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Cotton prices fluctuate

M. Soundariya Preetha

Prices went up three days ago

With no announcement on exports, prices have started declining Even large-scale textile mills are reducing yarn prices

COIMBATORE: Cotton prices (Shankar – 6 variety) went up to Rs. 47,500 a candy during the last two days of May, 2011, and have started declining now.

According to K.N. Viswanathan, secretary of South India Cotton Association, price of Shankar-6 variety shot up to more than Rs. 60,000 a candy about two months ago. It dipped to nearly Rs. 43,000 a candy in mid-May and again moved up to Rs. 47,500 by the end of last month. On Friday, it was quoted at Rs. 44,000 to Rs. 45,000 a candy. "Yet, there are hardly any transactions," he says.

The prices went up three days ago as the Government was expected to permit 15 lakh bales for exports. However, with no announcement on exports, the prices have started declining.

Even globally, the demand is poor.

There are reports of some of the US cotton export contracts to China getting cancelled. So far, 294 lakh bales of domestic cotton have arrived in the market and the arrivals are at 25,000 bales a day now.

The carry over stock for next year may increase from the estimated 27.5 lakh bales to 32 lakh bales because of the domestic slowdown in consumption.

Even large-scale textile mills are reducing yarn prices to push yarn sales. Domestic cotton consumption will increase only with the revival of the cotton yarn market, he says.

J. Thulasidharan, chairman of the Southern India Mills' Association, says mills are unable to purchase cotton in large quantities though the prices are coming down. Most of the units are buying in smaller quantities according to their immediate needs. Though the price of Indian cotton has reduced in the domestic market, it is higher than the global prices. "The market is weak, which is surprising," he says.

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Water level

Staff Reporter

MADURAI: Water level in the Periyar dam on Friday stood at 121.10 feet (full level 136 feet) with an inflow of 13,77 cusecs and no discharge. The level in the Vaigai dam was 50.95 feet (71 feet) with no inflow and a discharge of 60 cusecs. Periyar dam recorded 30 mm of rainfall followed by Tekkadi 23.2, Gudalur 8.2, and Shanmuganadi and Uthamapalayam 1 mm each.

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Spurious seed: dealers ready to own up responsibility

Staff Reporter

It is good thing that dealers committed to supply quality seed, says official

GUNTUR: As the sale of spurious seeds pose the risk of criminal action, seed dealers in the district have come forward to own up responsibility for any loss incurred by farmers.

With the kharif season round the corner, extracting accountability from the seed dealers has become essential to ensure that the farmers do not suffer a heavy loss by sowing spurious seed.

It is in this context that all 704 seed dealers in the district, including 318 dealers of cotton seeds, have given undertakings that they are prepared to have cases booked if spurious seeds are found to be either possessed or sold by them.

These undertakings assume greater significance due to the huge quantities of hybrid seeds of various crops sown by farmers, especially cotton and chilli.

Hybrid varieties

It is worth mentioning that 50 per cent of the chilli crop grown in the district is of hybrid varieties.

With spurious seeds posing a serious threat, officials of agriculture and other departments concerned prevailed on the seed dealers to claim responsibility and they readily agreed to that.

“It is a good thing that seed dealers committed themselves to supplying genuine quality seeds in spite of them being small businessmen. They are invariably conforming to quality standards. This augurs well for farmers who have been at the mercy of seasonal vagaries. It will be a double blow to have spurious seeds sown on their small land holdings,” Joint Collector A. Sarath told The Hindu.

Seed supply

The Joint Director of Agriculture and Revenue Division Officers are vested with the duty of monitoring supply of seed and compliance with quality norms. They will also enforce the law pertaining to movement of seeds to other States which is normally prohibited.

A crackdown has been ordered on packaging companies which are a potential source for marketing of spurious seeds.

Meanwhile, steps are being taken to prevent scarcity of seed from plaguing the farmers who are obviously worried at the prospect of a shortfall between demand and supply in addition to quality concerns.

Paddy procurement claims 'bogus', says CPI(M)

Correspondent

Condition of ryots 'pathetic', says district secretary

NALGONDA: The Nalgonda district CPI(M) on Friday described as 'bogus' the paddy procurement claims by government agencies till date, even as IKP centres are being closed and farmers discouraged to bring paddy to markets.

N. Narasimha Reddy, party secretary, told a press conference here that as against the procurement targets of 2.6 lakh tonnes at IKP centres, 50,000 tonnes by the Civil Supplies department, one lakh tonne by FCI and 5.89 lakh tonnes by millers, only 2 lakh tonnes, 38,000 tonnes and 79,500 tonnes and 4.8 lakh tonnes were purchased by the respective agencies. There was a total shortfall of over 2.12 lakh tonnes.

Thanks to the excess production achieved in the season over 4.7 lakh tonnes of paddy were yet to reach markets.

Blames State

Mr. Reddy faulted the government's claims of MSP payment, as amounts paid to farmers ranged from Rs.830 to Rs.930.

He said the condition of ryots was 'pathetic', as monsoon had set in. Farmers still had paddy stocks to be disposed of. They had no money as payments were being delayed for the stocks procured.

The CPI (M) leader alleged that the administration had failed to provide adequate gunny bags and tarpaulin. Grains meant for other States were lying in godown in Andhra Pradesh.

The stocks should be moved to make storage space available and more godown should be constructed to meet the rising demand.

He wondered why the State was not ready to pay extra MSP instead of asking the Centre. It would be better if the administration itself purchased the entire paddy stocks of farmers, as is done in Punjab.

Apprehension

Mr. Reddy apprehended a 20 per cent fall in paddy production in kharif in view of hardships being faced by ryots.

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Nightmare for paddy ryots not yet over

Gollapudi Srinivasa Rao

WARANGAL: The troubled days for the paddy farmers is far from over and they are likely to be more ahead with more than half of the production yet to reach the procurement centres in the district.

Of the total estimated paddy production of 6.4 lakh metric tonnes, so far only two lakh metric tonnes was procured by various agencies. There appears no hope of procurement of all that was produced in the district. There was no market enough to absorb all the production.

Speaking to The Hindu, district collector Mr Rahul Bojja said so far FCI procured 18,000 metric tonnes, Traders and millers procured 54,000 metric tonnes and the Indira Kranthi Patham (IKP) centre bought 1.75 lakh metric tonnes of paddy from the farmers.

“The government agencies would be buying a total of two lakh metric tonnes and not more than that,” the collector explaining that last year the paddy procurement stood at just 8,000 metric tonnes and the year before it was 50,000 metric tonnes. “The estimated paddy production by the agricultural department this year stood at 4.5 lakh metric tonnes. We are not prepared on massive scale. The problem is same across the state,” Mr Rahul Bojja pointed out.

The total extent of paddy sown in the district was 1.60 lakh hectares. Good monsoon and adequate ground water level prompted the farmers to opt for paddy with the hope of getting a high price.

Presently, the farmers are being offered Rs.1,020 for A grade and Rs. 980 for B grade of paddy. With the sudden showers, at several places the paddy was damaged which is being offered very low price. However, more than half of the paddy produced in the district is yet to arrive at the markets that may not be in great demand. The traders and middlemen make much out of the situation causing lot of distress among the farmers.

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Paddy procurement from next week

Special Correspondent

Bangalore: The State Government has decided to open procurement centres next week to purchase paddy from farmers directly.

Minister for Agriculture Umesh Katti told the Legislative Assembly that a meeting of the department officials would be held on Monday to discuss the modalities of procurement and price.

Earlier, raising the issue, the former Minister Shivaraj S. Tangadagi (independent), said the Government, which claimed that it had implemented several pro-farmers policies, had failed to come to the rescue of paddy growers of Koppal, Raichur, Davangere, Bellary districts and parts of Hyderabad-Karnataka region. Stating the prices of paddy crashed following high yield, he said middlemen had been exploiting farmers by paying Rs. 550 per 75 kg bag. Paddy was sold at Rs. 1,100 per 75 kg bag last year, he said.

A large number of farmers on Thursday staged a demonstration at the Freedom Park here demanding that the Government announce a higher support price for paddy and set up procurement centres.

The farmers representing Davangere Zilla Raitha Horata Samiti, the Karnataka Rajya Raitha Sangha and the Hasiru Sene have been agitating against the steep fall in prices of paddy for the last one month.

Mr. Tangadagi urged Chief Minister B.S. Yeddyurappa to write to the Centre seeking higher support price. The farmers have been demanding support price of Rs. 1,530 for a quintal of paddy as recommended by the Agriculture Department. The Union Government has fixed a support price of Rs. 1,030 a quintal.

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Agricultural research training institute planned

Special Correspondent

KANNUR: Agriculture Minister K.P. Mohanan has said that the State government will set up an agricultural research training institute to draw younger generations to the sector and to popularise technological innovations in agricultural practices. Addressing a meet-the-press here on Friday, the Minister said the proposed institute envisaged extension of new machineries and innovative technologies in the State's agricultural sector. Though the location of the institute was not finalised, it was all likely to be set up in the Koothuparamba Assembly constituency which he represents.

Stating that the new government would ensure the continuity of many pro-people policies of the previous government, Mr. Mohanan said steps would be taken to protect the vacant plots along National Highways where vegetables were cultivated under the Harithayoram scheme implemented by the LDF government to enhance food security.

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Sheila, Jairam plant saplings at Delhi's '41st city forest'

Special Correspondent

A number of bird species expected to make Jaunapur forest their home

Initially to be grown over 48 acres though total area with Forest Department is 84 acres

NEW DELHI: Two days ahead of World Environment Day, Delhi Chief Minister Sheila Dikshit and Union Environment Minister Jairam Ramesh planted a number of saplings over a vast area of nearly 48 acres at Jaunapur which is fast emerging as the 41st city forest in the Capital.

The forest in the Aravallis in South Delhi is being developed as per the United Nations Environment Programme specifications. She said the forest would become fully green within the next five years and also become a major resource of flora and fauna, with a number of bird species expected to make it their home.

For maintaining the bio-diversity of the area, the Department has planted a variety of plants such as ronj, bel, dhak, dhok, shisham, amla, imli, gular, chilbil, pasendu, jamun, arjun, bahera, ber, shiris and shehtoot. The wide range of fruit-bearing trees and shrubs would attract various bird species to come in. The forest would initially be grown over 48 acres though the total area with the Forest Department here is 84 acres. Ms. Dikshit said the Government is also exploring the feasibility of developing nature trails and renovating the existing built up structure in and around the plantation site as camping sites for the school children to enable them to imbibe the importance of protection of flora and fauna of the Ridge.

Mr. Ramesh lauded the expansion of Delhi's green cover.

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Hybrid E.coli 'resistant to antibiotics'

Alok Jha

A strain of E. coli spreading across Europe is a previously unseen variant of the bacterium, and one that is more virulent than seen before, health officials say.

Scientists also said the new strain appeared likely to be resistant to common antibiotics.

By June 2, 18 people had died and more than 2,000 had become infected from eating contaminated vegetables. The bacterial outbreak had spread beyond Germany to 10 countries.

After scientists sequenced the genetic code of the E. coli, Hilde Kruse, a food safety expert at the World Health Organisation (WHO) told Associated Press: "This is a unique strain that has never been isolated from patients before ... [there are] various characteristics that make it more virulent and toxin producing." A spokesperson for the U.K.'s Health Protection Agency said scientists at the organisation had not sequenced the bacterium but had agreed with the WHO finding that the E. coli O104 strain associated with the outbreak "which we know to have a highly unusual combination of virulent properties, could be one that has never been seen before."

Stephen Smith, a clinical microbiologist at Trinity College, Dublin, said the new E. coli strain was a "mongrel" combining two "nasty" types of the bacterium. He said: "It is very similar to enteroaggregative E coli which has been associated with outbreaks of watery diarrhoea, in developing nations since 1970. However, this bacterium has been recognised as a cause of diarrhoea in industrialised nations and has caused outbreaks in the U.S., Sweden, Britain and Germany."

The toxin produced by the bacterium binds to, and damages, kidney cells and leads to haemolytic uraemic syndrome (HUS), a rare and severe complication that destroys red blood cells and can affect the central nervous system. More than 500 cases of HUS have been reported in Germany and three cases were found in the U.K. in people who had recently been to Germany.

An HPA spokesperson said: "Bacteria and viruses are evolving all the time. We expect to see new strains, sometimes more virulent or resistant to antibiotics than others, and plan on that basis."

What is E. coli? Escherichia coli is a bacterium found in the intestines of many animals, including humans and many types of the bug are relatively harmless. Some strains, however, can cause illness in people, including diarrhoea that usually settles within a week without the need for treatment.

How does it spread? Both harmless and disease-causing strains of E. coli get into humans through contaminated food or water. The vegetables that are contaminated in Germany might have been fed with water containing the bacterium or there might have been faecal material in the soil in which they were grown.

Why is the German strain so dangerous? The E.coli that cause human disease are often classified by the type of disease that they cause or the toxins they can produce. The most serious are referred to as “verocytotoxin-producing”. The Health Protection Agency said that the German strain is the rare E. coli (VTEC) O104 version. It has led to some cases of a serious kidney and blood complication called haemolytic-uraemic syndrome (HUS).

What is haemolytic-uraemic syndrome? This is a disorder that usually occurs when an infection, usually E. coli, in the digestive system produces toxic substances that can get into the blood stream and cause kidney disease. It is most common in children and the elderly. Symptoms include diarrhoea first, which may contain blood. It is a serious condition but around 98 per cent of people recover.

How can the spread be stopped? Health protection professionals recommend washing hands regularly to prevent person-to-person spread of the bacterium.

Washing vegetables before consumption will also help to remove bacteria from the surface, as will peeling or cooking. Anthony C. Hilton a microbiologist at Aston University, England, said that if the current strain is a novel virulent type “it will be important to determine if this is simply surface contamination of vegetables or if the organism has developed a mechanism of intracellular invasion and persistence, as that will greatly influence the effectiveness of the simple washing of vegetables intended to be eaten raw as a means of reducing the risk of infection.”

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Plea for mango processing unit

PALAKKAD: The Desheeya Karshaka Samajam has urged the State government to set up a mango processing company in the public sector at Muthalamada.

Samajam general secretary Muthalamthode Mani said 2,500 farmers were engaged in mango cultivation on 3,000 hectares Muthalamada panchayat and Chittur taluk. The farmers do not have necessary facilities for scientific ripening, packing and export of mangoes. Hence a factory for its processing and packing should be set up, he said.

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National seminar on water management at Poovathoor

Staff Reporter

PATHANAMTHITTA: Pampa Parirakshana Samiti, a Kozhencherry-based environment group, will organise a two-day national seminar on 'integrated water resources management in Pampa river basin' at the Environmental Resource Centre at Poovathoor near Aranmula on Saturday and Sunday.

Anto Antony, MP, will inaugurate the seminar at 10 a.m. and K. Sivadasan Nair, MLA, will preside over the function.

Fr. Thomas Peeliyanickal, Kuttanad Vikasana Samiti chairman; Varghese C. Thomas, journalist; Jose Parakkadavil, former principal of BAM College at Thuruthicaud; and N.K. Sukumaran Nair, PPS general secretary, will address the meeting.

K.M. Nair, former director of Centre for Earth Science Studies; D. Padmalal, scientist; George Aby of CWRDM; and Abraham Varghese of Kerala Water Authority will deliver lectures on 'sand-mining and its impacts on riverine system' in the forenoon.

World Environment Day will also be celebrated at the centre on Sunday.

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Business Standard

Jun 04, 2011

Cotton acreage may rise 5-10%

Rutam Vora / Ahmedabad June 4, 2011, 0:37 IST



The country's cotton acreage is expected to increase 5-10 per cent in 2011-12 from 11.16 million hectares in 2010-11. The rise is attributed to more farmers opting for the crop in the wake of record prices witnessed during the current cotton year (October to September).

This could be gauged from the fact that area under cotton in north India (Punjab, Rajasthan, Haryana) for 2011-12 has witnessed a rise of 15-20 per cent so far. Sowing in these states is almost complete. The acreage in the states has increased by 200,000 hectares to 1.50-1.55 million hectares as on date, up from 1.35 million hectares in the previous year.

"The cotton sowing has almost come to an end in north India and we have seen a sharp increase in the acreage in Punjab. Rajasthan and Haryana, too, have seen some rise in acreage. Paddy and guar growing farmers have shifted to cotton, as it promised better returns," said Rakesh Rathi, president, North India Cotton Association. North India contributes 12-13 per cent to the country's total cotton output with annual production of 3.8-3.9 million bales (a bale is 170 kg).

Meanwhile, industry experts are expecting acreage to rise 5-10 per cent from 11.16 million hectares to around 15-18 million hectares for the year 2011-12.

“We see cotton acreage rising this year. Even after the recent volatility in prices, farmers are attracted towards cotton cultivation, mainly because they have reaped heavy returns over last year. However, it is too early to predict the exact acreage for 2011-12. But possibly the cotton area may rise 5-10 per cent from the last year’s 11.16 million hectares,” said B K Mishra, managing director, Cotton Corporation of India.

He added that prices had witnessed a sharp fall after hitting a peak in March this year.

Prices for the Shankar-6 quality of cotton had hit a peak of Rs 62,500 per candy (a candy = 356 kg) in March this year and dipped to Rs 45,000 per candy recently. In the international markets too, prices have seen sharp fluctuations from \$ 2 per pound in March to \$1.4-1.5 per pound recently.

India’s cotton acreage had increased by about eight per cent from 10.31 million hectares in 2009-10 to 11.16 million hectares in 2010-11.

In Gujarat, the area under cotton cultivation is expected to be 2.8 million hectares for the year 2011-12, against 2.63 million hectares in 2010-11.

“Farmers are excited about the returns that cotton has yielded. Like other parts of the country, Gujarat too will see a rise in acreage in the next season. The acreage in Gujarat for 2011-12 will rise to 2.8-3 million hectares,” said N M Sharma, managing director, Gujarat State Cooperative Cotton Federation.

Other key cotton growing states are Andhra Pradesh, Maharashtra and parts of Madhya Pradesh. The crop in this region is rain-fed and largely dependent on the extent of rainfall.

Cotton sowing in this region is expected to pick up from the second week of June onwards. As the south-west monsoon has already hit the southern part of the country and is expected to advance according to schedule, farmers have become hopeful for a successful cotton cultivation in 2011-12.

SME units in crisis over natural rubber supply

George Joseph / Kochi June 4, 2011, 0:41 IST



Unless a multi-faceted action plan is implemented to enhance natural rubber (NR) production in the country, used industries will suffer due to supply shortage. The production-consumption gap is increasing since the last five years and there had been many-fold increase in NR price, endangering the existence of rubber-based small and medium enterprises (SME).

According to industry estimates, 500-800 small units like sandal, rubber band makers, etc, have shut in the last year due to swelling raw material prices.

In India, the number of rubber-based SME units is at least 4,500 plus and a large number of them are on the verge of closing down, according to the All India Rubber Industries Association (AIRIA).

Talking to Business Standard, Vinod Simon, president, AIRIA, said big companies can continue production, whatever might be the price tag. They can either opt to buy rubber at a higher price tag or import, which SME units can't. He said AIRIA was in the process of collecting statistics on the status of SME units and closed units in recent years.

During 2006-07, rubber supply was in excess by 32,590 tonnes, but from 2007-08 onwards consumption exceeded production. In 2007-08, there was a shortage of 36,110 tonnes which increased to 99,165 tonnes in 2009-10. In the current financial year, the Rubber Board estimates a shortfall of 75,000 tonnes, but industry associations like AIRIA and Automotive Tyre Manufacturers Association project a shortfall of 189,000 tonnes.

THE HINDU Business Line

Indian onions hit as Indonesia lifts ban on Dutch produce

Netherlands' stock preferred for quality, higher shelf life



Chennai, June 3:

Indonesia's move to lift a ban on onion imports from the Netherlands has begun to hurt the prospects of Indian white dehydrated onion exports.

Indonesia had banned Dutch onions on 2009 when consignments were found to be infected with stem nematode, a destructive pest. The ban was imposed as part of Jakarta's zero tolerance policy against such plant pathogens. The ban was lifted on April 18.

Indonesia is a prominent buyer of Dutch onions. When the ban was imposed, its processors, who make powder, turned to exporters in Maharashtra and Gujarat, according to trade sources.

The white onions have to be dehydrated before being exported.

“Dutch exporters are offering their produce at a competitive price,” said Mr Rupesh Jaju, Director of United Pacific Agro Pvt Ltd.

Dutch dehydrated onions are offered at around \$340-50 c&f against \$300 c&f quoted by India.

Still, Indonesians prefer the Dutch produce because of its quality.

“The quality of the Dutch onion is obviously better. It has a higher shelf life compared to the Indian produce,” said a trade source.

A higher shelf life means, buyers can store the produce and use it as and when they need. It will also make economical sense since inventories will be built up when prices rule low.

The other problem is that Indian dehydrated onions tend to lose 8 to 10 per cent of their weight during trans-shipment. This is not the case with the Dutch onion as their dehydration process is superiod.

With the ban being lifted, Indian dehydrated onions are at the receiving end.

“We are feeling the effect of Indonesia lifting the ban on Dutch onions,” said Mr Jaju.

Nematodes

Indonesia lifted the ban on the Netherlands onions after Dutch exporters worked on treating the nematodes. The treatment was done in coordination with the Netherlands Ministry of Economic Affairs, Agriculture and Innovation suiting Indonesian requirements.

Dutch onions were treated with maleic hydrazide for the nematodes.

The Dutch have been encouraged by the demand for quality produce from Indonesia where buyers are reportedly ready to pay better prices.

Also, the peak demand season in Indonesia corresponds with the arrivals season in Holland.

Ironically, dehydrated onion exporters were badly hit when the Centre banned onion exports in December.

The ban was lifted in February but the Centre fixed a minimum export price of \$600 a tonne. Since then, the floor price has been cut quite a few times to \$170 now.

Exports of dried and preserved vegetables during 2009-10 totalled 1.24 lakh tonnes valued at Rs 532 crore.

Falling tea prices affect small growers in Nilgiris

Coonoor, June 3:

The price small growers in the Nilgiris get for the green leaf tea they supply to the factories as raw material has fallen sharply following lower prices fetched by black teas at the auctions.

“We are now getting Rs 7.50 a kg for our bulk grade leaf against Rs 12 three months ago, Rs 12.50 (Rs 15) for standard grade and Rs 17.50 (Rs 19.50) for top grade”, Mr B Ramesh, small grower in Kil Kotagiri told *Business Line*.

Factory owners said that the prices they get for their black teas at Coonoor Tea Trade Association auctions has fallen by 20 per cent in the last three months. “The minimum price now rules at Rs 40 a kg against Rs 50 in February. So, there is no way the price paid for the raw material can be higher, a factory owner said.

Besides, substantial volumes have been remaining unsold at the auctions. When resold, the prices fetched are still lower. “So, we ask brokers to lower the asking price and dispose off the teas rather than pile up unsold teas,” he disclosed.

The recent rains have brightened the prospects of crop for the second half of June. “But, the crop rise could pull down the price. We cannot afford further decline. We are worried,” Mr Ramesh said.

Pepper prices may top Rs 290/kg in June, says study

Rising demand, global supply crunch cited as reason

Bangalore, June 3:

Black pepper prices are set to increase about 20 per cent in the wholesale market due to rise in global demand, according to a price forecast study by the University of Agricultural Sciences-Bangalore (UAS-B).

The price forecast of black pepper and study of prominent pepper markets undertaken by the Market Intelligence Centre of the UAS-B, has shown that the pepper prices may rule in the range of Rs 290-300 a kg in June and July against the current Rs 240-250. Prices of pepper were in the range of just Rs 100-140 in the corresponding months of previous year. If the prices touch Rs 290-300 a kg, then it will touch an all-time high price band ever seen by the country for pepper.

Prof. C.P. Gracy, Principal Investigator of the UAS-B's Market Intelligence Centre, said that the main reason for the possible surge in prices of pepper was the increase in global demand as the crop production has come down in pepper-growing countries such as Vietnam and Sri Lanka.

Yield declines

Besides, the crop yield had come down in the country with Kerala, the leading pepper-growing State, reporting shortfall due to reduction in productivity as well as shrinkage of cultivation area. Some pockets in Karnataka, too, had experienced shortfall in production, she noted. What had added to the shortfall is the huge demand from the Gulf market for South Indian pepper.

While Vietnam tops in production, India is in the second position with an annual production of 45,000-55,000 tonnes. Karnataka is the second largest producer in India with a share of over 30 per cent in the country's pepper production.

In Karnataka, pepper is grown mostly as an intercrop in coffee plantations. Its economic contribution varies anywhere from 40 to 200 per cent of income from coffee plantations, she said.

Explaining the process of the price forecast, Prof Gracy said the Centre had collected data on black pepper prices from Gonikoppa and Sakleshpur markets for the last ten years. Using econometric analysis as well as the prevailing trends, the prices were forecasted up to July.

Mixed trend in rubber

Kottayam, June 3:

Spot rubber saw a mixed trend on Friday. The under current was bullish as there were no quantity sellers on any grade and the market made all-round gains on fresh buying and short

covering. The trend was mixed, while sheet rubber finished flat amidst scattered transactions as the domestic futures ended slightly lower on late trades. The rains continued to lash heavily and it would affect the rubber production in the State as reported by the official circles.

Sheet rubber closed unchanged at Rs 226 a kg according to traders. The grade improved to Rs 226 (225) a kg both at Kottayam and Kochi as reported by the Rubber Board.

In futures, the June series closed at Rs 227.85 (228.40), July at Rs 232.80 (233.28), August at Rs 234.16 (234.10), September at Rs 232 (231.83), October at Rs 229.80 (230.98) and November at Rs 231 (231) a kg for RSS 4 on the National Multi Commodity Exchange.

RSS 3 (spot) inched up to Rs 234.72 (234.63) a kg at Bangkok. The June futures for the grade recovered to ₹421 (Rs 234.67) from ₹415 a kg during the day session but then finished unchanged in the night session on the Tokyo Commodity Exchange.

Spot rates were (Rs/kg): RSS-4: 226 (226); RSS-5: 222 (221); ungraded: 218 (217); ISNR 20: 215 (214) and latex 60 per cent 135 (132.50).

Onion stable on restricted demand

What's happening at Lasalgaon*				
Date	Arrivals	Price		
		Min	Max	Modal
May 30	1106	220	661	550
May 31	8535	125	671	550
June 2	1156	151	675	550
June 3	525	111	661	540

*Arrivals in tonnes; price in Rs/quintal
Source: NHRDF

Chennai, June 3:

Onion prices continue to rule stable on limited arrivals and demand in markets across the country.

“Demand is limited because export enquiries particularly from the Gulf are not as expected,” said Mr Rupesh Jaju, Director of United Pacific Agro Ltd in Nashik.

The modal price or rates at which most trade took place ruled at Rs 540-550 a quintal throughout this week. Last week, too, prices ruled around this level.

Arrivals at markets such as Mumbai, Pune, Pimpalgaon, Goregaon and Solapur in Maharashtra are around 1,000 tonnes each daily. Growers, who have facilities to store their produce, are cautious in bringing their produce to markets.

“On Friday, the onion regions experienced rain. If monsoon has set in, then onions that cannot be stored will begin to flood markets. It will lead to some drop. But after that prices will start rising,” said Mr Madan Prakash, Director at Chennai-based Rajathi Group of Companies that exports agro-products.

“Once monsoon sets in, we may see Rs 50-100 a quintal rise in onion price,” said Mr Jaju.

Though export demand is there, it is lower than what the trade had expected. “This is keeping prices stable. Otherwise, they should have gone up by now,” Mr Jaju said.

Cotton loses Rs 3,000/candy in a week

Rajkot, June 3:

Cotton fell down by Rs 3,000 a candy as arrivals doubled in a week and as exports are seen lower.

Gujarat *Sankar-6* variety was traded at Rs 44,000-45,000 a candy of 356 kg for quality. Last Friday, it was at Rs 47,000-48,000. While B-grade cotton was Rs 33,000-35,000 and lower-grade cotton fetched Rs 30,000 a candy. *Kalyan* variety stood at Rs 21,000-24,000 a candy. Raw cotton was at Rs 700-925 for a *maund* of 20 kg.

On Friday, 14,000-15,000 bales arrived, against 10,000 on Monday. In the rest of the country, 35,000-40,000 bales arrived, against 20,000-21,000 bales on Monday.

Cotton brokers said farmers have started selling their stocks as they see no ray of light for exports. Moreover, monsoon is about to start, and most of the farmers are busy in pre-monsoon activity. Cotton may reduce more in the coming days.

About 800 ginning units, out of the total 1,000 units in Gujarat, had been forced to stop production due to the Centre's delay on allowing more exports, an industry association said on Friday.

Edible oils witness mixed trend



Mumbai, June 3:

The edible oils market witnessed firm trend on Friday, tracking Malaysian and Chicago markets that closed higher. Malaysian palm oil futures on Bursa Malaysia Derivatives (BMD) extended gains for a second day over concerns of adverse weather hurting the US soya crop and prospects of strong demand in the coming months. In Mumbai, palmolein increased by Rs 6, groundnut oil by Rs 10, soya oil by Rs 7, cotton oil by Rs 9 and rapeseed oil by Rs 3 for 10 kg. In the domestic market, stockists avoided new buying as local demand remained less than expected and because of higher volumes seen on Thursday. Only 80-100 tonnes of palmolein were traded among resellers who bought hand-to-mouth. Traders are expecting retail demand improve in the beginning of the month.

A wholesaler said that expectation of timely monsoon tracking present cloudy weather across main producing centres will arrest upward move as enough stocks of edible oils are available now. On Friday, 80-100 tonnes of palmolein were traded by resellers at Rs 579-580. Liberty increased palmolein rates to Rs 585. Ruchi's rates were: for palmolein Rs 582, for soya refined oil Rs 640 and for sunflower oil Rs 698. Crude palm oil contracts on Malaysia's BMD for July was at MYR3,444 (MYR3,430), August at MYR3,421 (MYR3,403) and September at MYR3,412

(MYR3,392) a tonne. Indore NBOT soya oil June contract closed at Rs 659.70 (Rs 657.50) and July at Rs 644.50 (Rs 661).

Mumbai commodity exchange spot rate (Rs/10kg):Groundnut oil 870 (860), soya refined oil 642 (635), sunflower exp. ref. 645 (645), sunflower ref. 695 (700), rapeseed ref. oil 660 (657), rapeseed expeller ref. 630 (627), cotton ref. oil 639 (630) and palmolein 581 (575).

Rice rules flat on lacklustre trading



Karnal, June 3:

A steady trend prevailed in the rice market with the prices of aromatic and non-basmati rice ruling flat amid tepid trading on Friday.

After witnessing a drop in the last two days, prices of Pusa-1121 varieties maintained their previous levels. Pusa-1121(steam) ruled at Rs 5,000-5,050 a quintal,

Pusa-1121(sela) was at Rs 4,100-4,160 while Pusa-1121(raw) ruled around Rs 5,000 a quintal.

“Sluggish domestic demand has dragged prices of aromatic and non-basmati varieties by Rs 100-260 and Rs 25-220 a quintal, respectively, in the last week,” said Mr Praveen Kumar, a rice miller.

“Amid continuous fall in prices, traders are not showing interest in bulk buying. Those who used to purchase 12-15 tonnes at a time are now buying 5-7 tonnes,” he added.

Prices of Duplicate Basmati was quoted at Rs 3,650-3,800 a quintal. Pure Basmati (raw) ruled around Rs 6,550 a quintal.

Prices of the brokens of Pusa 1121 were quoted with marginal variations, Tibar was quoted at Rs 3,100-3,350, Dubar at Rs 2,400-2,625 and Mongra at Rs 1,900-2,150.

With not much trading taking place in the market, prices of non-basmati varieties continued to rule flat.

Sharbati (steam) was quoted at Rs 3,100-3,200 while the Sharbati (sela) ruled between Rs 2,900-2,980 a quintal.

PR11 (sela) ruled at Rs 2,000-2,140 while PR-11(raw) was quoted at Rs 1,900-2,050 a quintal. Permal (sela) ruled at Rs 1,750-1,970 a quintal while Permal (raw) traded at Rs 1,900-2,100 a quintal.

Brokens of the Sharbati variety, Tibar was quoted at Rs 2,350-2,520, Dubar was at Rs 2,100-2,230 and Mongra ruled at around Rs 1,800 a quintal.

Mills offer sugar below Rs 2,500/quintal



Mumbai, June 3:

Sugar prices dipped Rs 25-30 a quintal on Friday as retail demand is expected to drop once schools and colleges reopen and monsoon sets in.

Naka and tender rates dropped by Rs 80-90 a quintal this week. Mills' tender rates fell below Rs 2,500 for the first time this year. Prices in the physical market extended losses by Rs 20-25 a quintal on Friday as demand remained need-based and selling at upper level increased.

In the last week, spot sugar has declined by Rs 50-60 a quintal, less than the fall in naka and tender rates, as buying for the new month began. Traders expect retail demand to go down with schools and colleges reopening. Sugar futures also extended bearish trend as stocks are high.

Mr Jagdish Rawal of B. Bhogilal and Co. said high stocks at the mill level will pull down prices as demand eases after schools and colleges reopen and rains hurt stock-buying. At the price levels now, producers are making losses. Further decline will add their difficulties, and indirectly affect sowing of sugarcane. Compared to other cash crops like cotton, sugar has not risen in the last year. This may divert farmers to other crops. However, with the crushing season getting over this month, some improvement is expected.

Wholesalers at the Vashi Market said sentiments in other producing/main consuming centres continue to be bearish due to less-than-expected demand. Continued decline in sugar futures also weighed on the market sentiment. Arrivals and dispatches were nominal. Disparity may lead to more difficulties for them in the coming days. On Thursday, 22-24 mills sold 48,000-50,000 bags of a quintal each at Rs 2,480-2,530 for S-grade and Rs 2,540-2,590 for M-grade. Arrivals were at 43-44 truckloads of 100 bags each, and local dispatches were at 40-41 truckloads.

Bombay Sugar Merchants Association spot rates: S-grade Rs 2,646-2,692 (Rs 2,661-2,702) and M-grade Rs 2,696-2,831 (Rs 2,716-2,831).

Naka delivery rates: S-grade Rs 2,570-2,610 (Rs 2,600-2,640) and M-grade Rs 2,650-2,700 (Rs 2,660-2,710).

Arabian Sea buzz builds as weatherman flags 'low'

Thiruvananthapuram, June 3:

The offshore trough along the Konkan to Kerala coast and the upper air cyclonic circulation over east-central and adjoining south Arabian Sea just to the west-northwest is now expected to throw up a low-pressure area.

An India Meteorological Department (IMD) outlook on Friday evening said that the strong cross-equatorial flows would set off a raucous session of heavy to very heavy rainfall along Goa and coastal Karnataka region.

It would be isolated heavy to very heavy over Konkan, south Madhya Maharashtra, interior Karnataka and Kerala until Monday.

Significantly, the IMD did not mention about the prospects of strengthening of the 'low,' a possibility some of the global models are still persisting with. On Friday, however, the European Centre for Medium-Range Weather Forecasting (ECMWF) seemed to have withdrawn a major storm watch here at least for the time-being.

The ECMWF said the 'low' would hold on for some time over the seawaters, even overseeing the initiation of a counterpart in the Bay of Bengal during mid-week. This is shown as driving rains into parts of east and east-central India.

The US National Centres for Environmental Prediction predicts that monsoon easterlies may establish along the foothills of the Himalayas during June 11 to 19.

But 'black-outs' could unfold over most parts of Rajasthan, west Madhya Pradesh and adjoining northwest Maharashtra.

On Friday, the monsoon has further advanced over some more parts of central Arabian Sea, Karnataka, Andhra Pradesh and Bay of Bengal and entire Goa, the IMD update said.

The northern limit of monsoon passed through Vengurla, Belgaum, Gadag, Anantapur and Nellore.

Conditions are favourable for its further advance into some more parts of Arabian Sea, Andhra Pradesh and Bay of Bengal, remaining parts of Karnataka, some parts of south Maharashtra and the Northeastern States during the next three days.

In a review of the performance of the monsoon now a week into being, the IMD said the onset was delayed by about 10 days over Andaman Sea but early by three days over Kerala.

Since then it has advanced rapidly and has covered entire Kerala, Tamil Nadu and Goa, many parts of Karnataka and some parts of south Andhra Pradesh till Friday. Heavy to very heavy rainfall has been occurring along the west coast for the last two days.

Widespread rain or thundershowers with isolated heavy falls would continue to occur along west coast on many days of the coming week.

Fairly widespread rain or thundershowers may break out over the Northeastern States, which may increase in intensity during second half of the week.

Scattered thundershowers would occur over the eastern and adjoining central parts of the country. Mainly dry weather would prevail over northwest India.

SLIGHT WEAKENING

In a forecast for the week June 11 to 17, the IMD said meteorological analysis suggests that the monsoon surge may slightly weaken, which may cause slight delay in advance of monsoon over some parts of east India. However, good rainfall activity will continue along the west coast and the Northeastern states.

Meanwhile, satellite imagery on Friday afternoon showed convective clouds rising over parts of southeast Gujarat, Maharashtra, Karnataka, Kerala, Lakshadweep, central and south Arabian Sea, east-central and southeast Bay of Bengal and Andaman Sea.

Turmeric steady despite lower sales



Erode, June 3:

Spot turmeric prices ruled steady on Friday despite buyers turning cautious.

“The buyers, after watching the local and upcountry markets, were cautious in purchasing stocks to fulfil local orders and also for *masala*-making firms. This is because the spice is selling at a lower price in Sangli and Nizamabad. Prices of both varieties of turmeric ruled steady in Erode on Friday,” said Mr R.K.V. Ravishankar, President, Erode Turmeric Merchants Association.

He said: “Even the price quoted in the futures is low and sales in all places were dull. Traders will start buying heavily only by mid-August”. He also said that farmers are bringing limited stocks due to lower price. On Friday, 7,400 bags of turmeric arrived for sale of which 60 per cent were sold. A turmeric grower said: “We require money again only in August for irrigation of some crops. Till then, we do not want to sell the turmeric at low price, but stock them, wait for the hike in price. We can preserve turmeric for two years”. Some farmers admitted that they have earned last year when it was sold at a record high price of Rs 17,000 a quintal. At the Erode Turmeric Merchants Association sales yard, the finger variety was sold at Rs 5,500-7,591 a quintal, the root variety at Rs 5,350-6,791.

Salem Crop:

The finger variety was sold at Rs 6,868-8,910, the root variety at Rs 6,209-7,189. Out of arrival of 2,937 bags (446 lots), 550 were sold. In Gobichettipalayam Agricultural Cooperative Marketing Society, the finger variety was sold at Rs 6,399-7,991, the root variety at Rs 5,739-7,065.