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## Farm mechanisation, organic farming making headway

Ravi. P. Benjamin

Organic farming programme, farm mechanization, nutritional security initiative and system of rice intensification scheme were some of the schemes successfully implemented in the district during the 2011-12 year despite the monsoon failing the farmers and drought conditions persisting in 31 mandals in the district.

During the 2011-12 year, a rainfall of 756.7 mm of rainfall was recorded against the normal rainfall of 1052.8 mm, a deficit of 28.12 per cent.

An extent of 2,49,682 hectares had been covered against the normal area of 2,57,079 hectares during the year.

### Heavy loss

During kharif, severe drought was experienced in 31 mandals in the district. Village and mandal level teams had been constituted and an area of 33,076.828 hectares consisting of 1,32,516 farmers had been enumerated.

An amount of Rs.1,750.93 lakhs had been released as input subsidy for the damaged crops. The major damaged crops included paddy, sugarcane, groundnut, pulses and ragi.

Farmers are being educated on the importance of organic farming for improving the organic content in the soils and to reduce the use of chemical fertilizers. In the year 5,200 beneficiaries from 103 villages had been covered under the NREG scheme through the Ministry of Rural Development with an outlay of Rs.2,340.92 lakh. Vermi compost units and vermin hatcheries had been sanctioned with a financial outlay of Rs.Rs.22.50 lakhs.

With a view to improve the soil fertility and the water holding capacity, green manure seeds on 50 per cent subsidy had been supplied to the farmers. Soil samples from all model farms had been collected and sent to the soil testing laboratories and test results communicated to farmers for taking necessary action with regard to improving soil fertility.

Agriculture Joint Director K. Venugopala Rao told *The Hindu* that the campaign for farm technology upgradation as also popularising organic farming and enrichment of soil through vermi compost yards would be intensified in the new 2012-13 crop year.

### **SRI cultivation**

Under the System of Rice Intensification (SRI) scheme, 3,210 farmers adopted SRI techniques in 1123 hectares and achieved high yield of paddy crop in kharif season.

Similarly in rabi season 382 farmers cultivated paddy under SRI scheme 171 hectares.

Farm mechanization had been vigorously pursued and promoted as an antidote to growing labour availability problem.

Unable to handle the labour deficiency problem farmers were opting for farm mechanization and up-gradation of technology.

Against the target of introduction of 283 tractor drawn implements, 680 implements had been purchased thus surpassing the targets by 300 percent.

Out of a target of introducing 67 self propelled agricultural machinery 26 had been achieved. 46 farmers acquired power tillers against the year's target of 55.

However only 79 opted for animal drawn implements out of 957 targeted by the department of agriculture. Similarly there were 456 takers for acquiring multiple farm equipments out of a targeted 670 farmers.

### **Special project**

Under the Rashtriya Krishi Vikas Yojana, the Government of India introduced a special project for boosting nutritional security through intensive millets promotion in the 2011-12 year.

The scheme was intended to increase productivity and post harvesting technologies in millets including Jowar, Bajra, Ragi, Korra and Sama. As many as 17 clusters had been formed for implementing the scheme.

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- *Deficit rainfall experienced in the district*
  - *Focus on upgrading farm tech*
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### **Mullaperiyar panel report to be submitted tomorrow**

J. Venkatesan

The five-member Empowered Committee (EC), headed by former Chief Justice of India A.S. Anand, on Monday finalised the report on the safety of the Mullaperiyar dam.

The 250-page final report will be submitted to the Supreme Court on April 25. The committee's term ends on April 30.

The committee after examining the reports it had received from various agencies constituted by it on the strengthening measures as well as on the safety and security of the dam, gave finishing touches to the final report which has eight chapters.

Highly placed sources told *The Hindu* that the final report took into consideration the terms of reference of the Supreme Court in its February 2010 order, fact-finding reports as well as the reports of analysis done by the Central Water and Power Research Station.

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### **Rs. 5 lakh stolen from fertilizer shop**

A theft of Rs. 5 lakh from a fertilizer shop at Indoor in Dharmapuri district was reported on Monday. According to police, the culprits gained entry into the shop by broke open a wooden sliding door from back side and decamped with the cash. The theft came to light when the owner of the shop Murugan *alias* Murugesan opened the shop on Monday morning. Gold coins weighing over 16 sovereigns kept in the shop for distributing to the customers was untouched..

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### **Fertilizer bagging unit to be commissioned soon**

The Cochin Port Trust and labour unions are learnt to have thrashed out issues related to the installation of a fertilizer bagging unit at the port's cargo handling premises ahead of the commissioning of the automated bagging unit procured by the port authority here.

The bagging unit was procured as an answer to the inordinate delay in evacuation of imported fertilizers and fertilizer inputs from the port's premises.

The problem had become acute towards the end of the last calendar year with consignments being held up at the port premises for more than a month.

Port Trust sources said that the fertilizer bagging unit was expected to be commissioned shortly and a meeting convened by the labour commissioner last week discussed the issues related to the commissioning of the unit.

The discussions were held in view of the opposition to the installation of the automated bagging units from some trade unions. It was decided at the meeting convened by the labour commissioner that trial runs on the bagging unit would begin next week with deployment of four workers, two each from two of the trade unions that had opposed the installation of the new equipment. The trial runs are expected within a week.

The port authority had approached the State government to intervene as trade unions opposed the installation of the bagging unit, which had arrived here in March. The bagging units are expected to considerably reduce the evacuation time for fertilizers and fertilizer inputs as each of the units can handle up to 140 tonnes per hour or 2,800 bags of 50 kg each.

***The bagging unit will prevent delay in evacuation of imported fertilizers.***

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TUTICORIN, April 24, 2012

### **Hot chilli crop sans cold storage hardly spices up farmers' lives**

Chilli adds spice to any food, but not so for its growers at Vilathikulam block in Tuticorin District. It has made their lives too hot, with abysmal plummeting of market value.

Normally it has considerable demand from countries abroad but its commercial value is not enterprising. Rain-fed cultivation of chilli crop is being witnessed on black cotton soil mostly in and around Vilathikulam, where it was a main occupation of farmers and also in Pudur.

V. Sithavan, a chilli farmer from Vilathikulam has said that market price of one quintal of chilly came down to Rs.4, 000 this year from Rs.10, 000 during the previous year.

“Price fluctuation in farm produce has become a common phenomenon nowadays but farmers, who solely depend on chilli cultivation, should be guided accordingly to promote its market value,” he said.

Lack of cold storage, which is essentially required to preserve dry chillies, has reduced the farmers to tears.

The long pending demand of the chilli growers to have a cold storage facility should be met at the earliest. The preserved produce could be marketed profitably with the much expected facility.

### **Quality suffers**

“Quality of the harvested crop [red chilli] is below par whenever it attains discoloration, black patch and ultimately its pungency will also be reduced. The absence of cold storage has led to such degrading in quality. Only private players are operating such units in Tuticorin at unaffordable cost. If State owned a storage facility to preserve the produce, rental will be reasonable,” he added.

It was unfortunate that even a cold storage, which was established for preserving seafood at Tuticorin fishing harbour under the financial assistance of National Agriculture Development Programme during 2009, could not serve its purpose. It remains closed and idle until now for nobody's use. But the chilli farmers, who had been longing for such a facility, could not enjoy such privileges, he said.

### **To be ready in July**

When contacted, Tirunelveli Market Committee secretary R. Gajendra Pandian said the chilli farmers could avail the cold storage facility to preserve the produce from the upcoming season.

With a hundred metric tonne capacity, it was being set up at Vilathikulam regulated market at Rs.1 crore under NADP funds. It is expected to be completed by July this year.

The sowed crop in October and November would be harvested in April every year.

Apart from chillies, vegetables could also be preserved in the cold storage facility with pre cooling chamber, washing, grading and sorting chambers, he added.

NEW DELHI, April 24, 2012

### **India set for record foodgrains production this year**

India is all set to achieve an all-time high of foodgrains production at 252.56 million tonnes in 2011-12 with a record output of wheat, rice and cotton in the third advance estimates. The figures were released here on Monday.

The total output in 2010-11 third estimates was 235.88 million tonnes.

Wheat production is expected to be a record 90.23 million tonnes against 84.27 million tonnes last year, while rice output is all set to be 103.41 million tonnes compared to 94.11 million tonnes in the third advance estimates of 2010-11. The development is good except for some concerns about storage.

“I am extremely happy to see this figure. I would like to congratulate the farming community. We have set a new record in production of foodgrains, rice, wheat and cotton,” Agriculture Minister Sharad Pawar said after releasing the estimates. Earlier he inaugurated the Mahalanobis National Crop Forecast Centre.

The output of coarse cereals is expected to be 41.91 million tonnes against 40.21 million tonnes in third estimates last year and pulses at 17.02 million tonnes against 17.29 million tonnes at this time last year.

Oilseeds output is put at 30.06 million tonnes as against 30.25 million tonnes in 2010-11 third estimates. Cotton production at 35.2 million bales (of 170 kg each) is higher than 33.9 million bales.

ERODE, April 24, 2012

### **Farmers seek minimum support price for turmeric**

Members of Tamizhaga Vivasayigal Sangam staged a demonstration here on Monday urging the State government to fix a minimum support price for turmeric.

**Slogan**

About 50 members of the association gathered near the Collectorate and raised slogans urging the government to fix Rs. 10,000 as the minimum support price for turmeric. The drastic fall in the price of yellow spice had affected thousands of turmeric growers in Erode, one of the largest turmeric producing regions in the country.

The price of turmeric, which stood around Rs. 9,000 a quintal in the beginning of the year, had come down to Rs. 2,100 to Rs. 3,200, leaving the growers to incur heavy losses.

### Societies

The government should take steps to procure the yellow spice from the farmers through the National Agricultural Cooperative Marketing Federation of India Limited and co-operative societies. The turmeric growers should be given identity cards and the procurement should be carried out similar to the system implemented for copra procurement.

The government should also facilitate turmeric growers to get loans by pledging their produce at the co-operative societies.

### Separate board

Efforts should also be taken to create a separate board for turmeric to encourage its export. Association State president K.C. Rathinasamy led the protest.

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# hindustantimes

■ Tue, 24 Apr 2012

weather

Chennai - INDIA

#### Today's Weather



Partly Cloudy

Tuesday, Apr 24

Max    Min  
36.4° | 27.5°

**Rain:** 00 mm in 24hrs

**Sunrise:** 6:35

**Humidity:** 71%

**Sunset:** 18:03

#### Tomorrow's Forecast



Cloudy

Wednesday, Apr 25

Max    Min  
35° | 26°

Wind: Normal

Barometer: 1007

### Extended Forecast for a week

Thursday Apr 26	Friday Apr 27	Saturday Apr 28	Sunday Apr 29	Monday Apr 30
				
34°   26°	34°   25°	35°   26°	36°   28°	37°   28°
Cloudy	Rainy	Rainy	Rainy	Rainy

# Business Standard

Tuesday, Apr 24, 2012

## Need to raise global sugar output: ISO

Press Trust Of India / New Delhi April 24, 2012, 0:27 IST

Global sugar production needs to be increased by 28 million tonnes (mt ) to 200 mt by 2020 to meet rising demand, a top official of the International Sugar Organisation (ISO) said on Monday.

“Currently, we have a production of 172 mt. We have to increase production by 28 mt. It is a tremendous task,” ISO executive director Peter Baron told reporters here.

Baron is in India to attend the 41st session of the International Sugar Council, governing body of ISO, to be held here from tomorrow.

Demand is expected to increase in China and Africa, where consumption is much lower than the world per capita average of 24 kg per annum, he said. While China’s sugar consumption is 10-11 kg, Africa’s consumption is lower. India’s sugar consumption is around 19 kg per annum, he added.



India is the world's second biggest sugar producer after Brazil, and the largest consumer. The country is expected to produce 25.2 mt this year, as against the domestic demand of 22 mt.

On India's flip-flop sugar export policy, Baron said, "We understand the responsibility of the Indian government to supply sugar to domestic consumers. Therefore, it is not an easy fix and progress is slow."

India has allowed export of three mt this year, of which the government is yet to notify one mt. On decontrol of Indian sugar industry, Baron said, "We don't interfere in domestic policy... the responsibility of the government is very high. I appreciate their caution in deregulation."

### **Focus on sustainability in Indian rice exports**

**Kunal Bose / April 24, 2012, 0:24 IST**

India's rice production in 2011-12 increased 7.1 per cent to 102.75 million tonnes (mt), which, according to the UN Food and Agriculture Organisation, is part of the "good performance in Asia". In fact, the improvement in the production of this foodgrain has been widespread in the continent, with China making major gains and Indonesia, Vietnam, Cambodia and the Philippines reporting higher output. Pakistan, too, has seen a recovery in production after the earlier year's floods caused damage to the crop.

In this secular Asian output surge, Thailand, which before the October floods was seen by the US Department of Agriculture accounting for 31 per cent of world exports of the commodity this season (July to June), found at least 3.5 million acres of its rice fields turning into a sea of water. While Thai losses in the beginning were estimated at 3.4 mt of paddy or 2.25 mt of milled rice, the Southeast Asia's rice bowl saw some good recovery from wet season replanting, since harvested. The USDA now estimates Thai milled rice production at 20.3 mt, which makes it essentially unchanged from last year.

India could not have returned to exporting non-basmati rice at a more opportune time than in September last year. As there was speculation about the fate of Thai rice production around that time, the crop of that origin became so much more expensive, with the government launching a subsidy programme to buy paddy from farmers at a hefty premium over market prices. The combination of the two factors sent the Thai rice price to a three-year high of \$669 a tonne in November, even as the Asian benchmark price was down 15 per cent from a year ago. This

gave a major break to India, recommencing export of non-basmati rice after four years. India's rice came very much cheaper than the one of Thai origin, in particular. It also enjoyed a competitive edge over Vietnamese rice.

Samarendu Mohanty, chief economist at the International Rice Research Institute, makes the important point that India's return as an exporter spared a "spike in world rice prices". He says India came as a saviour. "The timing was so perfect because Thailand was implementing in the same month its rice mortgage programme, where it increased domestic price by nearly 50 per cent," he notes. "It pretty much boils down to if Thailand would increase domestic price by that much, then the global rice price would go up accordingly. But that didn't happen because of Indian rice costing about \$100 a tonne cheaper."

The high cost of Thai rice will see its exports slipping to 8.5 mt to nine mt this season from 10.5 mt a year earlier. In fact, the problems visiting Thailand this time have worked to the advantage of India trying to find its feet again in the world rice market, thanks to the break caused by domestic difficulties. On cost count alone, some traditional Thai rice buyers have been procuring from Indian traders. Parallel to India making inroads into some friendly African countries, it is receiving good inquiries from Indonesia. It speaks well of the members of the All India Rice Exporters Association (AIREA) that India could export 4.5 mt of normal rice and another 2.5 mt of aromatic long-grain basmati rice in 2011-12. The latter happened despite the payment settlement issue with Iran, a major outlet for our premium grain.

Some fortuitous developments, like the ones in Thailand, came as a big aid to India, which absented itself from rice exports for a good while. The challenge for the country now is to cement its place as a regular exporter of the commodity. AIREA president Vijay Setia says the need of the time is to take a "long-term view of rice exports". The high point of any such strategy should be to focus on selling processed and high value-added rice in the world markets. Perhaps, portions of the benefits of higher export price realisations will then percolate down to farmers. Trade officials think the good harvest in 2011-12, inventories well in excess of buffer norms and forecast of a normal monsoon this year should allow unhindered rice exports in the next two years, at least. Now is the time to sort out the infrastructure bottlenecks, particularly relating to cargo handling at ports that rice exporters have experienced.

However bullish the trade may be, the long-term sustainability of India's rice exports will depend on its ability to break the very slow rate of growth in productivity of the crop. The 2011-12 Economic Survey says during the decade ended 2011-12, growth in area under rice was 0.04 per cent whereas "growth in production and yield was 1.72 per cent and 1.68 per cent, respectively".

That land will remain perennially in short supply as room has to be made for building industry is not in doubt. The redemption in a situation of declining per capita availability of foodgrain lies in our research institutions introducing new high-yielding strains of rice. This is why Prime Minister Manmohan Singh has given a call for a second green revolution.

The rice crop remains highly rain-dependent, the irrigation coverage for it being less than 60 per cent. That the command area of irrigation for rice needs to be stepped up quickly cannot be over-emphasised.

### **Barley remains up on increased demand**

Slowdown in arrivals supported the rise in prices

**Press Trust of India / New Delhi April 23, 2012, 15:51 IST**



Barley prices rose by Rs 20 per quintal on the wholesale grains market today on increased demand from consuming industries against slowdown in arrivals from producing belts.

However, other grains in range-bound movements on scattered enquiries settled around previous levels.

Marketmen said increased demand from consuming industries was mainly responsible for pushing wholesale barley prices higher.

In the national capital, barley gained Rs 20 to Rs 1,620-1,650 per quintal.

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Cotton blooms on overseas, mill offtake

Our Correspondent



Rajkot, April 23:

Increasing demand from exporters and mills pushed up cotton prices on Monday in northern and western parts of the country. Moreover, slower arrivals also supported the surge in prices.

Gujarat Sankar-6 cotton was traded higher by Rs 200-300 at Rs 33,700-34,300 a candy of 356 kg. The price of *kapas* gained Rs 10-14 to Rs 815-830 for 20 kg and Kadi delivery *kapas* was traded at Rs 830-840 for 20 kg.

Arrivals in Gujarat stood at 25,000-30,000 bales against 35,000 bales last week. Prices of New V 797 ruled at Rs 26,000-26,500 a candy. About 1 lakh bales arrived at the national level.

In Maharashtra A-grade cotton low micronaire quoted at Rs 32,500-32,800 a candy and A-grade high micronaire cotton 29+ MM quoted at 33,500-34,000.

In Madhya Pradesh, A-grade cotton low micronaire was quoted at Rs 32,500-33,000 and A-grade high micronaire cotton 29+ MM quoted at 33,500-34,200.

The fibre quoted higher in North India on improved demand and lower arrivals. Arrivals were reported at 10,000 bales. J-34 RG was quoted in the range of Rs 3,595-3,645 a quintal in Punjab, Rs 3,530-3,540 in Haryana and Rs 3,520-3,530 in Rajasthan.

**Dow Jones reports:** New York cotton futures were marginally lower in very-thin trade, under pressure from weaker outside markets and a stronger dollar on Monday. But a range is likely in store for the July contract that is 0.1 per cent lower at 90.92 cents a pound, with expectations of a smaller crop next season countered by still-weak demand.

### Cashew prices continue to head north on buying support

G. K. Nair



Kochi, April 23:

Cashew prices continued to head north last week on buying interest with moderate business taking place mainly for wholes, while some business for brokenes were also concluded.

Business was done during the week for W240 from \$3.80 to \$3.95; W320 from \$3.40 to \$3.50; W450 from \$3.20 to \$3.30 per lb (fob) with next offers being a few cents higher. Levels for other grades were SW320 at around \$3.30; SW360 at around \$3.20, Splits and Butts at around \$2.40, Pieces at around \$2.10 per lb (fob).

However, the domestic market was quiet and, of course, that is not unusual for this time of the year, Mr Pankaj N. Sampat, a Mumbai-based dealer told *Business Line*.

From the demand side, there are no clear indications about prospects for 2012, he said. End of 2011 and the first quarter of 2012 have been bad in almost all markets with varying degrees of decline. Buyers are reluctant to take on forward positions hoping that offtake will pick up in the second half of 2012 – they would rather see actual movement before buying any significant volume.

Better availability will definitely increase offtake, as a product moves when it is on the shelves, he said. Lower prices should also induce increased usage but it is not clear how far the retail prices will decline in the second half of the year.

“We continue to expect off take in 2012 to be better than the lows we saw in the last two quarters and growth will probably be decent in Asia and small in other markets,” Mr Pankaj claimed.

### **RCN market tight**

Raw Cashew Nut (RCN) market continued to be tight. Tanzania RCN, which had gone down to approximately \$1,225 a tonne (c&f) due to liquidation by some traders, has again moved up to about \$1,300 a tonne (c&f). Benin is being traded at around \$1,100 a tonne (c&f), whereas Ivory Coast (IVC) is in the \$975-\$1,025 a tonne (c&f) range.

For the last two weeks, there was increasing concern about the size of the crop in IVC and where yields are lower. Arrivals are slow and price is going up. The problem in Guinea Bissau – if not resolved soon – will affect movement of RCN from there. Despite reports of high prices in Vietnam, very few Vietnam processors are buying in Africa, probably due to financial constraints, he said.

Until last week the general feeling was that barring small problems, outlook for 2012 supply was good, although some have been talking of a shortage in IVC since end of March and beginning of April.

Shellers have been slow in buying RCN as they have not been able to sell kernels in large blocks at “comfortable” prices. Kernel buyers have been happy buying small lots for nearby, seeing no reason to pay premium to build forward positions.

In the last 10 days, kernel prices have gone up by 15-20 cents per lb, but are still a little lower than levels at end of 2011/beginning of 2012, significantly lower than the average of 2011 and substantially lower than the peak of mid 2011.

“It is quite possible that we might see a dip from current levels during the current quarter if RCN arrivals improve and prices come down but we feel that the downside is limited,” he said.

Although nobody would like the market to go anywhere near the peak, it does seem that it will move towards the average for 2011 during the third quarter of 2012.

## Sugar unchanged despite lower month-end offtake

Our Correspondent



Mumbai, April 23:

Sugar was unchanged even as local demand eased, as is usual during month-end, and supplies from mills continued on Monday. Spot prices fluctuated by Rs 2-4 according to variety and demand. Disparity in the spot market discouraged stockists from placing new orders. Producers were unwilling to sell at lower rates as they expect demand to go up, traders said.

Mill tender rates rose by Rs 10-20 at the producing level, raising parity. The market is waiting for the Empowered Group of Ministers' meeting, to be held this week, that will decide on exports of 10 lakh tonnes more. Producers are optimistic the Group will allow more exports. Sugar futures were firm on expectation that additional exports will be allowed. Stockists have turned cautious as they are not sure of supplies from producers under the new quarterly quota systems.

According to the Ministry of Agriculture, sugarcane was planted in 44.12 lakh hectares till April 20, as compared with 43.23 lakh hectares last year, up 89,000 hectares. Normal area for sugarcane cropping is 47.45 lakh hectares.

In Vashi, 49-50 truckloads arrived while 45-46 truckloads were despatched locally. On Saturday, 12-14 mills offered tenders and sold 58,000-60,000 bags at Rs 2,780-2,830 (Rs 2,780-2,830) for S-grade and at Rs 2,870-2,940 (Rs 2,870-2,940) for M-grade.

**Bombay Sugar Merchants Association's spot rates:** S-grade Rs 2,902-2,952 (Rs 2,902-2,952) and M-grade Rs 3,022-3,121 (Rs 3,022-3,121).

**Naka delivery rates:** S-grade Rs 2,870 -2,900 (Rs 2,870-2,900) and M-grade Rs 2,950-3,040 (Rs 2,950-3,040).

## Export demand fetches record prices for soya

Our Correspondent



Indore, April 23:

Soyabean prices rose to a record on Monday following strong export demand for soyameal. In *mandis* across Madhya Pradesh, soyabean ruled at Rs 3,140-3,220 a quintal.

Plant deliveries in soyabean also ruled firm at Rs 3,280-3,320 a quintal on the back of strong support to soya DOC. In futures, however, soyabean traded lower on weak projections and buying support with its May and June contracts closing lower at Rs 3,356 (down Rs 4) and Rs 3,392 a quintal (down Rs 9.50).

According to traders here, depleting stock along with fear of weak crop in Brazil will keep soyabean, soya DOC bullish in near future. Arrival of soyabean in Madhya Pradesh on Monday was recorded at 40,000-45,000 bags against 2,200 bags in Indore, 3,000 bags in Dewas and 4,000 bags in Ujjain *mandis*.

On the other hand, soya oil either ruled stable or declined marginally on sluggish demand and weak global cues. In absence of buying support, soya refined ruled at Rs 722-726 for 10 kg (Rs 725-30). Soya solvent did witness some scattered trading at Rs 685-90 for 10 kg (Rs 684-88). In futures also soya oil traded lower on slack buying support and weak foreign demand.

On the NBOT, soya refined May contract closed Rs 2.20 lower at Rs 771.80 for 10 kg. Similarly on the NCDEX soya oil's May and June contracts closed at Rs 772.90 for 10 kg (down Rs 3)



and Rs 779.50 (down 40 paise). According to traders, demand will continue to be on the downside at least for the next one month due to strong demand in cotton oil which commands lower prices (Rs 703-7 for 10 kg) as compared to soya oil.

Uptrend in soya DOC continued on Monday with its prices on the port being quoted at Rs 27,100 a quintal against Rs 26,000 in the domestic market.

### Rice seen ruling at current levels in short term

Our Correspondent



Karnal April 23:

PR varieties remained in demand and their prices increased by Rs 50-110 a quintal on Monday, while all the other aromatic and non-basmati rice varieties remained almost unchanged.

In the physical market, Permal (raw) went up by Rs 70 and sold at Rs 1,900-2,120 while Permal (sela) ruled at Rs 1,900-2,150, up Rs 50 from the previous level.

PR-11 (sela) increased by Rs 110 and sold at Rs 2,300-2,550 and PR-11 (raw) was trading at Rs 2,200-2,500, Rs 100 up from the previous level.

Some unexpected buying pushed PR varieties up, said Mr Amit Chandna, Proprietor of Hanuman Rice Trading Company.

Prices are expected to rule around current levels in the next few days, he said.

PR-14 (steam) sold at Rs 2,400-2,650, Rs 50 up from the previous level; Sugandha (steam) Rs 3,700-3,800; Sharbati (steam) Rs 3,600-3,800; Sharbati (sela) Rs 3,650.

On the other hand, prices of aromatic varieties remained unchanged. Pusa-1121 (steam) ruled at Rs 5,800-5,850; Pusa-1121 (sela) Rs 4,850; pure basmati (raw) Rs 4,900; pure basmati (sela) Rs 4,600.

Duplicate basmati sold at Rs 4,525 a quintal. Broken of Pusa-1121, Tibar sold at Rs 3,400-3,500, Dubar Rs 2,700-2,900 and Mongra at Rs 1,900-2,300 a quintal.

### **Procurement in Haryana**

Haryana Government agencies and private millers procured more than 38 lakh tonnes (lt) of wheat till April 22. Out of which, 37.99 lt had been procured by six government agencies and the remaining by traders.

Over 11.02 lt were purchased by the Food and Supplies Department and over 11.99 lt by Hafed.

The Confed had procured 1.97 lt, the Haryana Warehousing Corporation 3.90 lt, the Haryana Agro Industries Corporation 3.61 lt and Food Corporation of India 5.48 lt.

### **Lack of exporters buying pounds turmeric**

Our Correspondent



Erode, April 23:

Spot turmeric prices dropped by Rs 200 a quintal on Monday despite lower arrivals. Lack of buying by exporters in the face of no fresh orders led to the trend.

“Only 15,000 bags arrived for sale, but traders and stockists quoted lower price. Exporters did not buy any stock as they did not receive fresh orders,” said Mr R.K.V. Ravishankar, President, Erode Turmeric Merchants Association.

“Production has increased this year and we are expecting at least 100 lakh bags ( 85 kg each). But this year, since new markets have come up in various places of Tamil Nadu and in other States too, sales in Erode markets have declined. Further, north Indian traders are buying the crop from all over the country and they are placing 50 per cent their orders in Erode due to its quality. He said the traders in Erode are expecting prices to fall by Rs 500 a quintal in May. So they purchased limited stocks. Further, farmers will bring huge stock from May, as they would require money for their expenses, especially for educational purpose. Prices of even the Hybrid Salem crop decreased by Rs 250 a quintal. At the Erode Turmeric Merchants Association Sales yard, the finger variety was sold at Rs 2,209 -3,521 a quintal and the root variety Rs 2,210-3,196.

**Salem crop:** The finger variety was sold at Rs 2,869-4,371 and the root variety at Rs 2,799-3,600. Of the 3,167 bags that arrived, 1,516 were sold. At the Regulated Marketing Committee, the finger variety fetched Rs 3,219-3,573 and the root variety Rs 3,189-3,449. Some 1,491 bags of turmeric were sold against the arrival of 1,699. At the Erode Cooperative Marketing Society, the finger variety was sold at Rs 2,950 to Rs 3,716 and the root variety Rs 2,869 -3,459. All the 1,406 bags of turmeric kept for sales were sold. At the Gobichettipalayam Agricultural Cooperative Marketing Society, the finger variety was sold at Rs 3,083-3,660 and the root variety at Rs 2,269-3,426. All the 363 bags kept ready for sales were sold.

### Weaker rupee heats up edible oils



Mumbai, April 23:

Edible oils rose on Monday as the rupee weakened against the dollar, pushing up import costs. Demand in the physical market was need-based since it is the month-end.

Imported palmolein and soyabean refined oil rose by Re 1 and Rs 3 for 10 kg each.

Groundnut oil was up Rs 15, while cottonseed refined oil and sunflower seed expeller oil improved by Rs 5 for 10 kg each. Rapeseed-mustard oil ruled unchanged.

Malaysian crude palm oil futures closed lower on expectations that a large soyabean crop will ease tight global supplies.

Traders said that a weak Indian currency forced local refiners to raise prices of imported oils despite low demand.

Besides, stockists, too, refrained from placing new orders because of the weak rupee.

Ruchi sold about 600-700 tonnes of palmolein at Rs 655 for near delivery.

Liberty quoted palmolein at Rs 666-668, soyabean refined oil at Rs 740 and sunflower refined oil Rs 745.

Ruchi quoted palmolein at Rs 656, soya refined oil at Rs 730 and sunflower refined oil at Rs 735.

Allana offered palmolein at Rs 666 for delivery between May 15 and 31.

In Saurashtra and Rajkot, groundnut oil was at Rs 1,900 (Rs 1,900) for a *telia* tin and at Rs 1,225 (Rs 1,240) for loose (10 kg).

**Malaysia's crude palm oil May contracts** settled lower at 3,498 ringgit (3,515 ringgit), June at 3,493 ringgit (3,510 ringgit) and July at 3,475 ringgit (3,500 ringgit) a tonne.

**The Bombay Commodity Exchange spot rates (Rs/10 kg):**

groundnut oil 1,240 (1,225), soya refined oil 728 (725), sunflower seed exp. ref. 665 (660), sunflower seed ref. 740 (740), rapeseed ref. oil 805 (805), rapeseed expeller ref. 775 (775) cottonseed ref. oil 700 (695) and palmolein 657 (656).

## Pepper hits lower circuit

G. K. Nair



Kochi, April 23:

The pepper market on Monday witnessed sharp fall following introduction of 4 per cent additional margin, citing premium price for May delivery, coupled with circular trading and bearish reports from expert analysts claiming that the prices would drop substantially.

Consequently, all the active contracts crossed the lower circuit levels while May touched the second lower circuit levels, even at a time when the total open interest has shown a substantial additional buying.

Meanwhile, leading Indian exporters reported to have covered high range Rajkumari pepper at Rs 390 a kg. An estimated 24 tonnes of pepper from Idukki and Wayanad were traded at prices ranging from Rs 365 to Rs 390 a kg.

Some section of the trade even alleged that importers bought the Indian heavy pepper probably for mixing with imported material to get high bulk density.

### Price manipulation

In fact, there was good additional buying as is evident from the rise in net open position. And there was no selling pressure of such a magnitude to bring down the prices to the second lower circuit levels. "It was brought down artificially," market sources told *Business Line*.

May contract on the NCDEX decreased by Rs 1,575 to the last traded price (LTP) of Rs 37,810 a quintal. June and July fell by Rs 1,200 and Rs 1,200 respectively to the LTP of Rs 38,830 and Rs 39,110 a quintal.

### **Turnover**

Total turnover increased by 2,912 tonnes to 4,838 tonnes indicating heavy circular trading. Total open interest increased by 281 tonnes to 5,778 tonnes showing good additional buying.

May, June and July open interest increased by 105 tonnes, 169 tonnes and 7 tonnes respectively to close at 5,047 tonnes, 602 tonnes and 98 tonnes.

Spot prices in tandem with the futures market dropped by Rs 700 to close at Rs 36,800 (ungarbled) and Rs 38,300 (MG 1) a quintal.

Weakening of the rupee against the dollar coupled with the sharp fall in the exchange prices brought down the Indian parity in the international market to \$7,500 a tonne (c&f) for Europe and \$7,800 a tonne (c&f) for the US.

### **Overseas trend**

The Vietnam market, which was firmer during the last weekend, is reportedly softer today, according to an overseas report.

Price indications were for 500 GL at \$6,400 a tonne (fob) HCMC prompt shipment. 550 GL at \$6,800 a tonne and Asta grade at \$6,950 a tonne both fob. White double washed was at \$9,500 a tonne.

Brazil Asta was quoted at \$7,000 a tonne (fob), Belem; B 1560 G/L \$6,850 a tonne.

### **Cardamom eases on lack of buying interest**

G K Nair

Kochi, April 23:

Cardamom prices eased last week with prices of second and medium quality capsules declining and those of first quality materials ruling firm at auctions.



Trade sources in Bodinayakannur, the main hub of the cardamom trade in the country, told *Business Line* that good colour first quality cardamom fetched moderate prices at previous levels, while that of the second and medium quality continued to decline.

According to them, export buying is likely to pick up in the coming days.

Meanwhile, sources in Kumily said upcountry buyers and exporters had little buying interest. Given the unfavourable weather conditions, anticipating rise in prices, a good portion of the material is rotating in the non-consuming centres for inventory building.

Besides, sellers in Bodinayakannur have also bought good quantity hoping prices would touch Rs 1,000 a kg and are also holding on to the stock.

Consequently, there has been a stagnation in the market at present, they said.

Increase in arrivals at the KCPMC auction on Sunday was attributed to liquidation by resellers and that, in turn, pushed prices down at the auction. The auction average dropped to Rs 765 a kg from Rs 792 a kg the previous Sunday, Mr P.C. Punnoose, General Manager, CPMC told *Business Line*.

Meanwhile, lack of rain in the major cardamom growing belt, which produces around 60 per cent of the total cardamom output, stretching from Nedumkandam, Vandiperiyar, Vandanmettu, etc has become cause for concern, growers in Kumily said.

Already, over five per cent of the plants have fully dried up and there is total deterioration of plant health in the entire crop in these areas.

Weather conditions continue to remain unfavourable in several growing areas even though the valleys and midlands are getting rain in recent days, Mr P.C. Punnoose said. Total arrivals last week stood at 270 tonnes, of which 255 tonnes were sold. At the Sunday auction conducted by the KCPMC, arrivals stood at 69 tonnes of which 66 tonnes were sold, Mr Punnoose said. The maximum price was at Rs 1,254.50 a kg and the minimum was Rs 401.50 a kg. The average price was at Rs791.26 a kg. The individual auction average was vacillating between Rs 760 and Rs 915 a kg.

Total arrivals during the current season from August 1, were 16,338 tonnes and sales at 15,813 tonnes against 8,989 tonnes arrivals and around 8,766 tonnes sales in the same period a year ago.

The weighted average price as on Sunday was at Rs 612.99 a kg against Rs 1,091.29 a kg on the same date last year, according to official sources.

Prices of graded varieties continued its downward trend today also. Their prices in Kumily in rupees per Kg were: AGEB 1,090- 1,100; AGB 800-810; AGS 780-790 and AGS 1: 760-770.

Open market prices of graded varieties in Bodinayakannur in rupees per kg were: AGEB 1070 - 1,080; AGB 780 -790; AGS 760-770 and AGS 1: Rs 740-750, trade sources in Bodi said.

Negligible quantity of 8mm bold was available and it was fetching around Rs 1,000 a kg.

### Coonoor tea turnover remains steady

P. S. Sundar



Coonoor, April 23:



Producers and traders who operated through the Coonoor Tea Trade Association this week managed the same turnover as the previous week, despite the volumes sold being lower, due to increased prices.

This week, the volumes sold dropped to 7.85 lakh kg from 8.01 lakh kg last week. The volume of 8.76 lakh kg that was offered was the lowest so far this year. This low offering helped in higher prices. On an average, every kg sold this week fetched Rs 77.56 against Rs 76.10 last week.

Consequently, the overall earnings stood at Rs 6.09 crore, just a tad less than the Rs 6.10 crore fetched in the previous week.

In real terms, however, the earnings have posted a decline for the third consecutive week. The earnings, which totalled Rs 7.51 crore on March 30, dropped to Rs 6.24 crore the following week and further to Rs 6.10 cr and Rs 6.09 cr in the next two weeks.

### **Foodgrain output to touch record high of 252.56 mt**

Vishwanath Kulkarni



A file photo of a paddy field. Rice and wheat production for 2011-12 will touch an all-time record of 103.41 mt and 90.23 mt, respectively.

New Delhi, April 23:

Foodgrain production for 2011-12 will touch an all-time high of 252.56 million tonnes, raising prospects for more exports while triggering storage concerns.

The 3 per cent rise in output over previous year's 244.78 mt was aided by higher wheat and rice output.

Releasing the third set of advance crop estimates, the Agriculture Minister, Mr Sharad Pawar, said production of rice and wheat for 2011-12 will touch an all-time record of 103.41 million tonnes and 90.23 million tonnes respectively. However, the production of oilseeds and pulses were marginally lower than the previous year.

"The overall production is good. The problem will be storage," Mr Pawar said. Stocks with Food Corporation of India stood at 27.88 million tonnes as of April 1.

Cotton output will also touch a record high of 35.2 million bales of 170 kg each, up from the earlier projection of 34.1 million bales. "There's scope for additional quota for cotton exports," Mr Pawar said.

The Government had permitted exports of 12 million bales in the 2011-12 marketing year ending September. However, no further shipments are being registered for exports to ensure higher domestic supplies.

Even sugar output is expected to hit a record high of 26 million tonnes. "The domestic stocks for next year will be more than comfortable and we have to take a quick view on exports considering that international sugar prices were going down with the arrival of Brazilian sugar in the market," Mr Pawar said.

### **Commodity exports**

The Agriculture Minister had written to the Prime Minister, Dr Manmohan Singh, seeking his intervention stating that current export policies were hurting farmers. The Prime Minister will chair a meeting on April 30 to look into the issue of commodity exports, Mr Pawar said.

Replying on concerns over reports of below normal monsoon this year, he said "we should not worry about it." The India Meteorological Department is expected to issue its monsoon forecast on April 26.

Meanwhile, admitting growing concerns on the storage front, the Food Minister, Mr K.V. Thomas, said his Ministry was in touch with States to deal with the rise in output. Talks are also on with States for additional foodgrain offtake.

FCI has been told to hire more godowns from the private sector and also increase the capacity utilisation of existing storage space, Mr Thomas said. As of April 1, FCI had a storage capacity of 60.06 million tonnes.

### **India-Israel vegetable centre training Haryana farmers**

Press Trust of India

Gharaunda (Karnal), April 23:

Israeli agri scientists are imparting training and providing seeds to farmers in Haryana to grow vegetables throughout the year even in the condition of water scarcity.

The centre of excellence in vegetable set up by Israel in partnership with India at Gharaunda in Karnal district in 2010 is enriching farmers and is also providing seeds of veggies like tomato, capsicum and brinjal, which can be cultivated even in off-season.

Israel had earlier announced setting up 27 Indo-Israel centres of excellence for vegetables in different parts of India. Bulk of these projects will be set up in Haryana, as the production capacity and climatic conditions of Israel and Haryana are quite similar.

The centre spread in 25 acres in Gharaunda is making farmers aware of advantages of poly houses and latest technology in cultivation of vegetables, officials said.

Vegetables survive for long in the poly houses, they said, adding this could be an effective means to ward off the crisis of vegetables in off season.

The Israeli farm technology is also effective even in the condition of water scarcity, they said.

Additional Director, Horticulture of Haryana Government, Mr Arjun Singh Saini said that farmers can grow any vegetable round the year in poly ,houses which is not possible in open air field.

He said due to proximity to the National Capital, by growing vegetables throughout the season, local farmers can earn handsome gains.

Mr Saini said farmers are getting 90 per cent subsidy out of programmes run by the Centre as well the State for setting up poly houses.

He said the expense is more in cultivation in poly houses but popularisation of the technology would bring down the cost.

Haryana has 38 lakh hectares of agri land out of which almost 85 per cent is under cultivation of vegetables.