THE HINDU

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Subsidy for waste treatment

Special Correspondent

First of 3 regional plants to come up at Brahmapuram

The Cabinet on Friday decided to give subsidies to residential flats for setting up waste treatment units.

Chief Minister Oommen Chandy told the media after a special meeting of the Cabinet that assistance would be given at the rate of Rs.500 per flat. A minimum assistance of Rs.15,000 would be given per building of flats.

The Chief Minister said that the government planned to promote decentralised waste management. To convince people of the efficacy of the methods, treatment units would be set up in the official residence of the Ministers and important government offices.

Mr. Chandy said that of the three regional solid waste treatment plants proposed to be built shortly using new technology, the first one would come up at Brahmapuram in Kochi. About 10 acres would be set apart for this. Besides, 15 acres would be earmarked for creating a green belt and other facilities. The location would suit the city best, as the city was growing towards the east. Brahmapuram is situated in the middle.

The other two plants were proposed to be built in Thiruvananthapuram and Kozhikode.

Calamity struck district

The Chief Minister said that the government would declare Wayanad district as calamity affected in view of the failure of crops such as coffee, pepper, paddy, banana, ginger and vegetables. Several crops had been hit by pest attacks, pushing the farmers to misery.

Mr. Chandy discounted reports that chairman of the Delhi Metro Rail Corporation E. Sreedharan would be dissociating with the Kochi Metro Rail Project. There was a proposal in the director board of the Kochi Metro that global tenders should be floated for the project. The government wanted the association of Mr. Sreedharan with the project and the matter would be discussed with him. Already the Corporation was engaged in building the preliminary infrastructure for the project. The work would take one-and-a-half to two years and the Corporation would continue to be associated with it.

New Chief Secretary

He said that no final decision had been taken on the posting of Union Shipping Secretary K. Mohandas as Chief Secretary of Kerala. Clearance of the Central government was needed for the posting.

On Lokayukta scrapping the recruitment of assistants by Kerala University, the Chief Minister said that the government did not propose to go on appeal against the order of the Lokayukta as the previous government had done.

The previous government had protected the irregular appointments for three years by going on appeal. The former Education Minister and the former Chief Minister should answer why they had protected the corrupt.

He said that the proper authority to examine and act on the Lokayukta order was the Secretary (Higher Education).

The government would act on his recommendation. There was no question of protecting anyone who was ineligible for the post of assistants. None would be harmed for political reasons, if found eligible.

Mr. Chandy said that the government would strive more for the development to the State in the New Year.

Dam issue

Greeting people of Kerala on behalf of the government and himself, the Chief Minister said that he hoped for an amicable settlement on the Mullaperiyar issue in the coming year. “I hope that the issue could be resolved without affecting good relations with Tamil Nadu. Let that become possible in the New Year.”

- *Wayanad to be declared as calamity affected*
- *No appeal against Lokayukta order on appointment*

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Training in bee keeping

Staff Reporter

The Department of Agricultural Entomology of Tamil Nadu Agricultural University will organise a training in bee keeping on January 6, 2012, at the university premises.

According to a university release, hands-on training will be imparted in identification of bee colonies and their rearing, artificial group rearing of bees, queen bee rearing and production techniques, and identification of natural enemies of bees and their management.

Interested candidates have to reach the Department of Entomology before 9 a.m. The fee of Rs. 150 has to be remitted. A certificate will be given at the end of the one-day training. Candidates could call 0422-6611214, or e-mail to entomology@tnau.ac.in. for details.

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Mullaperiyar issue rocks farmers' meet

Staff Reporter

Mullaperiyar dam issue rocked the farmers' grievances meeting held at the collectorate here on Friday.

Farmers demanded total protection for the dam as survival of lakhs farmers in five districts depended on the water from the dam.

Collector K. Nagarajan asked farmers to give it in writing so that it would enable him to forward it to the government.

Later, farmers signed the letter and handed it over to the collector.

Fertilizers ready

While addressing the gathering, the Collector said that sufficient stock of fertilizers was kept ready for distribution. Farmers should apply for the required amount only, he stated.

He also added that the Bellary onion seeds were available with the agriculture department.

The National Horticulture Mission had offered several facilities and subsidies to farmers for setting up of green houses, drip irrigation and for cultivation of horticulture crops.

When farmers from Kodaikanal wanted to set up a procurement centre for garlic, the Collector said facilities will be arranged at the Kodaikanal farmers' shandy. Earlier, farmers informed that a procurement centre at Pattiveeranpatti was paralysed.

The Collector also announced that the deputy tahsildars' certificate will suffice for small and tiny tahsildars to avail benefits.

(Earlier, tahsildars alone could issue such certificate.)

Free power

The TNEB Superintending Engineer R. Kumaresan said free power connection will be given within three months. Over 6,000 applications were pending owing to paucity of electric metres.

After finalising tenders for electric metres, power connection will be given, he added.

Later, the Collector released a subsidy of Rs.56.10 lakh to 13 farmers who set up green houses at Thandigudi, Gundupatti, Panaikadu, Periyur and Vadakavunji.

During the meet farmers in Oddanchatram and Palani complained about inordinate delay in issuance and transfer of pattas.

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Farmers seek minimum support price for turmeric

Staff Reporter

Farmers in the district have appealed to the State government to fix a minimum support price for turmeric, as the prices of yellow spice witnessed a drastic fall in the recent months.

Many farmers, who participated in their grievances redress meeting held here on Friday, wanted the State government to protect turmeric farmers from the price fluctuation. The drastic fall in the prices had left many turmeric growers to face huge losses.

The State government should initiate efforts on a war footing to fix a minimum support price for the yellow spice and ensure remunerative price for turmeric. Farmers also wanted the government to implement the Integrated Turmeric Complex project immediately. The farming community appealed to the State government to ban the establishment of tannery and textile processing units close to water sources.

Collector V.K. Shanmugam, presiding over the meeting, assured that efforts would be taken to sort out the grievances of the farmers.

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Mettur level

The water level in the Mettur dam stood at 99.73 feet on Friday against its full level of 120 feet. The inflow was 2,803 cusecs and the discharge 4,001 cusecs.

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Farmers protest against fodder problem

Correspondent

Around 100 farmers from Kalasapur village protested in front of the tahsildar's office in Haliyal on Friday demanding a solution to the problem of fodder shortage.

They said that cattle were dying and the tahsildar had failed to solve the problem. Submitting a memorandum to the deputy tahsildar, the protesters said that about three acres of meadow was encroached upon by some persons at Kalasapur village six years ago. A case in this regard was pending in the court. A year ago, the Haliyal tahsildar had assured people during the Jana Spandana programme that he would solve the problem. But nothing was done, they said.

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Kuttanad farmers worried over Mullaperiyar standoff

Dennis Marcus Mathew

80% of combine harvester machines come from Tamil Nadu

The continuing standoff between Kerala and Tamil Nadu over the Mullaperiyar dam has triggered anxiety among the paddy farmers of Kuttanad, who are gearing up for the harvest of the ‘puncha' crop from early February.

The reason for the anxiety, which is building as each day passes with no sign of any end to the faceoff between the two States, is that over 80 per cent of the combine harvester machines that are required for the harvest in Kuttanad come from Tamil Nadu.

According to the farmers, machine agents here have already thrown up their hands saying that if Mullaperiyar continued to be an issue in February, the possibility of the machines being brought to the State was meagre.

Then the farmers will have to depend fully on Andhra Pradesh and Karnataka in case the State government does not come up with alternatives and that, they believe, is going to escalate the harvest cost several times, apart from the fact that the machines from these two States may not be able to meet the requirements here in the desired way.

The requirement in the Alappuzha belt of Kuttanad alone, for the 25,000-odd hectares that saw the ‘puncha' round of cultivation this time, is at least 200 machines for a smooth harvest, though noted agriculture scientist M.S. Swaminathan had recommended 300 of the machines in the Kuttanad Package. As of now, the district has only around 30 machines.

Officials said the process of buying around 100 machines, as decided by the Kuttanad Prosperity Council recently, had reached only the tender stage.

Though the Kerala Agro Industries Corporation had bought 50 machines last year, these were given to Palakkad after they turned out to be unsuitable for the marshy geographical conditions in Kuttanad.

With paddy polders at Pulinkunnu, Edathua, and Ramankary, apart from a few ones in the Kainakary region, gearing up for harvest in February, and others facing the risk of summer rain in March-April if the harvest gets delayed, the farmers here are hoping for an early end to the Mullaperiyar imbroglio.

- *Karnataka, Andhra machines may have to be used*
- *Cost will go up; demand too need not be met*

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Farmers forced to avail non-agricultural loans: panel

A Correspondent

V.S. Sunil Kumar, MLA, who is the Chairman of the Assembly Assurance Committee, has said that the panel will seriously consider the negative approach of certain financial institutions in providing loans to the farming community in the district.

Speaking to presspersons here on Thursday after collecting evidence from officials of various departments and representatives of farmers' organisations in the light of the recent farmer suicides, Mr. Sunil Kumar said the panel could understand that financial institutions were engaged in fabricating records to achieve targets in order to convince higher officials.

The panel, comprising A. Pradeepkumar, Ludi Louis, James Mathew, and K. Kunhiraman, MLAs, assessed that the Scheduled banks in the district were showing interest only in providing loans against gold, instead of providing agricultural loans to farmers at lower interest rates against the land documents.

Hence the farmers were compelled to borrow either from private and micro financial institutions, or from the banks itself under non-agriculture category at higher interest rates, Mr. Sunil Kumar said. Such practices had led many of them to huge financial liabilities and finally to committing suicide, he added.

The panel directed the authorities concerned to produce details of agricultural loans provided by banks and information on the micro-financing institutions in the district, Mr. Sunil Kumar said. The panel also found that many of the NGOs functioning in the district were exploiting the farmers by acting as a mediator for implementing many projects of the Central and the State governments and they secured the incentives meant to the farmers.

According to the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002, (SARFAESI), there were no provisions to initiate revenue recovery measures on the lands of farmers. But the financial institutions were trying to take over farmers' land by using the Act after providing non-agricultural loans to the farmers, he said. The farmers could send their grievances with evidences by post to the panel, he added.

The panel visited the family members of Varghese, a farmer who recently committed suicide allegedly owing to financial stress, at Thrikkaipetta, near Muttil in the district.

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Farm fair to feature traditional produce

Special Correspondent

Minister for Local Self-government M.K. Muneer will inaugurate ‘Polika,' a week-long farm fair, at Town Square here on January 2.

It was being organised jointly by the Agriculture Department, the Agricultural Technology Management Agency (ATMA), and the Thalassery Social Service Society (TSSS).

Announcing this at a press meet here on Friday, District Collector Anand Singh, chairman of the organising committee, said traditional agricultural produce such as tapioca, which were fast disappearing from daily life, would be on sale at the fair.

The exhibits would also include seeds, herbal plants and fruits grown organically, and agricultural implements, he said.

Marketing exhibition of products, photography competition, and cultural programmes would also be organised. There would be over 180 stalls and special pavilions to showcase innovations in agriculture.

Chief Minister Oommen Chandy would inaugurate a national seminar on food processing on January 5. Union Minister of State for Agriculture K.V. Thomas would inaugurate the Green School programme to honour schools that excelled in agricultural and environmental activities, Mr. Singh said.

TSSS director Fr. Mani Melvettom said a mass marriage ceremony would be held at the venue at 10.30 a.m. on January 4. Kannur Bishop Varghese Chakkalakkal and K.M. Shaji, MLA, would attend the function.

Minister for Rural Development K.C. Joseph would inaugurate a State-level seminar on 'Safe food' on January 6. Minister for the Welfare of Scheduled Tribes P.K. Jayalakshmi would inaugurate cultural programmes for differently abled children. Agriculture Minister K.P. Mohanan would inaugurate the valedictory function on January 8. Principal Agriculture Officer P.P. Rasheed Ali was also present at the press meet.

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More farm loans sought

Staff Reporter

District Collector K.V. Mohankumar has urged the banks to disburse more agriculture loans for the development of the district.

Inaugurating a workshop on the Centrally sponsored credit-linked subsidy scheme organised by NABARD here on Friday, he said the banks should increase disbursement of credit for the food processing, animal husbandry, plantation and horticulture sectors.

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Turmeric growers a worried lot

Staff Reporter

Low procurement price of turmeric and lack of proper official procurement network has started to worry the tribal turmeric growers of Daringbadi block in Kandhamal district.

It may be noted that Kandhamal especially the Daringbadi area is famous for the traditional organic turmeric cultivation. Tribal people are continuing with turmeric cultivation in their traditional organic method since generations. Their produce has got name and fame throughout Odisha and outside. But lack of marketing and procurement measures is not enabling the tribal people to get proper income from their produce, said Kusanath Pradhan, a tribal leader of Daringbadi area.

At present procurement price of turmeric in Daringbadi area is around Rs. 40 to 45 per kg. According to Mr. Pradhan last year during this time it was around Rs. 150 per kg. “There is ample market for the organic turmeric produce of tribal people of this remote area but the producers are not getting real benefit from their production”, said Mr. Pradhan. In December tribal people of the area had also held demonstration demanding proper procurement price for the organic turmeric they produce through their traditional method without using any pesticides or chemical fertilizer.

The turmeric produced in Kandhamal is called Kandhamal haldi. It has started to reach United States, several countries in Europe, including Germany and Netherlands as well as Japan because of its organic value. Around 12,000 hectare of land is used for turmeric cultivation and around 10,000 metric tonnes of dry turmeric is produced every year in Kandhamal district.

An organisation named Kandhamal Apex Spices Association (KASAM) is also functioning for the promotion of organic turmeric and its marketing. But tribal people are not satisfied with its measures, alleged Bhala Chandra Sadangi, national committee member of All India Kisan Mazdoor Sabha (AIKMS). He said tribal people living in remote areas are not getting benefit of KASAM. He also added that KASAM is not promoting the traditional breed of turmeric that has been conserved tribal people since generations. Mr. Pardhan and Mr. Sadangi said this traditional breed of turmeric has better colour, antiseptic properties than the turmeric breed being promoted by KASAM.

Due to lack of marketing network the poor tribal people of remote areas of Daringbadi block of Kandhamal district are compelled to sell off their turmeric produce to traders from Berhampur at low price. From Berhampur it gets marketed to outside at higher price while the tribal people get a pittance. At times traders from Andhra Pradesh also reach Kandhamal district to collect turmeric stock through middlemen at low prices. Mr. Pradhan said it is high time for government to initiate measures so that all turmeric producers get at least Rs.100 per kg procument price for their organic turmeric produce. During current season they hope they would have a good produce of turmeric. But they are not sure whether it would provide them good income or not.

Business Standard

Saturday,31,2011

Cotton yarn export picks up on robust demand

Sharleen D`Souza / Mumbai December 31, 2011, 0:54 IST

Cotton spinners, earlier stuck in a lurch, are now turning profitable due to good demand from international and domestic markets.

With high cost inventory due to volatility in cotton prices coupled with weak demand, they purchased cotton at very high prices in early part of the year. This caused many mills to shut down part of their capacity, or stop production on a whole.

But now prices seem to have eased, and because of a falling currency, export demands saw a significant rise.

In November, exports were up by 75 per cent to 76.36 million kgs as compared to 43.69 kgs in October, according to the data by Directorate General of Foreign Trade.

Currently, only 75 per cent of the spinners are working, but they will increase production soon.

“Currently garment orders are coming in. This would indirectly increase the demand for cotton yarn. Once demand picks up then mills would be able to increase their production capacity,” said D K Nair, secretary general of Confederation of Indian Textile Industry (CITI).

In November, cotton yarn demand emerged in a big way from China, Bangladesh, Sri Lanka, Vietnam and Egypt.

The rupee’s depreciation also came as an aid to exporters . Cotton prices have also started coming down since the last few months. 30's combed, which is the benchmark variety of cotton yarn for exports were priced lower at Rs 158 per kg compared to Rs 170 per kg in the previous month in domestic market while for exports in dollar terms it was even cheaper for buyers.

“Currently, since the price of cotton yarn has again gone up to Rs 172 per kg, demand has reduced, but inquiries are still pouring in,” said Bharat Malkan, a Mumbai based cotton yarn trader.

“Mills which were forced to shut down earlier may start again in the next 15 days to 1 month, also the mills which were forced to reduce its production will resume to normal,” Bharat Malkan said.

Earlier in the year, spinners were forced to sell cotton yarn below the production cost as they had to get rid of the high cost inventory they were stuck with, as then cotton price of the benchmark variety, Shankar 6 was as high as Rs 55,000 per candy (I candy = 356 kgs) when they purchased it, later cotton prices saw a steep fall which pushed spinners to sell yarn at a cheaper rate.

WHO imposes Rs 250-cr tobacco tax on India

Anindita Dey / Mumbai December 31, 2011, 0:53 IST

The World Health Organisation (WHO) has imposed a Rs 250-crore tax on India, for non-compliance of the Framework Convention on Tobacco Control (FCTC) by the WHO.

Official sources said, the tax called as “solidarity tobacco tax” has been imposed on 43 countries for not complying with the proposed anti-tobacco measures in 2008-09.

The amount is an annual tax to be paid for each year, since 2009, till it fully complies. Countering the move, the Union ministry of commerce and ministry of health have questioned the validity of WHO as a body to put a tax on any country. It can advise and recommend measures and countries could do their best to comply after taking into account their specific issues and problems, said a senior official source.

The ministry of health , however, has conveyed to the WHO, steps taken by it for cutting down tobacco usage. India has ratified the WHO — FCTC in 2004 and as on date 173 countries, representing 87.4 per cent of the world’s population, are parties to the treaty. In the light of the tobacco-control treaty, it is proposed to reduce the area under tobacco cultivation in India , particularly the non-exportable types of tobacco, from the present 0.45 million hectares to 0.20 mha by the end of the 12th Five-Year Plan. There would be then a targeted production of 250 million kg of exportable types of tobacco viz, Flue-cured Virginia (FCV), Burley and Oriental only.

The Union commerce ministry is also of the view that it is not easy to cut down production immediately, as around 36 million people in the country depend on tobacco production, processing and marketing. Across value chain, farmers, workers have to be assured alternate and remunerative crops and jobs.

Meanwhile, the agriculture ministry has already started the process of cutting down the production. It would identify viable alternative crops to be grown instead of tobacco and fix the remuneration to be given to farmers for winding up cultivation, of one of the most valuable cash crops. This would be done in co-ordination with the Central Tobacco Research Institute (CTRI) and the health ministry, the nodal ministry for tobacco production control.

On the employment side, the commerce ministry is co-ordinating with ministry of rural development to run tobacco-employment schemes in processing industry under other government employment-guarantee schemes.

In India, tobacco enterprise contributes Rs 20,000 crores annually, through foreign exchange earnings and internal excise revenue.

CTRI has suggested various sets of alternative crops to the ministry for this programme. Officials said, farmers would have to grow two sets of crops in place of one to make good the loss they might incur on account of not growing the cash crop.

They added, farmers could grow one kharif and one rabi crop to get the same value. In Karnataka, tobacco farmers could switch to kharif/rabi mix of ragi/wheat, while in West Bengal, the mix could be potato/wheat. In Tamil Nadu, the mix could be drumstick/chilli or vegetables, jowar, sunflower, or even banana. Now bamboo, another high value cash crop has been suggested to the farmers. Ends

THE HINDU Business Line

Tur gains on improved buying

Our Correspondent

Indore, Dec. 30:

Barring tur, pulses and pulse seeds were flat on slack buying interest.

Tur (Maharashtra) gained Rs 50 at Rs 3,400 a quintal on improved buying interest, while tur (Nimar, Madhya Pradesh) was unchanged at Rs 2,300-2,500 a quintal. Tur (new) sold at Rs 3,950-3,975 a quintal.Tur dal was firm despite subdued demand, with tur dal (full) being quoted at Rs 5,300-5,400, tur dal (*sawa* no.) at Rs 4,400-4,500 a quintal and tur (marka) at Rs 5,900-6,100.Weak futures and slack buying interest kept chana and its dal unchanged, with chana (kanta) selling at Rs 3,250-3,275 and chana (desi) at Rs 3,200.Chana dal (average) quoted at Rs 3,925-3,950, chana dal (medium) at Rs 4,050-4,075 and chana dal (bold) at Rs 4,200-4,225.

(This article was published in the Business Line print edition dated December 31, 2011)

Deficient N-E monsoon drags rabi acreage of almost all crops

SLIPPING ACREAGE*

Crop	This year	Last year
Wheat	276.43	277.95
Rice	4.13	3.49
Coarse Cereals	55.16	58.65
Rapeseed/Mustard	64.55	68.21
Groundnut	4.06	4.18
Sunflower	3.50	4.40
Total Oilseeds	79.22	84.57
Total Pulses	138.54	140.28

*As on Dec 30 Source: Ministry of Agriculture

Chennai, Dec 30:

A 50 per cent deficient North-East monsoon has led to coverage of almost all rabi crops dropping compared with the corresponding period a year ago. Paddy is the sole exception.

With severe cold prevailing in North, the time seems to have run out for sowing of crops such as wheat, pulses and oilseeds.

The consequent lower water storage level due to deficient rainfall in Indus, Narmada, Krishna, Godavari and Cauvery basins is also seen a reason for the drop in acreage.

LESS RAINS

According to the Indian Meteorological Department, there has been a 50 per cent deficit in the North-east Monsoon this season that began on October 1.

Against a normal rainfall of 125.6 mm, only 62.8 mm rainfall has been received till December 29.

While east Rajasthan has received no rainfall, perhaps explaining lower coverage of mustard/rapeseed, 23 of the 26 sub-divisions in the country have received scanty rainfall.

Last year, during the same period only seven sub-divisions received scanty rainfall.

Wheat Lower

According to the Agricultural Ministry, wheat coverage this year has dropped by over a lakh hectatres to 276.43 lakh hectares (lh) against 277.95 lh in the corresponding period a year ago. Higher coverage of wheat has been reported from Madhya Pradesh, Rajasthan, Bihar, Jharkhand and Chhattisgarh, a note from the Ministry said. While the coverage is reportedly flat in Punjab and Haryana, there has been a setback in Uttar Pradesh.

Rabi rice coverage is up at 4.13 lh against 3.49 lh and more area is likely to come under the crop as transplanting is in progress in Andhra Pradesh, Assam, Odisha and Karnataka. However, Cyclone Thane's effect in Tamil Nadu and Andhra Pradesh could impact the standing crop in these States, particularly the coastal areas.

Area under coarse cereals has dropped to 55.16 lakh hectares against 58.65 lh during the same period a year ago.

Coarse cereals growing regions of Maharashtra, north interior Karnataka and Bihar have all received scanty rainfall since October 1.

Oilseeds coverage (79.22 lh versus 84.57) and pulses coverage (138.54 versus 140.28 lh) also trail.

Data put out by the Central Water Commission show that 13 of the 81 major reservoirs in the country have a water storage level lower than 40 per cent of their capacity. Only two dams in the East have a capacity exceeding 90 per cent of their capacity. Still the level is lower in West Bengal, Odisha and Tripura compared with the last 10 years average.

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Cardamom growers worst hit; pepper turns hot

G.K. Nair

Kochi, Dec. 30:

The year 2011 left cardamom growers disappointed, but it brought cheers to pepper growers. Similarly, cloves and nutmeg growers also had something to treasure in the year.

The worst hit in 2011, as far as the spice growers in Kerala are concerned are the cardamom growers. It wasn't a bright year for them. Prices of the aromatic spice dropped to one-third of what growers got in 2010. Favourable weather conditions led to non-stop auctions in 2011 resulting in a continuous flow of it from uninterrupted harvesting until the middle of December.

Consequently, arrivals were double of what came to the auctions in 2010. The total arrivals as on Dec 28 were at 8,270 tonnes, whereas they were at around 4,140 tonnes on the same date in 2010.

The arrivals per week were much more than what the domestic market could absorb and that led to supply outstripping the demand.

However, export demand played a key role in arresting the prices from falling to below Rs 500 a kg.

In fact, against the set target of 1,500 tonnes valued at Rs 120 crore by the Board for the fiscal 2011-2012, in seven months of the fiscal, total exports touched 2,300 tonnes, valued at Rs 195.75 crore at a unit value of Rs 851.07 a kg during April-October. During the corresponding period in 2010, it was at 470 tonnes valued at Rs 54.60 crore at a unit price of Rs 1,161.67 a kg.

Total output in 2010 was nearly half of the estimated output in 2011, which is estimated at around over 16,000 tonnes. It would have been more had there not been disruption in harvesting in Dec because of the Mullaperiyar dam issue.

The blockade and violent agitations across the border stopped movement of cardamom from the growing areas in Kerala's Idukki district to the main trading centre, Bodinayakannur in Tamil Nadu.

At the same time, this predicament resulted in depriving an estimated 30,000 workers of their jobs and about 1,000 jeep-taxi operators of their daily income. Around 60 per cent of the estate owners, natives of Cumbum and Theni, had also to stay away as their plantations are in Kerala's Idukki dstrict

CHEERS FOR PEPPER

For the pepper growers, the year 2011 has been a period to cherish.

The prices of spot pepper for the first time in its history touched Rs 360 a kg for garbled and Rs 345 a kg for ungarbled on Dec 17, 2011 whereas the prices for these grades on the same day in 2010 were at Rs 213 and Rs 208 a kg respectively. Dec 31,2010).

In 2011, it has gradually moved up from the closing prices of Dec 31, 2010 and scaled new heights and remained above Rs 300 a kg from Sep onwards oscillating between Rs 310 and Rs 360 a kg. The growers were hoping that the prices might touch Rs 400 a kg but for the bear operators in the market, who torpedoed their hopes.

Other crops which had brought their growers good prices were cloves, nutmeg and mace. Indian demand for cloves is much greater than the indigenous production. Hence, the country is a net importer.

(This article was published in the Business Line print edition dated December 31, 2011)

Mixed trend in rubber market

Our Correspondent
Kottayam, Dec. 30:

Spot rubber finished unchanged on Friday. The commodity lost its direction as it failed to improve tracking the marginal higher rates in the domestic futures on the National Multi Commodity Exchange (NMCE). There were no fresh factors in the market to boost the sentiments and traders were either inactive or hesitant to enlarge their commitments to be in the safer side during the weekend sessions. The trend was partially mixed.

Sheet rubber closed flat at Rs 195a kg according to traders. The grade weakened to Rs 197.50 (198.00) a kg both at Kottayam and Kochi, as quoted by the Rubber Board.

The January series slipped to Rs 198.75 (199.53), February to Rs 201.25 (201.83), March to Rs 204.00 (204.68), April to Rs 209.49 (210.00), May to Rs 210.55 (210.70) and June to Rs 209.00 (209.50) a kg for RSS 4 on the NMCE.

RSS 3 (spot) dropped to Rs 178.62 (179.25) per kg at Bangkok. The January futures moved down to ¥ 246.0 (Rs 169.27) from ¥ 247.6 a kg during the day session but then bounced back to ¥ 250.0 (Rs 171.95) in the night session on the Tokyo Commodity Exchange.

Spot rubber rates/kg were: RSS-4: 195 (195); RSS-5: 192.50 (192); Ungraded: 183 (183); ISNR 20: 189 (189) and Latex 60 per cent: 108 (108)

(This article was published in the Business Line print edition dated December 31, 2011)

Slump in potato prices yet to reflect in retail outlets

Shobha Roy

Only half of the benefit passed on to consumers

RETAIL PRICES OF POTATOES

(Rs/kg)

Location	Price at present	Price last fortnight
Kolkata (Maniktala market)	6-7	8-9
Kolkata (Garia market)	7-8	9-10
Durgapur	7-8	9-10
Siliguri	8	10
Jalpaiguri	7.5	9
Murshidabad	6	8

Kolkata, Dec. 30:

The sharp 37 per cent fall in wholesale potato prices in West Bengal over the last fortnight seems to have offered retail traders an opportunity to make some extra bucks.

A preliminary estimate of retail prices across the State show that the trade has passed merely half of the benefit on to end consumers.

The average retail price for the sorted and graded variety of the tuber in the various markets across the State is ruling at Rs 6-10 a kg against Rs 8-10 till about a fortnight ago.

The wholesale price of the tuber is hovering around Rs 240-280 a quintal on Friday against Rs 350 a quintal a fortnight ago.

The price crash in the wholesale market is mainly on account of the oversupply of potatoes and the arrival of new potatoes in the market, senior industry officials said.

The total cost of transporting potatoes from cold storage to a retailer works out to about Rs 100 a quintal, which includes the transportation and loading and unloading charges and the margin that a wholesaler sets aside for himself. So the effective cost price for a retailer works out to about Rs 340-380 a quintal, said Mr Patit Paban De, member, West Bengal Cold Storage Association.

Going by this calculation, the average price of the tuber should not exceed Rs 5-5.50 a kg in the retail market, Mr De pointed out.

However, the average price of potatoes at the Garia Market in south Kolkata on Friday was around Rs 7 a kg.

"We have to pay a very high cost to procure these potatoes. It is not possible for us to sell at rates lower than this," said a potato vendor in the market.

According to Mr Arup Roy, Agriculture Marketing Minister, West Bengal, there was no basis for such high prices in the retail market mainly when the prices in the wholesale markets was ruling so low.

"The middlemen have been jacking up prices without any logic," Mr Roy said.*shobha@thehindu.co.in*

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Nabard to refinance warehouse loans

Our Bureau
Hyderabad, Dec. 30:

In order to address the huge demand for storage facilities, the National Bank for Agriculture and Rural Development (Nabard) will completely refinance loans by banks and cooperative banks given for creation of warehouses, godowns and cold storages. It will charge an interest rate of 8 per cent.

For those who repay timely, Nabard will give an interest rebate of 1.5 per cent. “Nabard will release rebate component after receiving a certificate from financing bank, indicating full repayment of principal along with interest,” Mr P Mohanaiah, Chief General Manager of Nabard (Andhra Pradesh), said here in a statement on Friday. The projects can be located at production, procurement and consumption centres. It is open to all type of borrowers including individuals, companies and cooperatives. The Union Government allotted a corpus of Rs 2,000 crore for financing warehouse infrastructure.*kurmanath@thehindu.co.in*

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Limited export buying amid arrivals drags onion

M.R. Subramani

NOSEDIVING TREND*

Date	Arrivals	Price		
		Min	Max	Modal
Dec 25	1312.6	350	800	580
Dec 26	957.2	400	800	600
Dec 27	1094.2	350	850	600
Dec 28	1074.4	350	800	575
Dec 29	1540.5	400	800	600
Dec 30	1644.3	300	750	525

*Arrivals in tonnes; price in Rs/quintal at Pune APMC in Maharashtra

Chennai, Dec. 30:

Heavy arrivals, particularly of late kharif crop, continued to pound onion in markets around growing regions in Maharashtra and Gujarat this week.

“Arrivals have been huge in the last 3-4 days of the late kharif. Some 34,000 tonnes have arrived and of this, 10,000 tonnes flooded the Solapur agricultural produce marketing committee (APMC) yard,” said Mr Rupesh Jaju, Director of Nashik-based United Pacific Agro Pvt Ltd.

Onion prices ruled between Rs 300 and Rs 550 a quintal. “Most trades took place around Rs 350-400,” said Mr Jaju.

In Pune APMC, arrivals have averaged over 1,500 tonnes since Tuesday, leading to the modal price or the rate at which most trades took place dropping to Rs 525 a quintal. Last week, prices ruled at Rs 600.

Export demand is limited but even if it increases, it is unlikely to have much effect on prices.

“There is not much scope for price rice at least in the next fortnight in view of huge arrivals,” said Mr Jaju.

However, if the Centre cuts the minimum export price from $250 a tonne fixed on November 28, there could be some change in situation.

Export demand is lower since prices of competing nations, such as China, are lower than $200 a tonne.

But exporters expect buyers from Malaysia and Sri Lanka to buy Indian onions that have their own market abroad on grounds of quality.

“Sri Lanka could come in the market next month,” said a trading source.

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Cotton perks up on export enquiries

Our Correspondent

Rajkot, Dec. 30:

Export demand for cotton yarn — mainly from Hong Kong, South America and Egypt — and demand from mills kept cotton prices stable on Friday.

The Sankar-6 variety traded at Rs 35,200-35,500 a candy of 356 kg and B-grade sold at Rs 34,200-34,500 a candy. While A-grade V-797 fetched Rs 23,500-24,000 a candy, B-grade was offered at Rs 22,500- 23,500.

In Maharashtra, average new cotton quoted at Rs 33,300-33,800 a candy and A-grade 29 mm quoted at 34,200-34,700 a candy; in Madhya Pradesh, the former sold at at Rs 33,000-33,500 a candy and the latter at 34,200-34,700 per candy. DCH 33-34 mm variety quoted at Rs 42,500-44,000 a candy.

Despite low demand at higher prices, the fibre crop was unchanged in North India, where 37,000 bales of 170 kg each arrived.

Ready delivery cotton traded at Rs 3,535-3,580 a quintal in Punjab, at Rs 3,475-3,495 in Haryana and at Rs 3,475-3,490 in Rajasthan.

There were enquiries for yarn from Bangladesh, too. Export demand for garments was also reported from the US, the Gulf countries and Russia. Traders expect cotton to remain range-bound.

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Palmolein falls despite positive Malaysian cues

Our Correspondent

Mumbai, Dec. 30:

Imported palmolein and soya refined oil fell by Re 1 and Rs 3 for 10 kg each on Friday, ignoring gains made by palm oil futures in Malaysia on the last trading day of the year.

Cotton refined oil declined by Rs 3 for 10 kg, while groundnut and sunflower oils were unchanged. Rapeseed oil shot up by Rs 13 for 10 kg, rising totally by Rs 72 in the last 15 days and by Rs 100 in the past month. Crude palm oil (CPO) futures rose on the Bursa Malaysia

Derivatives (BMD) Exchange as investors covered short positions on fears of adverse weather in Malaysia.

Sources said local refiners kept palmolein and soya oil prices unchanged tracking range-bound local futures. Resellers traded about 100-150 tonnes of palmolein at Rs 598-602 for near delivery. About 450-500 tonnes of palmolein was directly traded with refiners at Rs 597-600 for February delivery. Liberty quoted palmolein at Rs 604-606 for January delivery and super palmolein at Rs 625. Ruchi offered palmolein at Rs 604-606, soya refined oil at Rs 685 and sunflower refined oil at Rs 718.

Malaysia's BMD CPO's January contracts settled at MYR3,175 (MYR3,120) and February at MYR3,175 (MYR3,148) a tonne. Soya oil for January delivery declined to Rs 719.80 (Rs 722.00) and February to Rs 712.60 (Rs 717.70) on the National Board of Trade in Indore.

Bombay Commodity Exchange spot rates (Rs/10 kg): groundnut oil — 985 (985), soya refined oil — 687 (690), sunflower exp. ref. — 665 (665), sunflower ref. — 720 (725), rapeseed ref. oil — 823 (810), rapeseed expeller ref. — 793 (780), cotton ref. oil — 656 (659) and palmolein — 601 (602).

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Paddy arrivals dwindle on lukewarm demand

Our Correspondent

Karnal, Dec. 30:

Paddy arrivals dropped to just around 6,000 bags on Friday because of lacklustre demand.

With not much procurement taking place in the market, farmers have started holding back their stocks, said Mr Tara Chand Sharma, proprietor of Tara Chand and Sons. Due to uncertainty over further export allocation, millers and exporters are reluctant to buy more paddy stocks, he said.

In the rice market, trade witnessed a steady trend. Following good overseas demand, non-basmati rice varieties ruled firm while aromatic varieties managed to maintain their previous levels.

Pusa-1121 (steam) quoted at between Rs 4,050 and Rs 4,100 a quintal while Pusa-1121 (sela) was at Rs 3,150-3,200 a quintal. Pure basmati (sela) sold at Rs 3,700-3,750 a quintal, while basmati (raw) was at Rs 4,100 a quintal.

Among the brokens of Pusa-1121, Tibar sold at Rs 3,000, Dubar was at Rs 2,500 while Mongra was trading at Rs 2,025 a quintal. Duplicate basmati sold at Rs 3,000-3,150 a quintal.

After witnessing an uptrend earlier this week, non-basmati varieties ruled firm. Sharbati (steam) quoted around Rs 2,800-2,900 while Sharbati (sela) was between Rs 2,750 and Rs 2,800 a quintal. Permal (sela) sold at Rs 1,800-2,000 a quintal, while Permal (raw) quoted at Rs 1,900-2,050 a quintal. PR-11 (sela) sold at Rs 2,100-2,200 a quintal and PR-11 (steam) at Rs 2,300-2,500 a quintal.

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Lower January sale quota sweetens sugar

Our Correspondent

Mumbai, Dec. 30:

Sugar prices gained in markets across the country on Friday as a lower sales quota for January announced by the Centre provided the much-required trigger.

“Demand emerged on lower sale quota. There could be some more improvement in prices,” said a trading source from central Uttar Pradesh.

Sugar produced this season that began in October was quoted at Rs 2,970 a quintal (Rs 2,940 on Thursday), while the one produced last season sold at Rs 2,850 (Rs 2,840).

In Maharashtra's Vashi terminal, prices were up by Rs 20-25 a quintal in the spot market and by Rs 25-30 a quintal in *naka* delivery on Friday. Mill tender rates shot up by Rs 30-40 on improved sentiments.

It is believed that for the current month, Maharashtra's mills have exhausted the maximum allotted quota so there is no pressure on them. Local freight charges improved by Rs 3-5 a bag on higher demand for trucks at the producing level. Arrivals and dispatches in the Vashi market improved slightly. Selling pressure in other producing States, mainly Utter Pradesh, may arrest any upward move, he added.

On Thursday, few mills, about 8-10, offered tenders and sold about 1.25-1.50- lakh tonnes at Rs 2,785-2,870 (Rs 2,770-2830) for S-grade, and Rs 2,880-2,970 (Rs 2,860-2,930) for M-grade. Arrivals were 54-55 truckloads and local dispatches were around 52-53 truckloads.

Bombay Sugar Merchants Association's spot rates : S-grade, Rs 2,942-3,021 (Rs 2,922-3,000); and M-grade, Rs 3,021- 3,122 (Rs 3,006-3,100).

***Naka* delivery rates :** S-grade, Rs 2,900-2,920 (Rs 2,870-2,910); and M-grade, Rs 3,000-3,050 (Rs 2,970-3,020).

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Heavy arrivals grind turmeric

Erode, Dec. 30:

Spot turmeric prices decreased by Rs 300 a quintal on Friday as stocks flooded Erode markets.

“As expected, over 12,500 bags of turmeric arrived for sale on Friday. Traders who got orders from North India have already covered their positions and therefore, quoted lower. Their purchaseswere limited on Friday. Turmeric futures too dropped by Rs 150 a quintal,” said Mr R.K.V. Ravishankar, President, Erode Turmeric Merchants Association.

He said in view of the price in the last couple of days, more farmers brought their produce in heavy quantitiesto the market. However, market authorities place restrictions such as keeping 30-40 per cent of the arrivals outside the market and not taking them for auction.

In the Regulated Marketing Committee also, to accommodate all the bags, only 1,500 and odd bags were kept for sale. Only 40 per cent of the 12,500-odd bags were sold.

Traders said they expected good quality of hybrid Salem crop, but unfortunately, inferior quality hybrid Salem crop was brought to the market, so they quoted Rs 550 a quintal less than Thursday.

Salem crop: The finger variety was sold at Rs 3,866-4,891, the root vanity Rs 3,711-4,534. Totally, 2,413 bags of turmeric arrived for sales, of that 459 were sold.

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