea expert and co-author of "War of Tea", believes the price surge of Pu'er could have been predicted. He told beyondbricks that Pu'er investors, who left the market in 2007, started to come back late last year, in response to the increasing demand from the public for the tea, which is widely believed to have medicinal value.

According to Zhou and some industry insiders, investors seem to be relatively rational and smarter this time – focusing on raw materials, notably from famous tea gardens and selected premium brands, rather than the whole market as in 2007.

“The investment size is smaller this time, as the production from those good-quality [locations] is limited,” Zhou said. With such precise investment targets, he believes the market is less likely to get out of control again.

In the terms of the Pu'er brand, Dayi, the biggest and most popular one, is widely reported to be the market darling this time. According to Yang Yan, sales manager of the Guangdong-based Diancha Tea Company, Dayi's price has doubled in the province, China's biggest Pu'er sales centre, from Rmb20,000 per piece (28 tea cakes) in late February to over Rmb40,000 in May.

“Its price growth is kind like in 2007, but not that crazy,” said Yang, who has been in the Pu'er industry for one decade.

Both Yang and Zhou agree that Dayi's price has been pushed by investors, mainly because of its brand popularity. Less prestigious brands have seen prices rise by around 50 per cent. Dayi Guangdong did not respond to calls from beyondbrics.

Zhou said a severe drought in Yunnan was contributing to the price rises. “The drought is a common problem in main tea production areas across the world. As it cut tea production, the price, notably of Pu'er and black tea, of course went up.”

Yunnan is home to China's biggest tea farms and the main production region of Pu'er, with an output value of Rmb 23.3 bn in 2012. The production of Pu'er last year, 81,300 tonnes, constituted almost one third of all teas produced in Yunnan (266,800 tonnes).

According to a recent report by the China Tea Marketing Association, due to poor weather, the tea production of Yunan this spring has reduced by 10 per cent compared to the same period in previous years, with nearly 100,000 hectares of tea gardens being affected.

In addition, incurring costs, in particular of manual labour, are reported to be another reason for the high price. Feng Zhizhong, who owns a garden in Menghai, a leading tea-growing county, found it “super difficult” to hire qualified tea farmers despite a pay raise.

“Last year, Rmb 2,000 per month is totally enough (to hire a tea farmer). But this year, over Rmb 3,000 is still not attractive,” he said. This compares well with the rates paid to factory workers in southern China’s coastal cities.

Feng admits the job “wasn’t that easy” – climbing up ancient, wild tea trees to pick leaves and working long hours in tea processing. He eventually asked family relatives for help with his garden.

Apart from these, the Pu’er expert Zhou pointed out the “business hype” by tea sellers had further driven up the price. “Pu’er has all the elements suitable for the concept hype. A natural product from the remote Yunan province, good for [health] regimens and free of pesticides. And it tastes even better with age.”

Not surprisingly, Yang Yan, the Diancha Tea sales manager agrees: “Just think about the Chinese food of today, always contaminated with heavy metals. It’s not surprising Pu’er is at an all-time high in China.”