

Today's Paper » NATIONAL » TAMIL NADU

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Krishnagiri tops in horticulture productivity: Collector

Staff Reporter



A farmer showing the brinjal cultivated in his field under the precision farming technique in Udayandahalli village in Krishnagiri district on Friday.— Photo: N. Bashkaran

The Krishnagiri district is in the top slot in the State in productivity of horticulture crops, said Collector C.N. Maheshwaran here on Friday.

The total horticulture production in the district was around 4.9 lakh tonnes from 54,446 hectares of land in the district. The salubrious weather is suitable for cultivation of all types of fruits, vegetables and flowers in the district, Mr. Maheshwaran said.

During an exposure visit to a mango orchard owned by M.V.R. Rajendran at Moramadugu Village where high density mango (HDM) cultivation system was put to use, the Collector said that the HDM cultivation system is a proven technology, where the mango saplings were planted within a distance of 5 metre each and watered by drip irrigation method. The fertilizer would be mixed with the irrigation water for the crops. The trees will start giving yield from the third year of cultivation. The yield would be six times more than that of the conventional method of mango cultivation.

The HDM cultivation system will be expanded in the district in future, Mr. Maheshwaran said. For expansion of horticulture crops in the district in about 7,342 hectares, the State and Central governments have allotted Rs. 25.36 crore. Precision farming was undertaken in 1,200 hectares during 2010-11 at a cost of Rs. 3.86 crore. The scheme would be expanded in another 50 acres at a cost of Rs. 1.05 crore, he said.

Installation of micro-irrigation system would be carried out in another 800 hectares free of cost. A field at Udayandahalli village near Royakottai, where brinjal was cultivated by a farmer C. Chinnaraj in a hectare under the precision farming method, was also visited.

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'Blast' disease hits paddy farmers of coastal villages

M. Balaganessin

'BPT 5204' samba variety registers significant drop in yield

Rot down under: Farmers displaying samba paddy affected by 'blast' disease, at Meemisal in Pudukottai district.— PHOTO: R.M. RAJARATHINAM.

A vast extent of 'BPT 5204' samba variety raised in the coastal blocks of Avudaiyarkovil and surrounding villages have been hit by the 'blast' disease in the recent days, affecting the growth of the medium-term crop.

A cross section of farmers said that they are bracing up for a significant drop in yield and profitability and are staring at a huge loss this Pongal.

S.M. Angappan, a farmer of Thaalalur near Meemisal, says that he had raised the 'BPT 5204' variety, popularly known among farmers as super delux paddy, on his 10 acres of land, incurring an expenditure of Rs. 10,000 per acre towards cultivation cost, raising nurseries, and application of fertilizers.

He had applied 'super' fertilizer, DAP, potash and urea. The crop with duration of 135 to 150 days, raised during mid-November last year, awaits harvest around Pongal.

"Against the anticipated yield of 45 to 50 bags of 60 kg from each acre, the harvest this year would be just six to seven bags," he says looking at the weak roots of the crop.

M.B.Ramesh, another farmer of Iraiymangalam village, says the disease had destroyed the crop.

The roots had discoloured and are too weak.

Coastal farmers, due to the lax irrigation facilities, had taken up cultivation of the variety because of its assured return. "Merchants prefer the variety that has ready market in Andhra Pradesh," he says.

Official's clarification

P.Emperumal, Joint Director of Agriculture (in-charge), confirms that the disease had hit the farmers of Meemisal and surrounding villages.

He said that excess application of fertilizer had led to the problem. Interestingly, farmers had adopted SRI method of cultivation which stipulates optimum use of fertilizers.

K. Balan, deputy director of agriculture, says that the variety fetched an attractive price in the range of Rs.1,050 to Rs.1,500 a bag.

About 5,000 hectares had been brought under 'samba' cultivation in the coastal villages in the district. Farmers must minimise the use of fertilizers to avoid any damage to paddy, Mr.Balan concludes.

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Farmers express disappointment over sugarcane procurement price

Special Correspondent

'We have been seeking Rs.3,000 a tonne and were expecting at least Rs.2,500'

Farmers organisations have expressed disappointment over the "marginal increase" in procurement price for sugarcane announced by the Chief Minister Jayalalithaa on Thursday.

A cross-section of farmers' representatives felt that the hike in the procurement price by Rs.100 a tonne was too meagre and fell short of farmers' expectations.

"We are disappointed over the announcement. We have been seeking Rs.3000 a tonne of sugarcane and were expecting that the government will at least raise it to Rs.2,500 a tonne.

But the government announced price of Rs.2,100 a tonne, including transport cost, has fallen much short of our expectations,' said G.Kanagasabai, president, District Cauvery Delta Farmers Welfare Association.

Citing the severe labour shortage and the consequent increase in labour wages, Mr.Kanagasabai said the State government should re-consider the decision to increase the procurement price or at least supply subsidised agricultural inputs to sugarcane growers.

The government was extending various benefits to different sections of society, but the hard-working farming community continuous to be neglected, he regretted.

Fertilizers

The procurement price announced by the government was far too low, considering the recent increase in the price of fertilizers, especially di-ammonium phosphate and potash both of which are used widely by sugarcane growers, said P.Ayyakannu, state vice president, Bharathiya Kisan Sangh.

The government should ensure that cane growers got at least Rs.2,500 a tonne, he said.

Mr.Ayyakannu, however, welcomed the Chief Minister's decision to encourage ethanol production by sugar mills. This would help cane growers, as sugar mills would be able to settle their dues quickly.

“The Chief Minister had made a poll promise of increasing the procurement price of Rs.2,500 a tonne for sugarcane and we were hopeful that it will be implemented this year.

But the meagre hike announced now was very disappointing,” said A.Nagarajan, president, Tamil Nadu Horticulture Crop Producers Association.

Labour charges

Terming the hike in procurement price as negligible, R.Raja Chidambaram, State Secretary, Tamizhaga Vivasayigal Sangam, said the announcement has come as a shock to sugarcane growers in the wake of the steep increase in fertilizer prices and cane cutting charges for labourers.

He pointed out that Chief Minister Jayalalithaa, while in Opposition, had led a protest demonstration in February 2010 demanding that the procurement price of sugarcane be hiked

to Rs.2,500 a tonne and condemned the anti-farmer attitude of the previous DMK government then.

Meanwhile, the farmers wing of the district Congress, at an office bearers meeting held here on Friday with G.K.Murali, district president in the chair, adopted a resolution urging the Chief Minister to hike the procurement price to Rs.2,500 a tonne and fulfil her poll promise. The meagre hike announced now was of no use to farmers, the resolution.

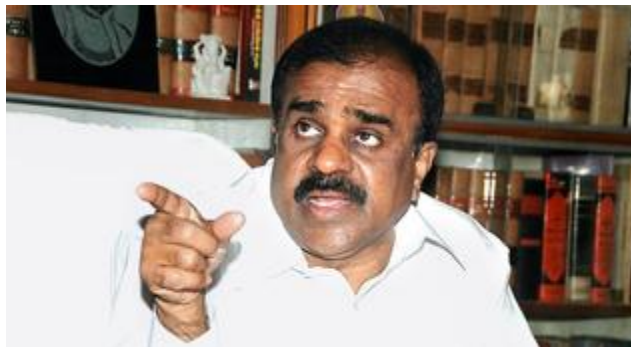
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- *'Rs.2,100 a tonne, announced by the government falls much short of our expectations'*
 - *'CM had made a poll promise of increasing the procurement price to Rs.2,500 a tonne'*
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'ICAR scientists to suggest alternative crop methods'

Staff Reporter

Committee of scientists scheduled to visit Anantapur district today, says MP Ananta Venkatrami Reddy



FARM ISSUES:Anantapur MP Ananta Venkatrami Reddy speaking to officials in Anantapur on Friday.PHOTO: R. V. S. PRASAD

Anantapur MP Ananta Venkatrami Reddy on Friday said that the primary objective of scientists from the Indian Council of Agricultural Research (ICAR) scheduled to visit the district was to suggest an alternative course for the future of agriculture in the district.

Speaking to *The Hindu* regarding the mandate given to the committee of scientists from Indian Council of Agricultural Research scheduled to start their visit from Saturday, the MP said the job of the scientists would be to suggest, after taking into account the weather conditions that have

prevailed in the district over the years, a viable alternative crop method to ensure better future for agriculture in the district.

Objective

“The objective of the committee will be to suggest an alternative; whether it be a completely different crop, or a newer variety of groundnut itself or a different approach to the cropping pattern based on weather update of the past; and not to go into issues such as advising the government to bring in additional water for the district,” he said.

He appealed to the intelligentsia of the district to refrain from suggesting anything that would distract the attention of the committee of the scientists from the core issue of finding a viable alternative to the current agriculture scenario in the district.

“What we are attempting to do here is to undo almost a century of a coordinated scientific approach for the agricultural problems that the district faces. The report that the committee submits will form the basis for any schemes that we will try to bring for the district from the Centre,” Mr. Reddy said, even as he sought to remind the intelligentsia that the committee was being headed by S.Ayyappan, Director General of ICAR, and a reputed agricultural scientist in the country.

Weather pattern

Stating that the weather pattern over the last 15 years had changed from 500 mm of rainfall spread over 3-4 months to similar quantum of rainfall in just two to three heavy spells, Mr. Ananta Venkatrami Reddy said any alternative suggestion to the problem would have to take this and the almost complete lack of sub-soil moisture into account.

He also sought to counter the idea that only additional water could solve the problems of the district saying that additional water allocation to the district, which is at a higher altitude compared to the rivers would be very tough and expensive besides having to deal with the problem of increase of siltation in the dams leading to reduced storage levels besides reducing inflows.

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- *'Panel to suggest alternative crop method to ensure better future for farming in the district'*
 - *Committee to be headed by ICAR Director General, says Ananta Venkatrami Reddy*
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'Penalty on unauthorised crop cannot be reduced'

Staff Reporter

Tobacco Board Chairman G. Kamalavardhan Rao suggested to farmers to stick to the authorised crop size in view of the glut in global markets which affected price realisation and expressed inability to reduce the penalty (15 %) which is imposed on unauthorised production to discourage production of tobacco due to its impact on public health.

Excess crop

Speaking at the Tobacco Board's Formation Day celebrations here on Friday, Mr. Kamalavardhan Rao said that in spite of repeated pleas not grow tobacco in excess of the requirement, farmers have produced 30 to 35 million kilos more than the total crop size fixed in Andhra Pradesh and Karnataka last year.

This was not desirable as stocks got piled up around the world affecting a reduction in prices. Exports came down by Rs. 300 crore last year to about Rs. 4,200 crore.

The proposal for giving a package of Rs. 5 lakh as an incentive to farmers for permanently switching over to alternative crops is being deliberated by the Ministries of Commerce and Health. The electronic auction systems would be readied by March 31. The National Institute of Smart Governance is on the job. Indian Tobacco Association president Bellam Kotaiah said that there were several instances of rejection of Indian consignments of tobacco in foreign countries due to the presence of Non-Tobacco-Related Materials (NTRM).

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A basketful of green vegetables



FResh produce:Vegetables grown in a home garden in Bangalore.

Ever since he was a child, Manikandan Pattabiraman, a software engineer, has been growing vegetables. Now, in his home on Bannerghatta Road in Bangalore, he continues to grow tomatoes, capsicum, chillies, coriander, aubergine, mint, okra, watermelon, spinach, and gourds.

“My dad and I used to grow veggies in the backyard when I was young. When I started my very own garden, I wanted to grow vegetables that aren't easily available locally. So I started off with exotic vegetables like yellow/red bell peppers, zucchini, lettuce, broccoli, European cucumbers and strawberries. Now I am trying different methods like hydroponics/soilless farming. When you garden, there is an element of surprise every day. The learning never stops. Besides, I also conduct workshops on kitchen gardening,” he explains.

With no pesticides and vegetables fresh out of his terrace, Manikandan says that kitchen gardening has changed his diet. “When you grow your own, you decide when to harvest and this prevents you from eating underripe vegetables and reduces wastage too. It is absolutely possible to start a garden in an apartment. A small balcony that gets 4-6 hours of sunlight is good enough to start a mini garden. People with their own terrace can try a wider variety.”

Manikandan, who is now trying his hand at asparagus and Lettuce Lollo Rossa, blogs about his garden at [http:// geekgardener.in/](http://geekgardener.in/)

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Business Standard

Monday, Jan 07, 2012

World coffee exports decline by 3% in Oct-Nov

Press Trust of India / New Delhi January 06, 2012, 14:50 IST

Global coffee exports fell by 3% to 15 million bags in October-November, International Coffee Organisation (ICO) said.

Worldwide shipments of the brew stood at 15.5 million bags of 60 kg each in the October-November period of the 2010-11 coffee year (October-September), ICO data said.

Exports in November 2011 rose marginally to 7.78 million bags from 7.75 million bags in the same period of the previous year.

Coffee exports had declined by 9% to 7.11 million bags in October 2011 as against 7.79 million bags in October of the 2010.

For the 12 months ended November 2011, Arabica coffee shipments totaled 67.1 million bags compared to 63.5 million bags last year, while that of Robusta amounted to 36.9 million bags compared to 32.1 million bags in the same period.

In the 2010-11 coffee year, world coffee exports rose by 9% to a record 103.1 million bags as against 94.3 million bags in the 2009-10 coffee year, as per ICO data.

ICO has also revised its global coffee production estimate for the current coffee year to 128.6 million bags, which is 1.2 million bags more than the forecast it made in November last year.

In the 2010-11 crop year, world coffee production is estimated at 133.1 million bags, which includes 83.2 million bags of Arabica and 50 million bags of the Robusta variety.

Crude palm oil extends losses on global cues

Press Trust of India / New Delhi January 06, 2012, 11:44 IST



Crude palm oil futures continue to fall for the third day today trading Rs 5 lower at Rs 542.20 per 10 kg as speculators offloaded positions amid a weakening global trend.

At the Multi Commodity Exchange, February crude palm oil fell further by Rs 5, or 0.91% to Rs 542.20 per 10 kg in business turnover of 66 lots.

The January contract moved up by Rs 4.10, or 0.75% to Rs 541.10 per 10 kg in 101 lots.

Market analysts attributed the persistent fall in crude palm oil futures to a weakening global trend.

Meanwhile, palm oil fell 0.4% to on the Malaysia Derivatives Exchange.

THE HINDU Business Line

Berry berry tasty



Exotic: A vendor selling luscious red strawberries in Mumbai. The fruit comes from Mahabaleshwar 250 km from Mumbai. Arrivals begin in January and last till April. It is priced at Rs 130 a kg in the city market. — Paul Noronha

(This article was published in the Business Line print edition dated January 7, 2012)

A third of loans to potato farmers, traders may turn bad

Crash in prices making repayments difficult



Nursing hopes: Workers clearing weeds from a potato farm at Abirampur village near Burdwan, 90 km from Kolkata. Despite the crash in prices, potato sowing in West Bengal has increased as farmers are getting seeds at cheap prices. — Shoba Roy

Kolkata, Jan. 6:

About 25-30 per cent of working-capital loans potato farmers and traders took may become non-performing assets (NPA) this year, as the crash in tuber prices has made repayments difficult across the country.

Cold-storage associations — which act as intermediaries between banks and borrowers — have already been urging for restructuring of loans. However, senior bank officials said restructuring would be difficult without special dispensation from the Reserve Bank of India.

Though official confirmation on the total loans is not available, cold-storage associations estimate disbursement of Rs 800-900 crore in West Bengal alone. Estimates for Uttar Pradesh — the largest potato grower — are not available. “We have written to the State Government and the State-level bankers’ committee (SLBC) to convert the outstanding into interest-free term loan for a period of five years,” said Mr Patit Paban De, member, West Bengal Cold Storage Association.

Banking sources, however, said that the sector has already witnessed such restructuring in 2008-09. “Since that restructuring is still in vogue, a second round of restructuring will render the account NPA,” a senior bank official said.

A working capital loan is extended to a farmer or trader against his warehouse receipts at a predetermined ceiling price fixed usually by the SLBC.

Cold-storage stocks

The repayment problem cropped up as farmers and traders refused to release stock from cold storages after prices crashed.

Close to 25 per cent of the 1 crore tonnes of potatoes kept in cold storages in UP has not been able to find its way out till so far, said Mr Mahendra Swarup, president, Federation of All-India Cold Storage Associations.

In West Bengal, close to 5 per cent of the stock still lies in storage houses. "At the time of loading, the average price was hovering around Rs 460 a quintal. However, post September prices started spiralling down and now the bond price (price excluding all expenses) has crashed to nearly zero. So most farmers have not been removing stock from cold storages and are unable to repay the loans," Mr De said.

West Bengal has decided to set up a committee involving all stakeholders — banks, producers, warehouse units and the Government — to look into the issue.

The SLBC also plans to convene a special sub-committee meeting on January 12 to take stock of the situation, said a senior official at United Bank of India, the SLBC convenor in the State.

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Understanding the food supply chain

SHAILAJA FENNEL



SHAILAJA FENNEL

Both China and India, despite their high growth rates, have deprived and vulnerable populations that are susceptible to hunger. While the opening up of the economy to ensure growth is a well established tradition, there is less clarity on what should be the role of the State in providing food and ensuring a functional food supply chain.

Reforms that make agriculture more market-oriented require the replacement of state institutions by more market-based pricing rules. While these new rules might be helpful in

reducing unnecessary costs on account of poor administrative action, it would be foolish and short-sighted to entirely dismantle state institutions in agriculture. The challenges of handling the logistics and technological upgradation of the agricultural supply chain are evident in China and India, though they have undertaken very different policies with regard to food procurement and distribution.

DELIVERY MECHANISMS

The Chinese state has devolved agricultural policy to the district level, with district mayors often sub-contracting provision of food to poorer sections to local government bodies. The move away from a central financial control to a local state-funded system of development was part of a national decision to move away 'from maximising to minimising the state' devised in the late 1990s. This has resulted in state agencies losing their monopoly position in many areas of agricultural marketing and processing. They are now required to cooperate with enterprises outside the state sector, particularly with private sector players. The localisation of agricultural distribution has led to large variations in provision, with some districts having a far better track record than others.

In the case of India, public agricultural institutions dominate foodgrain procurement and delivery. The intervention by the Indian state in procurement through the minimum support price (MSP) is regarded as a costly and inefficient operation.

A manifestation of the squandering of government funds is the manner in which the current procurement levels of 60 million tonnes (mt) of grains is being managed. Only three-fourths of this grain is held in storage with adequate cover, while the remaining 15 mt lie relatively exposed to the elements and to pests.

In India, there has been far more debate about the type of public distribution system (PDS) – especially over the shift from a more comprehensive universal PDS to the narrower version of the so-called Targeted PDS in the late 1990s. On the other hand, there has been a relative neglect of the mid-chain components of storage, as a result of which the logistics of foodgrain movement have remained virtually unchanged.

The Food Security Act, sought to be introduced by the current Government since 2009, has generated considerable debate, culminating in demands for a fundamental restructuring of the final stage of the agricultural supply chain, where food security should be a universal right. But this content also provides a valuable opportunity for revisiting the various capacity constraints in

each section of the chain and the evaluation of the cost implications of changing these constraints.

STATE INTERVENTION

The size and effectiveness of delivery of foodgrains can be deduced from the nature and reliability of the food supply chain. The hasty dismantling of state institutions would not be conducive to bolstering the capacity of the supply chain to improve procurement and delivery. The success of bringing in the private sector is dependent of the operation of a set of government regulations that would operate throughout the chain to ensure minimum standards and technological dynamism.

In the case of China, a large part of procured grain stocks are being diverted towards the creation of a processed foods sector to enhance the production of meat and animal-based products. This will help to diversify the Chinese agricultural product sub-sector that can be subsequently procured through an expanded agricultural supply chain in the future. In the case of India, the present-day agricultural reforms continue to focus exclusively on procurement and distribution of foodgrains within the framework of the existing agricultural food chain. There has been very limited analysis of how technology can help improve processed food or animal products that will increasingly become the major items of food consumption by the growing middle classes.

Furthermore, the importance of food standards and food safety is still relatively unexplored in the food procurement policy of both India and China and could prove a future threat to the food security of both countries.

RISING MIDDLE CLASS

The continued importance of feeding the poor and the new challenge of meeting the demands of a rapidly growing middle class will continue to be a concern for national agricultural policy in both countries. The difference is that India still has at least a third of its population in poverty and public institutions are already stretched in trying to ensure food reaches this vulnerable sector.

In China's case, the high levels of industrial growth in the reform period were able to reduce poverty levels by half. The use of the largesse of industrial growth to provide transfers for the poorer sections of rural China was a smaller task.

The challenge ahead for both countries is how they use the agricultural supply chain to deal with the already evident problems of uneven coverage in different districts in each nation, and how they move forward to ensure more and better quality food.

Agriculture policies of both India and China would have to cope with the dual challenges of feeding the poor and meeting the rapidly growing needs of the middle-class.

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Offerings dip at N. India tea sale

OUR BUREAU

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Kolkata, Jan. 6:

This week at Sale No. 1, the year's first sale, the total offerings (packages) at three north Indian tea auction centres in Kolkata, Guwahati and Siliguri were lower at 4,27,880 compared with 4,52,941 in the corresponding sale of the previous year, according to J Thomas & Company Pvt Ltd., the tea auctioneers. This was largely because of the drop in offerings at Guwahati and Siliguri, unlike Kolkata where the offerings were higher.

At Kolkata, the offerings stood at 1,95,331 (1,86,460) comprising CTC/Dust 1,56,827 (1,55,949), Orthodox 33,985 (27,386) and Darjeeling 4,519 (3,145).

The offerings at Guwahati were 1,21,221 (1,51,517) and at Siliguri 1,11,328 (1,14,944).

Assam CTC teas maintaining quality sold at firm to dearer rates with some lines fetching attractive prices. Remaining Assam teas were irregularly lower, particularly browner sorts. Well-made Dooars sold readily around last levels while the remainder tended irregularly easier.

There was good support from Tata Global and Hindustan Unilever. Western India dealers were active for the liquoring sorts. There was fair enquiry from North India and local sections.

Exporters operated on the bolder broken and fannings.

(This article was published in the Business Line print edition dated January 7, 2012)

Tobacco e-auction system will be ready by March 31

Ch. R.S. Sarma

Guntur, Jan.6:

Electronic auction system for sale of tobacco will be ready by March 31, according to Mr G. Kamalavardhan Rao, Chairman of the Tobacco Board. The National Institute of Smart Governance is on the job, he said.

Speaking at the Tobacco Board's Formation Day celebrations here on Friday, he asked farmers to adhere strictly to the authorised crop size in view of the glut in international markets.

He expressed his inability to reduce the penalty imposed on unauthorised production.

He was speaking at the Tobacco Board's Formation Day celebrations here on Friday. He said that in spite of repeated pleas to exercise discipline, farmers had produced 30 to 35 million kg more than the total crop size fixed in Andhra Pradesh and Karnataka last year.

This was not desirable, as prices were affected, he said.

The proposal for giving compensation of Rs 5 lakh to farmers for switching over to alternative crops was being deliberated on by the Ministries of Commerce and Health, he said.

Indian Tobacco Association President, Mr Bellam Kotaiah, said that there were several instances of rejection of Indian consignments of tobacco due to the presence of Non-Tobacco-Related Materials (NTRM).

If better prices were to be realised, the crop should be properly graded. The emphasis should be on quality instead of quantity.

Mr Mohan Kanda, the former chief secretary of AP who was the chief guest, said an autonomous body should be set up for development of agriculture sector on the lines of the Tobacco Board, which was doing a commendable job as a bridge between the manufacturers, traders and farmers.

He said that the 'crop holiday' declared by farmers in East Godavari district brought to the fore the glaring lapses in agricultural policies and their implementation.

(This article was published in the Business Line print edition dated January 7, 2012)

Buyer resistance saps spot rubber

Our Correspondent

Kottayam, Jan. 6:

Physical rubber prices declined further on Friday. The market fell on buyer resistance though there has been no visible selling pressure on any grade from major dealers or growers. The transactions were on a low key, while the trend was partially mixed.

Sheet rubber closed weak at Rs 190 (192.50) a kg, according to traders. The grade declined to Rs 191.50 (194.50) a kg both at Kottayam and Kochi, according to the Rubber Board.

The January series slipped to Rs 192.61 (193.63), February to Rs 195.77 (196.43), March to Rs 199.90 (201.22), April to Rs 205.40 (206.00), May to Rs 209.40 (210.11) and June to Rs 207.55 (208.10) a kg for RSS 4 on the National Multi Commodity Exchange.

RSS 3 (spot) dropped to Rs 176.45 (177.68) a kg at Bangkok. The January futures for the grade increased to ₹252 (Rs 172.51) from ₹250 a kg during the day session but then remained inactive in the night session on the Tokyo Commodity Exchange.

Spot rates were (Rs/kg): RSS-4: 190 (192.50); RSS-5: 185 (187); ungraded: 180 (180); ISNR 20: 185 (186) and latex 60 per cent: 107 (108).

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Cottonseed industry demands price hike in A.P.

K. V. Kurmanath

Hyderabad, Jan. 6:

With cost of seed production going up, the cottonseed industry is demanding a higher price of Rs 1,050 a packet (450 gm) against Rs 930 in Andhra Pradesh.

Representatives of seed industry will meet Ms Usha Rani, Commissioner for Agriculture (Andhra Pradesh), on January 11 to press for their demand. The meeting was scheduled for January 7 but has been deferred to January 11.

“The cost of sourcing (from seed producers) for us has gone up to Rs 450-480 against Rs 375 (for 750 gm). Other costs, too, have gone up. We asked for Rs 1,050 last year itself, but the

State Government fixed the price at Rs 930,” Mr P Satish Kumar, Secretary of Seedsmen Association of Andhra Pradesh, told *Business Line*.

Seed fixation meetings are being planned well ahead this year to avoid crisis-like situation last year. The Government had delayed its decision last year, making the companies fret as they had to print the MRP (maximum retail price) on packets before distributing them to different parts of the State.

This year, the Government has agreed to settle the issue quite early. It assured to fix the price by February-end, giving seed companies sufficient time to print MRP on labels and distribute. Cottonseed price in Andhra Pradesh is the benchmark for other States to follow.

Estimates

The seed industry estimates that the country would require 3.8 crore packets for next kharif, the same as last year's consumption levels.

Of this, Gujarat is expected to contribute 60 per cent, followed by Andhra Pradesh 20-25 per cent, Maharashtra 10 per cent and remaining from other States. Seed companies in Andhra Pradesh are expected to meet 60 per cent of all cottonseed demand in the country.

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Wheat sowing almost over; oilseed, pulses coverage trail

Our Bureau

RISE AND FALL		
(in million ha)		
	This year	Last year
Wheat	28.42	28.34
Rice	0.66	0.63
Total coarse cereals	5.63	5.96
Pulses	14.06	14.23
Oil Seeds	8.09	8.55

New Delhi, Jan. 6:

Wheat sowing in the current rabi season is almost complete and the area covered has been marginally higher than previous year, the Agriculture Ministry has said. However, the sowing of oilseeds and pulses has been slower so far, mainly on account of scanty rains in Maharashtra, Karnataka and Andhra Pradesh. The area under wheat is up by about one per cent to 28.42 million hectares over the previous year's 28.34 million hectares due to higher sowings in Madhya Pradesh, Rajasthan and Jharkhand. The prevailing cold wave in the North coupled with scattered rains is seen aiding wheat sowings and the early stage rabi crop.

However, the area covered under wheat in Uttar Pradesh, Gujarat and Maharashtra has dropped. The final area under wheat in 2010-11 stood at 29.4 million hectares. The Government is expecting wheat output of around 86 million tonnes like last year. Though the area under wheat and rice is marginally up this year, sowing of coarse cereals, pulses and oilseeds has been lower than previous year. The area under oilseeds has been lower by 4.5 per cent this year at 8.09 million hectare. This is mainly on account of lower area under rapeseed and mustard, which stood at 6.48 million hectare this year against 6.82 million hectare last year. The area under sunflower has also seen a drop of around one per cent at 0.37 million hectare against 0.46 million hectare in the previous year. *vishwa@theindu.co.in*

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Low arrivals perk up masoor; chana firm



Indore, Jan. 6:

Chana was firm, while masoor rose for the third consecutive day on Friday. On the other hand, new tur (Maharashtra) declined on slack buying support.

Chana and its dal remained firm despite subdued demand, with chana (kanta) being quoted at Rs 3,425-3,450 a quintal, while chana (desi) sold at Rs 3,375. Chana dal (average) was quoted at Rs 4,025-4,050, chana dal (medium) at Rs 4,124-4,150 and chana dal (bold) at Rs 4,325-4,350.

Weak arrival and buying support perked up masoor by Rs 25, with masoor (bold) being quoted at Rs 3,150 and masoor (medium) at Rs 2,900-2,950. Masoor dal was unchanged, with masoor dal (average) selling at Rs 3,500-3,525, masoor dal (medium) at Rs 3,600-3,635 and masoor dal (bold) at Rs 3,675-3,700.

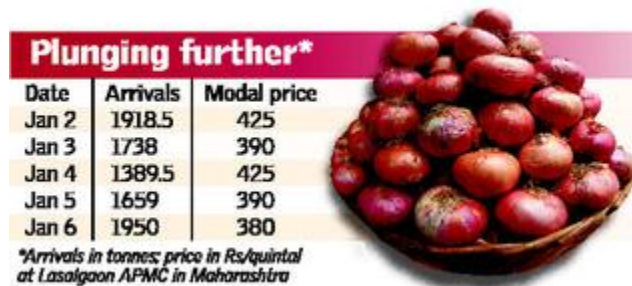
The rally in the prices of new tur from Maharashtra came to a halt as it fell by Rs 100 to Rs 4,300 a quintal. On the other hand, tur (Nimari) was flat at Rs 2,800-3,100. Subdued buying support pulled down tur dal, too. Tur dal (full) sold at Rs 5,500-5,600, tur dal (*sawano.*) at Rs 4,600-4,700 and tur (marka) at Rs 6,200. In the past two days, tur (marka) has gone up by Rs 200 a quintal.

Urad was flat at Rs 3,650-3,700 and urad (medium) at Rs 3,000-3,200.

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Onion continues to plunge on heavy arrivals

M.R. Subramani



Chennai, Jan. 6:

Onion prices fell to a 10-month low as heavy arrivals continued to play spoilsport.

“The sentiment in the market is negative. Arrivals are huge in Maharashtra,” said Mr Rupesh Jaju, Director of Nashik-based United Pacific Agro Pvt Ltd.

“Arrivals are heavy in other growing States, such as Gujarat and Karnataka, too,” said Dr R.P. Gupta, Director of Nashik-based National Horticultural Research and Development Foundation.

According to Mr Jaju, arrivals in Maharashtra were around 38,000 tonnes in the last three days. "In the last two days, arrivals in Solapur were 7,500 tonnes," said Mr Jaju. "Arrivals in Gujarat is lower but there are no takers for onion," said Mr Jamanbhai Patel, a trader in Gondal Agricultural Marketing Produce Marketing Committee (APMC) yard. "One reason for the heavy arrivals is that kharif sowing was delayed due to dry weather and now the crop is coming along with late kharif," said Dr R.P. Gupta. "Arrivals are flooding markets since the kharif onion cannot be stored like the rabi. No one wants to hold back the produce," said Mr Jaju. "In fact, the huge arrivals have resulted in lack of storage. We are finding it a problem to find a proper storage," he said. Most of the trades are done at around Rs 395 a quintal, according to Mr Jaju.

In Lasalgaon APMC yard, the modal price or the rate at which most trades took place dropped to Rs 380 a quintal with arrivals touching 2,000 tonnes on Friday. At Gondal APMC, onion prices dropped to Rs 90-95 for *amaundbf* 20 kg. During the same time last year, prices were ruling above Rs 3,000 a quintal. Export is on as usual to the Gulf, South-East Asia and the Far East. Huge arrivals are the reason why prices are not gaining despite export demand. The Centre has been urged to lower the minimum export price (MEP) of onion from the \$250 a tonne fixed on November 28. "If the MEP is lowered, prices could tend to gain," said a trading source.

"A question mark hangs over the near future of onion prices. As long as arrivals are huge, prices will remain subdued," said Mr Jaju. *mrsbramani@thehindu.co.in*

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Cotton may wilt on thin demand, high supplies



Rajkot, Jan. 6:

Though cotton was unchanged on Friday, slowing demand, especially from mills, may pull down prices, said a Rajkot-based trader.

Global supply expectations for the fibre crop are a lot more comfortable compared with a year ago, while fears of an economic slowdown are likely to dampen the demand outlook, said Barclays Capital.

The Sankar-6 variety was traded at Rs 35,800-36,000 a candy of 356 kg. *Kapasor* raw cotton sold at Rs 830-880 for *amaund* of 20 kg and at Rs 885-905 *amaund* for delivery at Kadi. While about 62,000-65,000 bales of 170 kg each arrived in Gujarat, 2.02 lakh bales arrived in the rest of the country.

Even as buyers refrained to place orders at higher prices, cotton was unchanged in North India, where 37,000 bales arrived. Ready delivery cotton traded at Rs 3,690-3735 a quintal in Punjab, at Rs 3,635-3,655 in Haryana and at Rs 3,630-3,650 in Rajasthan. The April contract moved up Rs 7.50 to Rs 852.40 *amaund* on the National Commodity and Derivatives Exchange with an open interest of 12,213 lots. According to Government estimates, production is will touch a record 361.02 lakh bales breaking the earlier record of 334.25 lakh bales achieved during 2010-11.

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Palmolein, groundnut oil, cottonseed oil fall

Our Correspondent



Mumbai, Jan. 6:

Prices of palmolein along with other indigenous oils fell on Friday. Palmolein dropped by Re 1, cottonseed refined oil declined by Rs 3 and groundnut oil fell by Rs 5 for 10 kg, while rapeseed refined oil, soya refined oil and sunflower refined oil remained unchanged.

In the absence of fresh demand, volumes were very thin. Foreign markets were range-bound with Malaysian palm oil futures closing higher at the end of the day erasing initial loses. In line with the weak trend in foreign markets, local refineries reduced their palmolein rates by Rs 2-Rs 3 but profit booking by resellers at further lower rates for ready and forward delivery kept prices under check. . About 150–200 tonnes of palmolein was traded in the range of Rs 603–Rs 609. In Mumbai, resellers rates for palmolein was Rs 608–Rs 610. Liberty was quoting Rs 610-Rs 612 for January and Rs 608 for February delivery. Super palmolein was Rs 635 for January. Ruchi was quoting palmolein at Rs 604 for February–March. Allana's palmolein was Rs 605. In Saurashtra–Rajkot, cottonseed oil dropped to Rs 633-Rs 635 and Groundnut oil declined to Rs 1,590 (Rs 1,610) for Telia tin and Rs.1,030 (Rs1,050) for loose-10kg.

Malaysian crude palm oil for January and February delivery settled at MYR3,216 (MYR3,200) and March at MYR3,211 (MYR3,191).

Bombay Commodity Exchange spot rates were(Rs/10 kg): Groundnut oil 1,015 (1,020), soya refined oil 705 (705), sunflower exp. ref. 665 (665), sunflower ref. 735 (735), rapeseed ref. oil 840 (840), rapeseed expeller ref. 810 (810), cottonseed ref. oil 665 (668) and palmolein 607 (608).

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Basmati rice gains on domestic demand

Our Correspondent



Karnal, Jan. 6:

Pure basmati (raw) rice remained in demand and prices rose further by Rs 200 a quintal, while all other aromatic and non-basmati rice varieties were ruling firm on Friday.

It's unlikely to see any major uptrend in rice prices in near future as export demand for aromatic rice is quite sluggish at present. Domestic demand alone pushed prices upwards, said Mr Amit Chandna, proprietor of Hanuman Rice Trading Company. A bumper production and carry forward stocks are expected to keep non-basmati varieties firm, he said.

According to reports, a decision over further allocation for export of non-basmati rice may come by the end of January.

Prices of pure basmati (raw) increased further by Rs 200 and ruled at Rs 4,700 a quintal, while pure basmati (sela) sold at Rs 4,000 a quintal. Prices of Pusa-1121 (steam) quoted at between Rs 4,100-4,225 a quintal while Pusa-1121 (sela) was at Rs 3,250-3,375 a quintal. Duplicate basmati sold at Rs 3,100-3,250 a quintal.

Among the brokens of Pusa-1121, Tibar sold at Rs 3,100, Dubar was at Rs 2,570 while Mongra was trading at Rs 2,100 a quintal. Sharbati (steam) quoted around Rs 2,800- 2,920 while Sharbati (sela) was between Rs 2,750-2,810 a quintal. Permal (sela) sold at Rs 1,800-2,025 a quintal, while Permal (raw) quoted at Rs 1,900-2,050 a quintal.

About 4,000 bags of aromatic paddy varieties arrived at the Karnal grain market terminal. Around 2,000 bags of Pusa-1121 arrived and sold at Rs 1,850 a quintal. A thousand bags of duplicate basmati arrived and sold at Rs 1,480-1,540 while around 1,000 bags of pure basmati arrived and sold at Rs 1,920.

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Weak industrial demand drags sugar

Our Correspondent



Mumbai, Jan. 6:

Cold weather across the country has kept industrial users of sugar away from fresh buying, adding to the pressure on prices in the physical market.

Spot sugar prices on the Vashi terminal market declined further by Rs 10-15 a quintal on Friday in line with the Rs 15-20 fall in the *nakadelivery* and mill tender rates. The sentiment was weak due to routine demand, said market sources.

Mr Mukesh Kuwadia, Secretary, Bombay Sugar Merchants Association, told *Business Line* that, on the one hand, the cane crushing is picking up with higher yield and production and, on the other, need-based demand across the country has kept price movement under check.

Absence of export demand, he said, is forcing domestic producers to concentrate on local markets. Sweet and cold drinks manufacturers are not active currently owing to lack of demand for their products.

Mr Jagdish Rawal, a wholesaler, said that mills are under pressure to exhaust the one lakh tonnes free sale quota, carried over from last month, before January 15. The volume was higher in the physical market, but ample supply kept the prices weak.

Sugar price in other producing centres such as Uttar Pradesh also ruled weak. In the Delhi market, the prices are ruling on a par with Maharashtra. Freight rates for sugar were up by Rs 5-7 a bag due to increased demand for trucks for transportation of other agriculture produce.

About 48 truckloads arrived at the Vashi market, and local dispatches were around 42 truckloads. On Thursday, about 25-26 mills offered tenders and sold 70,000-75,000 bags at Rs 2,750-2,820 (Rs 2,770-2,830) for S-grade, and Rs 2,840-2,920 (Rs 2,850-2,930) for M-grade.

Bombay Sugar Merchants Association's spot rates: S-grade, Rs 2,890-3,000 (Rs 2,906-3,000); and M-grade, Rs 2,991-3,096 (Rs 2,996-3,096).

Nakadelivery rates: S-grade, Rs 2,840-2,890 (Rs 2,860-2,900); and M-grade, Rs 2,950-3,040 (Rs 2,960-3,020).

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