

Today's Paper » OPINION

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A weather sentinel to peer over the tropics

N. Gopal Raj

After a difficult and, at times, uncertain gestation lasting over a decade, the Indo-French atmospheric research satellite, Megha-Tropiques, is at last ready to leave aboard the Polar Satellite Launch Vehicle (PSLV), from Sriharikota.

Prior to the two countries joining hands in this effort, scientists in both countries, along with their respective space agencies, had been independently considering similar sorts of missions. In the late 1980s and the early 1990s, the French were examining the possibilities for a 'Tropiques' satellite. The Indians, for their part, were thinking of a 'Climatsat' satellite around the mid-1990s.

The idea of merging these efforts came about as a result of contacts between scientists in the two countries.

In 1998, the space agencies, the Indian Space Research Organisation (ISRO) and the Centre National d'Études Spatiales (CNES), decided to carry out a feasibility study. The following year, they signed a Statement of Intent. They would, in the words of a press release issued on the occasion, pursue cooperation on a mission "aimed at enhancing the understanding of tropical weather and climate."

The name chosen for the satellite, Megha-Tropiques, reflected the mission's goals. 'Megha,' the Sanskrit word for clouds, underscoring a key focus of the satellite, and the French word 'Tropiques' denoting its concentration on the tropical region.

Subsequently, the ISRO and the CNES signed a Memorandum of Understanding (MoU) in 2001 to undertake a detailed design of the satellite. But then, amid heavy cuts in the French space agency's budget, the satellite's fate became decidedly uncertain. Finally, in late 2004, the agencies signed a second MoU that gave the green signal to proceed with development of the satellite.

The use of satellites to watch over the weather and collect related data began with the American TIROS-1 that was launched in April 1960. Over 300 satellites followed, carrying weather cameras and a variety of other sensors to measure various parameters of the oceans and the atmosphere.

With their capacity for global coverage, satellites made it possible to monitor and follow events over the oceans. Satellite imagery showed, for instance, that the heavy rains of the Indian monsoon were brought by a vast band of clouds that arose near the equator and then steadily moved northward over the subcontinent. The information sent back has helped unravel the complex ways in which the ocean and the atmosphere influence each other to produce the world's climate and weather.

The U.S.-Japanese Tropical Rainfall Measuring Mission (TRMM), in particular, which was launched in 1997, has contributed greatly to studying rainfall patterns in the tropics, including the powerful storms that sweep these parts of the world. Although the satellite was expected to function for only three to five years, it still continues to be in service. In many ways, the Megha-Tropiques will be following in the footsteps of this ageing satellite whose days are numbered.

The famous American meteorologist Jule Charney showed many years ago that the tropics have inherently more predictability in them, remarked Roddam Narasimha, a distinguished scientist and a member of the Space Commission that oversees the Indian space programme. He is also chairman from the Indian side of the joint scientific working group for the Megha Tropiques.

“But we are not able to cash in on that predictability.” One reason was that a sufficiently deep analysis of basic scientific problems had not been done. As a result, models from all over the world don't have the same skill over the tropics, particularly on the monsoons, that they have at higher latitudes, he pointed out.

In an orbit inclined more closely to the equator than the TRMM, the Megha-Tropiques will enjoy much greater coverage of the tropics. The satellite can have up to six passes a day over places that are within about 20° of the equator.

Such frequent coverage is essential to study how, say, a cloud system in the Bay of Bengal evolves, observed J. Srinivasan, chairman of the Divecha Centre for Climate Change at the Indian Institute of Science in Bangalore, who is the principal investigator for the mission from the

Indian side. Such a system typically goes from birth, through growth, to death in 12 hours or less. The satellite could capture data about the cloud several times during that period.

The equatorial region gets more energy from the sun than places closer to the poles. The surplus energy from the tropics is moved to other parts of the globe by ocean currents and atmospheric circulation.

As water vapour condenses to form clouds and then falls as rain, it releases the heat that went into its evaporation. Such release of latent heat provides a large part of the energy that drives global atmospheric circulation.

The sensors on the Megha-Tropiques have been designed to provide information about the energy and water cycles that drive cloud systems in the tropics.

The satellite lacks the active radar that the TRMM possesses, which gives a more accurate estimate of the amount of rainfall occurring. But, like the latter, a passive sensor on the Megha-Tropiques, the Microwave Analysis and Detection of Rain and Atmospheric Structures (MADRAS), will be able to 'see' into clouds by picking up faint microwave signals given off by the earth and the atmosphere. This instrument will gather data on winds, water vapour and rain as well as about liquid water and ice in clouds.

However, the Megha-Tropiques scores over the TRMM in its ability to map the vertical profile of water vapour. It does so with two sensors.

One of those instruments, known by the acronym SAPHIR, will measure water vapour at six vertical levels from the ground to a height of about 12 km.

This instrument will have a horizontal resolution of 10 km. The other instrument will use the bending of radio signals broadcast by GPS navigation satellites to measure water vapour at some 100 vertical levels but with poor horizontal resolution.

The vertical distribution of water vapour is crucial in triggering the formation of deep clouds that produce a great deal of rain, pointed out Dr. Srinivasan. "At present, we don't know how much water vapour has to be present at what heights in the atmosphere in order for deep clouds to develop." Figuring this out could hold the key to accurately predicting heavy rainfall events, such as the deluge that swamped Mumbai in 2005, a problem that is occurring time and again during the monsoon.

The Scanner for Radiation Budget Measurement (SCARAB) on the satellite will measure sunlight reflected back into space by clouds as well as the radiation emitted by the heating up of the earth and the atmosphere. A cloud system needs to retain enough energy to keep itself going. But when clouds become very deep and highly reflective, so much radiation is lost to space that the system slowly dies, observed Dr. Srinivasan.

The data provided by the satellite will help scientists better understand not just the vagaries of the Indian monsoon but also of rainfall in other tropical regions of the world. There are scientists from 11 countries in Asia, Africa, Europe and the Americas on the 21 international science teams that have been formed for the Megha-Tropiques mission, according to Rémy Roca of the Laboratoire de Météorologie Dynamique in Paris, who is the principal investigator for the mission on the French side.

After the satellite was launched, its sensors would be carefully calibrated over the subsequent three months. Then, for the next six months, data from the satellite would be supplied to members of the international science teams. After that, the data would be made freely accessible to all scientists. There were a number of groups across the world who wanted to incorporate the data into their models for weather and storm forecasting, he added.

The benefits from the Megha-Tropiques will be enhanced by its data being used in conjunction with those from other satellites. The Indo-French satellite is part of the Global Precipitation Measurement (GPM) mission based on an international network of satellites. The GPM Core Observatory, which will carry an active radar, is currently expected to be launched in mid-2013.

This GPM satellite was in effect a follow-on of the TRMM mission but would orbit at higher latitudes, noted Robert A. Houze, Jr., an atmospheric scientist at the University of Washington, in Seattle, U.S.

Its active radar would be able to measure precipitation and show vertical structures in the atmosphere more precisely than the Megha-Tropiques. The GPM satellite could provide a kind of calibration for the latter. "So the two together will make a very nice programme," said Dr. Houze, who heads one of the Megha-Tropiques science teams.

The Megha-Tropiques will be "an incredible opportunity to advance process and predictive understanding of the monsoons," remarked Raghu Murtugudde, a climate scientist at the University of Maryland in the U.S., in an email. "Doing the water content, water vapour profiles and radiation is like having the complete recipe for a *megha* -dish! It will be delicious."

The data provided by the Megha-Tropiques atmospheric research satellite will help provide insights into the patterns of rainfall in the world's tropical regions.

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Organic farming and sales go up with demand

M. Soundariya Preetha

The number of outlets in the city selling organic food products is more now



More takers: Organically-grown vegetables sold at an outlet in the city. — Photo: M.Periasamy

It's a green growth in many ways. The vegetables, fruits, grains and pulses are grown naturally – without the use of pesticides and fertilizers; the number of outlets in the city selling these is more now and more farmers are switching over to organic farming in this region.

Despite challenges such as high prices, lack of sustained supply of some products and the need for incentives for farmers to continue organic cultivation, the concept of organic food seems to be catching on in the city.

Customers walk in asking for organic rice for their children or organically-grown vegetables for special occasions at home, says M. Vivek who runs Organic Supermarket with his partner V. Vinesh. There are households that prefer their entire monthly grocery from the organic range, adds Shantha Ramaswamy of Sreevatsa Organic Farm Products.

The product range has expanded during the recent years with even processed organic food available at the outlets.

Dairy products, easy-to-cook, masala powders, soaps, and washing powders are available in the organic basket. Customer list has increased manifold for these outlets during the last couple of years.

The products are in different categories: third party certified items, those from the participatory guarantee system where a group of farmers stands guarantee for each other, organically-grown products in the case of farms that are yet to get the certification, and branded organic food.

The sources for the outlets include Coimbatore region, Chengalpattu, Bangalore, Chennai, Andhra Pradesh, and Kolkata.

Though high prices are one reason for the relatively low consumption, farmers want more such outlets so that they have a platform to sell their produce, says Ms. Ramaswamy.

High cost of fertilizers and pesticides and increasing concern on soil health are forcing several farmers to look at the organic option. But, they need more support to switch over to organic cultivation.

“We need to build support for them and develop their confidence,” says Mr. Vivek.

When demand increases and people are willing to pay a little more, it gives a boost to the farmers, he adds.

Valarmathi, who moved over to organic farming for vegetables raised on 11 acres at Perundurai, says the demand is high and she is now requesting some of her neighbours to take up organic farming. She even provides them the natural inputs such as panchakavyam and pays them more for the vegetables they supply.

K.R. Sadasivam, who has a 100-acre organic farm at Kuppanur near Coimbatore, says he grows tomato, chilli, grapes, brinjal and banana. Though he supplies to several organic outlets in the city, a large volume goes to the regular market and does not get a higher price. The yield has dropped for grapes and such drop in yield can deter farmers from continuing organic farming, he says.

A source at Keystone Foundation says it focuses on encouraging more farmers to take on to organic farming. With fragmented land-holding pattern in the country, small farmers need government incentives to buy organic inputs. This will make the prices of the produce more realistic.

There are some pockets/villages in the Nilgiris where the farmers have completely switched over to organic farming. The switching over process is expensive.

Malls are brand-driven and hence have branded organic food. One main factor for the success of exclusive organic food outlets is the trust of customers.

Those at the shops should explain to the customers the source of the products and the process of organic cultivation.

In the future, farmers may start coming together to open counters in super and hypermarkets as in Europe.

The growing consumption of organic food and more outlets and counters that sell these products are expected to encourage more farmers to go organic.

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Failure of rain leaves farmers in gloom

M. Ahiraj

Average yield likely to decrease by over 50 per cent this year



CAUSE FOR WORRY: The groundnut crop has failed in Bellary district due to continuous dry spell.

“A minimum of 10 to 15 bags of groundnut an acre is the normal expected yield. But this year, we cannot even get one bag in an acre, owing to failure of rain,” Chidanandappa, farmer in Metriki-Gangalapur in Sandur taluk, said.

“With not more than two bolls a plant, the extent of cotton yield this kharif season can be easily assessed,” Siddamma, farmer from Vittalapur in Sandur taluk, said while pointing out that the expectations of a good yield had turned bleak this year.

This has been the plight of farmers in Sandur, Kudligi, Hagari Bommanahalli and Hadagali taluks, who depend entirely on the monsoon for cultivation.

Maize, groundnut, toor, cotton, among other major crops, cultivated in the rain-fed areas across the district, have started withering due to severe moisture shortage and the yield is likely to be less by over 50 per cent this kharif season.

In addition, the farmers have been deprived of the extra income they were earning hitherto since the mining has come to grinding halt after the ban imposed by the Supreme Court.

The condition of crops in the rain-fed areas was good till August-end, when the district had recorded excess rainfall. In July, the district recorded 106.8 mm rainfall against the normal 85.5 mm, and in August, it was 98.3 mm this year compared to the normal 90.8 mm.

The average rainfall in September this year was about 23.2 mm, compared to the normal 141.4 mm. The rainfall was inadequate and scanty, mostly drizzle, and untimely, throughout the district, leading to moisture stress and withering of standing crops.

During the first week of October, the district received an average of 12.3 mm rainfall against the normal 104.8 mm for the entire month.

“Even if we get good rains from now on, it will be of no use. It may help improve the greenery but not the yield,” the farmers said.

“There are hardly any pods in the groundnut crop. The failure of ‘uttari’ rain in September has cost us dearly this year.

On an average, more than Rs. 8,000 an acre has been spent on cultivation so far. Looking at the condition of the crop, there are no hopes of recovering it,” Mr. Chidanandappa told *The Hindu*.

“If we harvest the crop now, at least it can be used as fodder,” he said. During the current kharif season, sowing had been completed in 96 percent of the targeted 3.65 lakh hectares, including 2.2 lakh hectared rain-fed and 1.44 lakh irrigated. Paddy, jowar, millet, maize, bajra, toor, groundnut, sunflower, cotton were the major crops.

Of the seven taluks, only some parts of Bellary, Siruguppa and Hospet taluks have irrigation cover. The remaining four taluks of Kudligi, Hagari Bommanahalli, Sandur and Hadagali depend on the monsoon for cultivation.

The farmers and agricultural labourers are now anxiously awaiting some relief from the Government.

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- *District recorded 23.2 mm rainfall in September against the normal 141.1 mm*
 - *Sowing completed in 96 per cent of the targeted 3.65 lakh hectares*
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All support for farmers: Minister

Staff Reporter



farm lessons at school: Agriculture Minister K.P. Mohanan inaugurating the harvest of potted basmati rice cultivated by the students of Government Higher Secondary School, Anchalumoodu, Kollam, on Monday. – Photo C. Suresh KumaR

The State government is going ahead with programmes to attain self-sufficiency in vegetable production, Agriculture Minister K.P. Mohanan has said.

He was inaugurating the harvest of potted-basmati rice cultivated by the students of Anchalumoodu Government Higher Secondary School, near here, on Monday.

Tamil Nadu had emerged as the State producing the highest number of coconuts. Various factors had contributed to the drop in coconut production in Kerala. The government would encourage all those who would take up farming, he said.

Though the State had a rich farming tradition, the activity was now on the wane. But, there were many people who were genuinely interested in farming. Such people would have to be

encouraged, he said. Team work would do wonders in the farming sector, he added. The function was presided over by P.K. Gurudasan, MLA.

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Turn system in Vaigai dam

Staff Reporter

: Poor storage in the Periyar and Vaigai dams has forced the Public Works Department impose turn system of irrigation in Vaigai dam much in advance than the normal course.

The turn system was introduced at 6 a.m. on Monday considering the quantity of inflow to the dams due to delayed setting of northeast monsoon, the Madurai Collector, U. Sagayam, said in a statement.

Irrigation for 1.50 lakh acres, including 45,041 acres in double crop area, 85,563 acres in single crop area and 19,439 acres under the Tirumangalam Main Canal began on September 16.

In normal course, turn system is introduced after 45 days of continuous irrigation. However, now it has been introduced after just 24 days.

According to the turn system schedule, irrigation would be stopped for four days and continued for the next five days. The turn system would be modified considering quantum of rainfall and inflow, the statement said.

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Tue, 11 Oct 2011

water

Chennai - INDIA

Today's Weather



Clear

Tuesday, Oct 11

Max Min
34.5° | 25.5°

Tomorrow's Forecast



Rainy

Wednesday, Oct 12

Max Min
33° | 23°

Rain: 00 mm in 24hrs **Sunrise:** 5:58
Humidity: 75% **Sunset:** 17:53
Wind: Normal **Barometer:** 1009

Extended Forecast for a week

Thursday Oct 13	Friday Oct 14	Saturday Oct 15	Sunday Oct 16	Monday Oct 17
				
29° 26° Rainy	29° 25° Rainy	30° 25° Rainy	31° 25° Rainy	32° 26° Rainy

THE ECONOMIC TIMES

Tue, Oct 11, 2011 | Updated 10.32AM IST

11 OCT, 2011, 01.46AM IST, SHAILESH MENON,ET BUREAU

Stocks of edible oil cos Marico and Raj Oil Mills jump as copra prices decline

Shares of edible oil manufacturers surged, after a marked decline in copra prices due to poor stockists demand and strong supply chain. Companies, like Marico and Raj Oil Mills, use copra (or dried coconut) to extract oil, which is used as a key ingredient in personal grooming products and as a cooking medium.

According to a broker, copra prices (of varying grades) in Mumbai and the South have fallen by around 120 per quintal over the past one week.

"Fall in copra prices will have a positive impact on overall earnings of Marico and Raj Oil Mills; Marico's profit margins had come down in the past two quarters, primarily because of higher copra prices in January and May. Edible oil manufacturers will benefit, if copra prices will stay put at current levels for some time," the broker said.

Marico and Raj Oil Mills closed 1-2% higher at 146 and 21, respectively, on the BSE.

DECCAN Chronicle

Published on *Deccan Chronicle* (<http://www.deccanchronicle.com>)

One lakh crore and more for Kerala

October 11, 2011



The State Planning Board has proposed a three-fold increase in the 12th Five Year Plan outlay target. From Rs 40,422 crore set for the 11th Plan that comes to a close this fiscal, the envisaged target of Rs 1.05 lakh crore has gone through the roof for the 2012-2017 plan. But Planning Board mandarins are a confident lot. So is Chief Minister Oommen Chandy, who is the chairman of the Board, and Finance Minister K.M. Mani, one of its key members. The main focus of the coming Plan will be on agriculture and allied sectors. Mr Chandy and Mr Mani want to arrest the slide in agricultural production in the state, especially the non-commercial crops. There is going to be a massive thrust towards bringing more land under paddy cultivation and to

raise productivity. The idea is to reduce the state's dependence on neighbouring Tamil Nadu and Andhra Pradesh for its rice by making Kerala completely self-reliant in this respect. The approach paper to the 12th Plan, released by Mr Mani's Kerala Congress party on Sunday, also called for a reorganisation of the agriculture sector to check the exodus of farmers. It also proposed massive investments in irrigation and drinking water projects. Mr Chandy was confident of raising resources for the massive target. After the Planning Board meeting, he claimed that the state's finances were in better shape and the Finance Department was also confident of raising the resources to meet the target under Public Private Partnership (PPP). He said 74 per cent of the 11th Plan target was complete, while hoping that the remainder would also be achieved before the period ends in March 2012. But the Economic Review 2010 of the state government did not paint such a rosy picture for agriculture. Out of a gross cropped land area of 26.69 lakh hectares in 2009-10 in the state, crops like rice, pulses, minor millets and tapioca occupy only 11.86 per cent. It was found that after a long period of continuous decline, the area under paddy cultivation increased from 2.29 lakh hectares in 2007-08 to 2.34 lakh hectares in 2008-09 then declined again in 2009-2010 by 252 hectares. Major crops like pepper (4319 ha), ginger (170 ha), banana (2241 ha), cashew (3903 ha) and coconut (1881 ha) also lost the area under cultivation during the same period. Noted economist and chairman of the Fourth State Finance Commission, M. A. Oommen, doubted the viability of the ambitious target. "Considering past experience, the achievement of this target looks a distant possibility. It is easy to project, but difficult to implement," he remarked. "The implementation of such a huge Plan will not succeed, unless and until you show the roadmap in building infrastructure to absorb the massive investment," he added. Mr Ajith Kumar, director of Centre for Socio Economic and Environmental Studies, said that past Plan targets had seen an increase of 80 to 100 per cent. But this time, the government has gone in for a nearly 150 per cent rise. "There are a lot of unknown factors involved, like the Centre's contribution. The viability of such a massive Plan is anybody's guess." It may also be noted that all the previous Plans had ended up with about 90 per cent of target achievement. With the massive increase in size, the 12th Plan may find it difficult to hold on to this rate of achievement. **Easily achievable target, says plan board member** Planning Board member and technocrat G.Vijayaraghavan has justified the 12th Plan size of Rs 1.05 lakh, proposed by the Board in its approach paper. He told Deccan Chronicle that the target was achievable considering the rate at which the state was growing. "We finalised the figure after elaborate discussions and it was based on inputs from the Finance Department of the state government and the Planning Commission." "I will say that this is an

easily achievable target. In fact, when it will be implemented, the total Plan would exceed the target by three to four times. We expect massive investments from the private sector and many of the schemes will be implemented under Public Private Partnership (PPP).” “Resource mobilisation will not be a problem as we will resort to international borrowing as well,” he said, when asked about concerns from various sections about the source of funding. The Planning Board will soon publish the approach paper on its website. “We will have wide-range of discussions with all sections of the people including industrialists, farmers and media. The approach paper, with modifications and suggestions, will go to the Cabinet by October end for its approval,” the Planning Board member said. Mr Vijayaraghavan also discounted claims that the Planning Board went for such a massive hike for the first time. “At least once in the past, we had hiked the target by 150 per cent. Of, course the average hike is around 100 per cent,” he said.

Source URL: <http://www.deccanchronicle.com/channels/cities/kochi/one-lakh-crore-and-more-kerala-922>

Sugarcane farmers gherao Transco staff

Tense situation prevailed for some time at Munagapaka village of Anakapalle mandal in the district on Monday when a large number of sugarcane farmers of the village ghe-raoed the staff of the office of Rural Electricity Co-operative Society (RECS) and APTransco protesting against the authorities’ apathy towards addressing their demands, including uninterrupted assured power supply to several jaggery manufacturing units in the village.

The farmers alleged that authorities imposed unscheduled power cuts for long hours in the village resulting in many jaggery-manufacturing units to remain non-functional in the last few weeks. The RECS chairman, Mr Boddeda Prasad, along with his subordinates rushed to the spot and tried to pacify the situation. Mr Prasad said that the power cuts were being imposed in the entire state due to Sakala Janula Samme in the Telangana region.

He further alleged that the Congress government was solely responsible for power problems in the state. The farmers also conducted rasta roko on the national highway 16 between

Poodimadaka and Anakapalle for nearly two hours. Police led by the Anakapalle circle inspector, Mr Govind Rao, reached the spot and brought the situation under control.

Source

URL: <http://www.deccanchronicle.com/channels/cities/regions/visakhapatnam/sugarcane-farmers-gherao-transco-staff-879>

Agriculture sector in crisis, says AIKS

The All India Kisan Sabha, affiliated to the CPM, and Andhra Pradesh Rythu Sangham leaders on Monday said the main reason for the farmer's suicides in the country is due to lack of support price for the produce.

The leaders expressed concern that the agriculture sector is in deep crisis because it had gone into the hands of multi-national companies. They said the share of MNCs increased in irrigation projects, power production and science and technology.

The All India Kisan Sabha president, Mr S. Ramachandran Pillai, addressing the farmers at the Tummalapalli Kalaksh-etram on the occasion of the 75th anniversary of the AIKS, said farmers are depending on money-lenders for cultivation since the bankers are not sanctioning loans. He recalled that multi-national companies like Walmart and Monsanto are deeply rooted in Indian economy and controlling the prices and market.

Mr Pillai recalled that the agriculture sector contributed the highest income to the national exchequer once upon a time and recalled that the agriculture sector's share was 32 per cent in 1991 and declined to 15 by 2010. He regretted that the agriculture sector had become unviable and was controlled by the multi-nationals.

He demanded that the government increase its investment in irrigation projects, power supply, technical and scientific spheres and sanction more loans to the farmers to take cultivation as well as implement pro-farmers policies.

He said the successive governments in the name of liberalisation privatised one sector after another and finally handed over to MNCS causing crisis in agriculture sector. He pointed out that two lakh farmers committed suicides in India during the last 10 years. Mr Pillai criticised the governments for announcing the support prices but not willing to procure the produce from the farmers.

The AIKS leader pointed out that still 62 per cent of people depend on agriculture though major part of agricultural land was converted to other purposes. Mr Pillai said that the AIKS had been making tireless struggle since 1936 to protect the interests of Indian farmers.

Source URL: <http://www.deccanchronicle.com/channels/cities/regions/vijayawada/agriculture-sector-crisis-says-aiks-884>



Jajpur flood-hit farmers cry for Govt help

TUESDAY, 11 OCTOBER 2011 00:49

Scores of jute, sugar cane and paddy growers swarmed the offices of the six flood-affected blocks at Binjharpur, Dharmasala, Korei, Badachana, Bari and Dhasharathapur of the district to register their losses and seek financial assistance to reclaim their lands affected by the devastating flood.

“Had there been no flood we would be busy harvesting jutes by now. But we are groping in the dark now,” said Balaram Mallick, a 40-year-old farmer of village Mirzapur waiting for assistance from the Government.

“On that fateful day, the swirling flood water rose to a height of two metre and invaded my three acres of land and breaching the protective bund constructed by the Government. Flood waters entered jute growing lands lying more than five km from the river,” said Prafulla Jena, a jute farmer of Keshapur village.

When the flood water receded, farmers found to their dismay that their jute, sugar cane and paddy crop lands were silted up and rotten. At least two lakh jute, sugar cane and paddy growers lost an investment of `7,000 to `10, 000 per acre. Flood has wrought havoc with the economy of large number of farmers of the flood-affected district.

All the agricultural extension officers of blocks are right now busy enumerating the losses sustained by farmers individually, said a senior official of district agriculture office. Many sugarcane farmers have obtained advance amounts from some sugar mills to raise sugarcanes on their lands with a condition to sell away the canes to the owners of sugar- mill after harvesting. But the flood water washed away their hope to get more money from the sugar-mill owners, said Manoranjan Jena of Balichandrapur village.

Large number of jute growers of the district used to sell away jute to the jute receiving centers at Balichandrapur, Chata, Chatia and Nalipur in the district. But the flood water damaged about sixty thousand acres of jute lands as a result the jute merchants will not get any jute from the district this year, said president of district Krusak Samaj, Hrusikesh Mallick.

"Each year I come to a jute receiving centre at Chata to purchase jutes from the farmers for jute mills at Kolkata. But in the flood, thousands of jute growers lost their jute crops. In many flood-affected villages the jute growers have already harvested the jute and left the jute for drying on the field. But in the flood, all the jutes were washed away," said Dayanidhi Swain, a jute merchant of Chata.

"Faulty agricultural policy of the Government is the main reason behind the woes of the large numbers of flood-affected farmers of the district. The farmers never insure their crops as a result they suffer at the time of any natural disaster like flood, cyclone and drought," he said.

The Government is yet to formulate a concrete policy to insure the agricultural lands as a result large number of farmers are not covered by any insurance to get compensation amount," said trade union leader Mayadhar Nayak.

"It is high time for the authorities to provide seeds and agricultural loans to the affected farmers to rebuild their future," added Nayak.

“All the flood-affected farmers will be provided loans from the Government and many cooperative banks and other financial organisations. Seeds will also be provided to all the affected farmers,” said district Collector Anil Samal.

Compensate farmers or shut project: Captain

TUESDAY, 11 OCTOBER 2011 02:16

Panjab Congress on Monday warned Indiabulls against playing into Akali-BJP hands and intimidating farmers in Gobindpura. Indiabulls is constructing a power plant at Gobindpura.

PPCC president Captain Amarinder Singh has asked the company before starting work on the project to compensate the farmers according to the latest land acquisition policy approved by the Union Cabinet lest they have to close down when Congress comes to power after four months from now.

Addressing a Press conference, Singh said, the farmers were being forcibly evicted from the land and the Indiabulls had started the work on the project much against the wishes of the farmers.

He condemned the lathi-charge on farmers who are resisting taking away of their land. He wondered as what had happened to the CM Parkash Singh Badal that he had shut his eyes on the farmers' plight.

Business Standard

Tuesday, Oct 11, 2011

Spice export volumes continue to fall

George Joseph / Chennai/ Kochi October 11, 2011, 0:37 IST

The fall in spices exports continued into August as the volume of exports in the April - August period this year registered a drop of 23 per cent. Exports declined 24 per cent in April - July period and 26 per cent in April - June period (Q1).

During April-August, a total of 195,500 tonnes of spices and spice products valued Rs 3,365.20 crore (\$751.52 million) has been exported as against 255,100 tonnes valued at Rs 2,676.18 crore (\$ 581.15 million) in the same period of the last fiscal. An increase of 26 percent was registered in value in rupee terms, while in dollar terms the increase was 29 percent.

Export of pepper, cardamom (small), cardamom (large), ginger, turmeric, nutmeg and mace, tamarind and asafoetida have shown an increase both in volume and value, compared to April-August 2010. Also, the export of value-added product, curry powder or paste, has increased both in volume and value but in the case of spice oils and oleoresins and mint products, the increase was in terms of value only. The export of other spice items has shown decline both in volume and value as compared to last year, according to the latest data of the Spices Board.

A total quantity of 8,750 tonnes of pepper valued at Rs 234.35 crore have been exported as against 7,800 tonnes valued at Rs134.82 crore. The unit value of pepper has increased from Rs 172.85 per kg in April-August 2010 to Rs 267.83 per kg. Around 1,450 tonnes of cardamom (small) worth Rs 129.95 crore was exported as against 235 tonnes valued Rs 27.99 crore, registering an increase of 517 percent in quantity and 364 percent in value.

During the period, 240 tonnes of cardamom (large) valued Rs 19.07 crore have been exported as against 95 tonnes valued Rs 5.20 crore of last year, registering an increase of 153 percent in quantity and 267 percent in value. The unit value of cardamom (large) has increased from Rs 546.93 per kg to Rs 794.79 per kg.

India exported 36,500 tonnes of turmeric valued Rs 395.76 crore as against 24,000 tonnes valued Rs 321.64 crore, registering an increase of 52 percent in quantity and 23 percent in value. During the period April-August 2011, exports of 7,500 tonnes of ginger valued Rs 82.02 crore took place as against 5,000 tonnes valued Rs 31.20 crore of last year registering an increase of 50 percent in quantity and 163 percent in value.

In the case of value-added products, exports were 7,000 tonnes of curry powder/paste worth Rs 99.53 crore as against 6,425 tonnes valued Rs 83.55 crore. Also, the exports of spice oils and oleoresins have registered an increase of 38 percent in value and in the case of mint products there is an increase of 58 percent in value as compared to last year.

Garlic has suffered the most serious setback as shipments declined 93 per cent in volume and 90 per cent in value. Garlic export dropped to 1,000 tonnes valued at Rs 5.37 crore from 14,975 tonnes valued at Rs 56.20 crore. About 12,750 tonnes of coriander valued at Rs 75.37 crore were shipped as against 23,850 tonnes valued at Rs 87.39 crore in April -August 2010, registering a drop of 47 per cent in volume and 14 per cent in value.

Likewise, chilli export also registered a fall of 39 per cent in quantity and three per cent in value, while 68,000 tonnes of chilli valued Rs 655.75 crore were shipped as against 111,000 tonnes valued Rs 673.17 crore.

Compared to the export target of 500,000 tonnes, worth Rs 6,500 crore (\$1.45 billion) fixed for the financial year 2011-12, the achievement so far is 39 percent in terms of quantity and 52 percent in rupee and dollar terms of value.

Spice export volumes continue to fall

George Joseph / Chennai/ Kochi October 11, 2011, 0:37 IST

The fall in spices exports continued into August as the volume of exports in the April - August period this year registered a drop of 23 per cent. Exports declined 24 per cent in April - July period and 26 per cent in April - June period (Q1).

During April-August, a total of 195,500 tonnes of spices and spice products valued Rs 3,365.20 crore (\$751.52 million) has been exported as against 255,100 tonnes valued at Rs 2,676.18 crore (\$ 581.15 million) in the same period of the last fiscal. An increase of 26 percent was registered in value in rupee terms, while in dollar terms the increase was 29 percent.

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Low acreage not to affect groundnut output

Vimukt Dave / Rajkot October 11, 2011, 0:13 IST

According to a survey done by a trade body, in spite of a drop in acreage, groundnut production this year is likely to be close to that last year.



Owing to good rain and early sowing, the groundnut yield, especially in Gujarat, has increased this year. This will help achieve last year's kharif production level of 4.1 million tonnes (mt). In Gujarat, there was more cotton sowing, replacing groundnut. So, the crop output was earlier estimated to be lower this year.

According to data provided by the state agriculture department, this kharif season, groundnut sowing in Gujarat, a major producer, dipped to 1.43 million hectares from 1.67 million hectares last year.

EXCEEDING EXPECTATIONS		
State-wise kharif groundnut production 2011-12 (estimated)		
State	2010-11	2011-12
Gujarat	2,000	1,900-2,000
Andhra	1,000	700-800
Rajasthan	900	800-900
Others	300	300-400
Total	4,100	4,000-4,100
('000 tonnes)		

Compared to last year, sowing in Andhra Pradesh declined to 1.02 million hectares from 1.36 million hectares. According to the data provided by the Union Agriculture Department, as on September 30, groundnut covered 4.28 million hectares this kharif season, down 690,000 hectares from 4.97 million hectares last year.

Analysts say another reason for the fall in area of the major kharif oilseed crop was delay in rain in major producing states which led to late sowing. "We are surveying the ground situation for the production. This year, sowing has declined but the production may be the same as last year, as yield is good," said B V Mehta, executive director, Solvent Extractors Association of India .

Last year, the kharif groundnut production stood at 4.1 million tonnes in India. "We have seen in our survey that yield has increased in Gujarat and Rajasthan. In Gujarat, yield will be 15-20 per cent higher. Area has declined, but high yield will help to match groundnut production in the country," said Kanak Thakkar, vice-president, Indian Oilseed and Produce Export Promotion Council.

Thakkar estimated about 1.9-2 mt production in Gujarat and 900,000 tonnes in Rajasthan and 700,000-800,000 tonnes in Andhra. India's kharif groundnut production is likely to be around 4.1-4.2 mt in 2011-12, which is same as that last year.

Arrivals of new groundnut crop have started in Gujarat. About 25,000 bags of new crop arrive every day in Gujarat. Groundnut is traded at Rs 700-720 per 20 kg. During the last three months, groundnut price have declined almost Rs 50-70 per 20 kg. Several oil millers in Gujarat, with whom Business Standard spoke to, expect output to be 1.8-1.9 mt which was around 2.1 mt last year. Suresh Kaneriya, owner of Kaneriya Oil Industries said, "This year production will be 1.9 mt. Sowing has come down but the overall yield may rise due to early sowing."

Exports of groundnut during April-March, increased to 418,000 tonnes from 340,000 tonnes in 2009-10 recording a growth rate of 23 per cent. In value terms, exports recorded an impressive growth of 47.26 per cent reaching a level of Rs 2,099.77 crore during April-March, from Rs 1,425.93 crore during the previous year.

Sugar mills face capital crunch

Ajay Modi / New Delhi October 11, 2011, 0:09 IST



Given the imbalance between cane and sugar prices, banks not keen to lend more to the sector.

Sugar industry, especially the Uttar Pradesh millers, will have a tough time arranging the working capital requirement for the new

crushing season, which starts by the month-end. Working capital requirements have moved up due to higher sugarcane planting, but banks are not keen to have large exposure to the sector, given the imbalance between sugarcane and sugar prices.

DCM Shriram Consolidated Ltd (DSCL), which owns four sugar mills in UP, projects its working capital requirement for the new season at Rs 845 crore, compared to Rs 620 crore last season. "The banks' view on sugar sector is moderately negative, which implies that they are very selective in taking any fresh exposure to the sector. The existing exposures are also being monitored very cautiously and, in some cases, are being restricted," said Ajit Shriram, joint managing director, DSCL.

UP's share in the country's total sugar production is around 25 per cent. The mills in southern India are also facing similar working capital crunch. Cane prices in Maharashtra are well regulated and, hence, the problem is less severe there.

The working capital requirement assessed by banks is based on the value of peak inventory levels. However, the banks monitor the drawing power of companies' on a month-to-month basis which gets determined by the market price of sugar. If the sugar prices in the new season decline and goes below the cost of production, then mills working capital funding would be adversely affected which can cause cane arrears.

According to Shriram, the cost of production in the season 2010-11 has been around Rs 3,000 a quintal whereas the average realisation was in the range of Rs 2,600-2,700. Considering cane price rise in the coming season 2011-12, prices of sugar should match up to the increased cost of production otherwise sugar mills will find it difficult to pay the cane price.

Most companies have projected a higher working capital requirement. Balrampur Chini, for instance, expects its requirement to increase to Rs 1,500 crore from Rs 900 crore last year. Dwarikesh Sugar's requirement is projected at Rs 350 crore against Rs 250 crore last season. Last year, the state government had raised cane price by 24 per cent to Rs 205 a quintal. The industry is apprehensive of another sharp increase this season in view of the Assembly elections next year.

G S C Rao, CEO, Simbhaoli Sugars, said banks are not very comfortable lending to the sector as last year has been a loss-making one. "The industry is already having a high interest burden

on debts raised for past investments. The gap between cost and realisation will only widen with a higher sugarcane price. Exports should be allowed to ensure liquidity,” he said. V S Banka, CFO, Dwarikesh Sugar, said the industry will be under stress while making repayment as cash flows is weak.

Natural rubber imports to rise on high domestic prices

George Joseph / Kochi October 11, 2011, 0:12 IST

Natural rubber (NR) imports are likely to rise this financial year due to a widening gap between the local and global prices. Currently, India holds a price tag of Rs 215 a kg for RSS-4 grade, while the same grade in Bangkok was on Monday traded at Rs 206 a kg.



It was just the reverse that had been happening until August, when the global prices were higher than domestic rubber prices. This had curtailed the imports in the April-August period this financial year, even as the import duty had been reduced to 7.5 per cent from 20 per cent earlier.

During this period, 79,661 tonnes were imported as against 85,058 tonnes in the same period of the last financial year. This was mainly due to higher prices in the global markets then and the international price was up by Rs 12-14 a kg on an average than the local prices. Even at lower duty, imports were not viable for the rubber-based industries.

Though the availability of NR is rather low in India, when compared to the demand, duty-bound import is not a viable option for the industry. Hence, rubber industries' associations, the Automotive Tyre Manufacturers Association and the All India Rubber Industries Association demanded duty-free import of 200,000 tonnes for the current financial year.

Rubber Board Chairman Sheila Thomas said the import and export of NR in April-August were 79,661 tonnes and 12,413 tonnes, respectively. She added that in the recent months, the global economic developments, trends in rubber and other related sectors, currency fluctuations, etc, had exerted downward pressure on the prices.

Mustardseed up on increased buying support

Press Trust of India / New Delhi October 10, 2011, 13:39 IST

Mustardseed futures prices improved by Rs 19 to Rs 2,766 per quintal today, tracking firm spot market sentiments.

Market analysts said restricted supply against rising demand in physical markets for the festivals, mainly influenced trading sentiments here in mustardseed futures.

Better offtake by oil mills and vanaspati ghee making industries further boosted the trading sentiments, they said.

At the National Commodity and Derivatives Exchange, January mustardseed rose by Rs 19, or 0.69%, to Rs 2,766 per quintal, clocking an open interest of 61,700 lots.

The November contract too advanced by Rs 17, or 0.60%, to Rs 2,843 per quintal, having an open interest of 76,280 lots.

Guarseed up on brisk buying, low inventories

Press Trust of India / New Delhi October 10, 2011, 13:37 IST

Guarseed futures prices flared up by Rs 91 to Rs 4,479 per quintal today on brisk buying supported by firm domestic markets cue.

Market analysts said heavy buying by traders on the back of short supply and pick-up in demand at spot markets, mainly influenced the trading sentiments.

Rising export demand too pushed up the trading sentiments, they said.

At the National Commodity and Derivatives Exchange, October guarseed surged Rs 91, or 2.07%, to Rs 4,479 per quintal, clocking an open interest of 1,454,720 lots.

The November contract climbed up by Rs 81, or 1.98%, to Rs 4,167 per quintal, clocking an open interest of 74,930.

Prices for February contract also rose up by Rs 84, or 2.01%, to Rs 4,270 per quintal, with a business volume of 2,410 lots.

THE HINDU Business Line

Tea prices up at auctions across the globe

P.S. Sundar

Coonoor, Oct. 10:

Tea prices have posted an increase at all auction centres across the globe, except Malawi and Bangladesh, so far this year compared to 2010, reveals an analysis of the Market Reports of various auction centres.

Sri Lanka teas continue to fetch the world's highest price average. In the first seven months of this calendar, the latest period for which official data is available, prices at Colombo auctions averaged \$3.32 a kg (2010: \$3.22) posting a gain of 3.11 per cent.

Kenya's Mombassa auctions posted an average price of \$2.75 (\$2.54), an increase of 8.27 per cent.

Bangladesh's Chittagang auctions came third at \$2.26 but this was 24 cents less than last year, posting a decline of 9.60 per cent.

India's average auction price was \$2.24 (\$2.05), up by 9.27 per cent. Of this, North Indian auctions posted an average of \$2.60 (\$2.37), up by 9.70 per cent, while South Indian auctions, \$1.56 (\$1.46), up by 6.85 per cent.

Indonesia's Jakarta auctions recorded an average price of \$1.97 (\$1.83), an increase of 7.83 per cent.

Malawi's Limbe posted the world's lowest price average of \$1.58 (\$1.61), down by 1.86 per cent.

(This article was published in the Business Line print edition dated October 11, 2011)

Pulses trade upset over additional margin on chickpeas

G. Chandrashekhar

Mumbai, Oct. 10:

Upset with sudden hike in the margin for only buy positions on desi chana (chickpeas) that has precipitated a sharp decline in local market prices, the domestic pulses trade has petitioned the market regulator to revoke the additional 10 per cent margin that has taken effect from September 30.

Arguing that the steep 20 per cent fall in chana prices as a consequence of increase in margin was ill-timed, the India Pulses and Grains Association, the apex body for the country's pulses and grains trade, has cautioned that the move may prove counter-productive because chana planting for the upcoming rabi season is set to commence soon and any price decline will send out wrong signals to the growers.

The association has expressed apprehension that the sudden fall in prices is likely to prompt importers to cancel or settle their import contracts (for chana as well as its close substitute yellow peas) as there will be no price parity. A considerably weaker rupee has already pushed the cost of imported material higher.

According to the estimate of the Agriculture Ministry, chana production during 2010-11 was a record 80 lakh tonnes.

However, the association believes the actual crop size could be considerably lower at about 60 lakh tonnes. This substantiated by the fact that the physical market price of chana was at least Rs 2,500 a tonne higher than futures prices, the association pointed out.

shortage

The pulses trade has argued that the imposition of additional 10 per cent margin will lead to severe shortage in the coming months due to lower imports and shortfall in production next year due to lower plantings.

It is, of course, unclear what considerations lay with the regulator in announcing a hike in margin. This incident once again brings to the fore the need for more in-depth product knowledge and market knowledge that exchange officials and the regulator must possess.

Clearly, there are several stakeholders in the commodity market and several dimensions to any issue including prices. It is necessary to exercise caution in matters that affect market prices of essential food products. A process of stakeholder consultation is advisable.

(This article was published in the Business Line print edition dated October 11, 2011)

Record 8,642 t cardamom sold at auctions in H1

G. K. Nair

Prices rule steady on demand from North India



Kochi, Oct. 10:

Cardamom prices continued to rule steady at the auctions last week on good demand for the ensuing festival and marriage seasons.

Total arrivals during the week dropped to about 505 tonnes from around 520 tonnes the previous week. The decline in arrivals was caused by auction holiday on Wednesday at CPMC (Cardamom Processing & Marketing Co-Operative) on account of Mahanavami, trade sources said.

Last week, exporters were also active and are estimated to have bought around 70 tonnes, they said.

Upcountry dealers were also seen covering actively and it gives the impression that whatever material they bought earlier have been sold out, market observers pointed out.

Good demand

According to them, there is good demand, of late, from the domestic market, indicating a substantial growth in consumption of the aromatic commodity in the country. Probably,

economic growth and consequent changes in food habits coupled with a switchover to fast foods seem to have raised the per capita consumption of cardamom.

Add to this there may be cross-border trade with the neighbouring countries. Also, exports to non-traditional markets might have boosted the demand.

In the first half of this year (April-September 2011), cardamom sales through auctions were at a record 8,642 tonnes This works out to the total annual sales in the past 3-4 years.

Expanding market

It clearly indicates that the market has grown enough to absorb such a huge quantity, which has become available this year from a rise in production.

Total sales during April-September 2009 and 2010 were at 3,670 tonnes and 3,172 tonnes, respectively. But the figures in the first half of the current fiscal were more than double, they said.

Arrivals at the Sunday auction held by the KCPMC stood at 107.5 tonnes and the entire quantity was sold out. The maximum price was Rs 934.5/kg and the minimum, Rs 365/kg. The average was Rs 594.33 a kg, Mr P. C. Punnoose, General Manager, CPMC, told *Business Line*.

Weather effect

He said the weather has changed significantly and the growing areas have been experiencing high temperature during the day in the past fortnight. If it prevailed, there could be a squeeze in arrivals in the coming days, he said.

Total arrivals during the current season stood at 4,365 tonnes against 1,925 tonnes in the same period a year ago.

Sales during the period were at 4,262 tonnes and 1,890 tonnes respectively. The weighted average price as on October 1, was Rs 601 a kg, while it was Rs 1,208 a kg during the same time a year ago.

“A matching demand and supply situation continued to exist and that has kept the market steady last week and indications are that it may be firm in the coming days because of the dry spell in the growing areas,” Mr Ranganathan, a Bodi-based dealer told *Business Line*.

Open market price

Prices in the open market remained unchanged on Monday. At Kumily, the prices per kg were: AGEB Rs 750-800; AGB Rs 660-680; AGS Rs 660-670 and AGS Rs 630-640. At Bodinayakanuur, they were: AGEB (7-8 mm), Rs 730-760; AGB (6-7 mm), Rs 640-675; AGS (5-6 mm), Rs 630-660; and AGS 1, Rs 590-620. Eight mm bold was fetching Rs 950-975 a kg, the trade sources said. Good bulk was being sold at Rs 640-680 a kg in Bodinayakannur.

The high temperature in the growing areas for the past two weeks might affect the crop, but it may not have any significant impact on the overall crop output, the trade said.

(This article was published in the Business Line print edition dated October 11, 2011)

Cashew market rules steady at lower levels

G K Nair

Kochi, Oct. 10:

Cashew prices were steady at lower levels last week. Limited volume was sold by small and medium processors from Vietnam and India in the range of \$4.30 to \$4.45 for W240, \$4.00-\$4.20 for W320, \$3.45 to \$3.60 for splits and \$3.30-\$3.45 for pieces for October-December shipments. Large processors were quoting 10-15 cents higher but no trades were reported at the higher levels, trade sources in Mumbai said.

The domestic market was quiet with slower-than-expected retail off-take.

DOMESTIC MARKET QUIET

“Even if it picks up in the next two weeks, there will be no time for wholesalers to replenish stocks before Diwali. Now, the next round of buying for the marriage season can be expected only by mid November,” a Mumbai-based dealer, Mr Pankaj Sampat, told *Business Line*.

Due to the quiet kernel market, there was not much activity in Raw Cashew Nut (RCN) market also. Offers for Indonesia were in the range of \$1,800 a tonne (c&f), but very limited buying was taking place. There is still some unsold volume in West Africa, apart from the stocks with RCN traders in India and Vietnam. Prices in Brazil have come down by about 10 per cent but arrivals are slow. If Tanzania auctions start in mid Oct, buying interest is likely to be limited. Processors would like to see some activity in kernels for 2012 shipments before making new RCN purchases, he said.

Kernel traders are reluctant to buy any large volumes as there is very little fresh business with roasters. Similarly, roasters seem to have withdrawn as there is limited contracting with retailers. Both appear to be content buying small quantities when needed until a clear indication of demand trend emerges.

“If Aug/Sept quietness continues in Oct/Nov, we could probably see kernel prices drifting to the lower end of the 12-month range, i.e. to around \$4.00 per lb for W320. But, if there is reasonable activity in the next 6-8 weeks we could see the price moving up again to the \$4.50 range because processors would be reluctant to take large positions for the first trimester of 2012 at lower levels because there is very little RCN available for India and Vietnam to buy until the Northern crops start in March/April”, Mr Sampat said.

(This article was published in the Business Line print edition dated October 11, 2011)

Cotton seen falling after Diwali

Our Correspondent



Rajkot, Oct. 10:

Demand for cotton from mills and exporters was limited amid higher arrivals. Trade sources expect prices to decline after Diwali.

A-grade Sankar-6 variety sold at Rs 39,000-39,500 a candy of 356 kg, while medium grade was at Rs 34,000-36,000 a candy. Raw cotton or *kapas* quoted at Rs 925-955 for a *maund* of 20 kg. While 13,000-14,000 bales of 170 kg each, including 4,000 bales of new cotton, arrived in Gujarat, 40,000-42,000 bales arrived in rest of the country.

quality crop arrivals

In Maharashtra, about 4,000 bales arrived and traded at Rs 37,000-39,000 a candy. Kapas from Maharashtra traded at Rs 900-910 a bale in Gujarat.

New kapas sold at Rs 900-940 for a maund in Gujarat.

Cotton will trade between Rs 37,000 and Rs 40,000 a candy until arrivals of quality crop begin after Diwali, when mills in the South and exporters will increase buying, traders and brokers said.

Because of late sowing new arrivals have been delayed by a month this year, said a Rajkot-based broker.

Gujarat Ginners Association has predicted 140 lakh bales production in Gujarat, against 110 lakh bales last year.

(This article was published in the Business Line print edition dated October 11, 2011)

Mixed trend in rice market

Our Correspondent



Karnal, Oct. 10:

The rice market witnessed a mixed trend on Monday; prices of PR and pure basmati varieties witnessed a decline while all other non-basmati and aromatic varieties managed to maintain their previous levels.

Slack buying pulled pure basmati and PR prices down, said Mr Tara Chand Sharma, a rice trader.

Prices of non-basmati varieties may decrease further in the coming days while aromatic varieties may maintain their current levels till the end of October, he added.

Pusa-1121 (steam) quoted at Rs 4,900-4,950 a quintal while Pusa-1121(sela) was ruling between Rs 3,950-4,000. Basmati (raw) decreased by Rs 150 and sold at Rs 5,500 a quintal while basmati (sela) sold at Rs 3,800 a quintal, Rs 100 down from previous level.

Duplicate basmati sold at Rs 3,400 a quintal.

Sharbati (steam) ruled at Rs 2,900-3,050 while the Sharbati (sela) was at Rs 2,850-2,900 a quintal. PR-11 (sela) decreased by Rs 150 and sold at Rs 2,150-2,260 a quintal, while PR-11(raw) quoted at Rs 2,000-2,200 a quintal, Rs 100 down from previous level. Permal (sela) went down by Rs 50 and sold at Rs 1,850-2,000 a quintal while Permal (raw) eased by Rs 175 and was at Rs 1,825-1,925 a quintal.

(This article was published in the Business Line print edition dated October 11, 2011)

Scattered buying drags soya oil

Our Correspondent



Indore, Oct. 10:

Soya oil, ignoring strong global markets, slipped on scattered buying.

Soya refined sold at Rs 593-594 for 10 kg against Rs 593-596 on Saturday in the ready market. Soya solvent, on the other hand, improved marginally at Rs 553-557 for 10 kg (Rs 552-556). In contrast, soya oil futures traded higher on improved buying. Soya refined for October delivery closed Rs 4.50 higher at Rs 590 for 10 kg on National Board of Trade in Indore (Rs 611.50)

Similarly, soya oil futures traded higher on the National Commodity and Derivatives Exchange (NCDEX), with October and November contracts closing at Rs 608.50 and Rs 588.80, respectively.

Soyabean ruled flat as soya-seeds arrivals in state mandis rose to 5.5 lakh bags against 3.5 lakh bags on Saturday. Soya seeds sold at Rs 1,900-2,000 a quintal in State ex Indore mandis. In Indore mandis, 14,000 bags arrived and sold at Rs 1,850-2,010 a quintal. In Ujjain mandis, 24,000 bags arrived and sold at Rs 1,800-2,000 while 22,000 bags arrived in Dewas and sold at Rs 1,940-2,030 a quintal.

Plant deliveries of soyabean ruled at Rs 2,050-2,075 a quintal. Soyabean futures rose on buying. Soya seeds for October delivery the NCDEX were up Rs 18 at Rs 2,068 while for November delivery rose Rs 4.50 at Rs 2,090 a quintal. Trade sources said soyabean would likely remain range-bound amid rising arrivals.

(This article was published in the Business Line print edition dated October 11, 2011)

Demand from other States for Maharashtra sugar may rise



Mumbai, Oct. 10:

Sugar prices firmed up by Rs 10-15 a quintal on Monday on increased festival demand. Spot prices on the Vashi wholesale market increased by Rs 15 on renewed local demand.

In the physical market, M-grade spot price crossed Rs 3,000 for the first time after August 23. Naka rates were up by Rs 12-15 tracking firm trend at mill level where neighbouring State's fresh buying along with covering by domestic traders pushed up price by Rs 15 for quality sugar.

The sentiment was positive as demand for sugar for Diwali is expected to rise further in coming days said wholesalers.

Mr Jagdish Rawal of B.Bhogilal and Co told *Business Line*: "Continuous buying by State level stockists and covering by eastern side buyers indicates smooth outflow from mills minimising the selling pressure on them. From next week, local and neighbouring States purchases are expected to rise sharply in Maharashtra. Though current demand for Diwali is not as expected, and improvement is sure. From next week to perhaps till end of the month, continuous and active buying may be witnessed. Sugar prices may improve based on demand." Traders expect the Government to announce a lower open sale sugar quota for November. For this month, the quota is 19.97 lakh tonnes, same as last year. Arrivals in the Vashi market were 58-60 truckloads while local dispatches were 54-55 truckloads. On Saturday evening 26-27 mills have sold 1.50-1.75 lakh bags in the range of Rs 2,650-Rs 2,740 (Rs 2,640-Rs 2,730) for S-grade and Rs 2,765-Rs 2,850 (Rs 2,750-Rs 2,850) for M-grade. In that eastern side traders have bought 1-2 rail rakes (of 27,000 bags each).

Demand from West Bengal, Orissa, Gujarat, Rajasthan and Madhya Pradesh is expected to rise in Maharashtra's mills from next week. Bombay Sugar Merchants Association's spot rates (a quintal): S-grade at Rs 2,776-2,845 (Rs 2,762-2,845) and M-grade at Rs 2,861-3,001 (Rs 2,852-2,986). *Naka* delivery rates: S-grade Rs 2,740-Rs 2,770 (Rs 2,730-Rs 2,760) and M-grade Rs 2,810-Rs 2,950 (Rs 2,800-Rs 2,950).

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Turmeric gleams on new orders, futures



Erode, Oct. 10:

New orders from North India and the futures market hitting the upper ceiling of four per cent resulted in spot turmeric prices increasing by Rs 1,100 a quintal.

“We feel the same trend may remain till Diwali, as now many traders have received fresh orders from North India,” said Mr R.K.V. Ravishankar, President, Erode Turmeric Merchants Association.

He said that some traders feel the price may drop anytime soon with a rise in arrivals. Prices in the futures market increased 4 per cent and it reflected on the spot market in Erode. North Indian traders have placed orders for Erode turmeric and sales in other areas have come down.

The hike – Rs 800 a quintal at the Gobichettipalayam Cooperative Marketing society and also at the Erode Cooperative Marketing Society – caught farmers by surprise. The root variety rose by about Rs 700 a quintal and the hybrid finger by Rs 500 a quintal.

Traders are wary of stocking up as they anticipate a drop in prices. Bulk buyers have been purchasing quality turmeric for the last two days at an increased price for despatch of exports. Out of 7,000 bags arrived on Monday, 75 per cent of the goods were sold.

At the Erode Turmeric Merchants Association Sales yard, the finger variety was sold at Rs 4,016-5,939 a quintal, the root variety at Rs 3,801-5,398.

Salem Crop: The finger variety was sold at Rs 5,899-6,526, the root variety Rs 5,316-5,511. Of the 1,676 bags that arrived for sales, 1,010 were sold.

At the Gobichettipalayam Agricultural Cooperative Marketing Society, the finger variety was sold at Rs 4,068-6,200, the root variety at Rs 3,200-5,359 a quintal. All the 161 bags on sale were sold. At the Erode Cooperative Marketing Society, the finger variety was sold at Rs 5,555-6,439; the root variety at Rs 5,219-6,199. All the 786 bags kept for sales were sold. At the Regulated Marketing Society, the finger variety was sold at Rs 6,299-6,729. The root variety sold at Rs 5,719-6,299. All the 1,014 bags kept for sales were sold. (This article was published in the Business Line print edition dated October 11, 2011)