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## Farmers demand expeditious disbursal of crop loans

Special Correspondent

*Banks and cooperative societies should sanction loans in time for kuruvai cultivation in view of release of water from Mettur*

Photo:R. Ashok



**fresh hopes ahead:District Revenue Officer K. Petchiammal giving away cash prize to a farmer at the grievances day meeting, in the city on Friday.**

TIRUCHI: Farmers representatives of Tiruchi district have urged the district administration to ensure expeditious disbursal of crop loans in view of the State government's decision to open the Mettur reservoir for irrigation on June 6.

Raising the issue at the farmers grievances day meeting chaired by K.Petchiammal, District Revenue Officer, here on Friday, C.Masilamani, district secretary, Tamil Nadu Vivasayigal

Sangam, said nationalised banks and cooperative societies should sanction crop loans in time for farmers to take up kuruvai cultivation.

He called upon the officials to carry out repair and desilting work on irrigation channels immediately. Fertilizers should be made available in time, he said.

G.Kanagasabai, president, District Cauvery Delta Farmers Welfare Association, emphasised the need for releasing adequate quantum of water in the Cauvery so to ensure that the water reached the tail end areas and also the 17 irrigation channels. He also called upon the Tamil Nadu Generation and Distribution Corporation to provide at least six hours of uninterrupted power supply to farm connections during the day.

R.Subramaniam, deputy secretary of the association, urged the district authorities to ensure that adequate funds were made available with the cooperative societies to enable them sanction crop loans to farmers in time.

A meeting with officials of the district central cooperative bank and cooperative societies should be convened to expedite the sanction and disbursal of crop loans.

Ayilai Siva. Suriyan, district secretary, Tamil Nadu Vivasayigal Sangam, affiliated to the CPI, said water should be released in the Uyyakondan and Kattalai High Level Canal till June 6 to meet the requirements of standing crops.

P.Ayyakannu, vice president, Bharathiya Kisan Sangam, suggested that weekly meetings be convened with TANGEDCO officials to discuss problems in power supply.

A cross section of the farmers representatives also urged the district administration to recommend adequate compensation for farmers whose banana and betel vine crops were damaged in gales in the district over the past couple of months.

N.Veerasekaran, coordinator, Ayyan Vaical Ayacutdars Association, demanded a substantial increase in the compensation amount. Mr.Siva.Suriyan demanded a compensation of Rs.1.50 lakh an acre for the damaged banana and Rs.5 lakh an acre for betel vine.

Agriculture Department officials informed farmers that 80 tonnes of certified seeds of ADT 36 and ADT 43 varieties were available in the district and already about 18 tonnes have been

distributed. About 10,110 tonnes of urea, 2,560 tonnes of DAP, 3,716 tonnes of potash and 4,214 tonnes of complex fertilisers were available in the district.

Farmers who won in the district-level competition on registering maximum yield per hectare in paddy and 'cumbu' were honoured with cash prizes at the meeting.

V. Ganapathy of Pallakadu village in Manikandam block who registered a maximum yield of 12,050 kg under the 'system of rice intensification' technique, got the first prize of Rs.15,000.

He had raised Co-43 variety. R. Nallusamy of Periyakodunthurai village in Musiri block, who raised BPT-5204 variety and harvested 9,870 kg through the SRI technique got the second prize of Rs.10,000.

Two 'cumbu' cultivators, R. Kumar of Musiri who harvested 5,430 kg got the first prize of Rs.10,000. He had raised ICMV 221 variety. Mohammad Sulaiman of Vaiyampatti who raised cumbu penna 4959 variety, harvested 5,140 kg. He got a cash prize of Rs.5,000.

Ms.Petchiammal gave away the prizes to the farmers.

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### **Farmers to get Rs. 15 crore loan under 'pavala vaddi' scheme**

SANGAREDDY: Around 1.75 lakh farmers in Medak district will receive approximately Rs. 15 crore under the 'pavala vaddi' (25 paise interest) loans being offered by the government, provided they pay the rescheduled loans on time.

This amount pertains to the kharif period between April 1, 2009 and September 15, 2009, when the entire 46 mandals in the district were declared drought-hit by the State government.

The farmers who took a loan of Rs. 293 crore were expected to commence repayment from June 2011 for three years. On an average each farmer will have to pay Rs. 17,000. Farmers are being charged with simple interest in view of the drought conditions they had faced during that period.

According to bank officials rescheduling of loans was not required, as last year none of the mandals in district were affected by adverse weather conditions. As far as 2010 and 2011 were concerned, banks extended a loan of Rs. 690 crore to 3.25 lakh farmers.

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## **Rs.77-crore scheme for horticulture**

Special Correspondent

THIRUVANANTHAPURAM: The National Horticulture Mission has cleared a Rs.77-crore scheme for the comprehensive development of the horticultural sector in the State.

The Centre will provide Rs.65.45 crore of this amount, and the State will meet the remaining expenditure. The scheme will be implemented by the State Horticulture Mission.

The scheme lays stress on increasing the area under horticultural crops, and integrated post-harvest care. A sum of Rs.36.42 crore has been earmarked for the purpose. The amount set apart for the production of planting material, revival of pepper, cocoa and areca cultivation with low productivity or affected by disease, and the construction of water sources is Rs.6.9 crore.

A sum of Rs.2.32 crore is for the protection of the crop. A sum of Rs.3.6 crore is provided for the development of organic cultivation of plantain, ginger, pineapple, and pepper. An assistance at the rate of Rs.1,000 a hectare will be given for integrated disease-and-pest control, and integrated fertilizer application for pepper, ginger, cashew, and vegetable cultivation.

Another component of the scheme is for popularising apiculture. The amount provided is Rs.69.5 lakh. A sum of Rs.18.68 crore has been set apart for the Kuttanad and the Idukki packages, the Cashew Mission and the Horticulture Census.

## Bio-farming to be promoted in State, says Mohanan

Staff Reporter

KOZHIKODE: The United Democratic Front-led government will introduce and promote alternative farming methods in the State, Agriculture Minister K.P. Mohanan has said. The State will be freed from the excess use of toxic pesticides and chemical fertilizers in the near future, he said after inaugurating a meet organised by the Nehru Peace Foundation on the 47<sup>th</sup> death anniversary of Jawaharlal Nehru here on Friday.

The agriculture sector in the State was suffering from the over use of toxic pesticides. The promotion of bio-farming would be a viable alternative, he said.

The State government had already taken policy decisions to act firmly against the reckless usage of poisonous pesticides, he said.

In his presidential address, M.K. Raghavan, MP, requested the Agriculture Minister to chalk out an action plan for controlling the increased usage of chemical fertilizers. Awards given

Industrialist K.P. Abdul Hameed and architect V.C. Rajesh Babu were presented the Nehru Peace Foundation Awards of the year by the Minister. Mr. Hameed was honoured for his charitable activities and Mr. Babu for achievements in the field of innovative designs.

## Fertilizer prices unfair, claim farmers

Special Correspondent

*Agriculture Department draws the flak; absence of officials irks DRO*

MADURAI: A large number of farmers squarely blamed the Agriculture Department for the “high price” charged by many fertilizer dealers in the district. Some among them demanded a thorough probe as they suspected connivance between a few officials and dealers.

They were airing their grievances at the monthly agricultural grievance redressal meeting held at the Collector's office here. District Revenue Officer B. Murugesh presided over the meeting on Friday in which senior officials from Agriculture Department, PWD, Aavin and other government agencies participated.

The three-hour meeting witnessed heat on several issues when the farmers charged that some agriculture officers were hand-in-glove with fertilizer dealers. “Neither do they (dealers) issue receipts, nor do they collect the rates announced by the government. We are at a loss. Repeated complaints with field level officers have not fetched us any result. The prices are unfair. Hence, we thought of making a strong representation in this forum,” they said.

Despite assurances from Mr. Murugesh to make all fertilizers/urea/certified seeds available for the ensuing season, the farmers demanded stern action against “corrupt” officers.

#### Procurement price

A group of farmers led by S. Tamilmaran of Melur accused an agriculture officer of causing a loss of around Rs 2 lakh when they sold their produce through direct procurement centres in their locality. “When 10 blocks in the district procured paddy at Rs 11.95 per kg from the farmers, the DPCs in Melur and Madurai West blocks procured it at Rs 9.55 per kg,” he claimed.

Though the officer clarified at the meeting that the High Court had given its verdict in this regard based on his submissions, Mr. Murugesh ordered a departmental inquiry by the Joint Director (Agriculture) at the meeting and directed to submit the findings in a fortnight.

#### Copra centre

The farmers also urged the officials to expedite the setting up of a copra centre at Sholavandan. For many queries raised, the responses from the officers were either not convincing or forthright. The absence of officers/representatives from many government wings also irked the

DRO. "The meeting is convened once a month for the farmers who come from far away places. It is the duty of all officers to be present," he asserted.

Lead District Manager KN. Subramanian said that all bankers had been informed about the need to disburse loans for milch animals from next month.

The delay in sanctioning loans was mainly due to complaints about irregular repayments by farmers.

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## **National Horticulture Mission makes good progress in Mysore**

Jeevan Chinnappa

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*A total of 9,461.75 hectares has come under the NHM between 2006 and 2010 Subsidies have encouraged farmers to cultivate horticultural crops*

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Mysore: The National Horticulture Mission (NHM) project, which was taken up in Mysore district in 2006-07, has made good progress both in expansion of area under horticultural crops and encouraging farmers to cultivate mango, sapota and tissue-culture banana, and raise plant nurseries and vegetable seedlings.

A total of Rs. 17.7 crore has been utilised under the mission in the district in the period. In all, 9,461.75 hectares had come under the NHM between 2006-07 and 2010-11. This accounted for an increase of 35 per cent area under horticultural crops from 2006-07, Deputy Director of Horticulture, Mysore District, H.M. Nagaraj told The Hindu.

A sum of Rs. 1.27 crore was released to the district under the NHM in 2006-07; Rs. 6.69 crore in 2007-08; Rs. 3.38 crore in 2008-09; Rs. 3.53 crore in 2009-10 and Rs. 2.81 crore in 2010-11. In terms of area expansion, 832.17 hectares came under the NHM in 2006-07; 2,823.48

hectares in 2007-08; 2,493.03 hectares in 2008-09; 1,914.07 hectares in 2009-10 and 1,399 hectares in 2010-11, Mr. Nagaraj said.

On May 3, a team of experts, headed by H.V.L. Bathla, chief consultant for the NHM, arrived for an inspection. They expressed happiness over the progress made under the project, Soumya, Assistant Director of Horticulture, said. The subsidies being given under the NHM has encouraged more farmers to cultivate horticultural crops. For instance, Rs. 25,740 would be given to a farmer who would cultivate mango on a hectare of land over a period of three years in the ratio 60:20:20. The same amount would be given for sapota cultivation.

Three market yards had been built under the NHM in Mysore district, Mr. Nagaraj noted.

The wholesale market at Bandipalya APMC here was built at a cost of Rs. 10.5 crore and Rs. 2.55 crore was disbursed as subsidy. A hi-tech floriculture market was under way at Bandipalya at a cost of Rs. 4 crore. It would get a subsidy of Rs. 85 lakh.

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## THE ECONOMIC TIMES

Mon, May 30, 2011 | Updated 09.38AM IST

28 May, 2011, 09.49PM IST,

### Why are there so many variants of pepper?

By Caroline Rowe





For the better part of the last three years, I've been obsessing over the tiny berry of a parasitic climbing vine. Stuff of legends, magical cures and grand adventures, *Piper nigrum*, black pepper, is a spice that is a veritable Pandora's box of wonders.

They say imitation is the sincerest form of flattery. Seductive enough to spore a host of impersonators, my research plucked no less than 72 different "peppers" from around the world. What happened to just black, white and green? Let's take a moment then, to straighten out our nomenclature.

The name 'pepper' derives from the Sanskrit *pippali*. From there the Greeks coined *peperi*. Over in the West, European traders gave us *poivre* (French), *pfeffer* (German) and *pimentera* (Spanish). Even if we did not know the geographical origins of the spice, such etymology betrays its trade-based history and leads us back from Europe across the Mediterranean, via the caravan routes of the Middle East, propelled by the power of the monsoon winds to the lands of Spice, the Malabar Coast, Kerala, the birthplace of Black Gold.

Now there are three tribes of pepper impersonators, cousins of pepper, those bearing a passing resemblance, and those which look nothing like pepper at all. Sitting pretty in the family tree are long pepper (*Piper longum*), Java long pepper (*Piper retrofractum*) and cubeb pepper (*Piper cubeba*).

White and green pepper are both forms of *Piper nigrum*, either harvested before the outer skin oxidises black and preserved in brine or vinegar, or stripped of the outer layer afterwards to reveal the white core underneath. Kava kava (*Piper methysticum*), that intoxicating plant drunk in Hawaii, is related. More surprising still, paan leaves, (*Piper betel*) are actually pepper's cousin.

Among the unrelated, or 'false' peppers are a host of seeds and fruits that look similar to black pepper. These include Ethiopian, Jamaican, Guinea and Melegueta pepper. Pink peppercorns (*Schinus molle*), cause so much confusion that they are still incorrectly listed today across the world!

The Sichuan peppercorn, becoming popular across India in Chinese restaurants for its tongue numbing heat, is not even a berry, but the dried flower of a species of the prickly ash tree, a fact that even the Chinese were confused about for centuries. Still other peppers bear no visual resemblance to the humble peppercorn, and it is hard to understand how and why they were christened 'pepper'.

For most of us the word 'pepper' brings to mind the chilli pepper, red, orange or green, flavourful and smoky, mild and plump, or searingly hot. The genus *Capsicum* has 27 various species. It is enjoyed, or perhaps endured, by 25% of the world's population every day, with the largest per capita consumers being, oddly enough, the Koreans with their kimchee, a spicy fermented cabbage dish eaten morning, noon and night.

So why are so many things called pepper? First, at various points in centuries past, pepper has been literally worth its weight in gold. Hence, if I don't have access to pepper, but something that looks like it, I would obviously like to market my spice as a new form of pepper and make a quick buck. Second, all peppers have a common trait: medicinal qualities which enhance their value to the body.

Third, all peppers produce a similar 'burning' sensation. In this sense, perhaps explorers were not wrong to call other spices 'pepper' because the term could be considered to refer to the physical feeling caused by piperine when it comes in contact with the tastebuds.

In other words, let's not call pepper a spice or a flavour, but a sensation. It enlivens a dreary diet and gives a minor high. In early Roman Europe, *Piper longum* provided this addictive sensation. By the Middle Ages, it was *Piper nigrum*. When the New World gave up its secrets of the aji, the aboriginal name for chilli peppers, a punchier pepper was found. The chilli pepper was to captivate the world's tastebuds anew, but could never replace our own trusted kaali mirch .

## Pepper's Global Map

Tracing the major variants to their places of origin



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## Business Standard

Monday, May 28, 2011

**Mangoes, other fruit can fetch higher dividends**

**Shishir Prashant / New Delhi/ Dehradun May 28, 2011, 0:49 IST**

With horticulture emerging as the one of the best options for addressing the concern of food, nutrition and healthcare, the focus has now shifted to horti business in the country through new innovation on mangoes and other fruit having high nutrients and medicinal values.

H P Singh, deputy director general (horticulture) at the Indian Council of Agriculture Research (ICAR) told Business Standard since horticulture is contributing 30.4 percent to the agricultural sector, efforts are on to promote fruit in demand so farmers can also fetch good dividends and impetus be given on commercialisation.

For example, Bangalore-based Natural Synergy has started producing tablets from the leaves of mangoes to control high cholesterol, said Singh. "This company is producing tablets which can be taken as food supplement to control high Cholesterol," said Singh.

Similarly, researchers of ICAR have also produced oil from mango kernels. "Our initial research shows such oil can be used for skin care," said Singh. The centre would soon facilitate the commercial use such oil by launching a pilot project.

Horticulture production in India has grown to 231.5 metric tonnes this year from 98 million tonnes 20 years ago.

Singh said similar research projects on guava and papaya were also being taken up by ICAR. "The basic idea is to boost the horticulture sector in order to provide food security to the country," said Singh.

### **CAB may reduce cotton consumption, recommend exports**

**Dilip Kumar Jha / Mumbai May 28, 2011, 0:05 IST**

The Cotton Advisory Board (CAB) is expected to recommend further export of cotton, on the back of surplus availability. A decision would be taken after a meeting of various stakeholders next week.

The CAB is expected to show two million bales (one bale is 170 kg) of surplus, preparing ground for the Union textile ministry to declare a fresh export quota.

The prices of cotton have declined 25 per cent in the last month, from Rs 62,000 a candy (one candy is 356 kgs) to Rs 47,000 a candy. The fall has already sent a negative message among farmers, for diverting their land to more remunerative crops such as fruits and vegetables which gave handsome returns through last year.

So far, 5.5 million bales have already shipped during this cotton year (October-September).

The textile ministry has asked AB Joshi, CAB chairman and textile commissioner, to prepare a revised cotton balance sheet. He was not available for comment.

A leading trader said the total output last year was 30.8 million bales, from the earlier estimates of 29.5 million bales. Hence, the industry has 1.3 million bales of surplus from the last year's output. There is a possibility of pruning mill consumption estimates this year to the extent of 700,000 bales, he added.

According to the CAB's last estimate on February 26, total mill consumption was estimated at 23.2 million bales, 12 per cent higher than last year's figure of 20.7 million bales. According to industry sources, mills consumption will be reduced to 22.2 million bales for the 2010-11 cotton year.

The CAB, however, had warned that 2.75 million bales of closing stock for 2010-11 is alarmingly low from the normal comfortable level of four million bales. But, the closing stock is unlikely to change with the restructuring of consumption data and export dynamics.

The trader believes the government should announce registration of additional cotton now so that farmers would be encouraged to continue with cotton sowing in the ongoing kharif season, as delay may harm sowing.

India's cotton yield plunged from 554 kg a hectare in 2007-08 to 475 kg a hectare in 2010-11. The acreage area under cotton, in contrast, has risen from 9.41 million hectares in 2007-08 to 11 million hectares 2010-11.

M B Lal, a veteran trader, said last year's higher output may be set-off by mills' claim of additional consumption. Hence, there will be no room for held-over output from the last year.

## **Reservoir levels, monsoon forecast boost kharif hopes**

**Sanjeeb Mukherjee / New Delhi May 28, 2011, 0:04 IST**

Brimming reservoirs amid expectation of a normal monsoon for another year has raised hope that farm output during the all-important kharif season will be good in 2011, laying the foundation for the targeted four per cent growth in agriculture in 2011-2012.

It was estimated at 5.4 per cent in 2010-11 but the number is not entirely comparable, as it comes on the back of 0.4 per cent farm growth in 2009-2010, on account of drought and low crop production. Economists believe the real test will be to maintain high growth in a normal monsoon year.

Already, the Union agriculture ministry feels paddy (rice) production in 2011-2012 could be at least 100 million tonnes (mt), up 9.4 per cent from last year, if the rains remain normal. Officials said the minimum support price (MSP) for paddy is poised to rise by almost Rs 160 per quintal for both common grade and grade 'A' rice.

Production of pulses is projected to be almost 18 mt, up from 17.29 mt this year. So also for oilseeds, expected at 21 mt. The Indian Sugar Mills Association has pegged sugar production next year at 26-26.5 mt, almost eight per cent more than 2010-2011.

Analysts believe a reasonably high retail price of major food commodities this year, along with MSP increase, should be an added incentive to farmers to increase acreage of various crops grown during the kharif season.

The India Meteorological Department said last month the rains would be normal and should hit the Kerala coast around May 31. Good rainfall during the June to September monsoon season is crucial, as just about 40 per cent of the total arable land is under irrigation. Adequate rain also provides soil moisture to help in good rabi production.

<b>Reservoir levels (basin-wise) as on May 26</b>		
Figures are in billion cubic metre		
<b>Name</b>	<b>2010</b>	<b>2011</b>
Ganga	1.914	2.602
Indus	2.007	6.245
Narmada	1.99	2.461
Tapi	1.092	2.406
Mahi	0.696	0.625
Sabarmati	0.019	0.093
Name	2010	2011
Rivers in Kutch	0.027	0.083
Godavari	-0.04	4.533
Krishna	6.205	8.396
Mahanadi	2.922	2.565
Cauvery	2.203	4.539
Others*	2.793	3.036
Total	21.828	37.584
<i>*Largely comprises west flowing rivers of south</i>		
<i>Source: Central Water Commission</i>		

That apart, the monsoon is important in filling the 81 major reservoirs, which support large chunks of canal systems in the northern and southern parts. Of the 81 reservoirs, 36 have substantial hydropower benefits. Data from the Central Water Commission show that storage level in all reservoirs is nearly 172 per cent more than last year's during the same period and 174 per cent more than the 10-year average storage capacity.

The retail price of rice, the largest grain sown during kharif, has been Rs 1-2 per kg more than last year. Though marginal, this should be complemented by a jump in MSP. In the case of cotton, average retail price has been higher than last year. Retail sugar prices have fallen by Rs 2-3 a kg, but with elections round the corner in Uttar Pradesh, the country's second largest

cane producing state, it is likely the state government would further increase the state advised price (SAP) for cane in 2011-2012. The SAP was raised by Rs 40 per quintal earlier.

In pulses, too, farmers are expecting a good price, as the government has proposed to increase the MSP of moong by 7.2 per cent from last year and of tur by 3.4 per cent. The price of major oilseeds, the bulk of which is grown during the kharif season, has also been more than last year.

The preliminary assessment of the agriculture ministry shows that till today, the area covered under moong was almost 163 per cent more than last year, at 189,000 hectares. Acreage of other pulses has also shown a big improvement. Sugarcane has been planted on 4.8 per cent more area till now, as compared to the same period last year. The area under cotton is almost 17 per cent more than last year.

“These are just preliminary numbers, but given the factors, the kharif season seems normal this year,” said Ramesh Chand, director, National Centre for Agricultural Economics and Policy Research.

## THE HINDU Business Line

### **Spot rubber declines on buyer resistance**

Kottayam, May 27:

Physical rubber prices declined on Friday.

Though there has been no visible selling pressure in the market as arrivals continued to be low, prices slipped on buyer resistance. Transactions were meagre.

The rubber market continues to be clouded by uncertainties according to the Association of Natural Rubber Producing Countries (ANRPC).

Prices from mid-April onwards have been on the decline although at a slow pace on growing concerns about global economy, strengthening of Japanese yen and marginal drop in crude oil prices.



the period from the first week of May onwards has seen a sharp fall in crude oil prices and weakening of Thai Baht and Malaysian Ringgit against the US dollar. Sheet rubber surrendered to Rs 214 (217) a kg, according to traders. The grade moved down to Rs 215.50 (217) a kg both at Kottayam and Kochi, according to the Rubber Board.

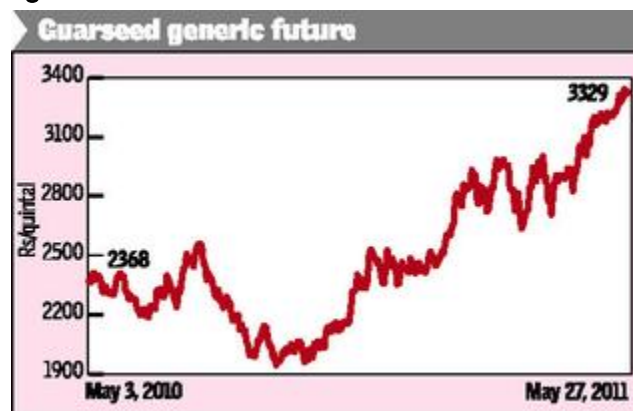
The June series weakened to Rs 215.31 (216.51), July to Rs 219.27 (220.47), August to Rs 218.50 (219.91) and September to Rs 218 (218.55) while the October series improved to Rs 215.55 (213.50) and November to Rs 217.15 (214.00) a kg for RSS 4 on the National Multi Commodity Exchange.

The June futures inched up to ₹418 (Rs 232.99) from ₹417 a kg during the day session but then finished unchanged in the night session on the Tokyo Commodity Exchange. RSS 3 (spot) slipped to Rs 233.27 (233.32) a kg at Bangkok.

### Spot rates

Spot rates were (Rs/kg): RSS-4: 214 (217); RSS-5: 212 (214); ungraded: 210 (212); ISNR 20: 207 (209) and latex 60 per cent 128 (130).

### Medium-term uptrend in guarseed



Guarseed is among the trader's favourites on Indian commodity exchanges. We consider the guarseed generic futures price traded on the National Commodity and Derivatives Exchange for this technical analysis. The contract size is 10 tonnes and the tick value is Rs 100. The guar generic futures closed at Rs 3,329 a quintal on Friday.

Guarseed futures were in a sideways consolidation phase in the range of Rs 1,400 and Rs 2,000 between September 2004 and January 2009. The contract found support at its significant long-term base at Rs 1,400 that is the lowest boundary of the sideways ranges, in January 2009.

Since then, guarseed futures have been on a long-term uptrend. However, one leg of this uptrend ended in December 2009, registering a high of Rs 2,872. Subsequently, the contract witnessed a corrective downtrend which retraced 61.8 per cent Fibonacci retracement level of its prior upward move and found support around Rs 2,000 in September 2010. This level is also an important long-term support level. Subsequently, it resumed its major uptrend and recorded an all-time high at Rs 3,351 on May 25. As long as the futures trade above Rs 2,350, the long-term trend remains up. A strong decline below this level will negate the uptrend and pull futures down to 2,000 levels in the long-term. Important support around Rs 2,825 will provide support in declines. The long-term targets for guar futures on a conclusive move beyond Rs 3,400 are Rs 3,700 and Rs 4,000.

### **Medium-term trend**

The medium-term trend for guar seed is upwards since its September 2010 low of Rs 1,928 levels. Currently, the contract is losing its bullish momentum as we observe that the daily relative strength index and moving average convergence divergence indicators are displaying negative divergence, signalling the possibility of a trend reversal in the near future.

A downward reversal from between 3,300 and 3,400 levels can pull guarseed futures lower to its immediate support at Rs 3,000 in the months ahead. The next key support is at Rs 2,800. The trend-deciding level for guarseed futures is in the band of Rs 2,600 and Rs 2,640.

An emphatic fall below this band will mar the uptrend and drag the contract down to Rs 2,350 or Rs 2,200. However, if the support at Rs 3,000 holds, futures can consolidate sideways in the range of Rs 3,000 to Rs 3,400. A strong move above Rs 3,400 can lift futures higher to Rs 3,650. Short-term significant support and resistance are at Rs 3,200 and Rs 3,400 respectively.

## Demand-supply balance keeps onion steady

What's happening at Lasalgaon*				
Date	Arrivals	Price		
		Min	Max	Modal
May 16	1,195.5	151	690	550
May 18	1,055	151	674	525
May 19	977.5	240	674	540
May 20	800.5	151	651	551
May 23	1,111.8	270	657	550
May 24	575	151	660	550
May 25	895	151	652	550
May 26	1,035	121	651	550
May 27	750	151	648	550

Arrivals in tonnes; prices at Rs/quintal  
Source: NHRDF

Chennai, May 27:

Onion prices continued to rule stable in markets across the country this week on a balance in demand and supply.

“Prices are ruling stable between Rs 400 and Rs 650 a quintal based on quality,” said Mr Rupesh Jaju, Director of United Asia Pacific Agro Pvt Ltd, from Nashik.

The modal price or rate at which most trades took place at Lasalgaon, Asia's biggest onion market, was Rs 550. The modal price has ruled at this level throughout this week.

“Arrivals are good, though farmers are tending to hold back a little,” Mr Jaju said.

In the last few days, arrivals in Lasalgaon have been around 1,000 tonnes, as also in places such as Solapur and Pune.

“Daily arrivals these days are between 600 and 800 tonnes,” said Mr Jaju.

Compared with last year, the demand is a little low. During the same time last year, prices were Rs 50 higher.

Demand for onions from West Asia is a little low, while it is normal from countries such as Indonesia, Singapore, Malaysia and the Philippines.

“The low prices may now encourage West Asian buyers to build inventories. In that case, there could be improvement in prices,” Mr Jaju said.

Some farmers are holding back their produce, waiting for prices to touch Rs 800.

“They have the infrastructure to store onions,” said Mr Jaju.

#### **N. Indian mills' offtake keeps cotton stable**



Rajkot, May 27:

Cotton prices ruled stable on Friday, after witnessing a jump on Monday, as traders and brokers wait for a decision on exports.

Gujarat *Sankar-6* variety was traded at Rs 47,000-47,500 a candy of 356 kg for A-grade quality. Medium and lower quality cottons were traded at Rs 42,000-45,000 and Rs 32,000-35,000 a candy respectively in Gujarat. *Kalyan* variety also remained unchanged at Rs 27,000-28,000 a candy. About 10,000-12,000 bales of cotton arrived in Gujarat and 25,000-30,000 in the rest of the country.

Raw cotton ruled at Rs 1,000-1,050 for 20 kg, and gin delivery raw cotton fetched Rs 1,070-1,075 for 20 kg.

A Rajkot-based broker said: “Some mills from North and traders have started to buy after the Government's announcement to review exports. Price has increased but it will not go beyond Rs 50,000-51,000 a candy, as ginners and traders have about 17-20 lakh bales unsold.”

Cotton arrival in Gujarat has increased from 7,000 bales to 12,000 bales in a week as prices went up.

### Sluggish overseas buying drags rice



Karnal, May 27:

The rice market witnessed a sharp decline on Friday, after ruling firm since last weekend. Prices of aromatic and non-basmati rice dropped by Rs 25-260 a quintal.

Mr Amit Chandna, proprietor of Hanuman Rice Trading Company, told *Business Line* that sluggish overseas and domestic demand dragged the market. Lack of liquidity in the market is also a reason behind the bad phase, and the market unlikely to see good levels in near future, he added.

Prices of Pusa-1121 varieties decreased by Rs 70-200 a quintal. Pusa-1121 (steam) were quoted at Rs 5,000-5,100 a quintal against Rs 5,200-5,320 two days back. Pusa-1121 (sela) dropped by Rs 145 from upper levels to Rs 4,100-4,200 while Pusa-1121 (raw) ruled at Rs 5,050 a quintal, Rs 70 down from previous levels. Prices of duplicate basmati declined by Rs 100-260 a quintal to Rs 3,650-3,800 a quintal. Pure basmati (raw) declined by Rs 60 at Rs 6,550 a quintal. Among the brokens of Pusa-1121, Tibar was quoted at Rs 3,100-3,400, Dubar at Rs 2,400-2,650 and Mongra at Rs 1,900-2,180.

## Turmeric tumbles further on poor demand



Erode, May 27:

Spot turmeric price dipped by Rs 500 a quintal on Friday, as demand from North Indian merchants continues to be poor. “Contrary to the expectation of traders, the price of turmeric dropped since there was no demand from other States,” said Mr R. V. Ravishankar, President, Erode Turmeric Merchants Association.

He said arrivals and sales were limited in Sangli in Maharashtra and Nizamabad in Andhra Pradesh. Severe heat in North India has affected the business, and traders in Erode did not get any new orders. Price decreased by Rs 450 a quintal in Erode Turmeric Merchants Market, Rs 890 a quintal in Gobichettipalayam Agricultural Cooperative Marketing Society, and Rs 500 a quintal each in Erode Cooperative Marketing Society and Regulated Market Committee on poor demand. Only 40 per cent of the 12,000-odd bags that arrived were sold. The produce that is arriving to the market is fetching lower prices as it got soaked in the rain in April. Farmers are still selling as they need money for sowing and expenses. At the Erode Turmeric Merchants Association Sales yard, the finger variety was sold at Rs 6,029-7531 a quintal and the root variety at Rs 5,829-6,290.

**Salem Variety:** The finger variety was sold at Rs 7,955-8,189 and the root variety at Rs 6,480-7,089. Only 349 bags of the 3,385 (578 lots) that arrived were sold. At the Gobichettipalayam Agricultural Cooperative Marketing Society, the finger variety fetched Rs 4,110-7219.