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FARMER'S NOTEBOOK

Pepper thresher, an ideal substitute for manual labour

M.J. PRABU

Unlike in Western countries complete mechanisation is not possible

— Photo: ICAR

Better alternative:Gopala Krishna Sharma, Kasargod working on his machine.

The two biggest problems farmers regularly face are water scarcity and labour shortage.

“Increasing wages in the last one year alone, thanks to the Government 100 days rural employment scheme, today a situation exists where agricultural labourers no longer need to beg for work.

“They negotiate and fix the price. In short agriculture is fast turning into a costly proposition and farm owners are finding the going tough,” says Dr. S. Prabhukumar, Zonal Project Director, Indian Council of Agricultural Research, Hebbal, Bangalore.

Not possible

“And complete mechanisation cannot work in our country, because machines are quite costly and may not serve the purpose for a long time. If a land owner decides to sell his lands, then disposing the machine becomes difficult,” he says.

A pocket friendly machine for any crop that promises to substitute manual labour is sure to find favour among the land owners. That too if the machine is developed by a farmer, then its value appreciates, according to him.

Recent meet

Recently, a National Farm Innovators Meet was organised at Krishi Vigyan Kendra, Suttur, Mysore District, Karnataka. A number of farmers across the country showcased their findings before experts and media persons.

“Many of them exhibited new, simple and economical innovations developed by them. If these innovations can be popularised among others it could make an impact on the agricultural scenario of the country,” explains Dr. Prabhukumar

Take the case of a pepper farmer from Kasargod, Mr. Gopala Krishna Sharma, who demonstrated a pepper thresher machine he developed, in front of the experts.

The machine promises to be a good substitute for labour shortage among pepper cultivators, he adds.

Explaining about this machine the farmer Mr. Gopala Krishna says:

“Threshing is usually done manually by shearing between the legs. At present there are no machines in the market to do the job.

“The berries should be threshed immediately after harvesting. Any delay affects the quality of the plucked berries. I used a threshing drum from case pipes (used for tube wells) and ...welded four rods... to the surface of the drum in a curved manner to push the pepper stalk forward for threshing.”

A half HP, 1440 rpm electric motor provides the energy for the machine. A stationary plate is provided with small holes to facilitate the threshed berries to fall through it.

The detached berries fall through the holes onto a stationary plate and get collected in a container kept at the bottom of the machine.

Door provision

An opening door is provided at the other end of the device to collect the stalk after threshing. A rubber sheet at the bottom of the stationary plate collects the threshed pepper and guides it to a container kept at the bottom of the machine.

The remaining residue (stalk) gets collected at the other end of the drum and needs to be removed periodically after threshing 5kg of pepper.

Working capacity

The machine can thresh 100kg of pepper in an hour. “Manually it takes 6 hours to do the same. One person can thresh 100kg per day and the machine can run for six hours. The machine can thresh all varieties of pepper since the pepper size does not vary,” says the farmer.

For more details contact Mr. Gopala Krishna Sharma, Saravu House, Padre P.O., (Via.) Perla, Kasaragod. Phone number: 04998225100, 09446655218 and Dr. S. Prabhukumar, Zonal Project Director, Indian Council of Agricultural Research, MRS, H.A.farm post, Hebbal, Bangalore- 560 024, email: prabhukumar@gmail.com, phone: 080-23510616 and 23410614 (Extn-30).

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National awards to three Krishi Vigyan Kendras

The Indian Council of Agricultural Research (ICAR), New Delhi honoured three outstanding Krishi Vigyan Kendras (KVKs) during the annual conference on KVKs. The awards carry a silver plaque, citation and cash amount of Rs. 1,00,000.

Krishi Vigyan Kendra of the Tamil Nadu Veterinary and Animal Sciences University, (TANUVAS) Kancheepuram bagged the award for providing strong technology support in agriculture, animal husbandry and allied activities.

The KVK carried out 89 technology assessment and refinement trials and rendered farm advisory services and field visits.

It also organized training programmes for extension personnel and imparted modern technological knowhow and do how in agriculture and allied sectors.

Capacity building

The KVK wing of the Tamil Nadu Agricultural University (TNAU), Cuddalore bagged the award for its contribution under the various capacity building exercises in which it conducted 2,140 courses for farmers, rural youth, unemployed persons, extension functionaries and others in which there were 64,104 participants with 37 per cent representation by women. It also acted as knowledge and resource centre for implementation of Precision farming in farmers holdings in 1,020 hectares.

It also produced cashew grafts (23,938), Moringa (1,264), Jatropha (4,500) and other horti seedlings and supplied to farmers. Seeds of groundnut, sesame and black gram were produced.

Kerala Agricultural University KVK from Kannur exerted a powerful influence on the other extension systems of the district by playing a leadership role.

Paddy task force

The Paddy Task Force (PTF), a novel initiative of the kendra to address the alarming declining area under paddy due to labour shortage has been recommended by the State planning board for statewide adoption.

The Kannur kendra pioneered several innovations in extension, namely, farmers' science congress and creative extension, a new branch of agricultural extension, which uses art forms for communication.

The sub-surface dyke built by the Kendra to alleviate water scarcity has now become the largest rainwater harvesting system in the region and a model demonstration unit.

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Farm Query

Enriched farmyard manure

Where can I get information on enriched farmyard manure?

Jalaluddin,Tamil Nadu

The manure is made from mixing one cart of cow dung, 5 kg of super phosphate, potash and urea each, one quarter bag of field soil (soil taken from the field) and a handful of calcium mixed well, and shade dried for 15 days and used. "One cartload of this manure is sufficient for an acre. For more information you can contact Mr. Mr. J. P. Samraj, Director, Sands, Suviseshapuram (via) Ittamozhi-627652, email: sands_suviseshapuram@yahoo.com, phone: 04637-278173, mobile: 9659318609.

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SNAPSHOTS

Tomato nutrient can stall vascular diseases

Kamal Narang

Tomatoes contain a nutrient which could tackle the onset of vascular diseases. Research reveals that an extracted compound, 9-oxo-octadecadienoic, has anti-dyslipidemic effects.

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Ponneem preparation

How to prepare ponneem solution?

Jayapriya *Tamil Nadu*

To prepare Ponneem , mix 45 per cent of neem oil, pungam oil and 10 per cent of soap solution(wetting agent). Mix 30ml of Ponneem with 10 liters of water and spray. The requirement for an acre is one to one and half litersof the solution. The concentration can be reduced based on pest attack. It should be sprayed either in the morning or evening as the pest movement is high at this time. For more details contact Mr. Ravi, Vayalanalloor. 94447 06218 or Mrs. Sheela, Kolumanivakkam, 94442 88173.

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Plant survival in arid conditions

Plants can naturally control the opening and closing of stomata, pores that take in CO{-2} and release water. During drought, a plant might close its stomata to conserve water. By doing so, however, the plant also reduces the amount of CO{-2} it can take in, limiting photosynthesis.

Purdue University researchers have found a genetic mutation that allows a plant to better endure drought without losing biomass, reducing the amount of water required and helping plants survive in adverse conditions.Researchers found that a genetic mutation in the research plant *Arabidopsis thaliana* reduces the number of stomata, but without limiting CO{-2} intake. “The plant can only fix so much CO{-2}. The fewer stomata still allow for the same amount of CO{-2} intake as a wild type while conserving water,” said a researcher.

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Boiling and evaporation

K.R. DEEPAK

Usually evaporation is caused by boiling. To form a cloud, water in the ocean, lake etc evaporates without boiling. How?

VIJETH J. SHETTY *Udipi, Karnataka*

Evaporation is the physical process by which molecules of a liquid leave the liquid surface into the vapour phase. This takes place at all temperatures with temperature dependant rate of evaporation and leads the liquid-vapour system towards equilibrium when the local atmosphere attains saturation. The partial pressure at this stage is called the saturation vapour pressure. Evaporation stops after this stage is attained unless the vapour is removed from the interface, at least locally.

Boiling, on the other hand, is the process by which evaporation of liquid is thermally forced into the vapour phase even beyond saturation, a condition known as supersaturation. At the interface, that is the surface of boiling liquid, the temperature is high and the equilibrium vapour concentration is very high, at regions away from the surface, the temperature is low, thus the available amount of the water vapour is beyond the saturation concentration for that temperature or the condition of super saturation is attained.

In the water-air system, applicable to evaporation of water into the atmosphere, the water molecules leave the water surface at a rate commensurate with the existing temperature. Also, evaporation being a surface phenomenon, the evaporation rate is proportional to the area of the exposed surface. Hence, in large water bodies like ponds, lakes and oceans, the amount of water transforming into vapour phase is considerably large even at ambient temperatures, far below the boiling point which is 100 degrees Celsius.

Further, this water vapour which saturates the air just above the water body, gets swept away by wind which replaces the saturated air by fresh air containing less of water vapour. And, water vapour is lighter than the air and so, the water vapour floats up. Both the above processes make the air in contact with the water surface, under saturated. This leads to further evaporation of water from the water body.

The vapour which floats up in the atmosphere until the density of air and the density of water vapour match. In this region of the atmosphere, the accumulation of water vapour forms the cloud mass. PROF. H. K. SAHU ***Chennai Mathematical Institute, Chennai***

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Forest department conducts day-long bird enumeration

P.V.Srividya

Part of Integrated Water Bird Census conducted across wetlands

Photo: B.Velankanni Raj

Bird watchers' delight: Gulls, Terns and ducks marks the misty skyline of Point Calimere Wetland Complex here at Kodiakkarai on Wednesday.

POINT CALIMERE: A day-long bird census was conducted by the forest department here at the Point Calimere Wetland Complex at Kodiakkarai in Nagapattinam on Wednesday. The bird population estimation was part of the Integrated Water Bird Census conducted across all wetlands and bird congregations in the State.

A 45-member team of ornithologists and students were divided into nine teams to cover nine congregation zones. The methodology of block counting was adopted for clustered congregations, where flocks are divided into blocks. Individual counting was taken up for scattered birds.

The major sightings included Northern Pintail (Ducks), Gulls Terns, Bar-headed Goose among others. However, the number of Flamingoes, the flagship bird species of the Point

Calimere Wetland Complex was sparse, running into few hundreds.

The Point Calimere Wetland Complex stretching from Point Calimere at Kodiakkarai to Thalainayar area hosts the largest feeding ground in the country for migratory birds from as far as the Arctic.

According to S.Balachandran, Assistant Director, Bombay Natural History Society that has its only field station in the country at Kodiakkarai, there has been considerable fall in the shore birds due to flooded swamps above the desirable limits. “If the water level is not ideal, it would affect the migratory shore birds that thrive on shallow waters,” says Dr.Balachandran.

Internationally, water bird enumeration is conducted during the first fortnight of January. For Tamil Nadu, this would the second year of such an exercise. Last year, the bird estimation exercise across the State recorded over seven lakh birds, and of them, a whopping 3,35,000 birds were recorded here in Point Calimere. This accounted for about 79 species, constituting over 53 per cent of the bird species, the largest among all the wetlands of the State. The enumeration exercise was preceded by a training session on the science and methods of ornithology and tools of identification though bird morphology.

A similar training for frontline staff of forest department from all districts was organised here a week ago. “What amounts to actual counting and mere estimate varies as per the type and the nature of the habitat. The purpose is to exact a trend, and to avoid duplication,” says Dr.Balachandran.

Speaking to The Hindu over phone, R.Sunderaraju, Chief Wild Life Warden (CWLF) said the enumeration was held in all districts with participation of the public, NGOs, school and college students.

The estimates would be collated within 10 days, the CWLF said. The census conducted by the district forest department under K.Soundarapandian, Wildlife Warden, was coordinated by the BNHS, which has its first and only field station in the Country at Kodiakkarai.

The sanctuary declared in 1967 for conservation of Blackbucks is also home to the Spotted Deer, Feral Pony, Wild Boar, Jackal, mongoose, Bonnet Macaque, Black-naped

Hare and Indian star tortoise.

Tiruchi Special Correspondent adds:

Over 29 species of water birds were recorded at the Vettakudi-Karaivetti Bird Sanctuary in Ariyalur district during a water bird census conducted by the Forest Department on Wednesday.The exercise was conducted by a team of 15 persons, including Forest/Wildlife officials, bird watchers and students. Split into three groups, the team members conducted the exercise from 5.30 a.m. at the bird sanctuary, spread over an area of about 450 hectares. According to S.Chandrasekaran, Wildlife Ranger, Thanjavur, among the 29 species of water birds, 15 were migratory.Little and large egret, darter, little cormorant, garganey, common teal, little grebe, white ibis, glossy ibis, spoonbill, whiskered tern, blue kingfisher and pheasant tailed jacana were among the species recorded. Fourteen other bird species were also sighted, Mr.Chandrasekaran said. K.Subbiah, Forest Ranger, Ariyalur, and Amirtharaj, Ranger, Social Forestry, Ariyalur, also took part in the exercise.

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‘Rs.14, 500 crore revenue from livestock, fisheries'

— Photo:M.Srinath

Point well made: R.Prabakaran, Vice Chancellor, TANUVAS, speaking at a seminar in Thanjavur on Wednesday.

THANJAVUR: Animal Husbandry and Fisheries department plays an important role in helping the agriculture sector to attain a growth rate of four per cent said R.Prabakaran, Vice-Chancellor, Tamil Nadu Veterinary and Animal Sciences University (TANUVAS), here on Wednesday.

He was here to participate in an interaction with farmers on Integrated Livestock and Fish farming suitable for the district.

He told reporters that revenue from cattle, poultry and fisheries sector in Tamil Nadu is Rs.14, 500 crore in a year and it stood at Rs.2.5 lakh crore for the whole country .

Milk production in the State is 5.8 million tonnes per year and the country's average is 110 million tonnes. Nearly 830 crore of eggs are produced per year in Tamil Nadu.

Research and dissemination

TANUVAS is contributing significantly to the research and dissemination of information on significant developments in livestock rearing. To achieve this, it has implemented a programme to take the fruits of research to the fields and provide necessary technology to farmers.

Emphasis is given to the protection and rearing of native breeds like Umbalachery. A germplasm of these animals is also maintained at the university.

Compared to cross breeds, native breeds are disease resistant and strong. Quality of milk from native breeds is also good.

Vaccines

The University is also involved in producing vaccines for various diseases.

The public health wing of the University is engaged in the production of drugs in the control of diseases that spread to humans through animals.

Technological innovations

To market the technological innovations and research findings of the University, a livestock business development programme is being implemented.

A fisheries college will be started soon in Thanjavur as inland fishing is catching up in Thanjavur, Tiruvarur and Nagapattinam districts.

A proposal to this effect has been sent to the government. The University is also offering new courses like B.Tech in poultry production and M.Tech in food processing.

Pongal would be celebrated as Livestock and Fisheries Celebration week by the University and its various institutes in the State.

B.Murali Manohar, director, Centre for Animal Health Studies, TANUVAS and N.Punniyamurthy, Professor and Head, Veterinary University Training and Research Centre, Thanjavur, were present .

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“Mariculture can enhance productivity”

Staff Reporter

Tuticorin: The government is aiming to achieve a growth rate of four per cent in the agriculture sector in the 12th Five Year Plan but it can be executed with the alliance of fisheries sector. A growth rate of 15 per cent is expected to be achieved in the fisheries sector, R. Prabakaran, Vice- Chancellor, Tamil Nadu Veterinary and Animal Sciences University, Chennai, has said.

Since seafood consumption was on the rise day by day, the fisheries sector had to be prepared to meet the demands, Dr. Prabakaran said while presiding over the workshop organised by the Fisheries College and Research Institute, Tuticorin.

“Even though inland fisheries were available, it could not match the increasing demands of fish for consumption. But mariculture could emerge as the best alternative to enhance the productivity with the available potential resources here. Of the total fishery resources, the contribution of aquaculture was 42 per cent. The global value of aquaculture products per annum was estimated at 108 billion US dollars."

Calling it a red letter day for the Institute, the Vice- Chancellor signed a memorandum of understanding with University of Arizona, USA.

He said the initiative would help impart quality education and enhance research outputs to widen opportunities for the graduates here. Further, FCRI would enter into agreements for exchange programmes on research with universities abroad.

He said that FCRI should establish more contacts and widen relations with corporate and industries so as to enable the students gain practical knowledge. A translational research would be organised at TANUVAS, Chennai, on January 24 and technologies available for livestock vaccines and diagnostics would be shared.Since mariculture was the emerging youngest science, the research output derived from culture technologies should be taken to the field to benefit farmers in a large scale, M. Sakthivel, President, Aquaculture Foundation of India, Chennai said."With enhanced culture technologies in sea farming, the fishery sector has become a multi-billion dollar industry.Unless the inputs of seed, feed, technology, money and market are available, mariculture could not be promoted," Dr. Sakthivel added.A.R.T. Arasu, Principal Scientist, Central Institute of Brackish Water Aquaculture, Chennai, M.C. Nandeesha, Dean, FCRI, V.K. Venkataramani, Director, Research and Extension, M.J. Prince Jeyaseelan, Professor, N. Felix and Nagoor Associate Professors also spoke.

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Plant protection chemicals distributed to farmers

Tuticorin: With the objective of increasing the productivity of horticultural crops such as chilli and coriander in Ettayapuram taluk in Tuticorin district, plant protection chemicals were being distributed to select farmers through Hi-tech Productivity Enhancement Programme under the National Agriculture Development Programme by Department of

Horticulture, S. Raja Mohamed, Assistant Director of Horticulture, Vilathikulam, has said.

He said the farmers, who had cultivated chilli and coriander that were not affected by the recent floods in Padarnthapuli of Ettayapuram taluk, were being given plant protection chemicals such as carbendazim and wettable sulphur.

Besides the farmers were advised to take up prophylactic plant protection measures with organic fertilizers like neem cake and bio-fertilizers like azosphyrillum and phosphobacteria in order to save the crops against any possible disease like powdery mildew, leaf-spot disease on chillies and ‘grain mould' disease on coriander.

According to Mr. Mohamed, during the winter, any fungal disease could easily spread and attack crops. To control powdery mildew disease affecting both chilli and coriander, one kilogram of wettable sulphur could be sprayed per hectare and for the grain mould disease, 500 grams of carbendazim per hectare for 20 days after grain set could be sprayed on coriander.

Timely distribution of these chemicals could certainly save the chilli and coriander crops and productivity could be enhanced as a result, he added.

T. Lakshmi Reddiyar, panchayat president, Veladipatti distributed these plant protection chemicals worth about Rs. 77, 200 free of cost on Monday to 16 farmers from Veladipatti, who were cultivating chilli and coriander on 12 hectares. Five more farmers from Perilovanpatti also benefitted from this programme.

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Coconut-growing States show concern over low copra price

Staff Reporter

‘Selling copra through PDS will help coconut growers'

— Photo: K. Murali Kumar

By-product:An artisan giving the final touches to his work on a coconut at the exhibition in Bangalore on Wednesday.

BANGALORE: Horticulture Minister S.A. Ravindranath on Wednesday urged the Central Government to distribute copra to the public through the public distribution system so that coconut growers could get better prices.

He was speaking after inaugurating the National Conference and Cocofest organised by the Coconut Development Board, Government of India, and Horticulture Department, Government of Karnataka. He said thousands of farmers, who produce copra out of coconut are being discouraged as the product was not yielding a good price.

There are 18 States in the country in which coconut is grown in large quantities. These States should together pressurise the Centre to get a good price for copra. The area under coconut cultivation has considerably increased due to the efforts of the board as well as the department, he said. Now, Karnataka has become the second largest producer of coconuts in the country.

Regarding containing pest menace to coconut trees in the State, Mr. Ravindranath said the Government had already released Rs. 1.84 crore towards pest control. The black-headed caterpillar has been causing havoc in the State and suitable measures are being taken, he said.

Not enough measures

However, Tumkur Lok Sabha Member G.S. Basavaraj took both the Central and State governments to task in his address.

Tumkur is one of the districts where coconut is extensively cultivated and he was naturally upset with the continuing onslaught of the black-headed caterpillar.

He said scientists should go to the fields instead of spending time in research labs to find out solutions for the pest menace.

"The black-headed caterpillar, which has been wreaking havoc for the past 13 years, should have been wiped out by now," he said. Even the Coconut Development Board was getting step-motherly treatment from the Central Government, he alleged. Board Chairman Anup Kumar Thakur and Department Director N. Jayaram were present.

Exhibition

The two-day conference being held at Woodlands Hotel in the city also features an exhibition of coconut products such as bottled coconut water, dried coconut milk and various household articles.

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Pay Rs. 2,100 to sugarcane farmers, says Collector

Staff Reporter

SANGAREDDY: Collector S. Suresh Kumar made it clear to the management of Trident Sugar Factory, located in Zaheerabad of Medak district, that there was no other way but to pay Rs.2,100 per ton to sugarcane farmers.

In a meeting with sugarcane farmers and Trident management representatives held at Sangareddy on Wednesday, Mr. Suresh Kumar said that Trident was bound to pay on a par with other sugar factories located in neighbouring districts.

He had given two days time to the management to announce the price over and above Rs.2,100, which may be in the form of cash or kind –like supplying seed or extending input subsidy.

Creating confidence

“Create confidence among the farmers that you will protect their interests. You are going to lose heavily if the farmers lost confidence and shifted from sugarcane. Do not let the farmers down,” he told the Trident management, warning that the expansion plans of the management would face problems if they fail to maintain relations with farmers.

DCCB chairman M. Jaipal Reddy said that the factory management failed to keep the promise of paying the cost of harvesting and transportation thereby creating mistrust. “The area of crop cultivation has increased this year as farmers expected better price than last year. If not more, the management should pay at least the price they paid last year, that is Rs.2,250," he said adding that other managements had supplied seed of two ton per acre to the farmers.

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Input subsidy for farmers sanctioned

Chittoor: The government has sanctioned input subsidy to big farmers also whose crops were damaged raised on an extent of five acres land due to adverse seasonal conditions hither to eligible small farmers said district Collector V. Seshadri.

Talking to media persons here on Wednesday, he said that input subsidy of Rs.5.6 crores released would be paid to 16,000 farmers whose crops were damaged last year before Sankranti besides, the balance of Rs.23 lakh.

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Pay hike for staff of milk co-operative societies

Special Correspondent

The new hike will be a minimum of Rs.125 and maximum of Rs.500 per month

CHENNAI: The Tamil Nadu government on Wednesday announced hike in salary for employees of primary milk co-operative societies.

Making a suo motu statement in the Assembly, Dairy Development Minister U. Mathivanan said the hike would be 54 per cent of the hike announced in 2009.

Twenty per cent hike was announced in 2009 based on the recommendations of a committee constituted to look into various aspects, including fixing the salary structure.

The new hike will be a minimum of Rs.125 and a maximum of Rs.500 per month. As regards those who had not benefited by the hike in October, 2009 and employees of the societies registered after April, 2009, they would get a hike of Rs.125. This announcement will benefit a total of 18,588 employees of 8,246 co-operative societies.

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Programme under the National Agriculture Development Programme by Department of Horticulture, S. Raja Mohamed, Assistant Director of Horticulture, Vilathikulam, has said.

He said the farmers, who had cultivated chilli and coriander that were not affected by the recent floods in Padarnthapuli of Ettayapuram taluk, were being given plant protection chemicals such as carbendazim and wettable sulphur.

Besides the farmers were advised to take up prophylactic plant protection measures with organic fertilizers like neem cake and bio-fertilizers like azosphyrillum and phosphobacteria in order to save the crops against any possible disease like powdery mildew, leaf-spot disease on chillies and 'grain mould' disease on coriander.

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State urged to make a law for tenant farmers

Draft bill on tenant farmers presented to political representatives seeking their responses

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Revenue records being computerised to record the status of tenant farmers, says Collector

Copies of cultivation records to be shared with banks for sanctioning loans

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KURNOOL: A meeting of political representatives urged the government to make a comprehensive law in support of tenant farmers and implement it with the same zeal. The district administration led by Collector Ramsankar Naik and Joint Collector Jyothi M. Buddha Prakash presented the draft bill on tenant farmers seeking responses from the representatives. Collector said the revenue records were being computerised, which would also help record the status of tenant farmers. The copies of cultivation records were shared with the banks so that loans could be sanctioned accordingly.

Panyam MLA Katasani Rambhupal Reddy said bankers should take initiative to suggest to the acceptable format of records so that they could advance loans without any hitch. He said banks were advancing loans only to land owners without verification of cultivation status. The crop loss damages were given only to land owners. He suggested the gram sabhas should be the forum for distribution of crop compensation.

CPI leader K. Jagannatham suggested that all one lakh tenant farmers in the district should be given cards. Wide publicity should be given to crop insurance scheme to insulate farmers from nature's vagaries. CPI(M) leader T. Shadrak said political interference should minimized in sanction of loans or crop compensation and other inputs. A provision should exist in the law itself for its effective implementation.

TDP president Somisetty Venkateswarlu said the law should take into account all the troubles faced by tenant as well as general farmers.

DCC secretary M. Sudhakar Babu said proper records should be prepared without scope for duplication. No year passed without any damage to farmers. BJP district president Nagaraju said efforts should be made to ensure presence of Village Revenue Officer at every farm for recording of details. The entire planning was done based on the data prepared by the VRO at grassroots level. Additional Joint Collector Prakash Kumar, DRO Suryaprakash, Revenue Divisional Officers and others were present.

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Our cotton, their onions

India's reported willingness to relax its ceiling on cotton exports to accommodate the Pakistani demand for the commodity if Pakistan will permit the overland export of onions is a welcome development. The floods in Pakistan affected some portion of its cotton crop, and the country is now short of the commodity for its domestic textile and yarn industry, the mainstay of its fragile economy; heavy and unseasonal rains have caused an onion shortage in India, pushing its price up and out of reach of the ordinary pocket. Onions are in good supply in Pakistan; India's cotton harvest is better than in previous years. It takes nothing more than common sense to see that the two countries can alleviate each other's shortages. The Indian government's decision to restrict the export of cotton to 5.5 million bales in 2010-11 was taken keeping in view the demand of the domestic textile and yarn industry and the estimated production this year. There was no country-specific quota. But amid rising world prices and high demand, Indian traders evidently found it more advantageous to prioritise shipments to China and Indonesia, and the orders for one million bales from Pakistan went unheeded. Also, traders were given an extremely short calendar to register orders. A small upward revision by the Cotton Advisory Board in the projected cotton harvest has evidently enabled the Indian Commerce Ministry to consider raising the export ceiling as a reciprocal measure to Pakistan agreeing to exporting onions to India through the Wagah border.

The Pakistani government has frozen the trade on this route to keep domestic prices in check. It has allowed onions to be exported only by sea, but this long and expensive alternative defeats the purpose for which India wants Pakistani onions. Islamabad must consider New Delhi's proposal with an open mind. An agreement on this may not translate into a paradigm shift in India-Pakistan relations, but in these times of embittered relations, even a small step towards good neighbourliness can go some way in altering the mood of mutual hostility. It now appears that both the countries are tentatively preparing for another round of engagement in March, most likely between the Foreign Secretaries on the sidelines of the SAARC standing committee meeting at Thimpu. The Foreign Ministers may hold talks later in New Delhi, although the date for the meeting has not been decided yet. Cotton and onions are unlikely drivers of India-Pakistan diplomacy, but they could help smoothen the stage for the forthcoming rounds of talks.

Date:13/01/2011 URL: http://www.thehindu.com/2011/01/13/stories/2011011366431900.htm

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Short supply to keep cardamom prices high

Staff Reporter

Thrissur: The short supply and high demand will keep the price of cardamom high in the coming months, according to the Agricultural Market Intelligence Centre (AMIC).

The AMIC had released the first price forecast for cardamom in July.

The forecast indicated a fall in prices from October 2010. Cardamom prices in India witnessed unprecedented speculation in October following unconfirmed news about the arrival of about 20,000 MT of cardamom from Guatemala. Based on the latest traders' survey, the AMIC has predicted that domestic cardamom market would be strong, as the speculation about the arrival of Guatemalan cardamom has proved wrong.

The centre says there is a dip in the production of cardamom in Kerala due to heavy rain. Market arrivals are also slowing down.

The market studies indicate good domestic demand of cardamom. Demand

from North India will also remain high till the festival season ends with Holi, says the centre. Countries like Saudi Arabia have started placing orders from India. The widening demand-supply gap is thus expected to perk up cardamom prices further.

Based on the above trends, the prices expected to prevail for the next three months for the cardamom Alleppey Green Extra Bold (AGEB) are Rs.1,500-1,700 in January, Rs.1,600-

1,800 in February and Rs.1,800-2,000 in March. The price of non-graded cardamom lot (bulk) is expected to be Rs.1,500-1,700 for the next three months.

Date:13/01/2011 URL: http://www.thehindu.com/2011/01/13/stories/2011011367582400.htm

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7 farmers commit suicide in M.P. in one month

Mahim Pratap Singh

Crop failure, debts, and personal reasons behind deaths

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5 of the suicides have occurred in Damoh district A total of 12,455 farmers committed suicide in M.P. from 2001 to 2009: report

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Bhopal: Seven farmers have committed suicide in Madhya Pradesh in less than a month.

Kanhaiya Patel (30) of Hata village in Damoh district committed suicide on Wednesday taking the total to seven. He had taken an acre of land on lease and had a debt of Rs.20,000. After his entire arhar (pulses) crop failed, the landowner is reported to have said that if any compensation came by it would belong to him as the owner.

Five of the seven suicides have occurred in Damoh district. The reasons include massive failure of the pulses crop, coupled with heavy institutional and non-institutional debts.

However, Damoh Collector S.P. Singh Saluja told The Hindu: “The suicides were committed due to personal reasons and not debt; crop failure may have been a reason in some cases but for that surveys are being conducted and compensation will be paid for any crop failures we come across.”

A large number of farmers staged a demonstration in front of the Collector's office on

Tuesday demanding compensation for the failed crops.

Uday Singh of Devran village, attempted to end his life by consuming pesticide on Monday. He is reported to be under a joint debt (with his four brothers) of Rs.1.06 lakh from a nationalised bank and a personal debt of Rs.30,000.

“In this case, the suicide was attempted because of tension between Uday and his wife. Luckily, the poison intake was less and he survived,” said Damoh Superintendent of Police D.K. Arya.

Denial mode

While suicides continue to occur, the State government seems to be in a denial mode. Parliamentary Affairs Minister and government spokesman Narottam Mishra told journalists last week that no farmer in Madhya Pradesh had committed suicide owing to the burden of debt.

Commenting on the death last week of a farmer, Shivprasad of Ichaavar tehsil in Sehore district, Mr. Mishra said he was well-to-do and must have committed suicide owing to personal reasons. Local newspapers reported that the farmer's family was under pressure to say that he was suffering from insanity and had therefore taken his life. The family confirmed the reports and said the authorities had taken away all loan documents from them.

Triolki Joshi of Devri Tehsil in Sagar district, took his life on Monday. A note found on his person said he had consumed pesticide after the failure of pulses crop on his seven-acre land.

Sagar Superintendent of Police V.S. Suryavanshi said: “The note is yet to be verified as it was not there during the panchnama.”

A total of 12,455 farmers committed suicide in Madhya Pradesh from 2001 to 2009, according to the National Crime Records Bureau. Of them, 2, 296 were women, making it 18.43 per cent of the total suicides — the highest among all States.

Madhya Pradesh follows Maharashtra, Andhra Pradesh, Karnataka and Chhattisgarh in the infamous list of the “Big Five” — the five States with the highest incidence of farmer suicides.

In 2009 alone, 1,395 farmers committed suicide in the State, taking the average farmer suicide that year to four a day.

According to a 2003 household debt survey conducted by the National Sample Survey Organisation, the average individual farmer debt in Madhya Pradesh stood at Rs.14,218.

The State Human Rights Commission has served notices to Collectors and Superintendents of Police of all districts to explain farmer suicides.

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hindustantimes

Press Trust Of India
New Delhi, January 13, 2011
First Published: 09:59 IST(13/1/2011)
Last Updated: 10:04 IST(13/1/2011)

Govt worried over inflation, steps likely today

The government is likely to announce on Thursday a slew of steps to bring down high prices, particularly of food items, following Prime Minister Manmohan Singh's consultations with his senior Cabinet colleagues Tuesday.

The Prime Minister's meeting was followed by finance minister Pranab Mukherjee holding discussions with Food and Agriculture minister Sharad Pawar and Planning Commission deputy chairman Montek Singh Ahluwalia Wednesday.

Commodities market regulator Forward Market Commission's chairman B C Khatua was also

called for consultations.
Soon after the meeting earlier in the day, Pawar said that the government would make an announcement in this regard later in the evening. Sources said the Cabinet Secretariat, in consultation with the finance and agriculture ministries, was working on anti-inflationary measures till late in the night.The steps being contemplated may include reduction of duties on milk power, banning exports of wheat products and taking more essential commodities out of the futures market. The government has been under attack for not being able to bring down prices, especially of food items. The food inflation, fuelled by rising prices of vegetables, fruits, meat and egg has crossed 18 per cent on December 25.
After the Prime Minister's consultations, the decision of the Agriculture Ministry to export five lakh tonnes of sugar was referred to an empowered group of ministers, headed by Mukherjee.

http://www.hindustantimes.com/StoryPage/Print/649733.aspx

New Delhi, January 12, 2011
First Published: 16:51 IST(12/1/2011)
Last Updated: 16:53 IST(12/1/2011)

Inflation commensurate with economic prosperity: Montek

Attributing rising prices partly to growing economic prosperity, Planning Commission Deputy Chairman Montek Singh Ahluwalia on Wednesday exuded confidence that food inflation would come down by the end of this fiscal. "Yes it is true that milk and vegetable prices are high. You know some of this is a reflection of economic prosperity and purchasing power," he told reporters in New Delhi. Driven by a spurt in onion prices and other vegetables, food inflation soared to its highest point of 18.32% for the week ended December 25, 2010. Ahluwalia said, "Food inflation will be much lower by the end of this year than they were a year earlier."

"The trouble with vegetables is that it not very seasonal and we don't have very good marketing system," Ahluwalia said, adding there was a need to improve the agriculture marketing system. "The solution does not lie in imposing price control or monetary restriction. It lies in modernising agriculture marketing," he stressed. The state governments, he suggested, should exempt horticulture produce from the ambit of the Agriculture Produce Market Committees (APMC) Act.

"APMC Act is very outdated. It is an instrument which perpetuates monopoly of a group of traders. I know there would be difficulties in doing that (overhauling APMC Act)," he said. The economy expanded by 8.9% during the first half of the current fiscal. The growth in the current fiscal is likely to be about 9%, up from 7.4% in the previous fiscal.

http://www.hindustantimes.com/StoryPage/Print/649493.aspx

Weather

Chennai - INDIA

Today's Weather

Clear

Thursday, Jan 13

Max Min

29.8° | 21°

Rain: 00 mm in 24hrs

Humidity: 78%

Wind: Normal

Sunrise: 6:34

Sunset: 17:59

Barometer: 1010.0

Tomorrow's Forecast

Cloudy

Friday, Jan 14

Max Min

30° | 19°

Extended Forecast for a week

Saturday	Sunday	Monday	Tuesday	Wednesday
Jan 15	**Jan 16**	**Jan 17**	**Jan 18**	**Jan 19**
24° | 21°	26° | 22°	26° | 22°	25° | 22°	26° | 22°
Cloudy	Cloudy	Cloudy	Cloudy	Cloudy

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THE ECONOMIC TIMES
Thu, Jan 13, 2011 | Updated 11.11AM IST

13 Jan, 2011, 12.47AM IST, S Sujatha,ET Bureau

Sugar cane yield dips further in Tamil Nadu

COIMBATORE: Cane recovery has dropped for the third successive season in Tamil Nadu due to excessive rain and literally no sunshine in the 2010-11 season. Sugar juice recovery, which went down to 8.88% in the last season from 9.62% in the previous season, is expected to fall further to 8.4% this season.

“The northeast monsoon usually ceases by the end November or the first week of December. But this time, there was continued rain till the first week of January. For good cane recovery, we need temperature at the minimum during night and maximum during daytime,” said Ponni Sugars managing director and South Indian Sugar Mills Association president N Ramanathan.

Last year, Tamil Nadu sugar mills saw lower cane recovery due to less availability of cane. “Mills operated at a lower rate and were forced to cut cane which had not fully grown, leading to a poor recovery,” said a sugar technologist. The state, where 43 sugar mills in operation, is anticipated to produce 1.58 million tonne of sugar from 16.77 million tonne of cane at an expected cane recovery rate of 9.42% this time, according to government data.

Due to adverse weather conditions, a drop of around 0.5% to 1% in cane recovery has been recorded. Millers are worried now because they have to pay the state advisory price (SAP) of Rs 1,900 per tonne for sugarcane linked to a sugar recovery of 9.5% despite poor recovery.

“There is no penalty for less cane recovery though we need to pay premium if there is better recovery,” said Ramanathan.The SAP is more than the Union government’s fair and remunerative price of Rs 1,391 per tonne for 2010-11.

Sugar consumption in the state is around 1.4 million tonne. “Apart from domestic supply, Tamil Nadu mills export a substantial quantity as international prices are ruling at around Rs 34-35 per kg compared to the ex-factory price of Rs 29 per kg in the state,” said an industry expert.

12 Jan, 2011, 10.04PM IST,PTI

After onion, prices of non-veg items on rise

NEW DELHI: An already battered common man facing hardships on account of soaring prices of onion and other vegetables , has no sigh of relief due to rise in prices of non-vegetarian food items by up to 25 per cent.

Prices of egg, mutton and fish are almost 25 per cent more now in comparison to the rates around this time last year, traders said.

Egg, the poor man's protein, is selling at Rs 5 a piece (Rs 60 a dozen) in the national capital vis-a-vis Rs 4 a piece (Rs 48/dozen) during same time last year, Poultry Federation of India (PFI) spokesperson Ricky Thaper told PTI.

Similarly, rate of mutton has registered an increase of about 15 per cent.

The red meat is selling at Rs 280 per kg in the retail now, high of 15 per cent from last year, Thaper said.

Likewise, fish is also dearer by 15 per cent as compared to last year. Fish is selling at Rs 350-500 a kg depending on the variety, Thaper added.

Milk and cooking oil are also costly by 20 per cent and 25 per cent, respectively vis-a-vis last year.

Full cream milk is selling at Rs 33 a litre as compared to Rs 28 a litre last year.

Cooking oil Fortune is selling at Rs 70 a litre now against Rs 55 a litre last year, the sources added.

12 Jan, 2011, 01.38PM IST,REUTERS

Oilseeds, soyoil fall on global markets

MUMBAI: Indian oilseeds and soyoil futures fell on Wednesday afternoon, depressed by weakness in the overseas markets and an expected rise in local rapeseed output, analysts said.

At 1:20 p.m., Malaysian palm oil futures were down 1.65 percent at 3,642 ringgits per tonne, while the U.S. soy futures were 0.66 percent higher at $13.66 per bushel, after losing 1 percent in the previous session.

"A drop in overseas oilseeds market due to forecast of rains over Argentina pulled down the Indian counter. Market is also expecting a sharp rise in domestic rapeseed output," said Badruddin Khan, senior research analyst at Angel Commodities Broking .

U.S soy futures were rising earlier this month due to dry weather in Argentina, one of the world's leading soybean exporters.

Rapeseed area in top producer Rajasthan state went up 24 percent to 2.75 million hectares, while the current weather conditions have boosted yield prospects for the country's main winter oilseed crop.

February soyoil on India's National Commodity and Derivatives Exchange (NCDEX) was down 0.72 percent at 636.35 rupees per 10 kg at 12:51 p.m.

February soybean fell by 0.60 percent to 2,402 rupees per 100 kg, while January rapeseed dropped 1.21 percent to 545.35 rupees per 20 kg.

The U.S. Department of Agriculture's supply/demand report on Jan. 12, a major monthly fixture for grain traders and analysts, is likely to provide evidence of unusually low inventories of both corn and soybean in the United States, the biggest exporter of both.

India's oilmeal export jumped 94 percent in December from a year earlier, its sixth straight monthly rise, on robust demand from traditional buyers in Japan, Vietnam and Indonesia, data from a leading trade body showed.

12 Jan, 2011, 01.06PM IST,PTI

Cardamom turns weak on profit taking

NEW DELHI: Cardamom futures prices fell by Rs 14.50 to Rs 1,551.10 per kg, in futures trade today, as speculators preferred to book profits triggered by subdued demand in the spot market.

Increased arrivals from the producing regions also put pressure on the cardamom prices in futures trade.

At the Multi Commodity Exchange counter, cardamom for delibery in March declined by Rs 14.50, or 0.92 per cent, to Rs 1,551.10 per kg, with a business turnover of 49 lots.

The commodity for delivery in January eased by Rs 9.40, or 0.64 per cent, to Rs 1,452 per kg, with a business turnover of 34 lots.

While February-month delivery contract moved down by Rs 9.60, or 0.62 per cent, to Rs 1,519 per kg, with an open interest of 130 lots.

Market analysts said, besides profit taking by speculators at existing higher prices, fall in demand in the spot market also put pressure on cardamom prices at futures market.

the pioneer

Traders' day-long strike raises price of onion

January 13, 2011 11:15:16 AM

Staff Reporter | New Delhi

The day-long strike by the onion traders at the Azadpur Mandi on Wednesday saw another spurt in the price of the bulbous roots and it shot up to `70 per kg in the Delhi and NCR retail markets. With immediate impact in the market due to the strike the traders called off after the intervention of the Delhi Government.

At a meeting with traders, Chief Minister Sheila Dikshit assured the traders would not be "harassed", following which the strike was called off.

The Chief Minister also informed the traders that the Delhi Government would take up the issue with Union Finance Minister Pranab Mukherjee on the IT raids on onion traders in the national capital. Insiders say that the Delhi Government has convinced the traders that the State Government has no role in the IT raids on traders.

During the meeting, the traders informed Dikshit that they will call off their strike with immediate effect. They were perturbed due to income tax raids causing them lot of harassment.

The prices of onion also shot up to Rs 55/kg at Mother Dairy. There was no onion at several outlets of Kendriya Bhandars outlets. Impact of strike was seen in the retail market and the prices shot up to all time high Rs 70-75 per kg in several colonies in South Delhi. The national Capital received onion supplies from Rajasthan, Maharashtra and Gujarat. The consignments from Maharashtra were disrupted because of traders protest in Nashik, the major onion producing area.

After the meeting, Dikshit said, “the traders came to me to announce that they have decided that they will withdraw the strike at this very moment and said in the next two-three days prices of onions will come down quite substantially because the crop which comes around this time in January will be arriving”. “The only assurance that I have given them is that I will write to the local I-T authorities saying that there seems to be cases of harassment of traders,” she said.

“Prices of onions will come down within next two-three days, as arrivals have increased in the wholesale market,” Rajinder Sharma, Secretary Azadpur Vegetable Market Association said. “The Chief Minister told us that she will look into our grievance, specially the harassment meted out by the Income Tax officials during the raids conducted at our premises,” Sharma added.

Food and Civil Supplies Minister Haroon Yusuf said that the prices will come down in the market as NAFED will provide onion to Mother Dairy at Rs 35 per kg. According to Yusuf, over 220 tonnes onion arrived at Azadpur Mandi till 4 pm on Wednesday.

Onion traders in Azadpur mandi, Asia’s largest wholesale fruit and vegetable market had gone on an indefinite strike to protest the Income Tax Department’s raids on them. The Income Tax department had carried out a survey of the business premises of big onion and vegetable traders, including at Azadpur wholesale market, to detect possible hoarding and illegal profiteering.

BJP slams Rahul for blaming allies for price rise

January 13, 2011 11:17:04 AM

PNS | New Delhi

Already aggressive on the price rise issue, the BJP on Wednesday attacked Congress general secretary Rahul Gandhi for blaming coalition compulsion in checking inflation.

“Coalition politics can have ideological implications. But it certainly cannot have implications on price rise. Rahul Gandhi’s blame on coalition compulsions shows the indifference of the UPA II towards the plight of the common man,” said BJP spokesperson Nirmala Sitharaman while speaking to mediapersons.

Attacking the Government over the issue, she alleged that there was a lack of leadership and that even the “special emergency meeting” convened by Prime Minister Manmohan Singh on Tuesday over the issue could not come up with any solution.

Sitharaman found faults with the portfolio distribution among the Ministers and charged that two conflicting Ministries were being held by Sharad Pawar. “As Agriculture Minister, he looks after the farmers’ interest and ensures that they get good return for their produce. On the other hand, as the Consumer Affairs Minister, he serves the interest of the consumers and tries that they get correct prices for products,” she said.

She compared the price situation now with the NDA regime and claimed that even though there were periods of drought in the country, the Atal Bihari Vajpayee Government kept the prices very much under control. “Despite having over 20 coalition partners, the NDA Government kept a check on prices and sent grains to the States on its own expenses,” she said.

The Telegraph
calcutta, india

Potato Utopia in Left Bengal

- 4200 tonnes tossed out as govt breaks promise

ABHIJEET CHATTERJEE

Durgapur, Jan. 12: Marie Antoinette may or may not have deadpanned "let them eat cake" but the Bengal government could have tried saying "let them eat potato" in these times of price rise.

But out went that opportunity — along with 7,000 bags or 4,200 tonnes of potatoes at Panagarh in Burdwan.

In terms of cash, potato stocks valued at Rs 50 lakh rotted on the open ground today because of a dispute between a cold storage facility and the state government.

In terms of impact on the ground, hordes of people armed with buckets descended on the field beside the Delhi-Calcutta National Highway 2 where the vegetables were dumped.

As the people — mostly women who bear the brunt of putting food on the table — scurried among the piles of nylon bags to scoop up the *jyoti* variety of potatoes that sell at Rs 9-10 a kg, cattle, too, ambled in for a windfall meal.

In a country with an airline that has placed the largest order for planes in "aviation history", cows, goats and humans scurried to pick up what the government apparently refused to.

The private cold storage has accused state-run co-operatives of failing to clear the stocks by November 30 last year — the deadline set by an agreement. The co-operatives have also been accused of not clearing dues of Rs 38 lakh. The cold storage had charged Rs 4 lakh per month as rent for storing 4,200 tonnes of potato since the middle of March last year.

The stocks had piled up because of market intervention by the government to help farmers and prop up prices. The government had purchased the potato through its co-operatives — Benfed and Confed — directly from the farmers in March when a bumper produce had triggered distress sales.

Last year had seen a bumper crop of 95 lakh tonnes of potato against an average 80 lakh tonnes. Bengal's requirement is about 50 lakh tonnes a year for consumption and around 7 lakh tonnes for seeds.

The glut had driven at least two farmers to suicide in Jalpaiguri and in Burdwan. The government then decided to buy potato directly from the farmers at Rs 3.5 a kg after prices dipped because of the bumper crop. Benfed and Confed had bought nearly 10 lakh tonnes of potato at and kept those in around 375 cold storages across the state.

An official at the cold storage in Panagarh today said that when the potato was stocked, an agreement was signed under which the co-operative agencies were required to clear the stock by November 30.

Panchanan Samanta, the manager of the cold storage, said that the facility waited so long on "humanitarian ground" but now the officials were helpless as space had to be provided to farmers to store the new crop.

"We have repeatedly told the Benfed and Confed officials to clear our godowns by November 30 in line with the agreement and also to pay the Rs 38 lakh the co-operatives owe the cold storage. We also moved court, which directed the government to clear the potato stock by December 15 but it failed. Today, we took the potato out of the cold storage because most of it had started to rot," said Samanta.

Agricultural marketing minister Mortaza Hossain pointed fingers at the cold storage. "The potato was bought by the government and how dare they take such steps without informing us? Our officers have already lodged an FIR at the local police station as the cold storage authority didn't allow potato traders fixed by us to collect the potato on December 15. We will again lodge a complaint at the way they have destroyed the huge quantity of potato," Hossain said. However, Hossain admitted that the agreement with the cold storage lapsed on November 30. He added that an appeal had been made in the court to extend it till December 15. "We had also assured them to pay the rent for the additional 15 days," he added. "We had made arrangements with potato traders to sell the crop at Rs 2.5 per kg. But when some of them went to the cold storage on December 15, they found it locked. We then lodged an FIR. When the traders contacted the cold storage authority for the potato, they delayed handing over the crop. Now they should not blame us. We suspect that they have sold our potato in the black market and have replaced them with a large stock of rotten crop," Hossain said.

Price pill awaits PM okay

OUR SPECIAL CORRESPONDENT

New Delhi, Jan. 12: Senior ministers today discussed strategies to tame inflation quickly, with possible measures including tariff reductions and monetary policy tightening.

Finance minister Pranab Mukherjee interacted with agriculture minister Sharad Pawar and Planning Commission deputy chairman Montek Singh Ahluwalia on the options. Officials said the meeting had finalised some measures, and these were sent to Prime Minister Manmohan Singh for his approval.

Pranab Mukherjee with trade union leaders at a pre-budget meeting in New Delhi on Wednesday. Picture by Ramakant Kushwaha

Singh had reviewed the price situation yesterday with senior cabinet colleagues.

Talking to reporters after the meeting, Pawar said, “Whatever decision has been taken at the meeting will be brought to the notice of the Prime Minister and thereafter will be released.”

Officials said the measures being considered include an interest rate hike, increasing farm production and selective reduction in tariff on farm imports.

The ministers had also discussed the possibility of encouraging foreign retail chains to enter the food business, measures to strengthen supply chain management, encouraging the setting up of cold storage units and taking steps against hoarders.

The government has already banned the export of rice, wheat, pulses and onions and has allowed duty-free import of onions. It has also raided wholesale traders to check hoarding.

“The surge in food prices is threatening to further weaken the government’s credibility. The government needs to do something urgently to slow down inflation,” N.R. Bhanumurthy of the National Institute of Public Finance and Policy said.

Business Standard

Thursday, Jan 13, 2011

Coconut oil price to fall from present level

BS Reporter / Chennai/ Bangalore January 13, 2011, 0:28 IST

Coconut oil price is expected to fall from present level in the next three months on the back of beginning of harvesting season in major growing states like Kerala and Tamil Nadu. Retail prices of coconut oil has reached Rs 90-100 per kg on the back of production deficit in southern states from an average of Rs 35-40 per kg of oil.

“Retail prices are high in the recent time because of the festive season in Kerala and Tamil Nadu. Also, there is production deficit in Kerala due to untimely rainfall in the state in November which push up prices. However, as the harvesting season starts from January onwards, pressure on pricing will ease," M Thomas Mathew, chief coconut development officer of Coconut Development Board said.

Demand for copra and coconut oil will also slacken as the festive season will be over in January, he added.

Harvesting season in Kerala has already started from the first week of January and it will start in February in Tamil Nadu which will cool up prices, he said. There is an acute shortage of copra in Kerala and Tamil Nadu in the past months due to festive season and demand from leading FMCG companies and Ayurvedic manufacturers.

Further, rise in vegetable oil prices in the country due to import duty and other factors have also pushed the prices of coconut oil.

"Price of vegetable oil and coconut oil are positively related. So, coconut oil prices have also witnessed a spurt due to rise in other vegetable oil prices," Mathew said.

On the production front, he said that production in Tamil Nadu would be in the same level as last year, while Kerala would see a 10-15 per cent drop in production this year. Kerala accounts for around 36 per cent of the 16 billion nuts produced per annum in the country, followed by Tamil Nadu with a share of 34 per cent.

Mathew, also, said that the board was working on number of schemes to increase productivity in the coconut growing regions of the country.

India declines to fourth in global pepper export mart

George Joseph / Kochi January 13, 2011, 0:11 IST

India declined to the fourth position on the global pepper export table in 2010. India, which was the second-largest exporter of the spice, fell to the fourth position after Vietnam, Indonesia and Brazil.

Brisk exports by Indonesia in 2010 brought it to the second spot as their shipments were around 46,000 tonnes, 15 per cent up from exports in 2009. Brazil grabbed the third place by shipping more than 25,000 tonnes.

India's pepper exports 2010 declined to 21, 500 tonnes from 25,250 tonnes in the previous year. India, which started pepper cultivation and export more than 3,000 years ago, was world No.1 till the end of 1980s. But, when Vietnam started the cultivation of pepper wines in the later half of the eighties, India lost its prominence. Local exporters are now afraid of sustaining even the fourth place as countries like China and Malaysia are also aggressive towards the production and the export of the spice.

India's production is declining year by year due to old vines, static acreage, poor replanting and shift to other remunerative crops like rubber and cocoa. The average annual production of India is 55,000 tonnes. In 2010-11 season, it is estimated to drop to 45,000 tonnes. Interestingly, India is becoming a net importer of the spice as local value-added product manufacturers now depend more on Vietnam, Indonesia and Sri Lanka.

Pepper exports from Vietnam, world's largest producer and exporter dropped in 2010, according to the information available from the Ministry of Agriculture and Rural Development. The ministry said the country exported 116,000 tonnes of pepper, earning $419 million. Exports declined 13.3 per cent in volume year-on-year but increased 20.5 per cent in value.

In value terms, Vietnam achieved the highest export earnings in 2010. Do Ha Nam, chairman of the Vietnam Pepper Association said the country accounted for 60 per cent of the total pepper exports in the world market during the last calender year.White pepper output accounted for 20 per cent of the total pepper exports in 2010. The association expected demand and the price of the spice on the world market to remain high this year. Vietnam would produce 100,000-110,000 tonnes of pepper, with 100,000 tonnes earmarked for export, Nam said. This year's harvesting season starts by February.

Coffee exporters to earn more per tonne this year

Debasis Mohapatra / Bangalore January 13, 2011, 0:11 IST

Coffee exporters are expected to see higher realisation in the current calender year as compared to last year.

Though concerns over a weaking dollar remains, exporters and traders say this will be neutralised by the higher price of the commodity in the international market.

“Exporters are expected to see higher realisation in the current year as ruling prices of the arabica variety will give higher returns per tonne of coffee this time,” said Ramesh Rajah, the president of Coffee Exporters Association. He said high prices would offset the impact of a possible weak dollar this year.

In 2010, the average realisation per tonne fell six per cent to Rs 1,02,524 a tonne from Rs 1,09,224 a tonne in 2009 due to lower price of the commodity and a weak dollar.

Last year, the country saw a 52 per cent rise in exports to 271,000 tonnes over the corresponding period last year. The exports also went up by 42.61 per cent in rupee terms to Rs 2,787.23 crore in 2009-10 as against Rs 1,954.37 crore in 2008-09.

Babu Reddy, agricultural economist of the Coffee Board, said average realisation would definitely be higher this year as prices of both arabica and robusta were at a comfortable level. “While arabica prices are expected to see a further upside, robusta prices will remain range-bound in the near future. The realisation will be higher for exporters,” he said.

Arabica prices on the US-based ICE Futures are at an all-time high of $2.35 a pound and are expected to rise due to a fall in production in Columbia and Central America. However, Reddy said an appreciating rupee might play spoilsport.

“Overall export data from October 2010 to December 2010 showed that exporters got higher returns and this trend is expected to continue in 2011,” he added. However, planters feel the total realisation will be the same as last year.

“We don’t think planters are going to get higher returns because the higher price of arabica will just compensate for the fall in production in the country,” Sahadev Balakrishna, chairman of Karnataka Planters’ Association said.

While last season, planters were harvesting around 300 kg from an acre, this had come down to 100-150 kg this time, he added.

Maharashtra co-ops ask FMC, bourses for help on sugar futures

Sanjay Jog / Mumbai January 13, 2011, 0:09 IST

Maharashtra cooperative sugar factories have asked the Forward Markets Commission (FMC), the regulator for commodity markets,and the two exchanges, the Multi Commodity Exchange (MCX) and National Commodity & Derivatives Exchange (NCDEX), to organise statewide workshops on sugar futures.

The objective is clarify doubts on futures trading and thereby encourage more and more cooperative mills to enter into forward trades. The Federation of Cooperative Sugar Factories in Maharashtra, representing 150 mills, aims to organise workshops region-wise in the near future.

Vijaysinh Mohite-Patil, chairman of the Federation, told Business Standard: “The decision in this regard was taken at our board meeting held on Tuesday. The representatives of FMC and commodity exchanges briefed the board members on sugar futures. NCDEX has already started its delivery centres at Pune and Kolhapur, with plans for more at Solapur, Nashik, Sangli, Satara and Latur. There was a consensus among the mills that they would take a call on entering into sugar futures after gathering all details. The idea is to make sugar marketing more vibrant in the state.”

He said a large number of mills were hesitant to join forward trading. However, seven mills had begun trading in futures. “Cooperatives have realized that private sugar mills are taking due advantage of sugar futures and there is wide scope for their entry into this segment,” he said.
The Federation’s move comes when the state is expected to produce 9.1 millon tonnes of sugar, after crushing 82.5 million tonnes of sugarcane.

The managing director of a cooperative mill, who desired not to be named, said mills wanted commodity exchanges to increase the stock limit to about 1,000 tonnes from the present level of 200 tonnes to allow more mills to enter sugar futures. Besides, he added, most mills want a clarification on whether or not futures was a speculative exercise. They largely prefer the traditional way of disposal of sugar through brokers and traders.

Decontrol a solution to sugar industry's weaknesses

Kunal Bose / Kolkata January 13, 2011, 0:06 IST

Nothing could be more encouraging for the sugar industry than its voice on major issues like control removal and making exports a sustainable proposition finding resonance in the corridors of New Delhi. The point could not have been missed at the recent annual meet of Indian Sugar Mills Association (Isma) with the Union food minister Sharad Pawar endorsing industry leader Vivek Saraogi’s proposition that decontrol would create ideal condition for new capacity creation at a “much faster rate.”

No doubt that it is only through decontrol that the structural weaknesses of the industry could be removed encouraging significant new investment, including foreign capital. Perhaps also as Saraogi cites the example of the Brazilian sugar economy post decontrol, we will see here the doing away of controls leading to capacity consolidation, a crying need what with 650 factories, and equally importantly to some significant improvements in per hectare yield of cane and sugar recovery from cane. Pawar does not tire of reminding the industry that as there is “very limited scope” for getting more land under cane in competition with food crops, it must bank on some major cane productivity and sugar recovery rate increase.

Besides an essential requirement cutting across income groups, the demand for sugar has got to do with rise in purchasing power of a large section of the population and changes in food consumption habits. Pawar is right that the country’s future incremental demand for the sweetener is to be satisfied by breaking the stagnation in cane productivity ranging from 67 to 71 tonnes a hectare and recovery rate of 9.5 to 10.5 per cent. He wants the crop yield to be lifted to over 80 tonnes a hectare, if not to 100 tonnes, which is not a tall order and sugar recovery rate to 12 per cent.

Pawar has no problem if the industry here in its wisdom makes a model out of Brazil where factories get as much as 12 tonnes of sugar from a hectare of cane field against 6.5 t o 7.2 tonnes here. In fact, there is much to be learnt from Brazil in cane farming. But Pawar is right that for success to come, the Brazilian lessons “must be adapted to realities of our land holding patterns, our social commitments towards our farmers and consumers.”

The bane of our sugar economy, as Saraogi points out, is the five-year cycle of cane and sugar production marked by exports in times of plenty and imports when pinched by shortages. Our experience since 2005-06 is illustrative of some wild swings in production underpinning instability in supply. We need a strategy in place to make a break with what Saraogi describes as “infamous Indian cyclicality.” Industry official Om Dhanuka says “not only do we need to reward farmers adequately to sustain their interest in cane, but new disease-resistant high yielding varieties of cane will have to be introduced. Sugar factories will have to partner government agencies in farm extension work.”

What the industry first needs is removal of controls. No one is, however, to join issue with Pawar that with all the stakeholders involved, including state governments he first needs to build a consensus on decontrol. Ahead of that, he has taken a few industry friendly steps like allowing bulk consumers to keep stocks for 90 days requirements against 15 days earlier. Isma Director General Abinash Verma has suggested a calibrated approach to decontrol.

To start with Verma wants New Delhi to do away with at least two controls beyond the pale of state governments. Don’t expect Uttar Pradesh, the country’s largest cane growing and second-biggest sugar producing state, with a domineering Chief Minister like Mayawati not to have its own cane prices despite the centre fixing the floor through fair and remunerative prices (FRP). Four other states are giving company to UP in this. Distortions in the sugar economy happen as some states will have their own cane prices while others will go by FRP.

The industry stands to get relief if New Delhi dispenses with the regulated monthly release system for sugar. In the first place, the government armed itself with the power to decide how much sugar is to be released in a particular month to keep prices under check, especially in a short supply season. While the beneficial impact of this kind of market intervention can never be ascertained, the logistical issues and avoidable paper work, the release mechanism entails for the industry are common knowledge. Under the present regime, there are occasions when traders refuse to lift sugar from factories if prices move to their disadvantage after they have agreed to buy.

It cannot be anybody's case that the government should not offer sugar at discounted rates to the poor. But where is the logic of singling out sugar factories to bear the subsidy burden running into nearly Rs 2,800 crore involved in the exercise when the government's food subsidy bill is about Rs 60,000 crore. The correction lies in doing away with levy system. Let the states buy sugar directly from the market for public distribution and claim subsidy from the centre.

Soybean crush margins dip despite spurt in oil prices

Dilip Kumar Jha / Mumbai January 13, 2011, 0:02 IST

A dramatic erosion in crushing margins in the last four months has halved the operating capacity of soybean processing companies from over 90 per cent in October to 45 per cent now. Crush margin is the difference between the cost of production and realisation.

During the first week of October when harvesting of the kharif soybean was in full swing, crushing units were procuring seeds for Rs 1,850-1,900 a quintal. Considering the average 18 per cent oil recovery, refined soyoil was quoted at Rs 472 per 10 kg. As a result the processing unis were earning between Rs 400-500 a tonne of seeds crushed in October.

The prices of soybean has, gone up by over 24 per cent since then to trade at Rs 2,300 a quintal. Oil prices, meanwhile, have surged 31 per cent since the start of the season. But, the crush margin has declined to around Rs 100 a tonne and has adversely impacted the operations.

Subsequently, nearly 30-35 per cent units with an average crushing capacity of 200-250 tonnes per day have decided to close the units till existing stock of oil and cake is sold. However, the decision to do so has raised their operating costs by 15-20 per cent.

“When plants are in operation, cost of production remains 15-20 per cent lower due to various factors like 100 per cent manpower and factory utilisation. When plants are restarted, everything including manpower and plants & machinery remains idle, increasing overheads unnecessarily,” said J S Pangaria, executive director of Indore-based Soybean Processors’ Association (Sopa).

Processing units, however, had a set back in realising soybean meal for the exports market. The prices of the animal feed has declined marginally between October and December from $406 to $402 a tonne.

The production cost for mills has also increased significantly because farmers and stockists had released about 70 per cent of their stock and very little remains for the rest of the season. Crushing mills operate for 250-260 days and stock seeds in the first three months beginning October. Since the value of commodities keeps fluctuating between Rs 50-200 a tonne everyday, mills have been reducing production capacity consistently for the last couple of weeks, said Rajesh Agrawal, co-ordinator, Sopa. The soybean carryover stock is estimated to record an all-time low by the end of the current crushing season because farmers are reluctant to release oilseeds now expecting higher realisation.

A recent report by brokerage firm Nirmal Bang said carryover stocks is likely to decline to 226,000 tonnes this year against seven lakh tonnes last year. SOPA, however, said carryover stocks will be around six lakh tonnes. Soybean prices have posted negligible returns on domestic bourses, but on CBOT they have got returns of more than 30 per cent. This was so because the commodity is in high demand in China and there has been a dramatic fall in global soybean production forecast due to erratic weather.

Onions cheaper in Nashik as APMC cuts out middlemen

Tushar Pawar / Nashik January 13, 2011, 0:00 IST

Plans to extend this to Mumbai and Pune; prices fall 17%.

At a time when the government has failed to control spiralling onion prices, the Lasalgaon Agriculture Produce Market Committee (APMC) has come up with a solution to address the issue. It has decided to sell onions directly to consumers on a ‘no profit no loss basis’.

“Our main aim is to make people and the government know that (only) mediators are getting the real advantage of this price rise and not farmers,” Jaydatta Holkar, chairman, Lasalgaon APMC, told Business Standard.

The Lasalgaon APMC today sold 80 quintals of onions directly to consumers at Rs 25 a kg in Gangapur area of Nashik city. The APMC will expand its distribution network to other parts of the city from tomorrow.

“We have undertaken this project to make onions available at a minimum rate on a ‘no profit no loss basis’. Onions purchased from farmers will be sold directly to consumers from mobile vans in Nashik city.”

“Tomorrow, we are planning to sell around 150-200 quintals of onions in various parts of the city using mobile vans. We are also planning to launch the same project in Mumbai and Pune, if we get good response from the consumers here,” he said.

Meanwhile, the average wholesale price of onion in several other APMC markets in Nashik district has come down by around 17 per cent to Rs 2,500 a quintal in the last two days following the arrival of new crop. Around 11,000 quintals of onion were sold today at Lasalgaon APMC.

In Nashik's retail markets good quality onions were sold at Rs 35 and the poor quality at Rs 15-20 a kg, against Rs 50 and Rs 25-30 a kg, respectively on January 10.

The average wholesale price of onions are expected to come doen to Rs 2,000 a quintal in the next fortnight, market sources told Business Standard.

The average wholesale price of onion in Pimpalgaon APMC, another major onion market, fell from Rs 2,751 a quintal yesterday to Rs 2,400 a quintal todayday. Around 11,200 quintals of onion were sold at the APMC.

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Back **Precious commodity**

– Ramesh Sharma

A scene at Okhla Mandi in New Delhi on Wednesday.

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Back **Exporters irked by DGFT cotton export quota allocation**

500 bales allocated to most; some offer to sell at premium.

M.R. Subramani

Chennai, Jan. 12

A move by the Directorate General of Foreign Trade (DGFT) to allocate cotton exports quota of 19 lakh bales to 928 applications, has stirred up a controversy. Traders and exporters are peeved by the decision to allocate the quota to almost all applicants in proportion to the applications filed by them, and also not scrutinising the track records of those who sought quota.

“The DGFT has applied a cap of one lakh bales as quota in the allotment. But it should have also applied the cap on the submission of applications. Genuine exporters have got left out,” said a trading source who did not wish to be identified.

Since the DGFT did not fix a cap on the applications, it received requests to export over crores of bales (170 kg each), against a domestic production of 3.29 crore bales.

An exporter from Kolkata said one of the exporters who did not get acknowledgement for his e-mail application, sent it three times and finally gained by getting nearly a lakh bales as export quota.

A Mumbai-based exporter said an exporter blacklisted by the Liverpool Cotton Association had got a significant quota.

“While calling for applications, the Government should have asked for proof of past performance. Maybe, export and financial performance. Or even past performance of cotton turnover so that someone trading in the domestic market will also get opportunity to export,” said the Kolkata-based exporter.

Scrutiny

After allocating the quotas on Tuesday, the DGFT also simultaneously began scrutinising documents before issuing the export authorisation registration certificates (EARCs). The scrutiny will go on till January 25.

Registration for cotton exports began on December 31 and ended on January 6. The DGFT called for applications to export cotton after only 36 lakh bales of the 55 lakh bales allocated for exports could be shipped out.

While announcing the export quota, the Centre said exports should be over by December 15. However, holidays and unseasonal rain hit procurement of cotton by exporters, leading to the quota being unfulfilled.

The Centre fixed the export quota after the Cotton Advisory Board projected an output of 325 lakh bales in September last. This was raised to 329 lakh bales last week, resulting the Commerce Secterary, Dr Rahul Khullar, saying that a decision on raising the export quota would be taken this week.

While a couple of exporters have got quotas to export around one lakh bales, the rest have uniformly got 500 bales as the allocation.

Some of the exporters are irked by some of those who have got the export quotas to sell them at a premium.

“The quotas are being sold between Rs 3 lakh and Rs 5 lakh for 500 bales. A large number of these people are those who don't know anything about cotton. Someone trading in pulses or steel or yarn has got the quota,” said the Mumbai-based exporter.

“The DGFT may say that the EARCs will be given only if a proper letter of credit is in place. But it won't take much time to produce a LCs and those buying the quota are ready to provide the LCs,” said the Kolkata-based exporter.

Though exporters say that the grey market is beyond the control of the Government, it should have been alert enough to bring in the checks and balances while calling for applications. They are also upset that some of them had raised these issues with the DGFT but they had not been addressed.

Cotton prices

Meanwhile, raw cotton prices have increased by over Rs 200 a quintal to above Rs 4,500 in various parts of the country, mainly Gujarat that produces nearly one-third of the crop grown in the country. In Punjab and Rajasthan, prices hit Rs 5,000 on Wednesday.

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Back **Kerala Govt, Coir Board to organise the largest expo**

International event to set stage for tech transfer.

Our Bureau

Thiruvananthapuram, Jan. 12

The Department of Coir Development, Kerala, Coir Board and the Carpet Export Promotion Council of India will organise Coir Kerala 2011, the largest expo on Kerala coir and natural fibre products, from February 4 to 7 February at Alappuzha.

The expo will have pavilions for international and domestic participants, the Minister for Cooperation, Mr G. Sudhakaran, told newspersons here on Wednesday.

An international seminar and a buyer-seller meet would be the highlights of the event. It is expected to provide ample opportunity for transfer of technology, technical know-how and widening of contact base, apart from providing a convenient platform for interaction on business, trading and joint ventures.

Coir exporters from Kerala and Tamil Nadu, exporters of other natural fibre from all over the country and modern coir machinery manufacturers are expected to participate in the expo. Around 100 exporting companies will exhibit their products in the international pavilion while 150 exhibitors would set up shop in the domestic circle. It is also expected that at least 80 international buyers and 150 buyers from the domestic market will visit the fair.

VITALISING INDUSTRY

Acting on the recommendations of the Coir Commission Report, the State Government has devised several strategies to vitalise the industry by infusing innovative marketing technologies and technological upgrade, the Minister said.

He recalled that 2010 was declared as the Coir Year. This had helped catapult the industry to the limelight and helped infuse growth within.

Among the major programmes undertaken in the sector are debt relief to workers; better wages and enhanced rate of pension; incentives for sustained production; skill upgradation; employment generation; better market intervention through introduction of price stabilisation scheme; reorganisation of coir units; institution of coir awards, promotion of geo-textiles as a standard engineering material; working capital assistance; cluster development programme; and setting up of de-fibering mills.

INCOME SUPPORT

The Minister also announced that an income support scheme for workers in the traditional industries like coir is on the anvil.

Setting up of the National Coir Research and Management Institute (NCRMI), a full fledged research and development institution, is another major achievement. It has already developed a mini de-fibering machine suitable for Kerala conditions.

A coir machinery manufacturing factory is fast nearing completion at Alappuzha. A blended yarn factory, a coir composite factory, and a PVC-tufted machinery factory are also in various stages of implementation.

‘GOLDEN YARN'

The State Government has devised and successfully implemented a spectrum of marketing tools for the resurgence of the coir sector. A slogan crafted for the purpose declares ‘Kerala Coir' as the ‘Golden Yarn of God's Own Country.'

Parallel to the different marketing techniques already adopted, it has also formulated a strategy aimed at ‘making capital' through the conduct of exhibitions, trade fairs and buyer–seller meets.

In this context, the Minister said that the Government was planning to host the coir expo as an annual event.

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Back **Turmeric falls as bearish trend sets in**

Our Correspondent

Erode, Jan. 12

Spot turmeric prices decreased by Rs 350-500 a quintal in Erode on Wednesday.

“A downward trend for the commodity has started. Hereafter, every day the price may decrease gradually, as the season is ending,” said Mr R. K. Viswanathan, a senior trader.

He said: “Many farmers are reluctant to sell their produce at the current price and expect prices to rise. But prices will not appreciate now. The new crop will arrive in the market soon. In other centres such as Nizamabad, fresh crop has started arriving. So buyers will not prefer the old crop and quote low price for it.” At the Erode Turmeric Merchants Association sales yard, the finger variety sold at Rs 9,736-15,704 a quintal and the root variety at Rs 9,606-15,579 a quintal. Out of the 1,256 bags that arrived, 618 were sold.

At the Erode Cooperative marketing Society, the finger variety fetched Rs 14,611-15,589 a quintal and the root variety Rs 14,196-15,459 a quintal. Out of the 713 bags, 343 were sold.

At the Gobichettipalayam Agricultural Cooperative Marketing Society, the finger variety was sold at Rs 15,000-15,609 a quintal and the root variety at Rs 14,527-15,439 a quintal. All the 40 bags that arrived for sale were sold.

At the Regulated Marketing Committee, the finger variety was sold at Rs 15,238-15,769 a quintal and the root variety at Rs 15,289-15,629. Out of the 938 bags, 652 were sold.

On the NCDEX, April contracts dropped Rs 104 to Rs 10,000 a quintal, while May slid Rs 112 to Rs 9,558.

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Back **Policy changes in sugar, short-sighted**

G. Chandrashekhar

Mumbai, Jan.12

The ever-changing sugar trade and tariff policies could make India a laughing stock in the world market. The flip-flop betrays lack of clarity among policymakers and the absence of commercial intelligence and foresight within the Government will have its effects on the market.

Fighting a losing battle against food inflation, the Government is on a defensive mode. It does not want to take a chance. After vegetables, eggs and milk, sugar is probably next in line for a sharp price spike. Already open market rates of sugar are up by about 10 per cent.

Where's the flip-flop? First, exports were opened up following a rebound in sugar production in 2010-11. Five lakh tonnes were set apart for the purpose, in addition to allowing fulfilment of export obligation of the past. The decision to allow export obviously tightened the market fundamentals.

Second, without realising the implications and probably carried away by lobby pressure, New Delhi opened up sugar futures trading, in addition to export. Speculative capital waiting in the wings in a tightly balanced market came in and created upward price pressure. Surging global sugar prices sent bullish cues.

Third, it was decided not to extend the customs duty exemption granted to imported sugar. The exemption expired on December 31, 2010 and sugar imports were set to attract 60 per cent duty.

The three policy measures taken together have now created a sense of panic not only in the marketplace, but also within the Government.

And then there was a rethink. There was pressure on the Government to reconsider sugar exports, because of rising prices and the inability to contain food inflation. This pushed world prices even higher.

Meanwhile, adding to the earlier knee-jerk decisions, the Government was forced to continue with duty-free status for imported sugar till March 31.

The world is watching all this and many international traders are simply amused at the way we approach any problem.

World market

In the world market, physical demand has almost evaporated at the current elevated price levels. This is pressuring nearby values. However, the market finds support from lingering concerns over supply side issues in the world's top sugar producers, Brazil and India. Meanwhile, outside markets (grains, energies) have been generally firmer, lending further support to the sugar market.

Until there is clarity on the situation in Brazil and India, there will be huge volatility in the world sugar market in the foreseeable future, analysts assert. On the bourses, sugar prices remain firm. ICE prices have closed higher at about 32 cents a pound.

Mumbai market

In the Mumbai wholesale market, sugar is traded at Rs 2,800-2,900 a quintal. By March, when the crushing season ends, the market has the potential to rise to about Rs 3,400-3,500 a quintal. In the event, retail prices would move closer to Rs 40 a kg.

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Back **Coconut oil stays firm in Kerala**

C.J. Punnathara

Kochi Jan. 12

Coconut oil prices continued to hold firm in Kerala even as some weakness was evident in Tamil Nadu markets. Prices were slightly higher in Kerala market over last week at Rs 91.50 a kg. But as industrial demand waned and there was no perceptible export demand last week, Tamil Nadu prices dropped to Rs 88 a kg.

As the major production season looms large, stocks with the traders are being unwound and the falling trend in prices is expected to become more pronounced in the coming weeks, Mr Prakash B Rao, Member of the Cochin Oil Merchants Association said. Moreover, with clear sunny days prevailing over the coconut growing areas of Tamil Nadu, there is increased conversion of coconuts into copra, which is converted into coconut oil.

Copra to weaken

The emerging price differentials between and Kerala and Tamil Nadu are another precursor of the weakening trend in coconut oil prices, sources in the trade said. Previously, when prices were on the upsurge, Tamil Nadu prices raced ahead of Kerala prices and the differential was maintained the past couple of months. This was the season of shortage in arrivals and Tamil Nadu was the main supplier. The trend is beginning to reverse now, a season when arrivals are poised to strengthen and prices expected to weaken. And Tamil Nadu is expected to take the lead in falling prices.

But price of copra is still to weaken in South Indian markets. Copra prices were ruling at Rs 65 per kg both in Kerala and Tamil Nadu markets. But the demand for edible copra from North India has begun to wane and the prices are expected to weaken as the peak season sets and arrivals perk up, Mr Rao added. The lack of export demand and increased arrivals are expected to weaken copra prices in the weeks ahead.

As the peak production season is just around the corner, the link between coconut oil prices and those of palm oil and palm kernel oil is getting broken. While the price of palm kernel oil had increased to Rs 93 per kg, coconut oil prices have remained relatively steady. The shortage in palm oil is expected to persist in global and Indian markets while the arrivals of coconut oil are expected to increase in the weeks and months ahead. As the arrivals and price of coconut oil drop, the tendency to adulterate coconut oil with the cheaper palm oil is also expected to become less attractive.

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Back **Sugar hits a low on poor demand**

Our correspondent

Mumbai, Jan. 12

Sugar prices on the wholesale Vashi market are touching new lows everyday. On Wednesday, spot and naka rates declined Rs 10-15 a quintal but at the mill level, on Tuesday, tender rates crashed Rs 35-40 a quintal. A further Rs 15-20 drop was expected on Wednesday.

Mills lowered rates in tandem with falling demand. A wholesaler told business line: “ Prices at Vashi market have already come down by over 100 till now. Further decline is also expected as the Centre is not in favour of sugar exports and higher free sale quota may lead to desperate selling by mills. The Government is very conscious of high food inflation. Arrivals in the Vashi market were higher than local dispatches, adding the market inventory. Stockists, having enough inventory, do not want to pile more.”

At the national level, main consuming centres are also facing the problem of local demand. Tender offer from most mills were open as they could not get the expected response. On Tuesday evening, approximately 14-15 mills came forward with tenders but a few have sold about 38,000-40,000 bags of sugar in the range of Rs 2,730-2,770 a quintal for S-grade and Rs 2,790-2,830 for M-grade. Others kept tenders open. Mills quoted tender rates Rs 15-20 lower than Tuesday.”

On Wednesday, arrivals in the market were about 42-45 truckloads (each 100 bags) and local dispatches were about 38-40 truck loads.

According to Bombay Sugar Merchants Association, spot sugar rates were S-grade Rs 2,886-2,931 (Rs 2,896-Rs 2,942) and M-grade Rs 2,906-2,991 (Rs 2,921-3,001). Naka delivery rates were S-grade Rs 2,850-2,880 (Rs 2,850-2,880) and M-grade was Rs 2,890-2,930 (Rs 2,900-2,940).

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Back **Sluggish offtake keeps rice steady**

Our Correspondent

Karnal, Jan. 12

In the absence of fresh buying in the market, prices of aromatic and non-basmati rice have remained unchanged since last weekend. Owing to sluggish domestic demand, the rice market is witnessing a steady trend, said, Mr Praveen Kumar, a rice miller.

On the other hand, in the international market, basmati rice prices in the last few weeks have firmed up by $50 per tonne and are expected to rise by another $50-100 a tonne, according to the reports. On Wednesday, Pusa-1121 steam (new) ruled at Rs 5,150-5,180 a quintal, while the old variety quoted at Rs 5,200-5,250. Pusa-1121 sela (new) was Rs 4,100-4,150, and the old variety, Rs 4,250. Pusa-1121 raw (new) was at around Rs 5,080, while the old variety quoted at around Rs 5,200. Pusa (sela) ruled at Rs 3,150-3,200 and Pusa (raw) around Rs 4,200. Basmati sela quoted at Rs 5,950-6,000, and basmati raw at Rs 6,950-7,000. Brokens, such as Tibar, was at Rs 3,100, Dubar at Rs 2,300, and Mongra at Rs 2,000. Permal sela ruled at Rs 2,000-2,150, while Permal steam was at Rs 2,170 a quintal. Sharbati sela sold around Rs 2,700 and Sharbati steam at Rs 2,970-3,000 a quintal.

Around 2,000 bags of PR were sold between Rs 1,020 and Rs 1,040. About 2,500 bags of Sharbati ruled at Rs 1,600. Sugandha-999 arrived in about 3,000 bags, and was quoted at Rs 1,500-1,650.

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Back **Pak wants cotton cheap**

Chennai, Jan.12

Pakistan stoppage of onion exports over land to India and its demand for 10 lakh bales of cotton from India are being perceived as a threat by the exporting community.

“If Pakistan is interested in getting cotton, it can get it from the open market by offering the price that is prevailing in the global market. Instead, demanding and linking it with onion can at the most be seen as blackmail,” said a Kolkata-based exporter.

According to exporters in Mumbai, Pakistan is offering around Rs 51,400 for a bale of 29 mm length cotton from India. “Against such an offer for Shankar-6, Pakistan is selling its cotton of 26 mm length at around Rs 57,000,” said an exporter from Mumbai.

Last week, Pakistan had asked India to allocated 10 lakh bales of cotton to it for its textile industry hit by supply shortage. Then towards the week-end, it banned exports of onion overland through the Wagah border. India is witnessing shortage of onions with the kharif crop damaged by unseasonal rains in November.

The Mumbai-based exporter said that on the other hand, Bangladesh had bought adequate quantities of cotton at around Rs 56,300 a bale.

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Back **Edible oils continue to dip on weak global cues**

Our Correspondent

Mumbai, Jan. 12

Edible oil prices on Wednesday declined further by Rs 3-5 for 10 kg, in line with weak global market.

Malaysian crude palm oil (CPO) February and March futures closed below 3,700-ringgits level, as investors booked profits ahead of a key monthly USDA report, due later on Wednesday.

Groundnut oil ruled steady on poor demand and weak undertone in producing areas. In Rajkot market, groundnut oil prices ruled steady at the previous level.

In the Mumbai market, the volume of trade was very limited. In the ready market, about 150/200 tonnes of palmolein was traded in resale in the range of Rs 580-582. Refineries were quoting higher rates. Due to cold weather conditions, the consumption/demand for palmolein has reduced sharply. Liberty was quoting palmolein at Rs 585. Ruchi was quoting it at Rs 585, while offering soya refined oil at Rs 614 and sunflower oil at Rs 700 for 10 kg.

In Saurashtra, groundnut oil prices were steady at Rs 1,155 (Rs 1,155) a tin and Rs 745 (Rs 745) a 10 kg.

In Indore, soyabean arrivals were around 1.50/1.60 lakh bags, quoting at Rs 2,300/Rs 2,340 a quintal.

Malaysia's BMD CPO February contracts closed at 3679 ringgits (3725) and March at 3650 ringgits (3703). Indore NBOT soya oil January contracts ended at Rs 629 (Rs 630) and February at Rs 638 (Rs 638).

Mumbai commodity exchange spot rate (Rs/10kg): Groundnut oil 760 (760), Soya refined oil 612 (615), Sunflower exp. refined 670 (675), Sunflower refined 715 (715), Rapeseed refined oil 632 (636), Rapeseed expeller refined 602 (606), Cotton refined oil 595 (598) and Palmolein was at 576 (581).

Date:13/01/2011 URL:
http://www.thehindubusinessline.com/2011/01/13/stories/2011011352011900.htm

Back **Healthy nut**

– K Murali Kumar

Promotional fest: The Horticulture Minister, Mr S.A. Ravindranath, visiting stalls at the inauguration of the National Conference & Cocofest 2011, organised by the Coconut Development Board, in Bangalore on Wednesday.

Date:13/01/2011 URL: http://www.thehindubusinessline.com/2011/01/13/stories/2011011351751800.htm

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Back **Winter vegetable**

Hybrid variety:A vendor sells hybrid cauliflower (Brassica Oleracea) in Hyderabad on

Wednesday .Priced at Rs 30-40 a kg, the vegetable arrives in the city from West Bengal and Bihar where it is extensively grown in winter.

Date:13/01/2011 URL: http://www.thehindubusinessline.com/2011/01/13/stories/2011011351841800.htm

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Back **Tight supply perks up castor**

Our Correspondent

Rajkot, Jan. 12

Short supply in the physical market lifted spot castor prices by over Rs 400 a quintal in this month so far. Similarly, castor futures have also increased constantly since the beginning of January.

At Rajkot Commodity Exchange (RCX), castor March contract increased by Rs 186 to Rs 3,858 a quintal during January so far. It was at Rs 3,672 on January 1. Spot castor price gained Rs 412.50 to close at Rs 4,352.50 from Rs 3,940 in 12 days this month.

Mr Harilal Chaganlal, Senior Member of RCX, said: “This year, castor season is late by two months leading to short supply in the physical market. Moreover, in the international market, demand for Indian castor is increasing because of its quality. It is, and will, support the castor price to gain more.”

Compared with last week, castor arrivals have increased, but they are not enough to match the demand. About 40,000-45,000 bags of castor arrive every day in Gujarat quoting at Rs 870-890/20 kg. In Saurashtra, 1,400 bags arrived at Rs 830-870. Market sources said demand from China and Russia has increased and shippers have no stocks, so they are buying heavily.

Market analysts said heavy buying and fall in supply in physical markets influenced trading sentiment. Brisk demand from consuming industries also boosted sentiment, they said.

Date:13/01/2011 URL: http://www.thehindubusinessline.com/2011/01/13/stories/2011011352670400.htm

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Back **Palm oil case posted to Jan 25**

Our Bureau

Thiruvananthapuram, Jan. 12

A Vigilance Court here on Wednesday has posted to January 25 the trial in the palmolein graft case in which Mr P. J. Thomas, Central Vigilance Commissioner, and the late K. Karunakaran, former Kerala Chief Minister, are co-accused.

Mr Thomas is the eighth accused in the chargesheet filed by the Vigilance and Anti-Corruption Bureau in 2003.

Inflated price

The chargesheet stated that the accused had caused the State Exchequer a loss of Rs 2.32 crore by contracting import of palmolein through a Malaysia-based firm at inflated price.

Karunakaran was the then Chief Minister, and Mr Thomas, Secretary, Food and Civil Supplies Department.

Karunakaran had moved the apex court seeking a stay against trial in the case. But the ruling Left Democratic Front Government in Kerala opposed this move.

When the case came up on Wednesday, the public prosecutor informed the court that the first accused, Karunakaran, had passed away a couple of weeks ago.

The public prosecutor also stated that, according to the information, the Supreme Court had vacated the stay on the trial.

But no official communication has been received to this effect. It was also pointed out that all documents related to the case were in the custody of the Supreme Court.

The presiding judge, Mr S. Jagadeesh, then proceeded to post the case to January 25 by when the records of the case were expected to be made available.

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http://www.thehindubusinessline.com/2011/01/13/stories/2011011351801800.htm

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Back **Spot rubber prices top Rs 220/kg**

Aravindan

Kottayam, Jan. 12

Spot rubber prices scaled unprecedented heights on Wednesday. In spot, RSS 4 moved above its January futures on the National Multi Commodity Exchange (NMCE), creating another record high on fresh buying and short covering. It was hard to find any bearish factors in the market that could dampen the sentiments in short term.

The market moves in tune with the global rates. There is 20-22 per cent increase in overall production, while tyre companies procure rubber not only for immediate requirement but to reserve a comfortable stock in view of the record price rise every day, said Mr Ibrahim Jalal, Treasurer, Indian Rubber Dealers Federation. Large growers also hold the produce for better catches in the days ahead, he said.

Sheet rubber firmed up to Rs 220 (217) a kg, according to dealers. The grade increased to Rs 219.50 (216.50) a kg both at Kottayam and Kochi according to reports from the Rubber Board.

The January series for RSS 4 closed at Rs 218 (218.02), February at Rs 225.90 (226.33), March at Rs 231.60 (231.80) and April at Rs 239 (237.80) a kg on the NMCE.

RSS 3 (spot) slipped to Rs 241.22 (242.87) a kg at Bangkok. The January futures for the grade flared up to ¥441.5 (Rs 239.53) from ¥432 a kg during the day session and then to ¥442 (Rs 239.80) in the night session on the Tokyo Commodity Exchange.

Spot rates were (Rs/kg): RSS-4: 220 (217); RSS-5: 208 (206.50); ungraded: 205 (202); ISNR 20: 215 (213) and latex 60 per cent 150 (149).

Date:13/01/2011 URL:
http://www.thehindubusinessline.com/2011/01/13/stories/2011011351831800.htm

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Back **Coonoor tea sale volume at 20-week high**

P.S. Sundar

Coonoor, Jan 12

A volume of 14.22 lakh kg will be offered for Sale No: 2 of the auctions of Coonoor Tea Trade Association to be conducted tomorrow and Friday, reveals an analysis of the listing by brokers.

This is the highest volume of the last 20 weeks. It is 1.77 lakh kg more than the offer of last auctions but it is 2.88 lakh kg lower than the offer this time last year.

Of the 14.22 lakh kg on offer, 9.62 lakh kg belongs to the leaf grades and 4.60 lakh kg to the dust grades. As much as 12.96 lakh kg belongs to CTC variety and only 1.26 lakh kg, orthodox variety. The proportion of orthodox teas continues to be low in both the leaf and dust grades. In the leaf counter, only 0.72 lakh kg belongs to orthodox while 8.90 lakh kg, CTC. Among the dusts, only 0.54 lakh kg belongs to orthodox while 4.06 lakh kg, CTC.

Date:13/01/2011 URL: http://www.thehindubusinessline.com/2011/01/13/stories/2011011352081900.htm

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Back **Pepper futures dip**

G K Nair

Kochi, Jan 12

Pepper futures declined marginally after remaining highly volatile on Wednesday and looking for direction.

There was heavy liquidation and switching over. People were buying spot and depositing it in the warehouses and selling futures, market

sources told Business Line.

Some new pepper was traded at Rs 208–209 a kg in the terminal market. January contract on the NCDEX was up by Rs 97 to close at Rs 22,500 a quintal. February declined by Rs 10 to close at Rs 22,987 a quintal, while March moved up by Rs 62 to close at Rs 23,275 a quintal.Total turnover dropped by 718 tonnes. Total open interest also fell by 186 tonnes to 12,846 tonnes. January open interest fell by 1,066 tonnes to close at 4,493 tonnes.

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http://www.thehindubusinessline.com/2011/01/13/stories/2011011351721800.htm

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Back **Dow Agro identifies new molecule for agri-chem sector**

Amit MitraHyderabad, Jan. 12

Dow AgroSciences LLC, a wholly-owned subsidiary of US-based Dow Chemical Company, on Wednesday announced that it has identified a new lead molecule for advancement in its alliance with Hyderabad-based GVK Biosciences (GVK BIO), a leading Contract Research Organisation.This newly identified lead compound has been selected for its ability to address a key product goal as part of Dow AgroSciences' growing agricultural chemicals business.Dow entered into a discovery research agreement with GVK BIO in May 2008, with the objective of generating novel molecules for synthesis and testing as fungicides and insecticides. The two companies have benefited from the expertise in medicinal chemistry and chemo-informatics at GVK BIO, in combination with Dow's agricultural chemical capabilities, a company statement said.We are very pleased to reach this important milestone with GVK BIO under this collaborative discovery alliance. As we continue to invest in our agricultural chemicals business, we are also building partnerships with some of the world's best research teams to discover creative new solutions in crop protection," Mr Daniel R. Kittle, Vice-President of Research and Development at Dow AgroSciences, said."We are delighted with the outcome of the lead molecule and attribute it to the significant collaborative efforts of the GVK BIO and Dow teams," Mr Manni Kantipudi, Chief Executive Officer, GVK Biosciences, added.

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