### THE MORE HINDU

Published: October 13, 2011 00:15 IST | Updated: October 13, 2011 00:15 IST

#### Tractor operated multipurpose hoist

Manually climbing the trees is the prevalent practice for carrying out operations such as fruit plucking, coconut harvesting, training, pruning, lopping and spraying tree crops.

Such operations require trained manual labourers to climb the trees and to work at a considerable height above the ground level.

These operations are risky, tedious and time consuming. Nowadays agricultural labourers are not available to climb the trees for doing the above operations.

#### Not yet mechanised

Most of these operations are not yet mechanised. In view of the above a tractor operated multipurpose hoist has been developed by the Agricultural Engineering College and Research Institute, Tamil Nadu Agricultural University, Kumulur, Tiruchi.

The equipment is hitched to the back of a 45 hp agricultural tractor. Two labourers can stand on the platform of the equipment.

The hydraulic system of the tractor is used to lift the platform by means of a hydraulic jack cylinder.

Using the equipment a maximum height of 27 feet from the ground level can be reached.

The equipment increases the worker's productivity when compared with traditional climbing.

The operators standing on the platform can pluck the fruits and store them in bags. The machine costs around Rs.45, 000.

#### Maximum safety

The equipment ensures maximum safety of the operators standing on the platform. The equipment is ideal for harvesting fruits such as mango and sapota.

The damage caused to the fruits can be minimised by using the equipment.

The equipment can also be used for allied works such as maintenance works on street lights, white washing and painting of buildings within the operating height.

The equipment is the cheapest of its kind. It also increases the annual use of the tractor.

#### A.Tajuddin & R.Thiyagarajan

Agricultural Engineering College and Research Institute, Tamil Nadu Agricultural University, Kumulur, Tiruchirappalli, Tamil Nadu

Published: October 13, 2011 00:12 IST | Updated: October 13, 2011 00:12 IST

#### Unbridled real estate business threatens farmers' livelihood

M. J. Prabu



Mr. Murugesan, farmer at Pollachi. Photo: M.J. Prabu Will the voice of poor farmers be heard in the portals of power?

While there seems to be raging debate going on among a section of activists whether farmers should go in for Bt crops or not, a few hundred farmers in Vadakipalayam village, Pollachi, are in the final stages of harvesting Bt cotton and maize.

"We are not bothered about varieties as long as we are able to get a good yield, a sure market, and better income, says N. Murugesan an aged farmer growing Bt cotton in his four acres.

The Tamil Nadu Agricultural University provides all the technical support and guidance for these farmers and a private seed company is providing the cotton seeds.

"It is funny when some politician or bureaucrat talks about food security or a farmer-friendly government. Just look at the open grounds before my fields. All those areas, once fertile fields are being sold off as housing plots," he says, adding:

#### Scary reality

"I am a farmer and so were my ancestors. But in the last few years the speed with which our fields are being sold off really scares me. If this continues, probably in another 10 years, almost all the fields will become plots and our Union Agriculture Minister's dream of importing will become a reality," he says with a chocked voice.

Today real estate is a money minting business. From film stars, politicians and even the lowest paid staff in a company are all into land brokering.

But the tragic truth is that this business while helping a few to flourish monetarily is destroying the livelihoods of hundreds of food producers in our country.

Good air, plenty of water, and access to main roads are some of the basic features probable buyers take into account when buying a plot.

#### Everybody is involved

"And the real estate brokers cash in on this. They convince farmers to sell their land at a low price, and later fill the field with rubbish and sand and convert it into commercial plots, quoting a very high price.

"Right from the local MLA to the village development officer, all are hand in glove in this at a number of places," says the farmer.

For a farmer, getting Rs. 1 lakh or more for one acre seems a dream price, as he is already facing a lot of problems from an indifferent government.

#### **Delta regions**

"Take the case of delta regions today. Some three decades back most of the paddy came from that area. But today you can see vast tracts of land lying barren, uncultivated, or weeds growing.

"Even if water is available, farmers are not willing to cultivate because they are not able to source labour today nor even get a good price," he says.

Mr. Murugesan wants the state government to introduce a law similar to the one in Kerala that prevents sale of agricultural fields into housing plots.

#### Kerala example

"Look at Kerala. The government implemented a law for protecting paddy fields and wetlands. In short, the law prevents sale of agriculture fields to realtors. "One important point in the law is that agricultural lands cannot be converted into housing plots.

"But a farmer owning a mere five cents of land and does not own a home can build a house on the land, provided his wife, daughter, or someone does not own any in the taluk," he explains.

The local RTO official and a committee of farmers confirm first that the person who applied for permission to build a house does not own one.

"The most surprising aspect about this committee is that till date they have not given permission for anybody to build houses in the fields," says Mr. Murugesan..

#### Coconut trees

In Kerala coconut trees are commonplace. Many of these trees are planted years ago in the areas, bunds surrounding the fields.

Even in these areas one cannot build anything as the original field documents mention these places as fields..

But what is happening in our state? he asks.

"Though the Government is giving free goats and cattle, they do not bother to prevent the sale of fields into plots? In short, there is no governance, only politicking. Our elected representatives are only interested in ribbon cutting and posing for photos rather than addressing our problems. What can we poor farmers do? Will our voice be heard in the portals of power?" asks Mr. Murugesan.

Readers can contact Mr. N. Murugesan at no 4/56 Vadakipalayam, Koil Palayam via Pollachi, Tamil Nadu, mobile: 9942833929.

Published: October 13, 2011 00:16 IST | Updated: October 13, 2011 00:16 IST

#### Farm query: Seed bank

#### Is there any farmer who maintains a seed bank in Wardha district?

Ajitabh

#### Maharsahtra

Mr. Deepak Nanaji Barde is maintaining 52 varieties of crop seeds such as cotton, bengal gram, wheat , white ladies finger, white tur, peas, chilli , brinjal, tomato, pumpkin , gourd, white gourd, cucumber, sesame, green gram, black gram.

The farmer has been saving the seeds since the last eight years and says it has taken him almost seven years to establish the seed bank. For more details on the varieties you can contact Mr. Barde at Bawapur taluk, Wardha, Maharashtra, mobile: 9657500214.

Published: October 12, 2011 19:45 IST | Updated: October 12, 2011 19:45 IST

#### Mankulam panchyat to implement organic cultivation project

#### A Correspondent

The Mankulam grama panchayat in Devikulam taluk will implement a major project to popularise organic cultivation on 250 acres of land with the financial support of the State Horticulture Mission.

Funds to the tune of Rs 50 lakh has been earmarked for the project to be implemented in a three-year period by the Kerala Agriculture Development Society (KADS) in association with the grama panchayat. Principal Agriculture Officer V.M. Sasikumar said that the panchayat has been chosen due to its unique features and it is expected to benefit 500 farmers. Farmers from

all wards can join the scheme and farming instruments and seeds will be supplied to them at a subsidised rate.

KADS had launched a project for turning the panchayat a major organic production centre in the State and 750 farmers have already taken up organic farming there. According to KADS president Antony Kandirickal there are 220 farmers who have already received C1 (Conversion 1), C2 and C3 certificates provided in a period of three years, when the land is turned for organic production without the use of pesticides or chemical fertilisers.

"Tests on lands proved that farmers had not been using pesticides and chemical fertilisers as the soil is highly fertile and the panchayat is surrounded by virgin forest area - a reason for selecting it," he said.

As service provider, KADS had launched organic farming in the panchayat for the past three years and there is immense support from the farmers, Mr Kandirickal said. Those farmers who follow the norms for organic cultivation are eligible to get financial benefits in addition to a 10 percent higher prices provided when their produce is procured.

The final list of the farmers will be announced after testing the soil by an experts team, he said and added that farmers can apply for joining the scheme till October 25.

Published: October 13, 2011 00:00 IST | Updated: October 13, 2011 04:22 IST

#### Agriculture department to adopt 84 villages for promoting SRI method

#### S.Ganesan



green future: J.Sekar, Joint Director of Agriculture, inaugurating the planting through SRI technique by power-operated mechanical planter at a field at Athani near Tiruchi on Wednesday.

The Agriculture Department would adopt 84 villages in the district to promote the system of rice intensification (SRI) technique in paddy cultivation during the samba and thaladi seasons this year. One assistant agriculture officer would be assigned to each of these villages to ensure that the entire paddy area in the adopted villages were brought under the SRI, without any omission, Agriculture Department officials told *The Hindu* here on Wednesday.

About 62,500 hectares (ha) are targeted to be covered under samba and thaladi in the district this year. Of this, the SRI technique would be promoted in about 29,000 ha, officials said. So far, about 9,838 ha have been covered under samba in the district and of this the SRI has been adopted in about 5,300 ha. Planting of samba/thaladi would be completed before December.

Officials expect that the target for paddy coverage under samba and thaladi would be achieved this year, thanks to the widespread rain in the district.

The Agriculture Department had planned to distribute 531 tonnes of certified seeds of medium duration varieties. Of this, 412 tonnes of certified seeds of improved white ponni, Co.43, BPT 5204, ADT.39, ASD.19 and TRY-1 have been distributed through Block Agricultural Extension Centres.

This apart, about 150 tonnes of certified paddy seeds were planned to be distributed through primary agricultural cooperative societies under various schemes. So far, 124 tonnes of certified seeds have been distributed through the PACBs.

Currently, about 120 tonnes of certified seeds were available with the agricultural extension centres, and another 24 tonnes of seeds with the PACBs. On Wednesday, a demonstration of SRI planting was conducted at Athani near Manachanallur in the district by the department officials in the presence of J.Sekar, Joint Director of Agriculture. Mr.Sekar explained to the farmers the techniques to be adopted for increasing yield and appealed to farmers to adopt the SRI technology in a big way to achieve the targeted increase in productivity.

Deputy Directors of Agriculture (state schemes) S.Sabha Natesan and R.Chandrasekaran (central schemes) elaborated on the cluster approach to get higher yield.

Published: October 13, 2011 00:00 IST | Updated: October 13, 2011 04:22 IST

#### Need for drought-tolerant rice varieties discussed

The fourth meeting of the Scientific Advisory Committee (SAC) of the Tamil Nadu Agricultural University (TNAU), was held under the presidentship of TNAU Vice-Chancellor P. Murugesaboopathi at the Krishi Vigyan Kendra (KVK) in Virinjipuram near here on Monday. It discussed the need for introducing drought-tolerant rice varieties suited to Vellore district and introduction of drought mitigation technology in the cultivation of red gram varieties in the district.

The meeting also focussed on drip irrigation, precision farming, management of pests and diseases in horticultural crops, post-harvest technologies in horticultural crops, value addition, production of Silpaulin vermicompost with silkworm wastes, activities of the Agriculture Technology Management Agency (ATMA) and composite fish culture in farm ponds as a component of an integrated farming system.

Mr. Murugesaboopathy emphasised the need for farm mechanisation, cultivation of transplanted red gram varieties suitable for Vellore district, and the introduction 'Anna-4,' a drought-tolerant rice variety in Vellore district. S. Prabhukumar, Project Director, Indian Council of Agricultural Research, Zone VIII, and P. Kalaiselvan, Director of Extension Education, TNAU, delivered special addresses. A meeting between vegetable and fruit growers and buyers was also organised at the KVK, with the objective of avoiding interference of middlemen in farm commodity marketing.

Published: October 13, 2011 00:00 IST | Updated: October 13, 2011 04:21 IST

#### Organic cultivation project in Mankulam

#### A Correspondent

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#### Certificates

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Published: October 13, 2011 00:00 IST | Updated: October 13, 2011 04:21 IST

#### Training in rubber processing

#### Staff Reporter

The Rubber Board will organise a training programme in rubber sheet processing and grading at the Rubber Training Institute near here on October 24 and 25. According to a press release issued here, the workshop is intended for growers and workers engaged in latex processing and sheet making. Contact 0481-2351313 / 2353127 for further details regarding the workshop.

## hindustantimes Thu,13 Oct 2011

Weather Chennai - INDIA	
Today's Weather	
Cloudy	Thursday, Oct 13 Max Min 33.6º   24.4º
Rain: 26.0 mm in 24hrs	Sunrise: 5:58
Humidity: 84%	Sunset: 17:52
Wind: Normal	Barometer: 1008

Tomorrow's Fo	recast
Rainy	Friday, Oct 14 Max Min 35º   25º

#### Extended Forecast for a week

Saturday	Sunday	Monday	Tuesday	Wednesday
Oct 15	Oct 16	<b>Oct 17</b>	<b>Oct 18</b>	Oct 19
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<b>29º   25º</b>	<b>30º   26º</b>	<b>30º   26º</b>	<b>31º   26º</b>	<b>30</b> º   <b>26</b> º
Rainy	Rainy	Rainy	Rainy	Rainy

13



#### Food Minister contradicts Ramesh on keeping Food Security Bill open to inputs

With Planning Commission's decision to de-link entitlements for poor based on Suresh Tendulkar's report casting uncertainty on beneficiaries of the proposed National Food Security Bill, Food Minister KV Thomas clarified that the Bill would not be re-opened for discussion and entitlements would be restricted to "priority" category only in the beginning.

The statement assumes importance in the backdrop of Rural Development Minister Jairam Ramesh's statement that the Bill was a work in progress and had to be discussed with States, seeking their full comments. The final Bill that the Cabinet approves will fix the numbers under priority and general category households, Ramesh had said during a joint statement with Plan panel's deputy chairman, Montek Singh Ahluwalia, on the BPL controversy.

The Bill draft, which has been vetted by the Law ministry and sent to State Chief Ministers for their comments, says that in the first phase, only priority category would be given legal entitlements and the general category would be accommodated only after PDS reforms. The Bill gives legal entitlements to 75 per cent of the rural households of which 46 per cent figure in priority as well as 50 per cent urban households of which 28 per cent are priority. These numbers, which have been mainly derived using Tendulkar's report, will be based on the socio-economic caste census currently being carried in the country by Rural Development ministry.

The Bill proposes to give 7 kg of food grains per person a month to priority sector households comprising rice at `3 per kg, wheat at `2 per kg and coarse cereals at `1 per kg. The general-category households will get 3-4 kg of grains per person per month. The statement comes a few days after Thomas met UPA chairperson and Congress president Sonia Gandhi on Saturday. Thomas had apprised her of the progress on the Bill during the meeting. The Bill is likely to be introduced in the Winter Session.

#### World Bank team lauds paddy farming methods of State

#### THURSDAY, 13 OCTOBER 2011 00:28

The World Bank team has lauded promotion to initiative of undertaking paddy farming through innovative method of drip irrigation and SRI method under District Poverty Initiative Programme (DPIP) scheme.

It may be mentioned that paddy crops are being taken as pilot project in Narsinghpur, Rewa, Damoh, Sidhi and Panna districts of Madhya Pradesh. Paddy crops are being grown under SRI Method by one thousand 427 farmers of 138 villages of these five districts in 778 acres of land.

In the same series, use of drip irrigation has also been promoted in Rewa and Sidhi districts. This methods has proved very good especially for vegetable crops.

The 18th producer company sponsored by DPIP has started its operations in Shivpuri district. Hardaul Milk Production Company has started functioning in Bhaunti village of the district. Fifteen villages under Bhaunti Sahyog Dal have been included in the company's jurisdiction. The company comprises 10 promoter directors, who convened a general council meeting and elected Phoolwati Yadav as president apart from choosing five directors. Chilling centre of the company has been set up from the funds of Swarn Jayanti Gram Swarozgar (self-employment) Yojna and appliances for the chilling plant have been obtained with the assistance of SGSY Infrastructure.

Similarly, nine DPIP-sponsored producers' committees have also started their operations in the project areas under soya production programme.

Efforts are also being undertaken for promoting use of solar stoves in Shivpuri and Rajgarh districts. The World Bank team is in Madhya Pradesh for the past two days reviewing the status of the project being implemented in different parts of the State.

#### Food security: State included in roots, tuber crops drive

WEDNESDAY, 12 OCTOBER 2011 23:59

In another step towards food security, Odisha has been included in the international programme for Roots & Tuber Crops (RTC) initiated by the International Potato Centre (known by its

Spanish acronym CIP). A two-day project planning meeting of the programme was inaugurated by Chief Secretary Bijay Kumar Patnaik here on Wednesday.

Around 40 agricultural scientists and experts from the CIP's Regional Programme for South West & Central Asia (SWCA), various agricultural research institutes of Odisha and some leading voluntary organisations have joined the meeting to discuss target sites and preliminary cropping study on RTC in the State. The project seeks to achieve food security on a sustained basis through scientific research on potato, sweet potato and other root crops.

The Chief Secretary advised the authorities to put in adequate extension machinery for convincing farmers about the utility of tuber crops and providing them handholding support for cultivation and marketing. He added that quality planting materials developed through research should be multiplied in large numbers to meet the requirement of farmers.

Secretary ST & SC Development Santosh Sarangi said that the RTC crops are important food and nutrition sources for tribal people. It has been decided that the programme would be carried on through joint partnership between OTELP and CIP-SWCA. In the first phase, Ganjam and Koraput districts have been identified for the purpose. It has also been decided that collaborative work plans covering assessment and action components would be developed for implementation of the programme.

Among others Regional Leader, CIP-SWCA Dr Dindo Campilan and Director, OTELP Suasant Nanda participated in deliberations.

Sources said India is one among 15 countries of South West and Central Asia where the programme is being implemented. Other countries in this region are Afghanistan, Armenia, Azerbaijan, Bangladesh, Bhutan, Georgia, Nepal, Pakistan, Kazakhstan, Kyrgyzstan, Sri Lanka, Tajikistan, Turkmenistan and Uzbekistan.

Odisha and Meghlaya are the two States in the Indian subcontinent identified for the programme. The programme is being supported by International Fund for Agricultural Development (IFAD).



#### Agriculture development; award for scientists

BANGALORE: Commemorating its 45th Foundation Day to be held on October 15, University of Agricultural Sciences (UAS), Gandhi Krishi Vignana Kendra (GKVK), Bangalore, will be awarding three scientists and three professors for their outstanding contribution towards agricultural research.

Addressing the media on Wednesday, Dr K Narayana Gowda, Vice-Chancellor, UAS, GKVK said, "Three scientists — Dr M Byregowda, professor of Plant Breeding, UAS Bangalore, K T Pandurangegowda, associate director of research, Regional Agricultural Research Station, Mandya and K M Srinivasapa, programme coordinator, Krishi Vigyan Kendra, Dodballapur — have been listed for the award for their contribution towards agricultural development." "In addition, 30 scientists from the University conducting various research projects , which are being funded by external sources will also be awarded with a certificate and a cash prize," he added.

Dr Harish Hande, MD, SELCO Solar and a recipient of Ramon Magsaysay award will inaugurate the foundation day of the University.

Meanwhile, announcing about the National Krishi Mela organised by UAS, GKVK to be held from November 16 November 20 Gowda said, "Earlier we used to have Krishi Mela that was confined to the state, but this year for the first time the mela is being organised at a national level." "Through this mela we are aiming at focusing on sharing of agricultural technologies. Whatever new technology is available in other states can be shared with the farmers and this can be used to develop farm techniques.

In order to motivate farm youths and women, we will be honouring two farm youths from each taluks," he added.

Further, we are also looking forward for farmers' participation.

"We have requested the Vice-Chancellors of other UAS's to identify and send farmers from their respective states," Dr Narayana Gowda added.

#### NEED GOVERNMENT SUPPORT, SAYS UAS VC

Inadequate exposure and lack of government support have been a major problem affecting

commercialisation of UAS, GKVK home-grown products.

Dr K Narayana Gowda, Vice- Chancellor, UAS, GKVK said, "We are planning to commercialise Jack fruit juice, jam, wine, maize products like maize flakes, and biscuits.

But multiplication of technical problem has been a major issue." "Inadequate public exposure by intensive marketing and lack of government support are major issues.

Earlier we had presented a proposal to the Karnataka Milk Federation (KMF) to link ragi malt produced at the University to their milk booths but it was declined on the grounds that it would create competition for milk," he said.

Meanwhile, we have discussed the need for support with the chief minister and presented our ideas. He seemed positive to the idea, he added.

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### **Business Standard**

Thursday, Oct 13, 2011

#### Chana futures fall below spot market prices

BS Reporter / Mumbai October 13, 2011, 0:53 IST

Chana futures have seen a huge volatility in the last two weeks. After commodity futures market regulator, the Forward Markets Commission (FMC), imposed a 10 per cent margin on buy-side trades (futures), prices crashed 15 per cent. In the spot market, prices are higher compared to



futures.

However, prices are now stabilising and imported containers of chana (chickpeas) and other pulses have started coming in, resulting in softening of spot prices. However, prices in the spot market have fallen only by 10 per cent during the period.

Chana prices were rising in futures, but there were wide-scale complaints that speculators are rigging prices. Although chana's availability was a concern, there were some fundamentals that were pushing prices. The sharp jump in futures, that was putting rising pressure on prices in the physical market, prompted FMC to ask exchanges, mainly NCDEX, to impose 10 per cent margin on chana buying on September 28 and since then prices have crashed almost 20 per cent.

Futures prices came down from high of Rs 3,661 a quintal on September 27 to Rs 3,097 a quintal (down 15.4 per cent) yesterday and in spot market, prices have come down from Rs 3,625 to Rs 3,258 a quintal (down 10.1 per cent) during the same period.

"However, high prices of chana will incentivise farmers to increase acreage under the crop when sowing for the next rabi season begins after Diwali," said Bimal Kothari, vice-president of India Pulses and Grains Association, an apex body of pulses industry and trade.

Chana is majorly a rabi crop. A trader with a multinational trading company, which also imports pulses in India said, "Sharp fall in futures prices was due to high margin and after that huge mark-to-market losses let to selling. Futures prices have not fallen so sharply due to supply constraints."

The Rajasthan government has also tightened stock limits for chana, leading to correction in prices including on futures exchanges.

New chana crop will enter markets in early February and till then, India will need one million tonnes to meet the consumption, where half of that is being met by imports. As supply from imports starts coming in, spot prices will also converge with futures, the trader said. On Wednesday, prices went up by almost two per cent in futures and physical market.

#### Tea output to cross 1 bn kg this year BS Reporter / Kolkata October 13, 2011, 0:50 IST

The Indian tea industry expects the total production to exceed one billion kg this year, the highest ever recorded in India.

The latest figures released by the Indian Tea Association (ITA) show production till August is higher by 33 million kg. "It is safe to estimate that figures will surpass the previous best of 984 million kg, if the trend continues," an industry representative said.

The industry achieved its highest production of 984 million kg in 2008. Last year, however, production had suffered significantly and was at 966 million kg, primarily due to weather conditions and pest attack. Possibly the unusually lower crop in the previous year is one of the reasons why despite a higher crop, the industry expects the pipeline shortage to continue.

STATE-WISE INDIAN TEA PRODUCTION					
State	August		Jan-August		
	2010	2011	2010	2011	
Assam	78,635	84,080	283,136	318,397	
West Bengal	27,535	27,148	134,869	137,528	
North India	107,825	112,757	422,937	460,897	
South India	14,909	14,250	161,960	157,703	
Others	1,655	1,529	4,932	4,972	
Source: Indian Tea					
Association (in thousand					
kg)					

Typically, each year, consumption in India increases by 30 million kg. If the year ends with a crop higher by 34-32 million kg, which is the expectation, it will be good enough to make up for the increase in consumption. The increase in Assam and West Bengal is higher by 38 million kg. The crop in south India, is however, down by four million kg.

"If the year ends with a crop higher by 34 million kg, it will not be enough to make up for the shortage," an ITA official said. Despite the increase, the trend shows that prices have been holding on.

The average all-India auction price is Rs 100.92 compared to Rs 93.98 last year. While the increase in Assam and Bengal is about Rs 8 a kg, in south India it is higher by Rs 3.15 a kg.

While India is at a production high, the trend in the rest of the world is divergent. World tea production is down by about 23 million kg, sans China. The production (green tea) in China is higher by 28 million kg this year.

Cane prices: Divergent views put UP govt in a fix Virendra Singh Rawat / Lucknow October 13, 2011, 0:47 IST

It would be a tough call for the Uttar Pradesh government to fix sugarcane price for the 2011-12 crushing season, given the divergent voices of farmers and the sugar industry on the issue.

While farmers are demanding over 50 per cent increase in the State Advised Price (SAP), industry has maintained it is not in a position to sustain even last year's price levels.

For 2010-11 crushing season, SAP was Rs 205-210 a quintal and farmers want it raised to Rs 300-350 a quintal.

The issue is significant in the context of assembly polls due early next year, while the sector supports about 4 million farmers' families in UP.

A high-level committee, headed by the state chief secretary, will meet on October 21 to discuss the issue and give its SAP recommendations to the state government. SAP would be ratified by the state Cabinet before being announced and this is most likely to happen after Diwali. Last year also, SAP was announced in first week of November.

However, some mills in western UP located in Ghaziabad and Hapur regions could begin crushing in the last week of October, while full fledged crushing is expected only by mid-November. Currently sugar prices are hovering around Rs 2,725 a quintal in the domestic market and India is looking forward to bumper sugar production of over 26 million tonnes (mt) during 2011-12 against demand of 22-23 mt.

Besides, global sugar prices are depressed, while the government is still to concede to the industry demand of allowing more sugar exports. Industry fears the glut could further dent prospects of prices holding firm.

"Higher sugar production will put continuous pressure on prices throughout the year and average realisation for the next year may be even lower," an Indian Sugar Mills Association (Isma) spokesperson told Business Standard.

In such a situation, UP sugar mills will not be able to sustain even the SAP of Rs 205-210 a quintal, given last season. Therefore, there should not be any increase in SAP for 2011-12, Isma said.

He claimed the cost of sugarcane production in UP, as estimated by the UP Council of Sugarcane Research, Shahjahanpur, was Rs 161 a quintal for 2011-12 vis-à-vis Rs 139 a quintal for the previous year.

"Farmers are unanimous in demanding Rs 300-350 a quintal on account of substantial increase in input cost especially labour, which has increased 50 per cent. Besides, prices of fertliser, insecticide and diesel are also up," Kisan Jagriti Manch president Sudhir Panwar said.

In 2011-12, UP sugarcane acreage is estimated to rise 7.2 per cent to 2.25 million hectares compared to 2.1 million hectares in 2010-11. Sugar is the largest organised industrial sector in the state comprising 125 mills. For 2010-11, total sugarcane dues were Rs 13,000 crore, excluding the local economy of gur and khandsari units.

#### Mustardseed up on brisk spot demand

#### Press Trust of India / New Delhi October 12, 2011, 14:13 IST

Mustardseed prices added Rs 43 to Rs 2,883 per quintal in futures trading today tracking firm spot markets sentiment.

Marketmen said restricted supply against rising demand in physical markets on account of "Diwali', mainly influenced trading sentiments here in futures price of mustardseed.

Higher off-take by oil mills and vanaspati ghee making industries ahead of the Diwali helped boost the trading sentiments, they quoted.

At the National Commodity and Derivatives Exchange, November mustardseed climbed Rs 43, or 1.51%, to Rs 2,883 per quintal, with an open interest 30,650 lots.

The October contract jumped up by Rs 36, or 1.30%, to Rs 2,795 per quintal, with an open interest 81,980 lots.

# Business Line

Tamarind soars on drop in acreage, production

#### M.R. Subramani

Price trebles in last 22 months as export demand aids trend



Chennai, Oct. 12:

Tamarind prices have almost trebled in the last 22 months on a combination of factors such as lower area under the tree-crop, lack of growth in production, export demand and rising consumption.

The price surge has been more prominent in the last couple of months with processed tamarind (without seeds) quoting Rs 180 a kg in retail outlets.

#### Lower crop

"The crop has been lower in the last two years. As a result, carryover stocks in warehouses have dropped alarmingly," said Mr S.N. Veerasamy, a wholesale trader in Chennai.

According to Spices Board data, tamarind increased from Rs 27.50 a kg in December 2009 in wholesale markets to Rs 76.67 in August this year.

Data also show that between 2004-05 and 2008-09, area under tamarind has dropped 13 per cent to 55,682 hectares.

At the same time, production has hovered between 1.94 lakh tonnes in 2004-05 and 1.93 lakh tonnes in 2008-09.

However, during the time in between these two fiscals, the production had dropped marginally.

But the yield has increased to 3.51 tonnes from 3.15 during the review period.

#### Higher exports

Exports, on the other hand, increased to 17,500 tonnes during 2010-11 valued at Rs 80 crore from 14,010 (worth Rs 30.78 crore) in 2005-06. In between, it had dropped to as low as 11,250 tonnes (Rs 31 crore) in 2007-08.

"Actually, tamarind prices are coming off a high seen at the end of September when prices at wholesale levels rose to Rs 9,500-11,000 a quintal," said Mr C. Raja, a tamarind dealer in Madurai.

"Prices could drop further after Diwali as the new crop is due in December. In November itself, prices can drop anticipating higher crop," he said.

But Mr Veerasamy said next year's crop was also expected to be lower as the trees had been affected by indifferent weather pattern.

According to the Agriculture Ministry, the modal price or the rate at which most trades took place in tamarind (with seeds) is currently Rs 3,400 a quintal at Hindupur market in Andhra Pradesh against Rs 1,500 during the same time a year ago.

The fine variety is ruling at Rs 7,900 a quintal (Rs 5,400).

In Bangalore, the modal price for tamarind is currently Rs 10,000 a quintal against Rs 4,800 a year ago.

Tamarind is grown in Tamil Nadu, Karnataka, Andhra Pradesh and Kerala. Karnataka is the leading producer of the spice followed by Tamil Nadu.

"Prices had gone up as there was export demand from the Gulf, Pakistan, Bangladesh and Malaysia," said Mr Raja. "Crop failure in Indonesia, Burma and Thailand helped in Indian tamarind gaining," he said.

"But we think prices won't sustain at current levels. Traders could lower them fearing new crop arrivals. Tamarind prices don't rule at higher level continuously," Mr Raja said.

#### Supply shortage

"This year, farmers are the sole gainers from higher prices for tamarind. They were quite aware of the supply shortage," said Mr Veerasamy. "They quoted the inferior variety at Rs 95 a kg, while the best was quoted at Rs 130 a kg," he said.

Prices upped further at retail outlets as trader's margin has to be met, while charges for cold storages also have to be met.

Traders foot Rs 10,000 to keep 10 tonnes of tamarind in cold storages for six months.

"Besides warehouse charges, labour charges, transport costs are rising," said Mr Veerasamy.

"We will have to learn to live with higher prices for tamarind. Chances of prices dropping sharply are remote," said Mr Veerasamy.

Reasons for prices that are seen firm even in the long trend are the decreased number of tamarind trees. "We are losing trees to realty and urbanisation," said Mr Veerasamy.

Besides, lack of quality produce is pushing up prices. According to retailers, low-priced tamarind turns watery and does not have a longer shelf life.

"These are called local or line varieties. They don't have much juice and most of the pulp gets wasted," said Mr Veerasamy.

(This article was published in the Business Line print edition dated October 13, 2011)

#### Volume hits 8-week high at Coonoor tea auctions

P.S. Sundar Coonoor, Oct. 12:

A volume of 13.82 lakh kg will be offered at sale no 41 of Coonoor Tea Trade Association auctions to be held on Thursday and Friday, reveals an analysis of brokers' listing.

This is the highest volume of the last eight weeks. It is some 44,000 kg more than last week's offer and as much as 1.43 lakh kg more than the offer this time last year.

#### LEAF & DUST

Of the 13.82 lakh kg on offer, 9.70 lakh kg belongs to the leaf grades and 4.12 lakh kg belongs to the dust grades. As much as 12.95 lakh kg belongs to CTC variety and only 0.87 lakh kg, orthodox variety. The proportion of orthodox teas continues to be low in both the leaf and dust grades. In the leaf counter, only 0.51 lakh kg belongs to orthodox while 9.19 lakh kg, CTC. Among the dusts, only 0.36 lakh kg belongs to orthodox while 3.76 lakh kg, CTC.

In the 13.82 lakh kg, fresh teas account for 13.24 lakh kg. Only 58,000 kg comprises teas which had remained unsold in previous auctions. Nearly 25 per cent of the offer last week remained unsold and those sold fetched Rs 2/kg lower on the average because of Pooja holidays in upcountry markets restricting the demand. Quotations held by brokers indicated bids ranging Rs 44-49 a kg for plain leaf grades and Rs 80-120 for brighter liquoring sorts. They ranged Rs 47-54 for plain dusts and Rs 85-137 for brighter liquoring dusts.

(This article was published in the Business Line print edition dated October 13, 2011)

#### Spot rubber buyers await clear trend in market

Our Correspondent

Kottayam, Oct. 12:

Spot rubber continued to rule unchanged on Wednesday. There were no quantity buyers or sellers in the market as most of them preferred to wait for a clear trend to emerge after the intermediate uptrend.

The arrivals showed no improvement even after 15 tapping days indicating that the growers held the stocks expecting higher prices. Sheet rubber closed steady at Rs 214 a kg both at Kottayam and Kochi, as quoted by the traders and the Rubber Board.

In futures, the October series improved to Rs 216.90 (215.64), November to Rs 215.15 (211.84), December to Rs 216.80 (213), January to Rs 218.88 (215.12) and February to Rs 220.02 (217.56) a kg while the March series slipped to Rs 221 (221.77) a kg for RSS on the National Multi Commodity Exchange.

RSS 3 (spot) closed at Rs 208.72 (207.82) a kg at Bangkok. The October futures increased to ¥309.6 (Rs 197.55) from ¥312 a kg during the day session and then to ¥311.8 (Rs 199.16) a kg in the night session on the Tokyo Commodity Exchange.

Spot rates were (Rs/kg): RSS-4: 214 (214); RSS-5: 211 (211); ungraded: 205 (205); ISNR 20: 204 (204) and latex 60 per cent: 130 (130).

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#### IRRI aims 1 m ha under flood tolerant rice

#### New Delhi, Oct. 12:

International Rice Research Institute has developed a flood-resistant variety of rice, which it aims to cultivate on a million hectares in the country by the end of next year, Director-General Mr Robert S. Ziegler said on Wednesday. "We are expecting certainly by end of next year flood-tolerant rice in eastern India, mainly Bihar. Our aim is one mIn ha of land by the end of next year," Mr Ziegler told reporters. He said that about one million farmers across the country have already adopted this variety because the crop can stand submerged in water for at least 10-15 days. — ©NewsWire18

(This article was published in the Business Line print edition dated October 13, 2011)

#### Rubber consumption falls as demand slows for tyres

#### C. J. Punnathara

PRODUCTION TRENDS						
(a tana						
	Production	Consumption	Import	Export	Stock at the end	
September 2010	77,500	80,500	33,477	194	2,33,096	
September 2011(p)	80,200	74,000	9.099	3313	2,79,477	
April to Sept. 2010	3,75,250	4,69,050	1,18,535	4,558	1000000	
April to Sept. 2011 (p)	3,91,400	4,76,215	88,760	16,503		
(% Growth)	(4.3)	(1.5)				
jatz previsional						

#### Kochi, Oct. 12:

Reflecting the slowdown in the automobile sector and the offtake of new tyres, rubber consumption in the country has dropped below production. This is primarily because the slowdown has begun to affect truck and bus tyres consumption as well. Truck and bus tyres together constitute close to 70 per cent of the total rubber consumption by the automotive sector, Mr N Radhakrishnan, Member of the Cochin Rubber Merchants Association, said.

After a long gap, growth in rubber consumption fell by 8 per cent in September to 74,000 tonnes, much below the industry expectations, Rubber Board sources said.

But favourable climate and increased tapping intensity during the second half of last month has ensured that production has remained firm. Production grew by 3.5 per cent over last year to 80,200 tonnes last month.

The future demand will depend on the pace of industrial growth and demand for new automobiles.

There has been a slowdown in the demand for new bus and truck tyres as fleet owners and operators have been deferring the purchase decisions of new tyres, Mr Radhakrishnan said. Whenever possible, they have been resorting to re-treading rather than replacement.

#### Financial burden

The increased interest rates and revision in the price of petroleum products has added to the financial burden of the operators and customers, Mr Radhakrishnan said. As the fleet operators have become more cost conscious, they have been cutting costs on all fronts, including replacing of old tyres with new ones.

The coming months until February are likely to be favourable for rubber production, Rubber Board sources said.

That is provided the North-East monsoon maintains its regular schedule and pattern.

While the economic slowdown has impacted the Indian automobile industry and tyre consumption, the same seems to be holding good for the international economy as well.

Rubber prices have slipped below the Indian prices after a gap of several months mainly on account of uncertainties in several European countries and slowdown among the Western economies.

#### **Demand from China**

The principal driver for the slowdown in global rubber purchases has been a fall in demand from China, Mr Radhakrishnan said.

Reports indicate that not only is the Chinese economy slowing down but that its exports have also been affected.

China remains one of the biggest exporters of tyres in international markets.

While consumption trends seem to have been affected, production is likely to be on expected lines this year as well.

Rubber Board sources said that they expected rubber production to be higher by 4.6 per cent this fiscal.

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#### Sugar surges on bulk buying for Diwali

**Our Correspondent** 



Mumbai, Oct. 12:

Sugar prices extended their gains by Rs 5–7 a quintal in the spot market on Wednesday. Prices ruled firm at the naka and mill tender level as the local and neighbouring States were active, buying ahead of the Diwali festival.

About three rakes (each of 27,000 bags) of S-grade were purchased by eastern side buyers on Tuesday evening, improving sentiment in the physical markets, taking the tender rates up by Rs 10–12 and the naka rates higher by Rs 10 a quintal. The sentiment was positive as traders are expecting good demand during the festival season, said traders.

In the spot market, the M-grade or medium grade fine quality sugar continued to rule above the Rs 3,000-mark on active buying by bulk consumers. Mr Jagdish Rawal, a wholesaler, said continuous buying of local stocks and aggressive buying by the eastern states, was supporting prices. Purchases by the local and neighbouring States are expected to improve further till the month-end.

Arrivals in the Vashi market were 54–55 truckloads, while local dispatches were 50-52 truckloads. On Tuesday evening, 18-20 mills offered tenders and sold nearly 1.5-1.75 lakh bags, including three rakes (81,000 bags) to eastern buyers and 85,000–90,000 bags to local

traders. They sold sugar at Rs 2,650–2,760 (Rs 2,650-2,760) for S-grade and at Rs 2,780– 2,880 (Rs 2,770–2,870) for the M-grade.

The demand from Orissa, Gujarat, Rajasthan and Madhya Pradesh is expected to rise in Maharashtra in the coming days.

**Bombay Sugar Merchants' Association** quoted S-grade at Rs 2,782-2,865 (Rs 2,786-2,861) and M-grade at Rs 2,856-3,031 (Rs 2,851-3,026) in the spot market.

**Naka delivery rates** for S-grade were Rs 2,740-2,790 (Rs 2,740-2,780) and Rs 2,850-3,010 (Rs 2,850-3,000) for M-grade.

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#### Chana continues to gain on demand

**Our Correspondent** 



Indore, Oct. 12:

Improved demand from millers and lower arrivals perked up chana (kanta) to Rs 3,350-3,400 a quintal against Rs 3,300-3,325 on Tuesday.

Chana (desi) also rose to Rs 3,275-3,300 a quintal, up Rs 25-50 on strong buying support. With chana stocks depleting in Madhya Pradesh, chana is likely to remain bullish in the near future, said Mr Rahul Vora, a wholesale chana trader.

Chana dal continued to rise in the spot market. Chana dal (bold) ruled at Rs 4,425-4,450 a quintal (Rs 4,350-4,375). Similarly, chana dal (medium) rose to Rs 4,300-4,325 (Rs 4,225-4,250) and chana dal (average) sold at Rs 4,175-4,200 (Rs 4,125-4,150).

Dollar chana ruled flat on weak demand at Rs 7,600-7,800 a quintal in local mandis. A thousand bags of dollar chana arrived in local *mandis*.

Masoor ruled firm at Rs 2,900 a quintal, while masoor (medium) ruled at Rs 2,600 a quintal on weak demand. Masoor dal ruled steady despite subdued demand, with masoor dal (bold) remaining unchanged at Rs 3,525-3,550, masoor dal (medium) at Rs 3,425-3,450 and masoor dal (average) at Rs 3,300-3,325 a quintal. Tur improved marginally, while tur dal remained unchanged despite sluggish demand and slack buying interest. Tur (Maharashtra) gained slightly at Rs 3,300-3,350, while tur (Nimari) ruled at Rs 2,500-2,700. Tur dal was steady, with tur (marka) being quoted Rs 50 down at Rs 6,200, tur dal (full) at Rs 5,500-5,550 and tur dal (*sawa* no.) at Rs 4,600-4,650 a quintal.

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#### Global cues perk up edible oils

Our Correspondent



Mumbai, Oct. 12:

Edible oils shot up on Wednesday as an overnight soya-oil rally on Chicago Board of Trade ahead of a key crop report from the US Department of Agriculture boosted crude palm oil (CPO) futures on Bursa Malaysia Derivatives (BMD).

Imported palmolein and soya oil rose by Rs 7 and Rs 9 for 10 kg. Cotton refined oil extended gains by Rs 4, rising by Rs 11 in the last four days. Sunflower and rapeseed oils remained unchanged. Groundnut oil remained unchanged in Mumbai even as it gained Rs 10 in Saurashtra.

Traders avoided new bets on indigenous oils as new arrivals rose in producing areas.

Resellers offered palmolein at Rs 524-525. Liberty quoted palmolein at Rs 525 and soya oil at Rs 621. Ruchi quoted palmolein at Rs 523 and soya refined oil at Rs 615. Allana offered palmolein at Rs 527 for delivery between October 20 and 31. **Malaysia's BMD CPO's** November contracts settled at MYR2,863 (MYR2,800), December at MYR2,864 (MYR2,801) and January at MYR2,878 (MYR2,813) a tone. Soya oil for October delivery closed at Rs 621.50 (Rs 617.20) and at Rs 599.90 (Rs 589.70) for November delivery.

**Bombay Commodity Exchange spot rate (Rs/10 kg):** groundnut oil 910 (910), soya refined oil 618 (609), sunflower exp. ref. 655 (655), sunflower ref. 720 (720), rapeseed ref. oil 680 (680), rapeseed expeller ref. 650 (650), cotton ref. oil 638 (634) and palmolein 524 (517).

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#### Export demand hopes push up jeera

Our Correspondent



Rajkot, Oct. 12:

Jeera spot and futures prices increased on Wednesday as traders expect export demand to generate at current price levels. The Indian spices' lower quotes in the global market also boosted market sentiments.

For October delivery, jeera was up Rs 79 at Rs 14,640 a quintal on the National Commodity and Derivatives Exchange, with an open interest of 9,408 lots. The November contract gained Rs 121 at Rs 14,890 a quintal on the exchange, with an open interest of 16,263 lots.

The spice traded at Rs 2,175-3,171 for 20 kg, up Rs 20-25, at the agricultural produce marketing committee in Unjha, where 5,000-6,000 bags arrived. It sold at Rs 2,100-3,125 for 20 kg in Rajkot, where 700-800 bags arrived.

Traders said prices are low currently and hence, export demand may go up at these price levels.

Indian jeera was quoted at \$3,200 a tonne, while Syria and Turkey were offering similar grades at \$3450 and \$3,500, respectively. Good soil condition because of rains in Rajasthan and Gujarat has improved sowing prospects in the upcoming rabi season, market sources said. Latest estimates from the Spice Board of India indicate spices exports in April-August have fallen by 23 per cent to 1,95,500 million tonnes from 2,55,100 million tonnes in 2010. Jeera exports fell by 39 per cent to 9,500 million tonnes from 15,700 million tonnes during the same period.

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#### Tepid trading keeps rice flat

Our Correspondent



Karnal, Oct. 12:

With trading being lukewarm, the rice market witnessed a steady trend. Prices of aromatic and non-basmati varieties ruled firm at previous levels on Wednesday.

Around 2,000 bags of Pusa-1121 variety arrived for the first time this season in the grain market.

Arrivals have started, but we have to wait a little more for them to turn heavy as harvesting of aromatic varieties have not started yet in all parts, said Mr Amit Kumar, Proprietor, Hanuman Rice Trading Company.

Traders expect prices of aromatic varieties to be lower than that of last year on high-yield prospects, he said. Not only bumper production but carry forward stocks would also put pressure on the market.

Pusa-1121 (steam) quoted at Rs 4,900-4,950 a quintal while Pusa-1121 (sela) was ruling at Rs 3,950-4,000. Basmati (raw) sold at Rs 5,500 a quintal and basmati (sela), at Rs 3,800. Duplicate basmati sold at Rs 3,400.

PR-11 (sela) fell by Rs 20 to Rs 2,130-2,240 a quintal, while PR-11 (raw) quoted at Rs 2,000-2,200. Permal (sela) sold at Rs 1,850-2,000 a quintal, permal (steam) at 2,000-2,100, and Permal (raw) at Rs 1,825-1,925.

Around 1.7 lakh bags of different paddy varieties arrived. PR (around 1.45 lakh bags) sold at Rs 1,080-1,160 a quintal. Government agencies and private millers procured 20.38 lakh tonnes of paddy till October 11, against 24.84 lakh tonnes last year.

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#### Turmeric loses lustre as arrivals swamp market



Our Correspondent

Erode, Oct. 12:

Spot turmeric price decreased on Wednesday because of heavy arrivals and poor demand.

The price of turmeric has decreased due to heavy arrivals in the market.

"As expected arrivals of turmeric in the market have doubled, and prices have decreased sharply by Rs 550 to Rs 850 a quintal. On Monday, due to low arrivals and demand, the price of spot turmeric increased by Rs 1,100 per quintal. In view of the increase in price, more farmers brought their produce to the market on Wednesday. With over 15,000 bags arriving for sale, traders quoted a lower price for the commodity and only 45 per cent of the stocks were sold," said Mr R.K.V. Ravishankar, President, Erode Turmeric Merchants' Association.

He said the price quoted in the turmeric futures decreased by 1.5 per cent on Wednesday on top of the one per cent decline on Tuesday. This has reflected in Erode and traders quoted a lower price for the yellow spice.

He said more turmeric would arrive for sales on Thursday. If arrivals increased further, the price would fall further. The price of hybrid quality turmeric also decreased by Rs 350 a quintal on Wednesday.

Farmers said Monday's price was very encouraging so they thought it would hold for some days and brought more produce to the market. In contrast, prices declined.

At the Erode Cooperative Marketing Society, the price decreased by Rs 786 a quintal due to the arrival of over 1,300 bags. In the Regulated Marketing Committee, prices dropped by Rs 850 a quintal as 2,034 bags arrived.

At the Erode Turmeric Merchants' Association sales yard, the finger variety was sold at Rs 4,189-5,875 a quintal, and the root variety at Rs 3,899-5,296 a quintal.

**Salem crop**: The finger variety was sold at Rs 5,729-6,186, while the root variety was sold at Rs 5,016-5,529. Of 3,945 bags that arrived, 1,029 were sold.

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