

# THE HINDU

June 19, 2012

Two wheelers and 200 farmers



SUBHA J RAO

GREEN QUESTV. Deepan with Julie and Vivek Cariappa at their farm; R. Muthukumar with P.J. Chackochan at his unit where organic fruits and vegetables are processed into jams and pickles



*people Bikers V. Deepan and R. Muthukumar criss cross the country, meet farmers, almost lose their lives and take down notes in between on organic farming. They share their adventures with Subha J Rao*

Agitators in Nepal must be wondering what happened to the bikers who they held captive for a few hours. Elderly organic farmers in Punjab and Gujarat must be praying the two men who came to document their way of life have reached home safe. And somewhere in Assam, cooks at a roadside *dhaba* are probably experimenting with sambar and idli, taught to them by two 'Madrasi' boys.

V. Deepan and R. Muthukumar set out on their motorcycle odyssey on July 25, 2011, hoping to cover more than 28 States and nearly 40,000 km. When they returned on May 26, 2012, they had visited organic farmers in 23 States in India and some in Nepal and Bhutan.

### **First-hand account**

The plan was simple. Meet people who practise organic farming, stay with them and document their way of life. The two friends met organic activist Nammazhwar and Julie and Vivek Cariappa who showed them it is possible to live a life not dictated by market forces. They met Wayanad-based farmer P.J. Chackochan who markets finished organic produce — jams, pickles, dry fruits, herbal/ayurvedic medicines and Chyawanprash — and a chips seller outside India Gate who rushes back to tend to his farm in Uttar Pradesh six months of the year...

“Almost everyone we met turned out to have some past connection to farming. But, they had all moved on to other jobs,” says Deepan. Muthukumar says that not a single small farmer wants his children to till the land. “Those solely dependant on farming are the worst affected. They will not go organic unless the Government supports them.”

How will they sustain themselves for three years till the land is clear of chemicals, asks Deepan. The ones doing well in the organic way of life are those who have another source of income, they say.

Vivek was a huge inspiration say Muthukumar and Deepan. They intermittently spent more than a month on his self-sufficient farm in H.D. Kote, Karnataka. “We cooked, helped process fresh turmeric, milked the cows... everyone chips in with work on this 40-acre farm,” says Deepan.

The beginning of their landmark journey was not smooth. Nammazhwar told them they would return depressed. "There are not too many traditional farmers. You'll only waste fuel and your energy," he said. They went ahead nevertheless and met around 200 farmers during their 11-month journey.

In between, they ran out of money and switched to a cycle for the Gujarat-Pune stretch. "If we covered 200 km a day earlier, we hardly did 50 km a day cycling." That transition also showed them how much extra load they were carrying. "We needed just a change of clothes and a few essential things," says Muthukumar. They sent back half their stuff.

Most part of their journey was good, but there were some pitfalls. Deepan was hit by high-altitude sickness after they did the Jammu-Sonamarg section in just two days and moved on to Drass, without waiting to acclimatise themselves. Muthu had to send him down to the Army post in Sonamarg for treatment. "I travelled with drunk tourists who insisted I take photos of them even while I was dying to breathe!" recalls Deepan. Muthu admits that was a low point. "As they piled on six sleeping bags on him to keep him warm, Deepan kept saying he would die," says Muthu.

The duo rode through highways, hills and forests as the seasons changed. For company, they had each other's voice, Ilaiyaraaja's songs and the theme music of *Motorcycle Diaries* and *Winged Migration*. "We kept speaking to each other even when we had nothing to say."

Wherever they went, farmers opened their homes to them, serving them whatever they had. But, after overdosing on potatoes for 11 months, they've temporarily banned their favourite vegetable from the menu. When they returned, the first thing both ate was their favourite *arisi paruppu saadham* at Muthukumar's home in Tirupur. Deepan headed to Coimbatore.

"We did not speak to each other for 10 days. In fact, I did not even speak to anyone at home for a while. The journey overwhelmed us," says Deepan. Muthukumar says it was initially difficult to sleep in a concrete space after lying in Nature's lap.

The two are now working hard to come up with a book and two documentaries on the journey.

How did the third member of their party — the souped-up 2006 Royal Enfield — handle the 20,000-km rough ride? “One puncture, just one puncture. Everything worked beautifully. Even the battery. It gave way only after I pulled into the house on May 26,” laughs Deepan, patting the well-worn bike.

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### *What they observed*

- *Sugar cane, paddy and fruits are the most cultivated, organically*
  - *Farms located near forests have the most bio-diversity*
  - *Pest-eating predators have nearly been wiped out*
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HASSAN, June 19, 2012

### **Waive crop loans, urges raitha sangha**

*‘Designate a senior officer in each district to monitor supply of fertilizers’*



Farmers, under the aegis of the Karnataka Rajya Raitha Sangha, staging a protest in Hassan on Monday.— Photo: Prakash Hassan

Farmers staged a protest here on Monday urging the State government to come to the rescue of farmers facing problems due to scanty rainfall. The protesters, under the aegis of the

Karnataka Rajya Raitha Sangha (Kodihalli Chandrashekar faction), took out a rally from Hemavati statue to the Deputy Commissioner's office, where they staged a dharna.

The protesters said that the government should waive crop loan and grant fresh loans to support farmers reeling under loss. The government should designate a senior officer in each district to monitor supply of fertilizers and provide sufficient fodder. Besides, all farmers should be provided with food grains at subsidised rates.

The protesters took exception to alleged assault on a farmer by Minister Murugesha Nirani as reported on Saturday. Sangha's State secretary Anekere Ravi sought an inquiry into the assault so that the guilty is brought to book.

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### **Government to bear cost of transporting fertilizer**

Staff Correspondent



The Department of Agriculture has agreed to meet the cost of transporting fertilizer from warehouses to primary agricultural cooperative societies which market fertilizer to farmers. —  
PHOTO: M.A.SRIRAM

The government has agreed to bear the cost of transporting fertilizers from warehouses to the primary agricultural cooperative societies, which are controlled by the Mysore District Cooperative Central (MDCC) Bank, this year.

“The bank has received an order in this regard from the Department of Agriculture,” said MDCC Bank Chairman C. Basave Gowda here on Monday.

He told *The Hindu* that the buffer stock of fertilizer in the warehouses would get the 'transport subsidy' and the fresh stock of fertilizer procured by the Karnataka State Cooperative Marketing Federation from the companies would be booked directly to the societies.

"The societies were finding difficult to market fertilizer at the maximum retail price as they were not paid the cost of transporting fertilisers from the supply points. Therefore, the matter was raised at the government level," he said.

KOCHI, June 19, 2012

### **Project to rejuvenate Pokkali crop proposed**

#### *M.S. Swaminathan suggests agro-service centres*

M.S. Swaminathan, veteran agricultural scientist, has recommended a Pokkali rejuvenation mission to save the unique cultivation of paddy in saline waterlogged lands in Ernakulam, Alappuzha and Thrissur districts from extinction. Dr. Swaminathan, at a discussion attended by Pokkali farmers, agricultural officers and elected representatives at the Government Guest House in Aluva on Monday, said the State government could launch Pokkali agro-service centres to extend various welfare schemes to the farmers.

He said Kudumbasree units could take up marketing of Pokkali rice, produce of a world-renowned system developed many years ago. Branding of the grain would lead to better prospects for the farmers.

He said Pokkali growing techniques had to be modified in tune with new practices, and mechanisation was important. The expertise of the agricultural engineering centre proposed under the Kuttanad Package could be used to provide technical assistance to the farmers.

He said funds under the Rashtriya Krishi Vikas Yojana could be tapped to support Pokkali farming. The Union government had several flexible schemes that could be used to encourage it.

He said the farmers should get premium prices for their yield, and suggested more market research and creating awareness of the nutritional value of Pokkali rice.

Welcoming the proposal to introduce a rejuvenation mission, Union Minister of State for Food and Consumer Affairs K.V. Thomas said that infrastructure for Pokkali farming would be

improved. Efforts would be made to include various works related to the farming under the Mahatma Gandhi National Rural Employment Guarantee Scheme. Mr. Thomas said agricultural land was being reclaimed in the State despite restrictions imposed by the Union and the State governments.

KARUR, June 19, 2012

### **Farmers seek copra procurement**

L. RENGANATHAN

: Farmers in the district have urged the State government and Department of Agricultural Marketing to procure copra from coconut growers in the region.

They have also demanded a turmeric shandy in Karur district, taking into account the growing number of turmeric farmers who have to market their produce in Erode district.

Though Karur district has hundreds of acres of coconut groves, there has not been regular and timely procurement of copra to benefit growers.

With the rising cost of agricultural inputs farmers have been forced to go in for value additions to their produce, and copra offers a good avenue for coconut growers, a farmer Mohan of Thalavapalayam said at the regional agricultural grievances meet for Karur Block.

Mr. Mohan, seconded by other farmers, noted that there was regular demand for copra from coconut oil manufacturers. It was time the State Government spelt out a proper copra procurement scheme in Karur district, he said.

The value addition for copra would be a big boost to coconut growers, he argued.

The scope for coconut growers would improve if the State Government procured copradirectly from the growers, growers added pointing out that such a step would stabilize the price of the nut in the market.

However, coconut growers in the Thanthoni block wanted a regulated market for turmeric in Karur district, especially at Sellandipalayam, considering the increasing number of turmeric farmers in the district.

The cash crop was fast catching the imagination of the farmers though turmeric prices fell in the current year. ``With turmeric prices plummeting to unbelievable levels there was a heightened need for keeping the transport costs down to the minimal.

At present most of us are transporting turmeric to shandies in Erode district for marketing there. If we could have our own regulated turmeric shandy at Sellandipalayam in Karur district, then the transportation costs might be pegged back a little and that would help the farmers,” noted C. Thirukumaran of Thanthoni in Karur district.

Other turmeric growers from Sellandipalayam and Pallapalayam observed that a lot of farmers have taken to growing turmeric in the past few years after witnessing impressive returns from the crop in other regions and districts over the past four years.

n Karur district, the number of farmers growing turmeric had seen a steep rise during the period, necessitating a regulated shandy for turmeric.

Paddy growers from Mochakottampalayam and Pallapalayam areas wanted direct procurement centre for paddy

MANNARGUDI, June 19, 2012

### **‘Fix paddy price at Rs. 2,000’**

: The Tiruvarur District Vivasayigal Mandram has appealed to the Central government to fix the price of paddy at Rs. 2,000 per quintal.

In a resolution adopted at its administrative committee meeting held at Sai Krishna Marriage hall at Mannargudi recently, the Mandram said the Centre has announced an increase of Rs. 170 per quintal now.

But the price is not adequate as input costs have gone up.

Fertilizer prices have been increased by 50 per cent and pesticide prices by 40 per cent.

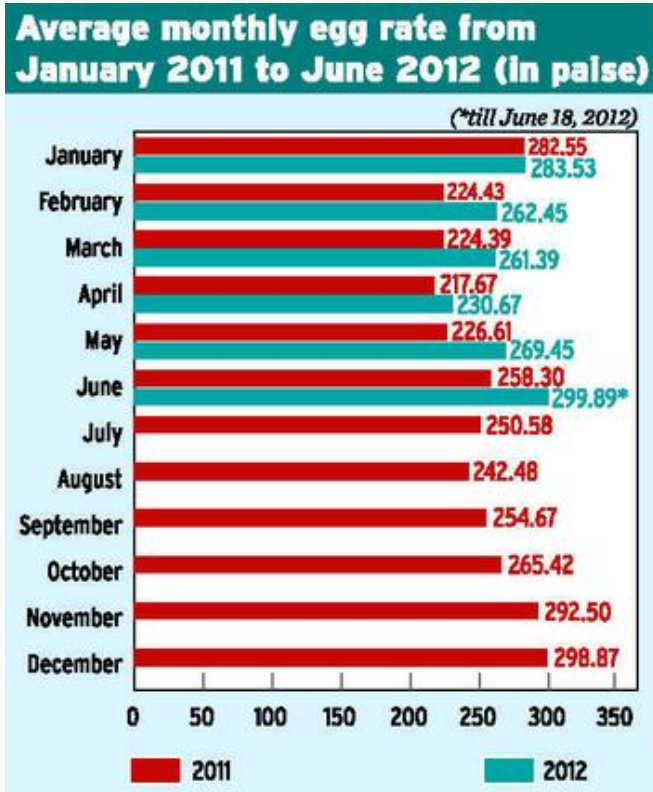
Wages of labourers have also gone up, they said.



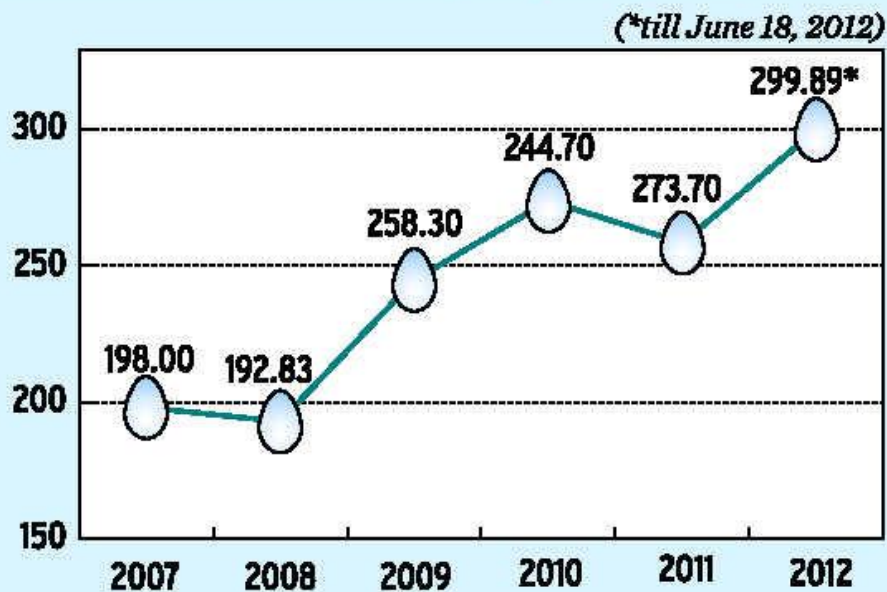
NAMAKKAL, June 19, 2012

Egg rate shoots up to Rs. 3.22

M.K. ANANTH



### The June scenario (in paise)



Egg rate in the second largest egg production zone in the country went past its previous wholesale highest price of Rs. 3.20, as it was fixed at Rs. 3.22 on Monday. Price of egg that was Rs. 3.16 on Sunday was increased by six paise at the Rate Fixation Committee Meeting of the National Egg Coordination Committee (NECC) Namakkal Zone.

June has once again proved to be the gold period for egg rates and profit for poultry farmers as its price has increased by 42 paise (11.5 per cent) in less than three weeks from just Rs. 2.80 in the end of May. NECC sources noted that every year egg rate scales new heights in the post summer months – June/ July – or in the winter months – December/ January.

Chairman of the NECC Namakkal Zone P. Selvaraj who chaired the meeting, told *The Hindu* that the main reason for the raise was the fishing holiday in the West Coast States for 45 days – that started three days ago. “It has resulted in heavy shortage of fish and demand for egg and chicken meat has gone up drastically,” he added.

He said that the rate at Namakkal is much less than price of the commodity in many other zones across the country, because of good demand for eggs. “The Namakkal zone is however cautious with every raise as the price has been steadily increased only after carefully studying the price increase in other zones,” he said and added that the rate may go up to Rs. 3.30 in a week or 10 days.

Mr. Selvaraj said that the price raise would have an impact on the Nutritious Noon Meal Scheme (NNMS) during the tender called for the next month. “Rate for eggs to be distributed this month was already fixed, which is usually little less than the price realised fixed by the NECC,” he observed.

President of the Tamil Nadu Poultry Farmers Association R. Nallathambi said that another main reasons for the raise in price of egg was resuming import of eggs by Bangladesh.

“This led to increase in egg rate in Kolkata zone (Rs. 3.45) and nearby zones from where eggs are taken to Kolkata for export. This has an indirect impact on the rates in Namakkal as egg rates is fixed based on over all demand,” he added.

Other zones where egg is priced on par with or higher than the rate in Namakkal are: Kolkata – Rs. 3.45; Raipur – Rs. 3.36; Indore – Rs. 3.28, Miraj, Pune, Luknow and Mumbai – Rs. 3.27;

Ahmedabad, Chennai, Bhopal and Vizag – Rs. 3.25; Varanasi – Rs. 3.24 and Jabalpur – Rs. 3.22.

According to NECC sources, the average daily egg production in Namakkal zone is about 325 lakh eggs. About 105 lakh eggs are consumed in Tamil Nadu.

BIDAR, June 19, 2012

### **Officials told to stock seeds, fertilizer**

Zilla panchayat president Baburao Shankarrao has asked officials to ensure that farmers do not face seed and fertilizer scarcity.

In a monthly progress review meeting, the president instructed officials to get market feedback, send orders to the State government and other agencies and store enough seeds and fertilizer. “We don’t have much time. Sowing has already begun,” he said.

Officials assured him that there was no dearth of seeds and fertilizer in the district. “Against the demand of 34,000 quintals of seeds, we have a stock of 22,000 quintals. We are also getting enough stocks delivered everyday,” the officials said.

Panchayat Raj engineering division has drilled 313 of the 322 borewells approved this year. Of these, 234 have succeeded in yielding water; 79 have failed. The division has taken up 634 works in the Rs. 36.55 crore allotted to it, they said. There is a vacancy of 295 primary teachers in the district. The State government is taking steps to fill them soon, officials said. A special training of three days would be provided to teachers to improve the SSLC results.

DHARWAD, June 19, 2012

### **‘Include red chilli in list of essential food crops’**

The Dharwad District Farmers’ Federation has urged the government to include red chilli in the list of essential food crops.

In a memorandum submitted to Deputy Commissioner Darpan Jain here on Monday, the federation said chilli growers in the region were in deep trouble owing to a sharp fall in the

prices of the produce. Red chilli had not been included in the list of essential food crops owing to which chilli growers were not getting help from the government, the memorandum said.

The government should intervene and announce support price for chilli. Dharwad was among the major chilli-growing areas of the State. The district administration should also send a report to the State government, the federation said.

The federation expressed concern over the delay in release of crop insurance amount and said farmers incurred heavy losses owing to adverse weather conditions during the last cropping season. Besides, the government had stopped providing subsidy to purchase tractors citing misuse of the facility. The government should restore this facility and provide subsidy to buy equipment such as tillers.

## **Rally**

Earlier, a large number of farmers, led by federation leaders took out a rally and staged a dharna outside the Deputy Commissioner's office here.

KURNOOL, June 19, 2012

## **Farmers ready to sow; heavy demand for cotton, maize seed**

As the monsoon hovers in the sky, farmers get ready to sow seeds with the hope that the rains would be bountiful in the next few days.

In most places, farmers are yet to receive sufficient rainfall for sowing operations. The season has already been delayed by a month this year.

## **Paddy crop**

Meanwhile, according to market reports, there is a heavy demand for cotton and maize seed this year. Castor, chilli and a few other crops which brought losses to farmers were disliked by farmers this season.

Also, paddy is likely to gain ground this season with the announcement of Rs.1,250 and Rs.1,280 as minimum support price for paddy varieties. If the paddy prices touch the rates fixed

by the government, most farmers with irrigation facilities are likely to switch over to the cereal crop.

Meanwhile, Bengal gram continues to be the favourite crop for most farmers. Mechanisation of the process of Bengal gram cultivation helps the crop stabilisation in black cotton soils. However, the crop is sown either in September or October.

After the introduction of Bt. cotton, fiber cultivation has become a relatively easy process. Low requirement of pesticides and labour and availability of weedicides has encouraged many farmers to go for cotton cultivation. The prices of cotton remained stable last season though it slumped below the rates of the previous year.

### **Most reliable**

Maize emerged as the most reliable crop in the zone with more and more farmers shifting towards it. According to an estimate, castor farmers are likely to shift to maize in some areas this season.

NIZAMABAD, June 19, 2012

### **Nizamabad gets 10,000 quintals more of soya bean seed**

The State government has positively responded to the request made by the district administration for the sanction of an additional 10,000 quintals of soya bean seed for the kharif.

The administration was compelled to make this appeal as there has been high demand for soya bean in view of the depletion of cotton growing area in the district.

Out of the estimated 70,000 quintals of soya bean seed, so far 40,000 quintals were released and another 20,000 quintals were sanctioned.

“However, we made the request for another 10,000 quintals,” said district Collector D. Varaprasad on Monday.

As per the information from the Office of the Commissioner/Director, Agriculture, the said seed would reach the district within four five days and a plan was chalked out to distribute them in a

foolproof manner. A strict vigilance was kept at border check posts to prevent the illegal transportation.

VIZIANAGARAM, June 19, 2012

### **Arrangements made to supply seed to farmers**

Arrangements have been made through A.P. Seeds for supply of adequate quantity of seed on subsidy to farmers during kharif.

Already 34,860 quintals of paddy, 3,244 quintals of groundnut, 170 quintals of black gram, and 341 quintals of green gram was kept ready for distribution. Farmers could procure seed after producing pattadar passbooks at mandal agriculture offices.

At a press conference on Monday, Joint Director (Agriculture) Leelavati said 41,625 packets of cotton seed were kept ready against the demand of 65,918 packets at all mandals.

A control room with phone number 08922-276359 was opened at the department to monitor seed supply position. The subsidy offered under the food security scheme is Rs. 5 per kg.

On supply of fertilizers, she said 5,546 tonnes of urea, 3,080 tonnes of DAP, 1,834 tonnes of potash, and 4,474 tonnes of complex fertilizers were kept ready. Fertilizers would be released every month.

Saying that the normal crop area for kharif was put at 2.36 lakh hectares, she said as per the direction of the district Collector the crop area was increased by 25 per cent with an objective to increase productivity by 30 per cent.

***A control room with phone number 08922-276359 has been opened***

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## Chennai - INDIA

### Today's Weather



Cloudy

Tuesday, Jun 19

Max Min

33.9° | 29.3°

Rain: 00 mm in 24hrs

Humidity: 62%

Wind: Normal

Sunrise: 6:35

Sunset: 18:03

Barometer: 1005

### Tomorrow's Forecast



Rainy

Wednesday, Jun 20

Max Min

36° | 28°

### Extended Forecast for a week

Thursday Jun 21	Friday Jun 22	Saturday Jun 23	Sunday Jun 24	Monday Jun 25
32°   28°	35°   27°	34°   28°	33°   27°	32°   27°
Rainy	Rainy	Rainy	Rainy	Rainy

## THE ECONOMIC TIMES

19 JUN, 2012, 04.16AM IST, BLOOMBERG

### Coffee sinks on speculation of slowing demand

LONDON: Coffee fell in New York and London on concern slowing economies in Europe will dent demand just as the summer approaches and supplies from Indonesia and Brazil improve. Sugar declined.

Coffee consumption usually slows at this time of the year as consumers in the Northern Hemisphere drink less because of warmer weather. Supplies from Indonesia, the third-biggest robusta producer, improved as the harvest is peaking, according to German researcher FO Licht.

Farmers in Brazil will gather a record crop this year, the government estimates. "The ongoing harvest of Brazil's on-year coffee crop and increasing robusta supplies from Indonesia have been bearish factors providing additional pressure on prices," FO Licht said in a report.

19 JUN, 2012, 04.05AM IST, MADHVI SALLY,ET BUREAU

### **Global price fall makes edible oils cheaper**

AHMEDABAD: Consumers gain from a correction in global edible oils prices. Companies like Adani Wilmar and Ruchi Soya have reduced consumer pack prices by 75 paise to Rs 2 a litre. They are expected to cut the prices further with palm and soya prices seeing a correction in the global market.

Currently, refined palm oil is quoted at Rs 550 per 10 kg compared to Rs 620 per 10 kg in March. Similarly, refined soya prices were in the range of Rs 665-670 per 10 kg from the previous high of Rs 695 in March.

Since March, the edible oil manufacturers have raised consumer pack prices by around Rs 5-6 a litre. "We have reduced prices of consumer pack by 75 paise a litre across the board in the past few days.

In April also, we had reduced the prices by Re 1 per litre. A further price reduction will take place if the prices fall in the international markets," said Adani Wilmar COO Angshu Mallick. Adani Wilmar is the leader in the 'refined oil in consumer packs' market with a volume share of about 15%. Similarly, Ruchi Soya has also passed on the benefit of procurement price reduction to its consumers.

"We have reduced prices of sunflower and soya by Rs 1-1.50 a litre. Palm prices have been reduced by Rs 2 a litre," said Ruchi Soya Industries MD Dinesh Shahra.



19 JUN, 2012, 03.52AM IST, SUTANUKA GHOSAL,ET BUREAU

### **Poor monsoon may hit gold business**

KOLKATA: Gold sales in rural India are closely linked to monsoon as good rains and a rich harvest will boost gold purchase by farmers.

Rural India still accounts for 60% to 70% of gold sales in India. If monsoon is below normal this season, gold demand will not cross 650 tonne this year, say jewellers and bullion dealers.

Monsoon has just hit several parts of the country after a delay of almost 11 days. There has been a 41% rain deficit this month.

"The rally in gold price, beginning January, has already taken its toll on the gold demand. We are now pinning hopes on monsoon so that harvest may be good. The next two months are dull period for gold trade. It will start picking up from September-October and gather momentum in November-December," said Prithviraj Kothari, president, Bombay Bullion Association.

Gold imports in May-June have declined by 52% this year to 225 tonne compared with 450 tonne in the same period last year. "If we miss a normal monsoon, the imports for the whole year will be around 650 tonne, which is much lesser than last year's 969 tonne," added Kothari.

The weather office, which had forecast normal rainfall in the June-September period, will issue its next forecast by the end of this month.

The key element of the next forecast will be the outlook for El Nino, an adverse phenomenon that ravages rainfall patterns from Australia to Brazil due to changes in temperature in the Pacific Ocean. The most-accurate international forecaster of the El Nino phenomenon, the Australian weather office, has already sounded a note of caution, saying all seven models it tracks indicate the return of El Nino.

"If the harvest is good, we can think of buying some gold. Hopefully, gold prices will cool down a bit. We have not been able to buy any gold in the last four months. The dry spell had resulted in Ohuge crop loss," said Randip Singh, a farmer from Ludhiana. His views were echoed by Yogesh Kumar Dahiya, chairman of the Farmers' Forum of UP's Saharanpur. "As of now, there

is hardly any money with farmers to buy gold. Gold buying will depend on the production of kharif crops."

"The supply of money in the market is very tight. A good harvest may increase some sales but we will not be able to achieve last year's sales. Farmers will first prefer to buy essential commodities from their returns from harvest. We are praying that EL Nino like phenomenon does not arise this time. Otherwise, the gold trade will become extremely dull," said Ashish Mundhra, director of Chennai-based Mundhra Bullion.

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## Business Standard

Tuesday, Jun 19, 2012

### FMC mulls wider open limits for non-agri commodities

Anindita Dey / Mumbai June 19, 2012, 0:06 IST

The Forward Markets Commission (FMC), the regulator of the commodity markets, has proposes to adopt market correction measures such as special margins or widening the open position limits for non-agricultural products.

Currently, these are mostly used to check volatile and speculative trading in agri-commodities. However, say officials, pointing to the trade in precious metals such as gold or silver and in base metals such as copper, these sometimes become far more speculative than based on real demand and supply dynamics.

"India remains a major demand driver in, among others, especially gold or silver. Even in base metals, compared to global industrial activity, the Indian scenario does create demand," said an official source. There is often a concern that heavy speculative trading on commodity exchanges for non-agri commodities might be getting camouflaged behind the excuse of international prices, said sources. There are instances in gold and silver when international

prices are down but prices on commodity exchanges here remained sky-high.

Officials also cited the recent observation on the high ratio of open positions to trading volume in the case of precious and base metals. In such cases, it is way above the international norm of 30-40 per cent. At the beginning of this month, FMC had asked these exchanges for a schedule to bring such ratios at par with international ones. It also directed national commodity exchanges to file month-wise and year-wise details, in a week, regarding the ratio of open interest (OI) with the volume of trade in the top 15 commodities for 2009-10, 2010-11 and 2011-12.

The development follows the FMC observation of huge disparity between the ratio of OI and the volume of trading in some commodities traded on five national commodity exchanges. In futures markets, OI is the number of contracts held by market participants at the end of the trading day. Globally, the ratio of OI to the trading volume figure is 25-30 per cent for agri commodities and 30-40 per cent for the non-agri category, said official sources. To curb the volatility in agri commodities, FMC had been using special margins and additional margin requirements quite frequently.

**Wheat procurement swells to record 36.73 mn tonne this year so far**

**Total wheat purchase this marketing season has already surpassed the govt's target of 31.8 million tonne**

**Press Trust of India / New Delhi June 18, 2012, 18:24 IST**



A record production of wheat has helped procurement of the essential staple rise by 34% to a record 36.73 million tonnes (million tonne) in this year so far.

The government had purchased 27.32 million tonne of wheat in the same period of the 2011-12 wheat marketing season (April-March).

Total wheat purchase in this marketing season has already surpassed the government's target of 31.8 million tonne.

According to the latest government data, wheat procurement as on June 18, 2012, stood at

36.73 million tonne, while the arrivals stood at 38.97 million tonne.

Punjab and Haryana have procured nearly 12.82 million tonne and 8.66 million tonne of wheat, respectively, in the current season.

Wheat purchase in Madhya Pradesh stood at 8.49 million tonne this year while in Uttar Pradesh it was at 4.17 million tonne this year.

Wheat production of India, the world's second-largest producer, is estimated at a record 90.23 million tonne in the 2011-12 crop year (July-June). The minimum support price of wheat stands at Rs 1,285 per quintal.

### **Turmeric weakens on subdued demand**

Prices down 2.2% from previous close

**Press Trust of India / New Delhi June 18, 2012, 14:15 IST**



Turmeric prices fell by Rs 84 to Rs 3,700 per quintal in futures market today on speculators selling driven by sluggish demand in spot markets.

At the National Commodity and Derivatives Exchange, turmeric for delivery in June declined by Rs 84, or 2.22%, to Rs 3,700 per quintal, with an open interest of 640 lots.

The June contract shed Rs 26, or 0.67%, to Rs 3,866 per quintal, with an open interest of 38,700 lots.

Analysts said subdued demand at prevailing higher levels in the spot market mainly pulled down turmeric prices at futures trade.

## Pepper moves down on profit-booking

Weak export demand also pulled prices lower

Press Trust of India / New Delhi June 18, 2012, 13:38 IST



Pepper prices moved down by Rs 455 to Rs 39,750 per quintal in futures market today as speculators booked profits at prevailing higher levels, driven by subdued export demand.

At the National Commodity and Derivatives Exchange, pepper for delivery in July fell by Rs 455, or 1.13%, to Rs 39,750 per quintal, with an open interest of 3,279 lots.

Likewise, the spice for delivery in June moved down by Rs 300, or 0.75%, to Rs 39,700 per quintal, with an open interest of 717 lots.

Analysts said speculators booked profits at prevailing higher levels driven by a weak export demand, which mainly kept pressure on pepper futures.

## Potato up on spot demand

Restricted arrivals also influenced mentha prices

Press Trust of India / New Delhi June 18, 2012, 13:33 IST



Potato prices rose by Rs 12.50 to Rs 1,209.50 per quintal in futures trade today as speculators created fresh positions, tracking a firming trend at spot market on pick up in demand.

Restricted arrivals from producing belts also supported the uptrend in potato prices.

At the MCX, potato for delivery in August rose by Rs 12.50, or 1.04%, to Rs 1,209.50 per quintal, with a business turnover of nine lots.

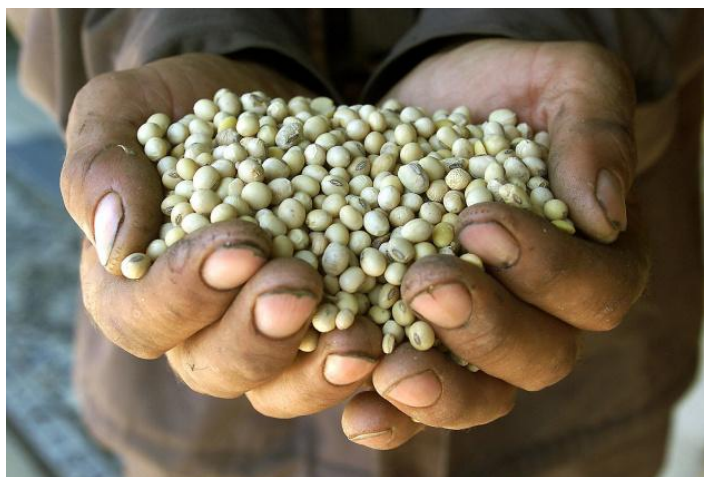
The July contract gained Rs 10.10, or 0.87%, to Rs 1,141.70 per quintal, with an open interest of 14 lots.

Market analysts said fresh buying by speculators after pick up in spot market demand amid less arrivals from producing belts led to a rise in potato futures.

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## THE HINDU Business Line

**Onset of monsoon turns soyabean, oil bullish**



Indore, June 18:

Soyabean prices increased on improved buying support for soyameal in the export market on Monday. A rise in demand for value-added products aided the bullish trend further.

Demand for soyabean oil is likely to rise in the coming days with the onset of monsoon and this lifted its prices.

Soya refined oil perked up to Rs 682-85 for 10 kg (up Rs 3-5). Similarly soya solvent also was up to Rs 645-48 for 10 kg (Rs 640-45) on scattered buying support. Soya oil futures traded higher on improved buying support and strong global cues with soya refined July contract on the NBOF closing Rs 5.20 higher at Rs 728.50 for 10 kg. Similarly on the NCDEX soya oil futures closed higher with its June and July contracts closing at Rs 723 (up Rs 5) and Rs 728.70 for 10 kg (up Rs 6.20) respectively.

In *mandis* across Madhya Pradesh soyabean ruled at Rs 3,330-3,420 a quintal.

With demand from the plant operators improving, plant deliveries in soyabean ruled higher at Rs 3,470-3,510 a quintal. June and July soyabean contracts on the NCDEX closed higher at Rs 3,530 a quintal (up Rs 30) and Rs 3,476.50 (up Rs 51.50) respectively.

Soyameal quoted at Rs 30,200 a quintal on improved export demand. In the domestic market it ruled at Rs 28,500-29,000.

### Stockists' orders, global cues heat up edible oils



Mumbai, June 18:

Edible oils, except groundnut oil, fared better on Monday on the back of global cues. Imported palmolein and soya oil rose by Rs 2 and Rs 5 for 10 kg each. Sunflower refined oil and cotton refined oil increased by Rs 5 and Rs 2. Rapeseed oil was up by Rs 10. Sentiment improved as market witnessed higher volumes on fresh demand. About 3,000 – 3,500 tonnes of edible oils were traded in the day, said a leading broker.

Mr Shailesh Kataria of Riddhi Broker told *Business Line* that election result in Greece has sent a positive sign in the commodities markets. International trade sees as some relief in euro zone. Tracking better and positive sentiments abroad local stockists came forward with fresh orders and covered sufficient quantity for coming festival months starting with Ramadan from July Liberty sold about 500 – 600 tonnes palmolein at Rs 587-588 and at Rs 586-587 for delivery in July. Ruchi sold about 1,000 -1,200 tonnes of palmolein at Rs 583-588 for July and August, soya refined oil 500-700 tonnes at Rs 693-696 and sunflower refined oil 100 – 150 tonnes at Rs 712.

In Mumbai, Liberty quoted palmolein at Rs 590-591 for June and Rs 588-589 for July, soya oil Rs 700 and sunflower refined oil Rs 715. Ruchi quoted palmolein at Rs 585-590, soya refined oil at Rs 696 and sunflower refined oil at Rs 712. Allana's rate for Palmolein was 586 and Mewah quoted palmolein at Rs 584. In Saurashtra - Rajkot market groundnut oil rose by Rs 10 to Rs 1,945 (Rs 1,935) for *Telia* tin and Rs 1,270 (Rs 1,260) for loose - 10kg. **Malaysia's crude palm oil** July contracts settled higher at MYR 2,871 (MYR 2,841), August at MYR 2,889 (MYR 2,848) and September at MYR 2,899 (MYR 2,849) a tone. **The Bombay Commodity Exchange spot rates were (Rs/10 kg):** groundnut oil 1,190 (1,190), soya refined oil 695 (690), sunflower exp. ref. 655 (655), sunflower ref. 715 (710), rapeseed ref. oil 800 (790), rapeseed expeller ref. 770 (760) cotton ref. oil 670 (668) and palmolein 584 (582)

### Slack buying keeps cotton on leash



Rajkot, June 18:



Slack demand kept cotton price on leash in Gujarat and other parts of country. According to market sources, the price of cotton is likely to remain range-bound this week as there is no big demand expected to emerge in market.

A Rajkot-based broker said: "Mills and ginners are buying according to their requirement. Moreover, huge stocks with farmers and stockists will cap any increase in prices."

In Gujarat, new A grade S-6 cotton traded at Rs 32,500-33,000 for a candy of 356 kg and B grade cotton at Rs 32,000-32,500. Prices of New V 797 was offered at Rs 26,700-27,000 a candy. About 9,000-10,000 bales of 170 kg cotton arrived in Gujarat and 26,000 bales arrived in India.

In Maharashtra, A grade cotton of low micronaire quoted at Rs 31,800-32,200 a candy and A grade high micronaire (29+ mm) quoted at 32,300-32,800. In Madhya Pradesh, A grade cotton low micronaire ruled at Rs 31,800-32,200 and A grade high micronaire at Rs 32,300-32,800.

After experiencing a sharp rise in cotton production for two years in continuation, top officials of Gujarat Government estimate the possibility of an rapid fall in area this year. According to officials, the fall may be 25 per cent or more.

In 2011-12, cotton production in Gujarat was around 112 lakh bales, up from 98 lakh bales the previous year. The rise of 14 per cent took place after cotton production increased by a whopping 33 per cent rise in 2010-11.

#### **50% of turmeric arrivals unsold at Erode**



Erode, June 18:

The price of turmeric decreased, though arrivals are very limited.

“Again the sales have decreased in the turmeric markets. On Monday only 10,200 bags of turmeric arrived for sale, but only 50 per cent of the stocks were sold. The main buyers are the stockists and no exporters or bulk buyers have purchased the commodity as they feel the prices may decrease further and no fresh orders were received from North India,” said Mr R.K.V. Ravishankar, President, Erode Turmeric Merchants Association.

He said during the last week turmeric was sold above Rs 4,000 for a day alone in two markets, but on Monday only in Erode Cooperative Marketing Society two or three bags of turmeric sold at Rs 4,069 a quintal, due to placement of best quality turmeric for sale. He said though the Government announced the procurement of turmeric at Rs 4,000 a quintal, so far no such procurement is made by the Tanfed. The growers are also not willing to sell their produce at Rs 4,000 a quintal, as they expect minimum support price of Rs 10,000 a quintal. At the Erode Turmeric Merchants Association sales yard, the finger variety was sold at Rs 2,313 to Rs 3,719 a quintal, root variety Rs 2,266 to Rs 3,571 a quintal.

**Salem Crop:** The finger variety fetched Rs 3,595 to Rs 4,166 a quintal, root variety Rs 3,364 to Rs 3,864 a quintal. Out of arrival of 1,613 bags, 1,007 bags were sold. At the Regulated Marketing Committee, the finger variety was sold at Rs 3,229 to Rs 3,749 a quintal, root variety Rs 3,239 to Rs 3,619 a quintal. Out of arrival of 1,385 bags, 1,064 bags were sold. At the Erode Cooperative Marketing Society, finger variety was sold at Rs 3,161 to Rs 4,069 a quintal, root variety Rs 3,110 to Rs 3,708 a quintal. All the 1,373 bags, kept for sales were sold.

## Pepper falls on liquidation

G. K. Nair



Kochi, June 18:

The pepper market on Monday dropped on liquidation amid limited activities.

Because of the rains for the past few days, the activities were limited. Those holding long positions have liquidated June which is maturing on Wednesday. Those who do not have processing facilities were not covering because of the rains, market sources told *Business Line*.

June contract on the NCDEX decreased by Rs 300 a quintal to the last traded price (LTP) of Rs 39,700 a quintal. July and August were down by Rs 355 and Rs 365 respectively a quintal to the LTP of Rs 39,850 and Rs 40,125 a quintal.

### **Turnover**

Total turnover increased by 295 tonnes to 1,282 tonnes. Total open interest dropped by 183 tonnes to 5,294 tonnes.

June open interest fell by 212 tonnes to 613 tonnes. July declined by 4 tonnes to 3,349 tonnes while August moved up by 31 tonnes to 1,310 tonnes.

Spot prices in tandem with the futures market trend dropped by Rs 100 to close at Rs 38,100 (ungarbled) and Rs 39,600 (MG 1) a quintal.

Arrivals from the primary markets today stood at 12 tonnes and the entire quantity was traded at Rs 379 to 383 a kg depending upon the moisture content and bulk density. Exporters and processors having drying facilities bought it.

Indian parity in the international market was at \$7,400 a tonne (c&f) for the Europe and \$7,700 a tonne (c&f) for the US.

### **Commodity traders must manage price risks, say expert**

Erode, June 18:

State Bank of India has several schemes to support and strengthen agricultural commodity trade and these include financing against warehouse receipts, Mr G. Padmanaban, Assistant General Manager, SBI, told a gathering of commodity market participants here.

He was speaking on the role of banks in commodity markets at the stakeholder awareness and education seminar organised by *The Hindu Business Line* jointly with Forward Markets Commission – commodity futures market regulator under the Union Ministry of Consumer Affairs – and the National Commodity and Derivatives Exchange (NCDEX).

Mr V.V. Ganesan, Vice-President, NCDEX, explained the rationale of hedging price risks that occur in the physical market and highlighted the role of future trading in managing commodity price risks that are intrinsic to the market. He clearly brought home the fact that futures trading facilitated price discovery and price risk management.

India's economic growth in the coming years will be commodity intensive, said Mr G. Chandrashekhar, Consultant, *Business Line*, adding integration of the domestic market with the global market has elevated the risk perception and fostered price volatility which needs to be managed.

According to him, high growth sectors represented by food, textile, energy, housing and infrastructure involved huge commodity consumption. Mr. Deivasigamani, representing the Erode turmeric merchants, said that growers deserved to get remunerative prices for the produce.

### Crop protection could be dearer this kharif

K. V. Kurmanath



Currency effect

*Pesticide prices to go up 15% on rising dollar, yuan*

Hyderabad, June 18:

Prices of pesticides and other crop protection chemicals will go up further by 10-15 per cent this kharif season. The appreciating dollar and Chinese yuan will increase the cost of production for manufacturers, who are planning to pass on the hike to farmers.

The Rs 10,000-crore industry, growing at 10 per cent annually, doesn't find it possible to absorb the increased costs. Another estimate puts the Indian agrochemicals market at Rs 16,000 crore. It is likely to reach Rs 25,000 crore by 2015.

Industry representatives told Business Line that the cost of imports of certain chemicals has gone up by 12-15 per cent. In some cases, it is even higher. “This will reflect in the price for the end user,” Mr V Vijay Shankar, Managing Director of Nagarjuna Agrichem, told Business Line.

Mr Ankur Aggarwal, Managing Director of the Rs 800-crore Crystal group, also felt that the rise in prices of crop protection products is imminent. The group acquired the pesticide brand Lumphos-36 from Cheminova India. “We import up to 40 per cent of all raw materials from China. With the dollar and the yuan gaining strength against the rupee, we see a significant rise in the cost of imports. The industry cannot absorb this kind of increase in the cost of production,” he said. Mr Aggarwal however added that the rise in prices (of agrochemicals) should not affect farmers' incomes. He pointed out that the business faced uncertainty because of sudden shifts by farmers to different crops. “This will affect the availability of inputs, contributing to overall volatility,” he said. In a good season, farmers generally use 8-10 sprays an acre, with each spray costing about Rs 300. But farmers in States such as Andhra Pradesh use many more rounds of sprays in the absence of timely extension advice.

Mr Rajesh Aggarwal, Managing Director of Insecticides India Limited, said that prices of solvents (used as fillers in liquid formulations) have gone up 60-70 per cent this year. Excise duty too has gone up to 12 per cent from the earlier 10 per cent. All these factors have led to increase in the prices of pesticides for the current kharif season.

### GM sugarcane trial planting set to take off in Brazil from Oct

M. R. Subramani



Sweet biz: Mr Daniel Bachner, Global Sugarcane Head of Syngenta. — M.R. Subramani



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Ribeirão Preto (Brazil), June 18:

Trial planting of genetically-modified (GM) sugarcane is likely to begin in October this year in Brazil.

The Switzerland-based agri-business firm Syngenta will carry out the trials after having developed the GM variety.

According to Mr Daniel Bachner, Global Sugarcane Head of Syngenta, the trials may last at least two harvests before the Brazilian authorities give permission for its commercial launch.

The genetically modified sugarcane was developed in the US by Syngenta. The variety is tolerant to herbicides, pests and the stem borer.

“The borer gets into the stem and starts eating the fibre. When sugarcane affected by the stem borer is crushed, it leads to problems during production of ethanol,” said Mr Bachner.

### **Clearance**

In Brazil, the permission for conducting trials of GM crops and launching them commercially is given by the National Biosecurity Council. This bio-safety body is a single window clearance body that has scientists as representatives from various departments such as agriculture and environment. Even in the agriculture department, it has representatives drawn from various branches.

For Syngenta, dabbling in the genetically modified area is nothing new. It has launched GM corn and soyabean in the US, Argentina and Brazil.

According to available data, 80 per cent of corn grown in the US in 2010 was genetically modified. Argentina, Brazil, South Africa, the Philippines, Canada and six European Union nations grow GM corn. GM soyabean accounts for 80 per cent of the total crop grown in the world. Its share in the US is as high as 93 per cent.

### **Growth potential**

Syngenta sees sugarcane as one area where there is potential for growth.

According to industry experts, the rate of growth in sugarcane production has been the lowest in the last couple of decades compared with corn and soyabean.

“Production in corn has increased by three times since the 1980s, while soyabean production has gone up 2.5 times, whereas sugarcane production has grown only 1.5 times,” said Mr Bachner. Also, investments in sugarcane have been low compared with other crops.

These aspects are seen holding promise for higher investments in sugarcane in the future.

“Investments in the sugarcane sector have been only by farmers in equipment and labour,” said Mr Andre Pessoa, a consultant with Brazil-based Agroconsult.

### **Cardamom loses flavour on poor quality arrivals**



Kochi, June 18:

The cardamom market ruled unsteady as arrival of quality materials dropped sharply at auctions held in Kerala and Tamil Nadu last week.

It was reflected on the individual auction average prices. Wherever good quality material arrived, the average prices showed an upward trend while at auctions where material arrived was inferior the average dropped significantly, trade sources said.

At the last Tuesday auction the average price was at Rs768.20 a kg because of arrival of good quality cardamom. On Wednesday and Thursday, the auction average fell to Rs 696.80 and Rs 669.71 a kg, respectively, while on Friday again upon arrival of good capsules, the average price moved up to Rs 737 a kg. Saturday again fell to Rs 622 a kg to move up to Rs 701 a kg on Sunday.

According to a trade sources in Bodinayakanur, buying by both exporters as well as upcountry dealers has slowed down for want of good quality material. "Good quality material is fetching good prices. Good colour bold bulk was fetching Rs 860-900 a kg, while 8mm bold green was sold at Rs 1,300-1,350 a kg in Bodi," Mr Ramanathan, a Bodi-based market expert told *Business Line*. According to him, exporters bought around 15 – 20 tonnes.

Meanwhile, there were rumours from upcountry dealers that the Guatemala material has started arriving in the north Indian markets. However, the dealers in Bodi said that they were not aware of any such development.

According to the trade in Bodi, the main hub for cardamom trade in the country, stocks are being held by many in upcountry markets and even in overseas markets. Attributing the slow Ramzan buying to this phenomenon, they claimed that once this stock is liquidated buyers would enter the market.

At the same time availability of exportable quality material is also a matter of concern, they said.

The South-West monsoon has become active in the high ranges, the main cardamom belt, for the past two days, they said.

Given the unfavourable weather conditions that prevailed till now, the new crop is expected to arrive only in August. Hence, the lean period will be extended. Besides, the next crop is estimated to be much less than what it was in the previous season, they pointed out.

Arrivals at the Sunday auction stood at 43 tonnes as against 34.7 tonnes the previous Sunday and of this 41 tonnes of cardamom were sold out. Maximum price on Sunday was at Rs 1,039.50 a kg and the minimum Rs 480 a kg. The individual auction average was at Rs 701 a kg down Rs 716.76 a kg the previous Sunday, Mr Punnoose, General Manager, CPMC, said.



Total arrivals during the current season from Aug 1 up to June 17 were at 19,055 tonnes and the sales at 18,302 tonnes as against 10,941 tonnes of arrivals and 10,658 tonnes of sales in the same period last year.

Weighted average price as on June 17 was at around Rs 633 a kg as against about Rs 1,030 a kg on the same date last year, according to market sources.

**Official prices of graded varieties (Rs/kg):** AGEB 1,070-1,100; AGB 760 -770; AGS 730 - 740 and AGS 1: 680 – 700. Prices of other grades were: 7-8 mm (AGEB) 1,000-1,050; 6 – 7 mm (AGB) 750 - 760; 5 – 6 mm good quality (AGS) 700 -740 and 4 – 5 mm (AGS 1) 650 - 675.

The cardamom growing areas received good rains during the past couple of days and thus, the weather conditions have improved, some of the growers in Idukki said.

### 32% of teas goes unsold at Coonoor auctions

P.S. Sundar



A tea garden near Coonoor. (file photo)

Coonoor, June 18:

Teas worth about Rs 4.90 crore remained unsold at Sale No: 24 of Coonoor Tea Trade Association auctions as there were no takers for about 32 per cent of the year's highest offer of 16.57 lakh kg despite shedding prices by Rs 4 a kg.

Homedale Estate tea auctioned by Global Tea Brokers, topped the CTC market at Rs 162 a kg. Vigneshwar Estate got Rs 150, Hittakkal Estate Rs 147, Blue Monte speciality and Waver Tree

Rs 142 each, Shanthi Supreme and Deepika Supreme Rs 141 each and Darmona Estate Rs 140. In all, 169 marks got Rs 100 and more.

Among orthodox teas from the corporate sector, Chamraj got Rs 215, Curzon Rs 190, Havukal Rs 170 and Kairbetta Rs 164. In all, 32 marks got Rs 100 and more.

“Whole leaf orthodox eased Rs 5-10 a kg and the rest Rs 2-5. High-priced CTC leaf lost Rs 6-10 and better mediums Rs 3-7 while substantial volume of plainers had to be withdrawn for want of bidders despite shedding Rs 5-8. Orthodox dusts eased Rs 4-5. High-priced CTC dusts eased Rs 5-10, better mediums Rs 3-7 and plainers up to Rs 10,” an auctioneer told *Business Line*.

The export transaction was weak with many exporters refraining from buying. Pakistan bought selectively for Rs 65-95 a kg and the CIS, Rs 73-94.

Quotations held by brokers indicated bids ranging Rs 67-70 a kg for plain leaf grades and Rs 120-150 for brighter liquoring sorts. They ranged Rs 70-76 for plain dusts and Rs 120-150 for brighter liquoring dusts.

### Sugar freight rates up on truck shortage



*THE HINDU*

Mumbai, June 18:

Sugar prices on the Vashi wholesale market was mixed on Monday. Naka and mill tender rates increased by Rs 8-10 due to a hike in transportation charges by Rs 5 for Karad-Kolhapur line. Routine demand in the spot market kept S-grade price unchanged while M-grade rose by Rs 10

on higher demand. Mr Jagdish Rawal of B. Bhogilal and Co said that prices were up on expectation of increase in demand from local stockists and upcountry buyers. Fresh buying inquiry from eastern States such as Assam and West Bengal lifted sentiments in Maharashtra. There was talk of one rail rake (about 27,000 bags) bought by them from Maharashtra's mills on Saturday.

Further, shortage of trucks in Kolhapur and Karad line pushed up freight charges by another Rs 5 a bag taking the total rise to Rs 10 – 12 in the last one week. Slower arrivals have not affected local market due to the routine and need-based demand. Domestic futures markets and prices in Uttar Pradesh were range-bound. Supply from mills is ample in the local market. Improvement in demand may lead to higher price in the coming days as traders expect demand for Ramadan festival will possibly start from next week.

In Vashi market, arrivals were 54-55 truckloads and local dispatches were 52-53 loads. On Saturday, 9-10 mills offered tenders and sold 78,000– 80,000 bags including one rake - 27,000 bags to eastern buyers in the range of Rs 2,820-2,870 (Rs 2,810-2,870) for S-grade and Rs 2,900-2,980 (Rs 2,890-2,970) for M-grade.

**Bombay Sugar Merchants Association's spot rates:** S-grade Rs 2,932-2,991 (Rs 2,932-2,991) and M-grade Rs 3,032- 3,181 (Rs 3,021-3,181). Naka delivery rates: S-grade Rs 2,900 -2,940 (Rs 2,900-2,930) and M-grade Rs 2,950-3,050 (Rs 2,960-3,040).

#### Non-basmati steams on retail offtake



Karnal, June 18:

Non-basmati rice prices increased on Monday following frantic buying by retail traders. The buying was to meet the demand from the labour that has come to Haryana from Bihar and other

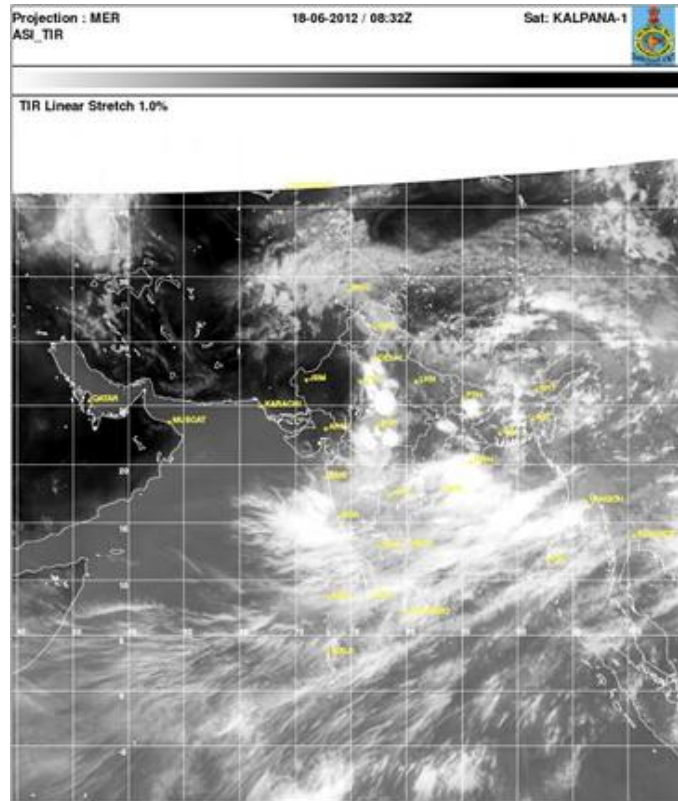
neighbouring States for sowing kharif paddy. Prices of permal varieties, however, did not rise, while aromatic varieties managed to maintain their previous levels. Frantic buying by retail traders lifted prices of a few non-basmati varieties, said Mr Amit Chandna, Proprietor, Hanuman Rice Trading Company. This is because workers prefer non-basmati rice. Traders expect the demand for non-basmati rice to increase by end-June. Non-basmati varieties may witness some price changes this week, while the aromatic varieties are likely to rule around current levels, said Mr Amit. In the physical market, PR-11 (sela) increased by Rs 250 to 2,500-2,780, while PR-11 (raw) went up by Rs 150 to Rs 2,400-2,650 a quintal. PR-14 (steam) rose by Rs 350 and sold at Rs 2,800-2,900 a quintal. Sharbati (steam) went up by Rs 300 to Rs 3,700-3,750, while Sharbati (sela) sold at Rs 3,400, up Rs 200 from the previous level.

After witnessing a good rally last weekend, Permal rice remained unchanged. Permal (raw) sold at Rs 2,000-2,400 a quintal, while Permal (sela) went for Rs 2,370. On the other hand, aromatic varieties continued to rule flat amidst slack trading. Pusa-1121 (steam) quoted at Rs 5,775-5,800 a quintal, and Pusa-1121 (sela), at Rs 4,800-4,850. Pure basmati (raw) quoted at Rs 5,450-5,500, while pure basmati (sela) ruled at around Rs 5,000. For the brokens of Pusa-1121, Tibar sold at Rs 3,800, Dubar at Rs 2,800-2,900 and Mongra at Rs 2,100-2,300 a quintal. Duplicate basmati quoted at Rs 4,500, while Sugandha (steam) was at Rs 3,700.

**Depression 'Talim' may spell trouble for monsoon**

Vinson Kurian





Thiruvananthapuram, June 18:

Teething troubles for Indian monsoon seem to never end, with typhoon 'Guchol' in north-west Pacific kicking up a successor storm in upstream South China Sea.

On Monday, tropical depression 'Talim' spun up south-west of Hong Kong. It is forecast to track north-northeast as typhoon 'Guchol' has done.

#### HARMFUL IMPACT

All storms travelling in a north-northeast direction in the South China Sea/northwest Pacific can prove harmful for the monsoon, especially after they die out.

The storms would drag the monsoon current across the peninsula for as long as they sustain; but the supply of moisture is cut off after they die out. It will take sometime for the flows to converge and consolidate in the Arabian Sea/Bay of Bengal for the monsoon to revive.

Tropical depression Talim might weaken the flows over Arabian Sea, since they are being mostly guided across the equatorial Indian Ocean and Bay of Bengal.

The European Centre for Medium Range Weather Forecasts indicates a weakening of the flows over the Arabian Sea from as early as Tuesday.

## TROUGH WAXING

The offshore trough along India's west coast has started waxing and waning in strength, before resuming its full length by the evening.

The monsoon reach was unchanged from the alignment linking Veraval, Navsari, Akola, Brahmapuri, Kanker, Keonjargarh, Midnapur and Malda with Gangtok.

The India Meteorological Department (IMD) said conditions are favourable for its further advance into some more parts of Arabian Sea, Gujarat and Chhattisgarh.

Entire Maharashtra, Orissa, West Bengal, Sikkim and some parts of Madhya Pradesh, Jharkhand and Bihar are also expected to cover during the next three days.

## 'LOW' EXPECTED

The IMD also said that a cyclonic circulation is persisting over northwest Bay of Bengal and neighbourhood.

This is expected to settle down as a low-pressure area, which would anchor the flows and drive rains into east India.

But the European Centre for Medium Range Weather Forecasts sceptic on this front; it said it might take until Thursday for this to happen.