THE HINDU

Published: September 10, 2011 00:00 IST | Updated: September 10, 2011 04:16 IST

TIRUVARUR, September 10, 2011

Rs.8.70 crore for agriculture projects

(Amount in crores)

Fund allotment for agriculture schemes

Under ATMA scheme	1.56
Under the National Food Security Scheme for Paddy	5.51
Under the National Food Security Scheme for Pulses	1.63

State government has allotted a sum of Rs.8.70 crore for taking up various projects for agriculture development in the district for the year 2011-12, said C.Munianathan, District Collector, here on Friday.

He said that under Agricultural Technology Management Agency (ATMA) scheme, a sum of Rs.1.56 crore have been allotted for the district for the year 2011-12. Under the scheme training, demonstration tour, exhibition, and field schools will be conducted for the benefit of farmers.

Under the National Food Security Scheme for Paddy, a sum of Rs.5.51crore has been allotted for conducting field trials under the System of Rice Intensification.

Equipment such as pump sets, konoweeder, transplanter, and harvester will be supplied to farmers. Under National Food Security scheme for pulses, a sum of Rs.1.63crore has been allotted for the district.

Using the scheme pulses (black gram and green gram) seeds will be supplied to farmers.

They will be taught integrated crop management procedures.

The Collector appealed to the farmers in the district to take up pulses cultivation along with paddy cultivation. Mayilvahanan, Joint Director of Agriculture, and other officials participated in the meeting.

Farmers will be taught integrated crop management procedures

Four departments to be opened in Horticulture College from next year

The Tamil Nadu Agriculture University's Horticulture College and Research Institute for Women here will open four departments from next year to facilitate students to select their course.

The college, with an intake of 36 students, was started this year. In the two semesters during the current year, the syllabus focuses on the elements of agriculture which will be handled by the faculty members of the TNAU - Anbil Dharmalingam Agriculture College and Research Institute and also the special officer of the Horticulture College for women, T. N. Balamohan.

Only from the next year, students needed to opt for specialisation in horticulture, said P. Murugesa Boopathi, Vice-Chancellor of TNAU.

Addressing presspersons here on Friday, he said that the new departments to be started at the college next year would be department of vegetables, spices and cardamom, flowers, and fruits.

He also said that additional faculty members would be posted next year.

During the two initial semesters this year, the syllabus focussed on elements of agriculture.

The State government had sanctioned Rs. 10 crore towards the first instalment for provision of buildings and other infrastructure for the college located at Navalur Kuttapattu in Manikandam block near here.

The TNAU-Anbil Dharmalingam Agriculture College and Research Centre had allotted its site of 45 acres for the construction of the horticulture college.

The college was sanctioned by the Chief Minister, Jayalalithaa, in June and the college was opened immediately. The Chief Minister formally inaugurated the college through video conferencing session in July this year.

Published: September 10, 2011 00:00 IST | Updated: September 10, 2011 04:16 IST NEW DELHI, September 10, 2011

Onion prices drop after export ban

The export ban on onion pushed the prices down by up to Rs. 4 a kg in the wholesale market here. But farmers launched an agitation against the ban in the key producing regions of Maharashtra and Karnataka.

Published: September 10, 2011 00:00 IST | Updated: September 10, 2011 04:02 IST DHARWAD, September 10, 2011

‘Seed production can be a full-time occupation'

Chief Director (Seeds) of the Indian Council of Agricultural Research (ICAR), New Delhi, J.S. Sandhu, has said that small and marginal farmers could take up seed production as a full-time occupation as the Government was purchasing seeds from them.

Inaugurating 0the ‘Seed Mela' organised as part of the four-day ‘Krishi Mela' at the University of Agricultural Sciences (UAS), Dharwad, on Friday, Mr. Sandhu said that the government schemes helped farmers immensely with regard to seed production.

Emphasising on the varsity's role in disseminating need-based information to the farming community, he said the university should go out of the campus to understand the local problems and conduct research activities based on the requirements of farmers.

Expressing happiness over the huge turnout at the ‘Seed Mela', Mr. Sandhu said that the overwhelming response proved that the farmers had confidence on the university. Now, it was the responsibility of the varsity to work according to the expectations of the farming community, he said.

He was all praise for the UAS, Dharwad, for organising the mega agricultural fair.Director of National Agricultural Innovation Project, ICAR, New Delhi, Bengali Babu, called upon the farmers to make effective use of technology to ensure food security resilience.

“Adaption better technology is the key to food security,” he told the farmers during his speech.

Published: September 10, 2011 00:00 IST | Updated: September 10, 2011 04:02 IST
COIMBATORE, September 10, 2011

Technology intervention called to enhance seed production

Being a vital input in increasing the productivity of crops, production of quality seeds becomes a pre-requisite for yield enhancement. Technology plays a major role in enhancing seed production of pulses and oilseeds, P. Murugesa Boopathi, Vice-Chancellor of Tamil Nadu Agricultural University (TNAU), said here recently.Inaugurating an entrepreneurial training on “Production and Marketing of Quality Seeds in Oilseeds and Pulses”, he said adoption of even a single and simple technology could significantly contribute to the yield increase in pulses.

“In Tamil Nadu, nearly 95 per cent of area under pulses are under rainfed conditions and treated as bonus crops. They are seldom grown as pure crop with recommended inputs, “ the Vice-Chancellor said. P. Kalaiselvan, Director of Extension Education,TNAU, spoke

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DHARWAD, September 10, 2011

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Published: September 10, 2011 00:00 IST | Updated: September 10, 2011 04:16 IST ONGOLE, September 10, 2011

Tobacco ryots seek refund of penalty on unauthorised crop

Coinciding with the Tobacco Board meeting, farmers from different auction platforms in Prakasam district staged a protest in front of the office of Congress MP M. Srinivasulu Reddy on Friday to press for withdrawal of the penalty imposed on “unauthorised crop.”

The agitators, led by farmers' wings of the TDP, the CPI(M), and the CPI(ML-New Democracy), raised slogans demanding refund of the penalty amount of Rs. 22 crore collected from farmers last year as “promised” earlier.

The MP, who is member of the Tobacco Board, was in Hyderabad to attend the board meeting at the time of the protest.

Leading the protest, CPI(M) Andhra Pradesh Rythu Sangam district secretary N. Ranga Rao dubbed the Centre's decision “inhuman” at a time when farmers were suffering in the wake of fall in productivity due to unseasonal rain and drop in the purchase price this year.

Unsold stock

TDP farmers' wing district president K. Venkaiah said farmers were perplexed as to how penalty was imposed when the production was estimated at 160 million kg as against the crop size of 170 million kg fixed by the board.

Published: September 10, 2011 00:00 IST | Updated: September 10, 2011 04:03 IST

PENUGANCHIPROLU (Krishna Dt), September 10, 2011

Differences crop up among farmers over crop holiday

All party leaders express their support to farmers

The farmers here differed on ‘crop holiday' that is hitting the headlines day in and day out. An all party delegation visited the village on Thursday to express their support to the farmers who declared crop holiday.

Farmers who have land holdings of less than two acre, differed with those who have holdings of more than 10 acre. They asserted that they could not commence the agricultural operations on time mainly due to non-availability of water, contradicting the claims of some others who said that all paddy farmers have declared crop holiday. More so, the tenant farmers were unwilling to join hands with fellow farmers on the crop holiday.

“It has nothing to do with crop holiday. There was no water in the tank during June-July to take up nursery related works. Now that water is available, I will have to start transplantations,” says Ch. Sundaram, a tenant farmer, who leased out one acre.

Another farmer Nandru Pentaiah says, “It's a real turbulent time for us. Last year, at least fodder was available for the cattle. The government did not release water in time from Sagar and there was no water available in village tank. None of us could take up cultivation as we have no borewells.”

Generally, the people here prefer Rabi for paddy cultivation as yield would be nearly 50 bags an acre. During kharif they prefer growing ‘pilli pesara', (Phaseolus trilobus, a kind of green gram used as fodder), says Koya Venkataramana, a farmer of Subbayigudem.

“This year, the season is delayed due to delay in rains and non-availability of water. I don't understand why they call it crop holiday,” he adds.

The farmers like I. Gopal Rao, Jama Ravi and others, however, dispute these versions, and claim that they did not till the land in protest against the government apathy towards the farmers. The State and Central governments have utterly failed in ensuring minimum support price leave alone remunerative prices, they say. CPI leader Suryadevara Nageswara Rao feels: “Firstly, the farmers did not take up cultivation due to non-availability of water. Now, they are up in arms against the government, and declared crop holiday. Nearly 3,000 quintals of paddy still lies on farmers' yards, as the government had not made any purchases.”

- *They asserted that they could not commence farm operations on time due to non-availability of water*
- *Nearly 3,000 quintals of paddy still lies on farmers' yards*

THE ECONOMIC TIMES
Mon, Sep 12, 2011 | Updated 11.55AM IST

9 Sep, 2011, 09.52PM IST, ET Bureau

Cotton Association of India has placed the cotton crop for the season 2011-12 at 363.75 lakh bales

AHMEDABAD: The Cotton Association of India (CAI) released its first estimate of the cotton crop for the season 2011-12.

"CAI has placed the cotton crop for the season 2011-12 at 363.75 lakh bales," said Cotton Association of India president Dhiren N Sheth. This year is likely to witness an area increase of 10 per cent over last year resulting in a record acreage of over 120 lakh hectares for cotton. The projected Balance Sheet drawn by the CAI for the year 2011-12 estimated the total cotton supply at 425.50 lakh bales while the domestic consumption is estimated at 268.00 lakh bales, thus leaving an available surplus of 157.50 lakh bales.

The monsoon has been by and large normal through out the cotton belt thereby pushing up the possibility of better yields.

Looking to the bumper crop ahead the Association has urged the Government of India to extend the OGL status for exports of cotton without any restrictions into the new season at the earliest in order to ensure continuity.

Business Standard

Monday, Sep 10, 2011

Spices hurt by weak export demand

Sharleen D'Souza / Mumbai September 10, 2011, 0:19 IST

Weak export demand and good production estimates will hurt the prices of spices this year, according to traders and analysts. Good rainfall in the kharif season has helped boost the output of a basket of spices including pepper, jeera, turmeric, chilli and coriander.

Except pepper, commanding all-time high prices in the domestic market, jeera, turmeric, chilli and coriander are all moving downwards.

Turmeric's prices are already falling and are likely to decline further. "By February, turmeric may drop to Rs 3,000-4,000 a quintal on the back of good production," said Manubhai Shah, a Navi Mumbai-based trader. This year's production is estimated between 8 and 10.5 million bags (1 bag=75 kg). Last year's production was 6.5 million bags.

Similarly, the overall sentiment for jeera and coriander is weak. In latter, there is high carryover stock of around 2.5-3 million bags (1 bag= 40 kg). This is enough for this year. Coriander stock at NCDEX warehouse increased to 20,878 tonnes from 18,230 tonnes last week.

Traders are optimistic about jeera and expect demand to pick up during the Diwali season. Also, this year's production is estimated to be higher compared to last year, as 25 per cent of last year's crop was destroyed due to heavy rainfall. "Jeera acreage was up 30-40 per cent, which will also weigh on prices," said Rajesh Jain, a jeera trader in Unjha.

However, pepper prices are going in two different directions in the domestic and international markets. In the domestic market, it moved to an all-time high of Rs 33,493 a quintal last week. In the foreign market, Indian pepper was quoted at $7,550 a tonne, about $250 lower compared to Vientam's, which was quoted at $7,800.

If demand escalates, Indian pepper prices are likely to go up internationally. Vietnam's export stock is depleting and it is left with around 15,000 to 20,000 tonnes of pepper for exports. "At this point, it is hard to give a figure for this year's production. It will be possible to do so only by the end of October," said Jojan Malayil, a Kochi-based exporter.

Pepper exports were up 11 per cent in April-July, compared to the same period last year.

Chilli prices have been moving sideways for a while and would continue to remain in this range till export demand spurts. Currently, chilli is trading in the range of Rs 8,000-8,700 a quintal.

"Export demand from Pakistan is on a rise since last week. But as Pakistan does not have a good record when it comes to payment, Indian chilli traders are skeptical on exporting there," said Ashok Datani, a Navi Mumbai-based trader. Export demand has emerged from Pakistan as 40-50 per cent of its crop has been destroyed. All of Andhra Pradesh currently has a stock of 4.5 million bags (1 bag = 40 kg). This year's acreage was 61,000 hectares, the same as last year. The export demand for the spice declined 38 per cent during April-July, compared to same period last year, but may rise in the coming months.

Traders protest onion export ban

Dilip Kumar Jha / Mumbai September 10, 2011, 0:17 IST

Nashik mandi auction closes for 8 days, others may join stir; critics say govt acted in undue hurry.

Protesting at yesterday's Union government order banning export of onions, traders of the commodity today began an eight-day boycott of any physical auctioning at Nashik, the country's largest centre for wholesale trade. The strike, to go on till September 16, may be extended, say the organisers, if the government ignores traders' demand to remove the ban.

Around 30 per cent of the country's onions come from Nashik. The agitation is likely to intensify, with groups of traders taking to other representative associations to join the stir. Although another important spot commodity trading centre remained open, the Agricultural Produce Market Committee (APMC) complex at Vashi in Navi Mumbai, the volume of trade remained thin.

TROUBLED TIMES
* Farmers may join the stir
* Traders attribute price rise to supply disruption on frequent holidays
* Rs 10-11 a kg stock price is normal in lean season
* Export ban may prompt stockists to avoid storage for lean season
* Around 30% of country's onions come from Nashik
* Last year, the retail price had zoomed to almost Rs 90 a kg in some centres

"The agitation is likely to spread into other markets in the coming days, where (onion) farmers may play an aggressive role," said Ajit Shah, president of the Indo Agro Produce Exports Chambers of Commerce, a farmers' body.

An empowered Group of Ministers decided last evening on the ban, just a day after the same body ordered the minimum export price to be raised by $175 a tonne, to $475 (Rs 21,935) a tonne. The justification for both steps was the same, that the domestic retail price of onions had nearly doubled in three months. With the festive season approaching, and a general worry on rising inflation, the government wished to take no chances. A notification on the export ban is yet to be issued, prompting traders to prepone the despatch of consignments to ports for clearing.

Shah said the decision had been taken in a hurry, without considering the supply aspect. September and October are lean months for the onion market. Generally, farmers or stockists buy at Rs 5-6 a kg in April and store for sale during this season. They bear an average storage cost of Rs 1 a kg. Considering a 30 per cent weight loss on spoilage and dryness, the minimum cost comes to around Rs 8-9 a kg. Unless farmers or stockists sell at a minimum of Rs 10 a kg, the business will make no sense, said Shah.

In the Vashi APMC, the current price is Rs 11-12 a kg, which is considered normal. In the retail market, however, prices had almost doubled to Rs 22-24 a kg in recent days, because of lower supply from the wholesale mandis. The supply of all commodities had been disrupted in the past 10-15 days from warehouses due to several holidays. Hence, there was no need to press the panic button, which the government did without considering the cause of traders, said Yusuf Rizvi, owner of Rizvi Exports, a Mumbai-based onion exporter.

The new season's crop is expected to start by October-end. Consumers will have to live with seasonal high prices for at least one more month. In case the price goes too low, due to the export ban, stockists may avoid stororage, he said.

In 2010-2011, the country produced 1.48 million tonnes, a rise of 24 per cent from previous year. Of the stored onions, a third is over and the rest should be available till the middle of November. Total onion exports were 452,409 tonnes until July, 34 per cent less than the same period last year.

Last year, the retail price had zoomed to almost Rs 90 a kg in some centres, owing to damage to the standing crop in Maharashtra.

Weather clouds cotton, groundnut prospects in state

Vimukt Dave / Mumbai/ Rajkot September 10, 2011, 0:43 IST

Sustained heavy rains and cloudy weather across Gujarat has posed a threat to cotton and groundnut crops. Farmers fear a damage to these crops due to want of sunlight.

Experts raised alarm for cotton crop as it requires sunlight after a prolonged cloudy weather. According to M D Khanpara, research scientist for cotton, Junagadh Agriculture University maintained that for past 50 days, the weather has been cloudy. Also there has been heavy rains in last one week but that would not damage the crop but the sunlight is required especially for cotton crop.

"Such a situation would interrupt vegetative growth of cotton and this may also affect the yield. However, so far, there has been no report for any diseases in cotton. But heavy rains and severe winds in coastal areas like Porbandar and Jamnagar have caused damage to flowering in cotton crop," he added.

Meanwhile, the state agriculture data shows that as on September 5, cotton sowing has reached to 2.95 million hectares in Gujarat, which is higher by 326,000 hectares from 2.63 million hectares in previous Kharif season.

"The recent heavy rains may damage groundnut, which was sown early in the season. If the rainy weather continues further, there are some possibilities of disease," said K C Dobariya, research scientist for groundnut at JAU.

However, the state agriculture department has not reported any damage to the crop so far. "There are no reports of any damage to any crop in the state. Overall crop condition is good. There is no possibility of disease in cotton, while for groundnut, it is favorable atmosphere as pod formations is currently underway," said J H Suthar, deputy director of agriculture.According to Dobariya, there are some reports of disease like rust and leaf spot in groundnut crop in some parts of Saurashtra region but it can be controlled. "Groundnut also needs open weather now," he said. Groundnut sowing in the current kharif season has reduced in the state from 1.67 million hectares to 1.43 million hectares, showing a reduction of about 238,000 hectares.

Palm oil may test support, rise

Malaysian palm oil futures on Bursa Malaysia Derivatives (BMD) exchange rose higher on Friday boosted by strength in the vegetable oils complex. Weather concerns about all three primary US commodity crops, corn, wheat and soyabeans drove prices higher throughout the week. Palm oil has lost about 20 per cent so far this year due in part to high stocks, and persistent concerns about commodities demand due to uncertainties over economic growth. Demand concerns once again resurfaced, as exports of Malaysian palm oil products for August fell 0.5 per cent to 16,20,408 tonnes, cargo surveyor SGS said late on Monday. Energy prices fell on Friday as US jobs growth stalled reviving concerns of weaker demand to weigh on prices.

CPO futures are moving perfectly in line with our expectations. As mentioned in the previous update, unexpected close above 3,045 Malaysian ringgit (MYR) a tonne on the November futures could postpone the bearishness and such a rise could aim for 3,095-3,100 MYR/tonne levels. The picture could also turn decisively bullish aiming for 3,150 MYR/tonne levels or even higher. Supports are seen at 3,020 MYR/tonne followed by 2,975 MYR/tonne now. Ideally, we foresee a short-term rise towards above mentioned levels or even higher as long as supports at 2,970 MYR/tonne holds.

We believe the impulse that began from 1,427 MYR/tonne, which hit 4,486 MYR/tonne ended and a prolonged corrective move has possibly ended at 1,335 MYR/tonne. In the big picture, a new impulse began from 1,335 MYR/tonne and the third wave with a projected objective of 3,900 MYR/tonne has been met. Unlike in the previous update, we counted the fall towards 3,133 MYR/tonne as an end of wave “A” now and not the wave “C” as anticipated earlier. A corrective wave “B” has met one potential target near 3,465 MYR/tonne. A wave “C” kind of a decline looks likely with potential to test even 2,600 MYR/tonne in the bigger picture. RSI is in neutral zone now indicating that it is neither overbought nor oversold. The averages in MACD are still below the zero line of the indicator again indicating bearishness to be intact.

Therefore, look for palm oil futures to test supports initially and then rise higher subsequently.

Supports are at MYR 3,025, 2,975 and 2,920, Resistances are at MYR 3,075, 3,100 and 3,150.

Gnanasekar .T

(The author is the Director of Commtrendz Research and also in the advisory panel of Multi Commodity Exchange of India Ltd (MCX). The views expressed in this column are his own and not that of MCX. This analysis is based on the historical price movements and there is risk of loss in trading. He can be reached at gnanasekar_thiagarajan@yahoo.com.)

(This article was published in the Business Line print edition dated September 4, 2011)

Rubber Board to host international meet on crop disease

Kottayam, Sept. 9:

The Rubber Board is organising an International Workshop and Seminar on Phytophthora diseases in plantation crops and their control at the Rubber Research Institute of India, Kottayam during September 12 -17. There is also an exhibition of modern farm equipment and material used in disease management and a growers' meet on the concluding day.

Ms Sheela Thomas, Chairman, Rubber Board will inaugurate the workshop on September 12. She will also release the ‘Abstract of Presentations' on the occasion.

The Kerala Revenue Minister, Sri Thiruvanchoor Radhakrishnan will inaugurate a three-day seminar on September 15. Mr Jose K. Mani MP, Ms Vijaylaxmi Joshi, Additional Secretary, Ministry of Commerce, Chairmen of various Commodity Boards, Chief General Manager NABARD, Director of State Horticultural Mission and other dignitaries will speak.

The workshop will discuss the results of scientific studies carried out in different countries and on different crops, on Phytophthora management. Preventive and control measures developed and practised, future trends and health hazards of agrochemicals including insecticides will also be discussed in the workshop. Scientists from India and abroad will present papers in the workshop.

A three-day seminar from September 15 will be attended by growers from various parts of the country. New developments in disease management and their ecological impact will be discussed. The growers' meet scheduled on September 17 is set apart for presentations by innovative growers on various techniques for disease management developed and practised by them.

(This article was published in the Business Line print edition dated September 10, 2011)

Tea output up 6.37% in first seven months

Coonoor, Sept. 9:

The country's tea production in the first seven months of current calendar increased by 6.37 per cent over the same period a year ago, reveals an analysis of the latest data available with Tea Board and producers' organisations.

Between January and July, production increased to 491.59 million kg (mkg) from 462.16 mkg during Jan-July 2010. This increase of 29.43 mkg marks a growth of 6.37 per cent. The increase would have been more had it not been for a decline of 3.60 mkg in South Indian production. North India posted a gain of 33.03 mkg.

North Indian output rose by to 348.14 mkg from 315.11 mkg. Assam continued to dominate India's tea map with a production of 234.32 mkg (last year: 204.50) accounting for 47.67 per cent (44.25 per cent) of the country's overall output. West Bengal's production increased to 110.38 mkg (107.33) of which, the share of Darjeeling tea, hailed to be the tea champagne, was 4.99 mkg (4.20).

South India's production dropped to 143.45 mkg from 147.05. Tamil Nadu's output declined to 100.19 mkg from 103.27 mkg. Kerala and Karnataka also posted lower production.

(This article was published in the Business Line print edition dated September 10, 2011)

Cotton body projects 364-lakh-bale crop

Chennai, Sept. 9:

With cotton acreage likely to rise by 10 per cent because of favourable monsoon, the Cotton Association of India (CAI) has estimated the production in 2011-12 beginning October at 363.75 lakh bales of 170 kg each. Last year, the country produced 332.25 lakh bales.

The area under cotton is estimated to rise to around a record 120 lakh hectares this season. The projected balance sheet by the association estimates cotton supply at 425.50 lakh bales while the domestic consumption is pegged at 268 lakh bales, thus, leaving a surplus of 157.50 lakh bales.

"The cotton crop looks promising for the coming season. The monsoon has been by and large normal throughout the cotton belt, thereby pushing up the possibility of better yields," said Mr Dhiren N. Sheth, President, CAI.

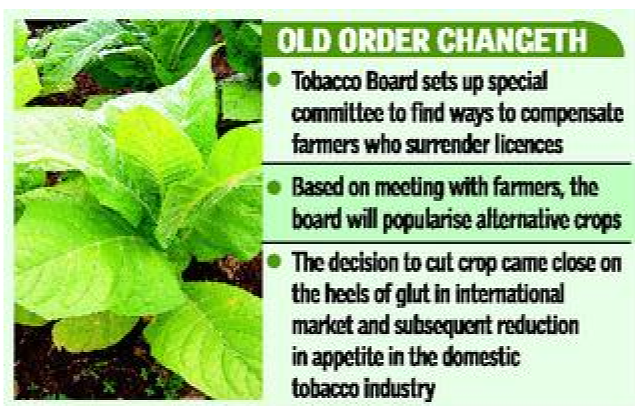
According to CAI estimates, Gujarat — the *numero uno* cotton grower — will produce 113 lakh bales of cotton against 105 lakh bales produced during 2010-11.

Maharashtra is likely to see just a three-lakh-bale rise in its production to 85 lakh bales while Andhra Pradesh's output is pegged at 63 lakh bales (55 lakh bales).

(This article was published in the Business Line print edition dated September 10, 2011)

Tobacco Board pares crop size by 5% in AP

Move based on panel recommendation to eye alternative crop



Hyderabad, Sept. 9:

The Tobacco Board has reduced the crop size by 5 per cent to 162 million kg (170 mkg) for Andhra Pradesh for 2011-12.

While cutting the crop size, it has set its eyes on promoting alternative crops.

The reduction has been put into effect based on the recommendations of Committee for Production and Production Control.

The crop size also include tobacco areas in Maharashtra and Orissa.

The decision came on the heels of glut in the international market and subsequent reduction in appetite in the domestic tobacco industry.

The industry had told the Board that it could not absorb more than 120 mkg. The board, however, persuaded them to increase it to 140 mkg.

Alternatives

The Board will hold a national level meet on September 19 and 20 at Rajahmundry to discuss viable alternatives that farmers could consider to shift from tobacco.

“We have held a similar meeting last week in Mysore. The meeting will draw experts from across the country. It will suggest a roadmap for tobacco farmers. We will go for region-wise alternatives depending on soils,” Mr G Kamala Vardhana Rao, Chairman of Tobacco Board, told *Business Line* after the 132 {+n} {+d} board meeting held here on Friday.

The board also set up a special committee to look into the farmers' demand to compensate them when they surrendered licences.

About 1,200 farmers had represented to the board recently asking it to allow them to surrender their licences and compensate them for doing so.

Compensation

“The committee will discuss the issue comprehensively and suggest ways how to compensate. We expect their recommendations in a month,” the Chairman said.

"Several farmers have told me that they are willing to switch to other crops. We need to give them incentives to do so," Mr M Venkaiah Naidu, the BJP leader, told *Business Line*.

"We should at least give Rs 5 lakh per barn keeping in mind their probable loss of livelihood when stop growing tobacco," he said.

(This article was published in the Business Line print edition dated September 10, 2011)

Cotton may rise to Rs 42,000 a candy

Rajkot, Sept. 9:

Higher export and local demand during the week kept cotton prices high. Traders said cotton may touch Rs 42,000 a candy of 356 kg the next week.

Sankar-6 variety increased by Rs 1,000-1,500 to Rs 39,500-40,000 a candy. Raw cotton or *kapas* was also up to Rs 725-918 for a *maund* of 20 kg. While 4,000 bales arrived in Gujarat, 6,000-7,000 bales arrived in the rest of the country.

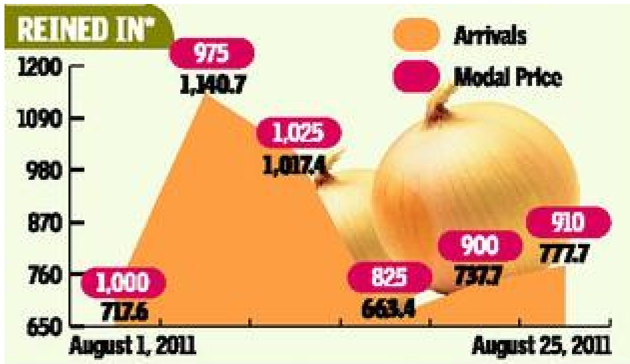
Increased demand from mills and exporters, tight supplies because of rain and a delay of 10-15 days in the season are supporting cotton prices, said Mr Jatinbhai, a Rajkot-based cotton broker.Prices are likely to find support from the Centre's move to allow unrestricted quantity of exports from October 1, following projections of a record crop. While the Cotton Advisory Board has projected a record crop of 355 lakh bales (0f 170 kg each), the Cotton Association of India has scaled it even further at 363.75 lakh bales.

As a result, exports may increased 21 per cent in the next season starting October to nearly 85 lakh bales.

The announcement of unrestricted exports brought prices in the global market from a two-month high. Cotton for December delivery on ICE dropped 2.4% to $1.1081/pound at the start of the trade in New York.

(This article was published in the Business Line print edition dated September 10, 2011)

Onion farmers worked up by the export ban



*Arrivals in tonnes, modal price in Rs/quintal at Pune APMC, Maharashtra
Source: NHRDF

Chennai, Sept. 9:

Onion farmers on Friday boycotted auctions at Lasalgaon and Pimpalgaon Agricultural Produce Marketing Committee (APMC) yards in Maharashtra, protesting against the Centre's decision to ban exports. However, APMC yards in other parts of the State functioned normally.

Farmers got agitated since onion prices have dropped by Rs 200 a quintal since Wednesday. First, the move to raise the minimum export price of onion to $475 a tonne caused a dent, and then on Thursday, the Centre announced a ban on exports late in the evening. However, the ban will be reviewed every fortnight. In Maharashtra, onion prices are currently ruling between Rs 800 and Rs 1,100 a quintal based on quality. In Pimpalgaon, the modal price or the rate at which most trades took place was down at Rs 980 against Rs 1,121 last week. In Lasalgaon APMC, Asia's largest onion market, prices were down to Rs 1,000 from Rs 1,170.

“There is a change in the mindset of traders. Until the ban was imposed, there was buying pressure. But with the ban, the market solely depends on domestic demand,” said Mr Rupesh Jaju, Director at Nashik-based United Pacific Agro Pvt Ltd.

Trading sources said had the ban not been imposed, prices could have increased to around Rs 1,500 a quintal.

The Government's action this time is seen to be pro-active, after prices scaled record high of Rs 100 a kg in retail markets last year. The surge began the same time last year.

“Prices were up since the kharif crop will be lower. There is also the problem of quality with arrivals,” said Mr Jaju. With demand waning, prices could drop by another Rs 150 a quintal, according to sources.

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Edible oils firm on fresh buying

Mumbai, Sept. 9:

Edible oil prices ruled firm on Friday on fresh buying support from stockists.

Groundnut oil rose by Rs 10 due to lack of selling despite a fall in the Saurashtra market. Palmolein and soya refined oil increased by Re 1-Rs 2, tracking higher closing of Malaysian crude palm oil futures. Rapeseed oil was up by Rs 4, while cotton oil gained by Rs 2 in line with the over all improvement in sentiment.

In Mumbai, volumes increased in the physical market on increase in buying from refinery and in resale. The undertone of the market was firm, tracking improvement in domestic edible oil futures market in line with the foreign market.

About 700-800 tonnes of palmolein was directly traded with refinery at Rs 552 for September and 400-450 tonnes of palmolein changed hand in resale in the range of Rs 551-552.

About 40-50 tonnes of other oils were also traded. Brand makers were unable to find cover quality groundnut oil in the absence of selling due to disparity.

Further possibilities of late arrivals of kharif oilseeds crops due to recent rains in some part of the main producing areas supported the firm sentiment. Resellers quoted palmolein at Rs 552. Liberty's rates for palmolein was Rs 555 and for October Rs 552; soya oil Rs 640; sunflower oil Rs 705. Ruchi was quoting palmolein at Rs 553 and for October Rs 550; soya refined oil at Rs 638 and sunflower oil at Rs 705. Allana's palmolein was Rs 552.

Malaysia's crude palm oil September contracts closed higher at MYR 3,130 (3,115), October at 3,087 (3,069) and November at 3,050 (3,025) a tonne. Mumbai Commodity Exchange spot rates (Rs/10 kg): groundnut oil 1,015 (1,005), soya refined oil 640 (638), sunflower exp. ref. 655 (655), sunflower ref. 710 (710), rapeseed ref. oil 694 (690), rapeseed expeller ref. 664 (660), cotton ref. oil 652 (650) and palmolein 552 (551).

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Sugar steady despite bearish futures

Mumbai, Sept. 9:

Sugar prices ruled steady on Friday. The Vashi sugar market managed to sustain at the prevailing level on the usual need-based covering by local stockists. At the mill level, upcountry buying eased in line with declining demand.

A bearish trend was seen in the domestic futures market. Arrivals, dispatches and business volume were at usual levels in the Vashi market, said sources.Spot prices declined by Rs 5 for fair quality sugar. Naka rates for S-grade and quality M-grade declined by Rs 10 on easing demand. Mill rates almost ruled steady as most mills were not very keen to sell at lower rates. They held the price despite poor response from the buyers. Sugar prices were down by Rs 20-25 in upcountry market and that weighed on the sentiment here, said traders.A wholesaler in Vashi market said there was no buying from neighbouring States for the Thursday offering. Arrivals in the market were about 48-50 truckloads (each of 100 bags), while lifting was about 46-47 truckloads. Mills that offered higher tender rates got negligible response as buyers kept away from buying on high premium. Domestic sugar futures were steady with low volatility.

Bombay Sugar Merchants Association's spot rates : Spot: S-grade Rs 2,768-2,861 (Rs 2,771-2,861) and M-grade Rs 2,821-2,991 (Rs 2,826-2,991).

Naka delivery rates: S-grade Rs 2,720-2,760 (Rs 2,730-2,770) and M grade was Rs 2,800-2,900 (Rs 2,800-2,910).

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Slack demand grinds turmeric

Erode, Sept. 9:

Spot turmeric prices, especially for the hybrid root variety, dropped by over Rs 600 a quintal on Friday on lack of demand.

“For want of demand, the price of the hybrid root variety turmeric has decreased, similarly the minimum price for the spot turmeric quoted by the traders has declined below Rs 4,000. The price fetched by the turmeric in Gobichettipalayam Agricultural Cooperative Society declined below Rs 5,000 a quintal,” said Mr R.K.V. Ravishankar , President, Erode Turmeric Merchants Association. The price of finger variety declined by Rs 250 a quintal.

“Turmeric farmers have started bringing their produce heavily to the market. On Friday about 11,000 bags of turmeric arrived for sale, but only 30 per cent were sold”, he said.

At the Regulated Marketing Committee, the price declined by Rs 300 , in the Erode Cooperative Marketing Society, the price decreased by Rs 150 and in Gobichettipalayam Cooperative Society, the price decreased by Rs 350 a quintal. At the Erode Turmeric Merchants Association Sales yard, the finger variety was sold at Rs 3,688-5,056 , the root variety Rs 3,389-4,411 aquintal.

Salem Crop: The finger variety was sold at Rs 4,669-5,669 , root variety Rs 4,169-4,634. Totally 1,892 bags of turmeric arrived for sales, 420 were sold.

At the Gobichettipalayam Agricultural Cooperative Marketing Society, the finger variety was sold at Rs 3,401-4,960 , the root variety Rs 2,386-4,669. Out of 493 bags kept for sales, 352 were sold.

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