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#### TNAU designs five equipment to tackle labour shortage

#### M. Balagenssin

To help in weed management, harvest and processing of produce



ON THE MOVE: Farm equipment being demonstrated at TNAU - Agricultural Engineering College and Research Institute at Kumulur.

The Tamil Nadu Agricultural University - Agricultural Engineering College and Research Institute at Kumulur, has designed five new equipment for the benefit of farmers.

Mechanisation process aims at eliminating the problem being faced by farmers in the wake of scarcity of labour. Designed for specific crops, the equipment come in handy for specific purpose such as harvest, weed management and processing of the produce. The tractor-operated multi-purpose hoist, one of the equipment, has been designed to harvest fruits, particularly mango, sapota and also jack fruit. Weighing about 150 kg, the machine can be operated for harvesting fruits up to a level of 27 feet from the ground.

"Horticultural fruits will not be wasted, if the machine is used," says A. Tajuddin, dean of the college. Weeds pose a great problem to the farmers. The college has devised two machines for removing weeds. The power weeder and tractor-drawn sweep weeder will facilitate removal of weeds in a swift manner. The power weeder that weighs about 120 kg facilitates the clearing of the weeds in row and garden lands.

The tractor-drawn sweep weeder, weighing about 170 kg, also for garden lands, would take up clearing of weeds on a fast phase, Prof. Tajuddin says. The college has evolved a motor-operated tamarind huller for peeling off the outer layer of the tamarind. "The equipment can handle 100 kg an hour, against the manual capacity of just 10 kg," he said, referring to the advantage of the huller. The college has improvised the machine used for climbing the coconut tree.

"The university had already introduced a machine for the purpose and based on the feedback from the coconut farmers, we have introduced a few improvements focussing on the safety and speed in the harvest process," he said. The machine weighs 3.5 kg. The equipment were developed by the Department of Farm Machinery of the college. P. Kamaraj, B. Sudhakar and R. Thiyagaraan, all assistant professors took up the research for a period that ranged between two and seven years. They interacted with farmers of different regions in the state and developed the equipment, Prof. Tajuddin said. A demonstration of the equipment was conducted at the college premises recently.

He said the TNAU would coordinate with industries for manufacturing the equipment.

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#### TNAU professor chosen for State scientist award

#### Special Correspondent

P.Subbian, Professor of Agronomy, Tamil Nadu Agricultural University, Coimbatore, is among the 11 recipients of the Tamil Nadu Scientist Award 2010 instituted by the Tamil Nadu State Council for Science and Technology.

Dr. Subbian has won the award for his research in the field of Agricultural Sciences.

According to an official release, the objective of this scheme is to encourage and honour scientists and researchers who have contributed significantly to their fields of specialisation through their skill, pioneering\outstanding applied research work and other such activities leading to science and technology development in the State.

Those who have been chosen for the award in various other disciplines include: E.Padmini, Associate Professor in Biochemistry, Bharathi Women's College, Chennai (Biological Sciences) ; P.Rajkumar, Professor and Head of Organic Chemistry, University of Madras, Chennai (Chemical Sciences) ; G.Victor Rajamanickam,Director,Centre for Research, Sairam Group of Institutions, Chennai (Environmental Sciences) ; C. Balaji, Professor of Mechanical Engineering, IIT-Madras (Engineering and Technology); K.Parthasarathy,Professor and Head, Department of Life Long Learning, Bharathidasan University,Trichy (Home \Social Sciences); S.Somasundaram, Professor and Head of Mathematics, Manonmaniam Sundaranar University,Tirunelveli (Mathematics); I. Sathyamurthy,Director, Department of Cardiology, Apollo Hospitals, Chennai, and P. Sachidanandam, Professor of Medical Bio-chemistry, Dr. ALMPGIBMS,University of Madras, Chennai ( Medical Sciences); P.Kolandaivel, Professor and Head, Department of Physics, Bharathiar University,Coimbatore (Physics), and T.Sivakumar, Professor and Head, Livestock Production and Management, Madras Veterinary College, Chennai (Veterinary Sciences).

#### Cash award and citation

A cash award of Rs 10,000 and a citation will be presented to these scientists at a ceremony to be arranged by the council at a later date.

Nomination for TANSA 2011 is invited from nominating authorities.

Details are available on the Council website www.tanscst.org. The last date for submission of nomination is November 15, 2011.

#### Dr. Subbian has won the award for his research in the field of agricultural sciences

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#### Copious rain brings cheer to Erode farmers

S. Ramesh



A view of the Kunderipallam Reservoir in Erode district. — PHOTO: M.GOVARTHAN With the district experiencing incessant rains for the last many days, a number of water bodies will overflow soon.

#### Good inflow

The Kunderipallam reservoir is already overflowing, while dams at Varattupallam, Perumpallam and Bhavanisagar have had a good inflow. The Varattupallam and Perumpallam reservoirs are expected to reach the brim if the heavy rain continues in their catchment areas for the next few days.

The water level in Perumpallam reservoir stood at 22 feet on Thursday as against its full level of 30.85 feet. In Varattupallam, the water level stood at 20.1 feet as against the full level of 33.5 feet.

The water position in Bhavanisagar Reservoir, a major source of water for thousands of farmers in Erode and neighbouring districts, has crossed 80 feet mark on Thursday.

The full level of the reservoir is 105 feet. The dam is getting an inflow of 1,982 cusecs.

The increase in the water level has brought cheers to farmers who depend on the Lower Bhavani Project (LBP) for irrigation.

The LBP ayacut, which has over two lakh acres of land in Erode and neighbouring districts, gets water from Bhavanisagar dam.

The lakes coming under thepublic works department also witnessed a significant improvement in the water position.

#### Storage in lakes

Out of the 21 lakes in the district, Odathurai and Anandasagar, located near Kavunthapadi, have reached the peak this week. The water storage in five lakes has crossed 60 per cent.

"The water position in the remaining lakes in the district is improving," the public department officials said.

A number of water spreads under the Rural Development Department, have also registered copious inflow in the last few days.

"Most of the water bodies are 60 per cent full," the officials said.

#### Instructions

The administration has already given instructions to the local bodies to identify weak spots in the bunds of water spreads and initiate steps to attend them.

The copious rain has also gladdened nature lovers. A number of jungle streams in Sathyamangalam forests sprang to life and many ponds, check dams and other water sources inside the forests are full

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#### Continuous rain spells boon for farmers in Karur district

#### Staff Reporter

The continuing rain caused by the advent of north east monsoon is all set to influence agriculture activities in Karur district.

Farmers have already covered substantial ground in raising paddy nurseries and sugarcane and the rain will immensely help standing crops besides providing lifeline to rain-fed crops in parched areas of the district.

The normal samba paddy coverage in Karur district is around 16,000 hectare and the rains has helped in timely raising of nurseries and transplantation activities under conventional method of cultivation.

More than 80 per cent of transplantation has been completed in Kulithalai, Krishnarayapuram, and Thogamalai taluks while in Karur, Thanthoni and K.Paramathi blocks the activity is peaking and is set to be completed early next month, according to the Joint Director of Agriculture S.Jagadeesan.

The plan is to bring 50 per cent of the cultivated area under the System of Rice Intensification and so far more than 4,000 hectare have been brought under the method.

Against the total target area of 15,300 hectare for millets, sorghum has been raised in 11,500 hectare, bajra 700 hectare and maize in over 530 hectare.

The current spell of rains would aid in covering the balance area in the next fortnight, Mr.Jagadeesan says.

Pulses cultivation in the district is in the region of 17,500 hectare and so far red gram has been raised in 2,600 hectare, black gram and horse gram in 1,000 hectare each and green gram in 250 hectare.

The current wet spell might help in increasing red gram cultivation to the tune of another 600 hectare, officials hope. Horse gram is being raised mostly in Aravakurichi, K.Paramathi and Thanthoni blocks as cattle fodder. Sugarcane cultivation is expected to touch the 6,250 hectare mark this year and already 5,200 hectares have been covered so far, taking into account the ratoon and main crop plantations in all areas across the district.

In November and December another 1,200 hectares will be covered.

Regarding availability of fertilizers, Mr.Jagadeesan says that potash availability has now eased as 500 tonnes had arrived and save 65 tonnes all stock has been disbursed to farmers.

In the first week of November another consignment of 500 tonnes of potash is expected. That apart, 320 tonnes of Di Ammonium Phosphate, 380 tonnes Urea and 400 tonnes NPK Complex fertilizer have been stocked. Availability of seeds is also not a problem, Mr.Jagadeesan observes.

#### Standing crop like sugarcane and samba paddy will be benefitted

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Rising cost of fertilizers clouds hopes of farmers

S.Ganesan

62,500 hectares to be covered during samba, thaladi season



no unwanted elements: A farmer removing weeds in his field near Tiruchi. — Photo:M.Moorthy Even as samba and thaladi paddy cultivation is underway in the district, farmers have been hit hard by the sharp rise in the prices of fertilizers. The Agriculture Department expects paddy to be raised in about 62,500 hectares (ha) during the samba and thaladi seasons in the district this year. So far transplantation has been completed in about 20,000 ha.

Given the prevailing conducive conditions, with the relatively good storage position at the Mettur dam and the widespread rains over the past few days, Agriculture Department officials are confident that the target would be achieved this year. But farmers of the district are a worried lot owing to the rising inputs. The sharp rise in the prices of fertilizers has come as a shocker.

The Centre's decision to go in for nutrient based subsidy is cited as the major reason for the variance in the price of fertilizers of different companies. The rise in the cost of the imported raw materials for phosphatic fertilizers has contributed to price fluctuations, official sources said.

"There has been a heavy increase in the price of potash, di-ammonium phosphate and NP 20:20:0 complex fertilizer and our input costs have gone up sharply this season," said R.Subramanian, a farmer of Koundampatti near Tiruchi and deputy secretary of the District Cauvery Delta Farmers Welfare Association. The increase in fertilizer prices has pushed up the cost of cultivation further. But the procurement price of paddy has not increased correspondingly and farmers could face losses, said Mr.Subramanian.

According to farmers, the price of potash has steadily increased from about Rs.270 for a 50-kg bag to touch the current price of Rs.560 over the past one year. The price of DAP has increased from Rs.450 a bag to Rs.925 now. The fertilizer price differs from company to company. DAP from some of the companies is available at around Rs.750 to Rs.800, said P.Ayyakannu, state vice president, Bharathiya Kisan Sangh. Given the demand, some private shops were selling the fertilizer anywhere between Rs.600 and Rs.700. Apart from the price of fertilizer, wages have also gone up steadily but the procurement price of paddy still remains unremunerative, he said.

Farmers say the price of 20:20:0, another basal fertilizer, now rules at around Rs.740 a bag. The fertilizer was selling at around Rs.450 a bag during the previous season, they say.

Some farmers also complained that there was a shortage of potash. However, enquiries with Agriculture Department revealed that a consignment of about 1,500 tonnes of potash has arrived in the district recently and moved to the societies and retail outlets. The sources said about 1,000 tonnes have been moved to cooperative societies and nearly 300 tonnes were given to private traders. There was also some buffer stock available and another consignment of the fertilizer was expected to arrive soon, the sources said.

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#### Sugarcane farmers' strike continues

The strike by farmers seeking fair prices for sugarcane entered the fifth day on Thursday. Members of the Karnataka Rajya Raitha Sangha (KRRS), led by Satish Nannure Chinkera, have been staging a dharna seeking a price of Rs. 2,100 a tonne of sugarcane from Sunday.

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#### Crop loss in Bijapur put at Rs. 197 crore

#### Staff Correspondent

Over 50 p.c. of kharif crops withered owing to scanty rainfall in the district



withered: The Department of Agriculture had set a target of cultivating kharif crops in Bijapur district on 4.3 lakh hectares. However, the coverage was only 1.86 lakh hectares. — Photo: Raju Hajeri

Over 50 per cent of kharif crops were lost in Bijapur district this year owing to scanty rainfall. The loss is estimated at Rs. 197 crore, according to a recent survey by the district administration.

According to official sources, average rainfall in the district is 631.6 mm, and so far this year the district has received only 202.4 mm rainfall.

The Department of Agriculture had set a target of cultivating kharif crops on 4.3 lakh hectares. However, the coverage was only 1.86 lakh hectares. But nearly 52 per cent of the crops cultivated on the 1.86 lakh hectares of land withered owing to deficient rainfall.

#### **Drinking water**

According to the district administration, there is shortage of drinking water in more than 80 villages of the district. Water is being supplied through tankers in nine villages of Indi taluk where the situation is worse. If the dry spell continues, the administration will have to supply drinking water through tankers in 30 more villages, sources said.

The authorities have submitted a proposal seeking release of Rs. 62.1 lakh for tackling drinking water problem in Indi taluk, Rs. 55 lakh for Basavanbagewadi taluk and Rs. 40 lakh for tackling the problem in Muddebihal taluk.

The administration has Rs. 1.29 crore for addressing the problem in Bijapur and Sindagi taluks, sources said.

A source in the Bijapur Zilla Panchayat alleged that the district administration had not taken up drought-relief works in spite of having Rs. 1.7 crore under the Calamity Relief Fund. "The major reason for the delay is negligent attitude of the officials concerned," he said.

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#### Chitradurga farmers left high and dry

Firoz Rozindar



HUGE LOSS: Sunflower, a major crop in Chitradurga district, has started withering due to lack of rain during the current rabi season.

Farmers in drought-hit Chitradurga district, who have already suffered huge loss owing to deficient rainfall during kharif season, are likely to be hit hard by the continued dry spell during the current rabi season.

According to the Meteorology Department, the district will not receive any rain for another fortnight, by which time the rabi season will be over. The rabi season starts from September 1 and ends by last week of November. Any rain that may occur after the fortnight will not be useful to farmers.

As per the statistics, the district received about 19.8 mm of rain in September against the normal of 84.5 mm. The rainfall during September 2010 was about 83 mm.

Earlier, the Department of Agriculture had estimated a crop loss of Rs. 452 crore for the kharif season due to scanty rainfall.

In order to compensate for the crop loss suffered during the kharif season, the department had proposed to increase the sowing area for the rabi season from 60,000 hectares to about one lakh hectares.

"Going by the prevailing conditions, it appears that we will not be able to complete the sowing even in the normal area," an official in Agriculture Department said.

Of the targeted 40,000 hectares for the rabi season, sowing had been completed on only 17,000 hectares, which works out to about 17 per cent coverage, he said. Bengal gram is the major crop of rabi season with nearly 35,000 hectares brought under its cultivation. The remaining cultivable land would be covered with jowar and sunflower.

Of the targeted 35,000 hectares for Bengal gram, the sowing had been completed in only 2,318 hectares.

Meanwhile, agriculture experts say that the yield of rabi crop depended largely on the rain that occurs during the kharif season.

"The soil normally retains its moisture till the rabi season, if the rainfall during the preceding kharif season is good. Normal rain during rabi season will result in better yields," he said.

#### • No rain likely for another fortnight, says Met Department

#### · Of the targeted 40,000 hectares, sowing for rabi completed in only 17,000 hectares

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#### KRRS demands higher MSP for paddy and maize

#### Staff Correspondent

Karnataka Rajya Raitha Sangha (KRRS) and Hasiru Sene have demanded for revision in the minimum support price for paddy and maize.

In a press release, functionaries of Hasiru Sene Y.G. Mallikarjun and K. Raghavendra urged the Government to fix Rs. 2,000 as support price for a quintal of paddy and Rs. 1,500 for maize this year. Both paddy and maize were purchased at a price of Rs. 800 a quintal in the open market.

#### Cost of production

The price of agriculture inputs had been moving northwards in recent times. The price of chemical fertilizers such as urea and potash had doubled in six months.

According to a survey sponsored by the Department of Agriculture, the cost of production of a quintal of paddy stood at Rs. 1,523. The Centre had announced Rs. 1,130 as support price for a quintal of "A grade" paddy and Rs. 1,030 for "B grade" paddy.

Mr. Mallikarjuna and Mr. Raghavendra have termed the support price fixed by the government as unscientific. They have sought a scientific support price for paddy and maize which would consider the cost of production.

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#### HT Correspondent, Hindustan Times

Email Author New Delhi, October 27, 2011 First Published: 13:03 IST(27/10/2011) Last Updated: 11:53 IST(28/10/2011)

#### Food inflation shoots to 11.43%

The food inflation rate shot up to 11.43% for the week ended October 15, the sharpest increase in six months. The last time that food inflation stood this high was on April 9 at 11.53 %.

Just two days ago, the Reserve Bank of India (RBI) governor, D Subbarao — while announcing the 13th interest rate hike in 19 months — however, said the central bank could foresee prices declining from December onwards.

Costly vegetables and fruits fuelled the prices with 25% and 12% jumps, respectively, on annual basis. It rose 10.60% (annualised) in the previous week. But

non-food prices showed some decline - suggesting that the interest rates hikes have worked.

Rajeev Malik, senior economist at broking and research firm CLSA, Singapore, said, "Food inflation has jumped due mainly to a sharp increase in the prices of primary food items.

He said protein-rich food items — egg, meat and fish prices — and some categories of fresh produce (vegetables and fruits) were the key culprits. Importantly, even a decent monsoon harvest is unlikely to lower the inflation in proteinrich items.

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## SHARP RISE

Costly vegetables, fruits and protein-rich foods fuel sharpest rise in inflation in six months

 But non-food items show some decline

Last time food inflation stood this high was on April 9 at 11.53%

 Prices will begin to fall from December onwards, the Reserve Bank of India has said

# **Business Standard**

Monday, Oct 28, 2011

#### Bountiful time for pepper producers

#### George Joseph / Kochi October 28, 2011, 0:24 IST



The heavy appreciation in the price of black and white pepper is likely to continue in world markets, thanks to a supply shortage in major producing countries.

The market will be a sellers' paradise for the next six to eight weeks, according to indications from Vietnam, Indonesia and India. It is estimated that production in 2011 would be around 200,000 tonnes, about six per cent lower from 2010.

During the first nine months of this year, export from the six major producing countries of Brazil, India, Indonesia, Malaysia, Vietnam and Sri Lanka was around 188,000 tonnes. This is four per cent lower than that in the corresponding period last year, estimates the International Pepper Community (IPC).

In September, the price index of pepper had increased by 38.1 and 26.3 points for black and white pepper, respectively, says IPC. There has also been a significant rise over the past 12 months. Strong demand, coupled with the global short supply, has pushed the price.

In Vietnam, the world's largest producer, the local and FOB (export) prices have risen by 19 and 20 per cent, respectively. Among the six major exporters, Vietnam's contribution was 60 per cent.

An increase of nine per cent in prices has taken place in Sri Lanka. In Brazil and India, local prices have risen by five to six per cent, and FOB prices by 11 to 20 per cent.

Last month, the six main exporters together shipped around 23,200 tonnes, as against 19.860 tonnes in September last year.

### Guar traders anticipate higher seed production despite lower acreage Vikas Sharma / New Delhi/ Chandigarh October 28, 2011, 0:23 IST

Despite registering lower acreage of guar this season, gum traders are optimistic of attaining higher production.

Guar gum traders maintained, despite shortage of area, timely rains in September would assist the productivity of the crop, thus raising its output prospects. As per guar traders, guar seed production this year is estimated to be 1.4 million tonnes (14 million bags) compared to 1.2 million tonnes (12 million bags) last year, thus reflecting increase of 16 per cent.

Guar is mainly a rain- fed crop, sown in July with the commencement of monsoon. Being a rain-fed crop, guar seed production is linked to the rains.

P K Hissaria, president, Indian Guar Gum Manufacturers' Association, said the overall crop condition was good this year. P K Hissaria who had earlier predicted a 17 per cent rise in guar gum exports this year from 300,000 tonnes last year, remained optimistic that exports this year would cross the 300,000-mark.

"With certain new areas in Rajasthan preferring sowing of guar gum seed and good crop conditions would definitely boost the prospects for good guar crop this year," he said.

Prices of guar this season has seen an upward trend compared to previous year. As per Kedia , farmers in Haryana this year are fetching Rs 45 per kg for guar gum seeds compared to Rs 25-30 per kg last year.

Rajesh Kedia , a guar gum exporter based in Haryana, maintained, despite acreage under 'guar' declining by 10 per cent this year, the production has increased by 20 per cent, mainly because of favourable weather conditions. Rains , particularly in the month of September, have helped boosting the production prospects of the crop.

In Rajasthan, 2,757,000 hectares of area was covered under guar this season compared to 3,000,000 hectare area achieved last year. Similarly, in Haryana the sown area under guar this year is 215,000, compared to 256,000 hectares. Rajasthan and Haryana together account for

more than 50 per cent of the acreage for the guar crop.

Deficient monsoons in Haryana and also area under cotton rising at the cost of guar seed in some pockets of Haryana are the prime factors responsible for falling guar seed acreage in Haryana.

Things on the export side also continue to be stable as per the traders.

Export demand of guar gum this season is stable compared to last year. The demand for guar gum however is likely to pick up in coming months mainly from industrial sector.

#### ISMA seeks nod for export of 20 lakh tonne of sugar

#### Press Trust of India / New Delhi October 27, 2011, 18:40 IST

The apex industry body for private sugar mills, ISMA, has urged the government to immediately allow exports of at least 20 lakh tonne of the sweetener to improve their cash flows for making payment to cane farmers.

The top officials of Indian Sugar Mills Association (ISMA) met Food Minister K V Thomas last week and made a presentation on the overall scenario of the sector.

In the presentation that touched upon export strategy, ethanol pricing and reforms in the sector, ISMA pointed out that cash flow situation is "very tight" in both private and cooperative mills and therefore "large export window was needed at the start of the (2011-12) season".

During 2010-11 marketing year ended last month, the government had allowed exports of 15 lakh tonne of sugar under Open General Licence (OGL) in three equal tranches.

"Export of over 40 lakh tonne is required (in the current 2011-12 marketing year). At least 20 lakh tonne OGL export permission is required immediately... Small tranches of exports will not help this time," the presentation said.

ISMA has even proposed to the government that additional exports could be allowed subject to a condition that mills would have to import similar quantities in case of shortages.

The industry body has noted that maximum cash would be required between November 2011 and March 2012 as during this period 90 per cent of sugarcane are being crushed and mills need fund to make payments to cane farmers.

India, the world's second largest sugar producer after Brazil, resumed exports of sweetener from last marketing year after the country's sugar output exceeded the annual domestic demand after a gap of two years.

Sugar production rose to 243 lakh tonne in 2010-11 marketing year from nearly 190 lakh tonne in the previous year. The annual domestic demand is 215 lakh tonne.

In the current 2011-12 marketing year starting this month, the sugar production is pegged at 260 lakh tonne based on the ISMA's projection and 246 lakh tonne as per the food ministry's estimates.

"At Government estimates of sugar production of 246 lakh tonne, there is still surplus of 33 lakh tonne," ISMA said, while making a case for allowing immediate exports.

#### Turmeric futures rise on spot demand

#### Press Trust of India / New Delhi October 27, 2011, 16:11 IST



Turmeric futures prices rose by Rs 118 to Rs 5,018 per quintal today, as speculators created fresh positions, driven by a rise in spot demand.

On higher carry-forward stocks, weak demand and likelihood of a bumper crop this year.

At the National Commodity and Derivatives Exchange, turmeric for delivery in November rose by Rs 118, or 2.41%, to Rs 5,018 per quintal, with an open interest of 11,185 lots.

Similarly, the spice for delivery in December moved up by Rs 62, or 1.30% to Rs 4,848 per quintal, with a business turnover of 10,655 lots.

Analysts said fresh buying by speculators on pick-up in demand in the spot markets mainly led to rise in turmeric prices at futures trade here.

Govt allocates 19.15 lakh tonne of sugar for Nov Press Trust of India / New Delhi October 27, 2011, 16:01 IST



The government has allocated 19.15 lakh tonne of sugar for sale in the open market and through ration shops during November, about 82,000 tonne lower than the current month.

For the current month, the government has allocated more quantities at 19.95 lakh tonne keeping in view of higher demand during Diwali.

"This quantity of 19.15 lakh tonne is sufficient to meet the internal demand of sugar for the month of November, 2011," an official statement said.

Out of the total allocation for the next month, the food ministry has earmarked 2.14 lakh tonne of sugar for supply through the Public Distribution System (called as levy-sugar).

The remaining 17.01 lakh tonne would be sold in the open market (called as non-levy sugar).

The Food Ministry fixes the quantity of sugar to be sold in the open market and ration shops every month and directs mills to sell the entire non-levy quota during the same month.

Sugar mills are required to contribute 10% of their production to the government at cheaper rates for distribution through PDS.

The retail prices of the sweetener have declined by about 40% since January last year and are currently ruling at Rs 30-32 a kg in the national capital.

Sugar production of India, the world's second largest producer and biggest consumer, stood at 243 lakh tonne as against the annual domestic demand of 210-215 lakh tonne.

#### Refined soya oil futures up on fresh demand

Press Trust of India / New Delhi October 27, 2011, 13:40 IST



In restricted activity, refined soya oil rose by Rs 13 to Rs 625 per 10 kg in futures trade today as traders created fresh positions on pick up in demand in the spot market supported by ongoing festive season.

At the Multi Commodity Exchange, refined soya oil for delivery in November rose by Rs 13, or 2.12% to Rs 625 per 10 kg in 2 lots, while December contract surged by Rs 12.60, or 2.06% to Rs 624 per 10 kg, with business volume of 2 lots.

Market analysts said fresh buying by traders on pick up in demand in the spot market due to ongoing festive season mainly led to rise in refined soya oil futures prices.

#### Mentha oil rises on industrial demand

#### Press Trust of India / New Delhi October 27, 2011, 13:35 IST



Mentha oil prices gained Rs 10.40 to Rs 1,266 per kg in futures trade today as traders created fresh positions, driven by pick up in industrial demand.

At the Multi Commodity Exchange, mentha oil for October month gained 10.40, or 0.82% to Rs 1,266 per kg with trading volume of 168 lots, while

November contract rose by Rs 9.30, or 0.73% to Rs 1,280.70 per kg in 392 lots.

Similarly, the oil for delivery in December month edged up by Rs 9.30, or 0.73% to Rs 1,283 per kg in 59 lots.

Traders said pick up in industrial demand and lower arrivals from Chandausi in Uttar Pradesh mainly pushed up mentha oil prices at futures trade.

# Business Line

Too many drumsticks



Price crashes: A vendor selling drumstick (Moringa oleifera) at Kochi on Thursday. The vegetable is selling at Rs 40 a kg compared with Rs 120 six months ago. Traders say higher arrivals from Tamil Nadu have pulled down the price. — K.K. Mustafah (This article was published in the Business Line print edition dated October 28, 2011)

#### More tea up for sale at Coonoor auction

P.S. Sundar

Coonoor, Oct. 27:

On account of Diwali holidays, Coonoor tea market was closed on Thursday. The weekly leaf auction scheduled for the day has been shifted to Friday.

In all, 13.73 lakh kg will be offered at Sale No: 43 of Coonoor Tea Trade Association auctions, reveals an analysis of brokers' listing.

It is some 41,000 kg more than last week's offer and as much as 2.61 lakh kg more than the offer this time last year.

#### LEAF AND DUST

Of the 13.73-lakh kg on offer, 9.43 lakh kg belongs to the leaf grades and 4.30 lakh kg belongs to the dust grades. As much as 12.98 lakh kg belongs to CTC variety and only 0.75 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 0.37 lakh kg belongs to orthodox, while 9.06 lakh kg, CTC.

Among the dusts, only 0.38 lakh kg belongs to orthodox, while 3.92 lakh kg, CTC.

In the 13.73-lakh kg, fresh teas account for 12.40 lakh kg.

As much as 1.33 lakh kg comprises teas which had remained unsold in previous auctions.

(This article was published in the Business Line print edition dated October 28, 2011)

#### Aromatic rice may drop on new arrivals

**Our Correspondent** 

Karnal, Oct. 27:

The rice market during the week ruled steady without much change in prices. The market is already ruling at its lowest level and it is unlikely to see any major fall from here, while uptrend is also not in sight, said Mr Amit Chandna, Proprietor of Hanuman Rice Trading Company.

Aromatic varieties may lose Rs 200-300 a quintal when the new rice enters the market but till then the market may remain range-bound, he added.

#### exports

Traders expect market to witness some correction during the second week of November. According to market sources, over 4.5 lakh tonnes of non-basmati rice has already been exported and about 9 lakh tonnes is waiting to be shipped out.

On Thursday, Pusa-1121 (steam) quoted at Rs 4,800-4,825 a quintal while Pusa-1121 (sela) was ruling at around Rs 3,950 a quintal.

Pure Basmati (Raw) sold at Rs 5,450-5,475 a quintal while Basmati Sela sold at Rs 3,800 a quintal. Duplicate basmati was ruling at Rs 3,000 a quintal.

Sharbati (steam) ruled at Rs 2,900-3,000. Sharbati (Sela) was at Rs 2,800 a quintal.

PR-11 (Sela) sold at Rs 2,100-2,200 a quintal, while PR-11(Raw) quoted at Rs 1,900-2,100 a quintal.

PR Silky was at Rs 2,250-2,325 a quintal. Permal (sela) sold at Rs 1,800-1,950 a quintal, Permal (steam) was at 2,050 a quintal while Permal (Raw) was at Rs 1,825-1,915 a quintal.

#### **Paddy Arrivals**

Around 1.40 lakh bags of various paddy varieties arrived. PR arrived with a stock of around 85,000 bags and sold at Rs 1,080-1,170.

Around 15,000 bags of Sugandha-999 arrived and it was lifted at around Rs 1,370-1,480 a quintal.

Around 10,000 bags of Sharbati variety arrived and quoted at Rs 1,370-1,490. Around 15,000 bags of DB variety arrived and they sold at Rs 1,500-1,625.

Around 15,000 bags of Pusa-1121 arrived at 1,750-1,870 a quintal.

(This article was published in the Business Line print edition dated October 28, 2011)

#### Global cues lift soya oil futures

Our Correspondent

Indore, Oct. 27:

Soya oil gained marginally in private trading even as local mandis were closed for Diwali holiday.

Soya refined which in the opening Diwali *muhurat* was quoted at Rs 612 for 10 kg on Wednesday, saw a marginal decline at Rs 610-11.25 for 10 kg. Similarly, soya solvent ruled at Rs 574-575 for 10 kg in the spot market against Rs 573-578.

Soya oil futures, on the other hand, traded higher on strong global cues. On the National Board of Trade (NBOT), soya refined November contract closed Rs 1.80 higher at Rs 630.80. On Wednesday, soya refined November contract on the NBOT had closed lower at Rs 626.25. November contract of soya oil closed Rs 2.80 higher at Rs 628.30 on the National Commodity and Derivatives Exchange on strong buying support, while the December contract closed higher at Rs 625.10. Soyabean prices ruled firm at Rs 2,201-2,231 a quintal even though there were

no arrivals as mandis were closed. Plant deliveries of soyabean remained unchanged in absence of trading as most soya plants in the State were closed.

(This article was published in the Business Line print edition dated October 28, 2011)

#### Spot rubber improves on supply concerns

Our Correspondent

Kottayam, Oct. 27:

Physical rubber prices improved on Thursday. The market improved following sharp gains in domestic futures, coupled with supply concerns amid widespread North-East monsoon rain.

Reports from international markets were also positive. Sheet rubber improved to Rs 212 (211) a kg both at Kottayam and Kochi, according to traders and the Rubber Board. The trend was mixed.

The country rubber consumption is expected to slow down this year to 0.9 per cent from 4.3 per cent last year. It mainly originates from the general-rubber-goods sector which has been hit by a series of hikes in interest rate and energy prices, apart from rise in other input costs.

Figures available from Automotive Tyre Manufacturers' Association (ATMA) revealed a five per cent annual rise in production of heavy commercial vehicle tyres during the five-months ended August against nine per cent for passenger car tyres and 23 per cent for light commercial vehicle tyres. An estimated 60 per cent of the country's total demand for rubber comes from auto-tyre manufacturing industry that closely tracks economic trends.

In futures, the November series rebounded to Rs 215.01 (210.12), December to Rs 215.05 (209), January to Rs 216.15 (209.97), February to Rs 217 (211.16) and April to Rs 221.75 (217.48) a kg for RSS 4 on the National Multi Commodity Exchange.

RSS 3 (spot) moved up to Rs 195.88 (194.21) a kg at Bangkok. The November futures increased to ¥296.6 (Rs 192.91) from ¥288.8 a kg during the day session and then ¥302.6 (Rs 196.82) in the night session on the Tokyo Commodity Exchange.

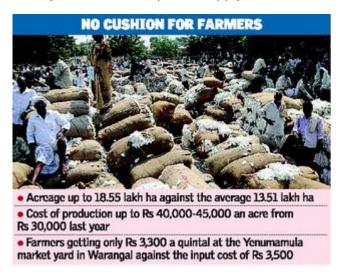
Spot rates were (Rs/kg): RSS-4: 212 (211); RSS-5: 210 (209); ungraded: 202 (202); ISNR 20: 200 (200) and latex 60 per cent: 128.50 (128.50).

(This article was published in the Business Line print edition dated October 28, 2011)

#### Cotton yields may plunge 50% in Andhra Pradesh

#### K.V. Kurmanath

Scanty rainfall, erratic power supply take toll on crop



Hyderabad, Oct. 27:

Thousands of farmers sowed more cotton this year in Andhra Pradesh after prices topped Rs 6,500 a quintal last year.

Some shifted from chilli while others shunned tobacco and sugarcane to lift the acreage in cotton to 18.55 lakh hectares against the average 13.51 lakh ha.

But nothing has gone right. Delay in announcing seed price and erratic rainfall have forced farmers to buy seeds more than once in most parts of Telangana region. "I had to sow 12 packets of seed for three acres to make the most of scanty rainfall," Mr T. Rajaiah, a farmer from Warangal, told *Business Line* over phone.

Though advised to sow one packet an acre, farmers generally go for two packets to tackle insufficient germination. Growth of weed and erratic power (that accentuated during the 42-day general strike demanding statehood for Telangana) only added to the cost of production. A dry spell of 45 days in most parts worsened the situation, starving the plants of moisture during the crucial growth phase.

The cost of production has gone up to Rs 40,000-45,000 an acre from Rs 30,000 last year, with farmers buying seeds at Rs 2,000 a packet in the black market following fears of shortage. Farmers such as Mr Rajaiah did a survey involving about 100 of them and arrived at this figure

for the season. Cost of fertilisers, too, went up significantly. Acreage went up to five lakh ha from four lakh ha in Warangal.

Mr Inna Reddy, who heads the Cotton Interest Group recently set up by Federation of Farmers' Association, said the cost of production for a quintal would be Rs 3,500. But what they are getting at the Yenumamula market yard in Warangal is about Rs 3,300. "Though they are officially saying it is Rs 4,200, only a fraction of the produce is getting that," said Mr Rajaiah.

#### Low yields

"We are expecting a drop of 50 per cent in yields. Against the normal yield of 10-12 quintals, we can expect only 5-6 quintals. Some areas in Krishna, Guntur and Prakasam might get two quintals more. This is going to be a tough season for farmers. They will end up in losses," said Mr Inna Reddy.

"The acreage would have crossed the 20-lakh ha mark this year had rains arrived on time. Several farmers shifted from tobacco and some from chilli in Guntur district, he said.

(This article was published in the Business Line print edition dated October 28, 2011)

#### Rice procurement up 7% at 34 mt

Our Bureau New Delhi, Oct. 27:

Procurement of rice by various Government agencies for the current kharif marketing season that began this month increased seven per cent. As on Thursday, the amount of rice procured stood at 34.18 million tonnes against 31.88 million tonnes in corresponding period a year ago.

Andhra Pradesh led the way, procuring 9.6 million tonnes, followed by Punjab at 8.63 million tonnes and Chhattisgarh at 3.73 million tonnes. Uttar Pradesh and Orissa procured 2.55 million tonnes and 2.47 million tonnes respectively, a statement said.

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Soyabean output forecast raised 2.5%

Our Bureau



New Delhi, Oct. 27:

Soyabean production for 2011-12 crop year ending June has been forecast at 11.93 million tonnes, 2.5 per cent more than the initial estimate of 11.65 million tonnes made in September.

The Soyabean Processors' Association of India (SOPA) revised its crop outlook by 3 lakh tonnes, due to higher output in Maharashtra and Madhya Pradesh.

However, its estimates still lag the Agriculture Ministry's projection at 12.57 million tonnes.

In Maharashtra, SOPA expects 8 per cent higher output at 3.84 million tonnes, against the earlier forecast 3.56 million tonnes, mainly due to bigger size grain resulting in higher yield per hectare.

In Madhya Pradesh, despite excess rains and water-logging in seven districts, production estimate has marginally increased to 6.17 million tonnes from 6.16 million tonnes earlier.

The decline in yield in districts such as Bhopal and Hoshangabad has been offset by higher output in other districts.

In States such as Rajasthan, Andhra Pradesh and Karnataka, there is no change in estimates.

#### harvest

Sources at SOPA said harvesting of kharif crop was almost over and arrivals, which have been delayed by about 15 days, are expected to pick up at various markets in the coming weeks.

Prices, delivered ex-factory, were hovering between Rs 2,220 a quintal and Rs 2,240 last week.

The average price in various markets was Rs 2,100-2,120.

Exports have started from the western ports of Jamnagar and Kandla at \$348 to \$349 a tonne, f.o.b. SOPA expects October exports to touch around 4 lakh tonnes.

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#### More rain forecast in parts of TN, Kerala

#### Vinson Kurian

Thiruvananthapuram, Oct. 27:

India Meteorological Department (IMD) has projected that heavy rainfall would continue to lash parts of Tamil Nadu, Kerala and Lakshadweep on Friday.

The causative trough of low (elongated area of lower pressure and hence weather-friendly) extending from south coastal Tamil Nadu to north coastal Andhra Pradesh persisted on Thursday.

A counterpart trough of low extending from Lakshadweep area to east-central Arabian Sea too persisted.

But this is now expected to graduate to the next level and become a conventional low-pressure system by Friday.

Easterly winds would force the 'low' to track a movement away from India's west coast.

Some global models indicate the possibility of yet another 'low' forming in southeast Arabian Sea and intensifying as a likely storm during the next week.

But no such system is forecast for the Bay of Bengal, where easterlies would continue to target the Tamil Nadu coast and dump seasonal moisture.

#### SATELLITE PICTURES

Insat pictures in the afternoon showed the presence of convective (rain-bearing) clouds standing over parts of south peninsular India, Lakshadweep area, south and west-central Bay of Bengal, south Andaman Sea and central and south Arabian Sea.

A forecast outlook by the International Research Institute (IRI) for Climate and Society at Columbia University said that the northern Tamil Nadu around Puducherry would continue to witness wet weather during the six days until October 30.

This is the area expected to receive better than average rainfall for this time of the year, the IRI update said.

#### **VIGOROUS MONSOON**

During the 24 hours ending Thursday morning, the northeast monsoon remained vigorous over coastal Tamil Nadu and was active over interior Tamil Nadu and Kerala, an IMD update said.

Isolated heavy to very heavy falls fell over coastal Tamil Nadu. Moderate to heavy rainfall occurred at most places over Telangana, Kerala, Tamil Nadu and Lakshadweep.

An IMD outlook valid until Tuesday next (November 1) said that rain or thundershowers are likely at many places over extreme south peninsular India.

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