THE HINDU

TODAY FARM NEWS

06.11.2012 A.M

Two-day training in confectionery making

The Tamil Nadu Agricultural University will organise a training in chocolate and sugar confectionery making on November 6 and 7 on the university premises.

The training will cover the preparation of the following aspects: chocolate, fruit candy, chikkies, lollipop and jujups, fondant and fudge, toffee and caramel, marzipan and marshmallow.

Those interested can attend the training by paying a fee of Rs. 1,000. For details, contact Head, Post-Harvest Technology Centre, Tamil Nadu Agricultural University, Coimbatore – 641003.

For details, contact 0422-6611268 / 6611340.

Grape farmers take the road to profit

Fresh grapes are made available at cheaper rate; they become entrepreneurs by undertaking direct marketing

WIN-WIN deal:Grape farmers selling farm fresh grapes near their farm on the Madurai highway at Oothupatti near Kodai Road in Dindigul district on Monday.— PHOTO: G. KARTHIKEYAN

Even as farmers all over the country are struggling to market agri-produces and cursing middlemen and commission agents for paying poor price, that are not meeting even their production costs and appealing to the governments to fix better price for their produces, grape growers in Dindigul district have brought a revolutionary change in the way they are marketing their fruits, creating a model, that is best, for their counterparts in other areas to emulate.

'Farm fresh grapes at farm gate' is their marketing concept. They neither spend single paisa for marketing and nor run from pillar to post in search of customers. Above all, their customers are anywhere in India.

A vast stretch of four-lane National Highway-7 between Kodai Road and A Vellode is their prime market base and their main customers are not the local people.

They come from all corners of India to their farm gate to buy farm fresh grapes.

Multi-colour flex boards describing t high quality farm fresh grapes greet these travellers on both sides of the NH-7. Men and women, holding out bunches of fresh grapes in their hands, too signal these customers to stop their speeding vehicles. Dawn-to-dusk is the sale time.

To satisfy such valuable customers, innovative farmers lure them with unimaginably cheaper prices. Customers can get one kg of grapes for Rs.30 a kg, enjoying 33 per cent rebate on prevailing market price. (Grape price at fruits shops in towns is Rs.45 and Rs.50.)

Another major benefit is that customers buy fresh fruits plucked from the farm before their eyes. Shelf life is also high for these fruits. At the same time, farmers register a three-fold profit.

"When we sell it to commission agents, they fix different prices for every plucking. They reduce the price for fruits during second and third plucking. It is hard to get Rs.10 a kg for the best quality. If the production is high, prices will crash to Rs.7 and some times to Rs.6 a kg. With no storage facility, we cannot stock plucked fruits and are forced to sell to agents at a very low price," says Muthu Pandi of Uthupatti in Nilakottai block. "Now, we pluck fruits on the basis of demand. Post harvest loss is very less. Freight charge is nil," he adds.

"We sell at least 300 kg a day on weekdays and 400 to 500 kg on weekends," say many farmers.

This silent revolution is making ripples in that area. Today, many growers have come to the street to boost their income and profit margin. Some progressive farmers even depute farm workers in direct marketing.

At last, grape farmers have become entrepreneurs taking care of marketing on their own.

Grape is being cultivated on around 150 to 200 hectares in Dindigul, Nilakottai and Athoor blocks in the district.

Farmers urged to grow horticultural crops

Minister for Horticulture S.A. Ravindranath on Monday urged farmers to make proper use of various government schemes for promoting horticultural crops and enhance their income.

Inaugurating a fruit and vegetable storage unit on the premises of the Horticulture Department here on Monday, Mr. Ravindranath said that a few years ago, the department was short-staffed and lacked basic infrastructure. There was no proper system to provide information about horticultural crop cultivation. The BJP government had addressed this by opening information centres and releasing funds, he said.

This year, the government had sanctioned Rs. 863 crore to the Department of Horticulture and allocated separate funds under the NHM.

Call to protect pokkali farming in Alappuzha

A march to the collectorate here was organised on Monday by the joint agitation council and People's Prathirodha Council for protecting the pokkali paddy fields in the north western parts of the district.

The agitators wanted a ban on round-the-year aquaculture.

Speaking on the occasion, Chengara agitation leader Laha Gopalan called for a collective to be formed all over the State to protect environment and life.

Noted environmental activist, C. R. Neelakantan in his speech said that the society was facing the issue of food shortage in the near future and hence seeds and the traditional agricultural practices of the State should be protected.

Saline waters

The agitators point out that the pokkali paddy fields in the north western parts of the district have been on the verge of destruction as certain lobbies have sabotaged the ‘one paddy one fish system’ of cultivation.

“There are paddy fields which were full of saline water for the last 20 years in places like Ezhupunna. Even vegetable cultivation is impossible in these areas,” the agitators said.

The protest march at the Collectorate premises was presided over by Moolampilly Coordination Committee general convener Francis Kalathunkal.

Steps to resolve egg shortage sought

Kerala Hotel and Restaurant’s Association has called upon the government to take steps to find a solution to the crisis precipitated by the acute shortage of chicken and eggs in the market on account of the ban on import of poultry products from Tamil Nadu and Karnataka following reports of bird flu.

The ban has come at a critical time when hoteliers and bakers were busy preparing for their Christmas market, especially for the Christmas cakes, when egg was needed in large quantities, pointed out Association president G Sudheesh Kumar and general secretary Jose Mohan.

The ban has also created a new challenge for the traders in Kerala since presently, there was no mechanism to check whether damaged eggs were being imported from neighbouring States, they said.

“Since there is no system for preserving eggs during the period of the ban, there were chances for damaged eggs being mixed with the good ones and sent to Kerala, once the ban was lifted,” they said.

Since the State government lacks machinery for quality assurance for eggs coming into the market through the check posts, they wanted the authorities to ensure authorization from Tamil Nadu authorities for the product. They have also asked the authorities tighten the checking at the entry points.

As per statistics, the State needs 90 lakh eggs a day and nearly 90 per cent of this is being imported from Tamil Nadu.

The Association asked the authorities to review the decision to ban import of egg and chicken from Tamil Nadu as avian flu has not been reported from that State so far.

The Association in a resolution said that the industry was passing through a period of severe crisis on account of the increase in LPG prices and also its shortage in the market.

The labour shortage coupled with price rise for essential commodities too has put heavy pressure on the industry, they said.

Ban on poultry from Tamil Nadu lifted

Ban on Karnataka products stays; ‘no entry’ for poultry manure from Tamil Nadu

The government has decided to partially lift the ban imposed on poultry and poultry products from neighbouring States in the wake of the outbreak of bird flu. The ban on imports from Tamil Nadu will be lifted from 12 noon on Tuesday. However, the ban on imports from Karnataka will continue. A high-level review meeting convened by Minister for Animal Husbandry K.P. Mohanan here on Monday decided on conditional relaxation of the ban. — Special Correspondent

New MD for Livestock Board (Briefly)

M. Suresh Kumar has assumed charge as Managing Director of the Kerala Livestock Development Board. Mr. Suresh Kumar has functioned as Managing Director of the Kerala State Poultry Development Corporation and Kerala Feeds Limited, a release said. — Staff Reporter

Chilli farmers lay siege to insurance firm office

A large number of farmers laid a siege to the National Insurance Company (NIC) divisional office here on Monday. They were seeking settlement of their claim for the chilli crop that was destroyed in fire at Nandini and Vengamamba cold storages last year.

This was the second time the farmers squatted at the NIC office overnight in protest against the inordinate delay in payment of compensation. It was on July 12 that they had first grilled the NIC Divisional Manager and his staff over the issue. The NIC owed Rs. 43 crore to the farmers for more than a year.

Farmers who lost their produce in the fire accident that took place in Sai Surya cold storage had their compensation paid by the Oriental Insurance Company earlier this month.

CPI district secretary Muppalla Nageswara Rao, who led the agitation, said the NIC was trying to absolve itself of the responsibility to settle the insurance claim citing certain technicalities. The NIC appeared to have decided to drive the farmers to court, instead of settling their legitimate claims. If it continued to be indifferent to the plight of farmers, the agitation would be intensified, he warned.

Relief for rain-hit farmers sought

Peasants' organisations have demanded that the State government make arrangements for immediate provision of relief and compensation to farmers of Ganjam district who faced crop loss in the recent continuous rains.

It may be noted that Ganjam district has been experiencing continuous rains for the past five days. As per initial official report, it has affected 21,830 hectares of paddy fields and 3,680 hectares of non-paddy crop. But peasants' organisations including Odisha Krushak Sabha (OKS) alleged that the real affected area could be more than it. The Ganjam district unit of the OKS has decided to make its own survey regarding crop loss and file a report.

The OKS also decided to hold protest demonstration in front of the office of the Ganjam distrit Collector at Chatrapur from November 16, if the government did not make arrangements for remedial measures for affected farmers by then, said president of the Ganjam district unit of the OKS, Kailash Sadangi.

Farmers, especially paddy growers, have suffered the vagaries of nature for three kharif seasons in a row. Cyclonic rains in December 2010 had destroyed standing paddy crop in the district. It was followed by crop loss due to drought-like situation during kharif in 2011. “Now the continuous rains due to the cyclonic storm ‘Nilam’ have added to the woes,” said Mr Sadangi.

The OKS activists as well as members of the All India Kishan Mazdoor Sabha (AIKMS) alleged that payment of compensation by government for earlier crop losses had been delayed and some of the peasants who had suffered crop loss due to drought-like situation last year had not received compensation to date. B. C. Sadangi, national executive committee member of the AIKMS, said some of the affected farmers of 2010 had also not received compensation.

As per the OKS and the AIKMS, worst sufferers were share croppers who were yet to get compensation for their crop loss due to lack of proper policy of State government regarding them. During their planned agitation at Chatrapur, the OKS would also take up this issue.

These peasants’ organisations were of the opinion that the State government should come up with a comprehensive agricultural policy so that the farmers could get compensation for their crop loss as early as possible.

“Payment of compensation after six months or more of crop loss has no meaning for affected farmers,” Mr Sadangi of OKS said.

The OKS activists suggested that the State government immediately launch MGNREGA projects in affected areas to stop migration of agricultural labour.

They also wanted daily wage of agricultural workers to be hiked to Rs 300 a day.

The OKS also demanded that the government procure all paddy affected by rains at Rs 1,500 a quintal without taking their quality into account, to provide succour to the farmers who had faced natural calamity.

When contacted, emergency officer of Ganjam district Mahendra Panda said the crop loss due to these rains might not be as much as expected.

According to him, although rain was continuing its amount had got reduced since Sunday due to which water that had entered the paddy fields had started to subside.

Life as a plant

During the holidays, I often sleep late and during the pooja holidays, I dreamt of the world of plants. I dreamt I was a rose plant. I also noticed that I was in a nursery. There were so many rose plants like me. After some time a woman came and gave us some water. It tasted like lemon squash. Then she gave me some food. It was all crumbly and tasted like Cadbury Diary Milk Silk. After this, she fed me some white coloured balls — it was like homeo medicine. The buds that were on my hand began to bloom. Then a child came in and smelled my flowers. I found that I was going to be sold off. But ,because of a scar on my leaf, the customer didn't choose me. Then suddenly I felt a mosquito biting me. It was actually scissors. My flowers and some of my branches were cut off. I was feeling a small pain but I suddenly I felt cold. They applied a green paste on me. It tasted like Colgate Sensitive Toothpaste. I felt someone tickling me. It was my mom, calling me to get up. Then I noticed that it was a dream, and the lemon squash was actually the water obtained from dry leaves and the food which I ate was dried cow dung. The homeo medicine was urea. The applied paste was actually a chemical substance which is applied to the branches to prevent the plant from drying up. I thought that in my next life, I will be a plant and will get a chance to enjoy the taste of lemon squash and food which tastes like Cadbury Dairy Milk Silk.

Unique ID numbers for fertilizer dealers

With the bitter experience during the season when farmers were caned by the police as they stood for long hours waiting for their turn to collect fertilizer, the district administration has decided to launch mobile fertilizer management system (MFMS). Training for this was recently held at the district headquarters presided over by Collector A. Dinakar Babu.

Under this system, each fertilizer dealer would be issued unique identity number. For this, they have to provide licence details, cellphone number, TIN and PAN numbers. Based on these they would be provided with unique ID number and fertilizer supplied to them would be uploaded in the web pages.

On each day, the fertilizer sold by the dealer to the farmers and the quantity that is sold would be monitored through the mobile fertilizer management system. The dealers have to register the required details through mobile which would be cross-checked by the officials. This would also allow the officials to monitor the supply system and arrest the loophole so that the fertilizer would reach farmers without fail.

There are about 564 fertilizer dealers in the district. Based on the supplied fertilizers to them and the requirement of farmers, the officials would be in a position to assess the future needs and plan accordingly.

“MFMS will be useful to extend service to farmers in a better way. This will come into force shortly,” said an official of the Agriculture Department.

Food security most critical part of national security: Governor

Governor E.S.L. Narasimhan welcoming William D. Dar, Director General of ICRISAT in Hyderabad on Monday. Conference chairman J.A. Chowdary also seen.- PHOTO: NAGARA GOPAL

William D. Dar, Director General of International Crop Research Institute for the Semi-Arid Tropics (ICRISAT), has said that an inclusive market-oriented development of agriculture will make it sustainable and meet the increasing food demand.

Speaking at the inaugural session of the International Conference-cum-Exhibition on Agribusiness and Food Processing – Food 360 – here on Monday, Mr. Dar said that India was the biggest food consumption market in the world worth US $ 100 billion a year.

Governor E.S.L. Narasimhan said that food security had become the most critical and important component of national security.

It was under threat with the influx of rural communities in urban areas as farming was getting un-remunerative.

"We need to change the mindset of the farming community by addressing their problems as they think that it's not worthwhile to carry out agriculture."

He advised the industry to bring down wastage of food by creating proper storage facilities, taking up processing and value addition.

Turmeric auction postponed

The turmeric auctioning planned to be launched in the district from November 7 by Department of Agriculture Marketing and Agri Business has been deferred to November 16.

A Shanmugam, superintendent of Regulated Market, told reporters that postponement of the commencement date was due to administrative reasons.

"After the first trading on November 16, the subsequent auctioning will be held on every Wednesday continuously," he said.

Government assessing crop damage: Minister

TAMIL NADU NORTH EAST MONSOON RAINFALL

	Pre Monsoon #		Post Monsoon *			Pre Monsoon #		Post Monsoon *	
	Actual (mm)	Departure (%)	Actual (mm)	Departure (%)		Actual (mm)	Departure (%)	Actual (mm)	Departure (%)
Ariyalur	27.1	-73	294.6	27	Pudukottai	50.5	-36	256.2	37
Chennai	36.1	-65	431.1	26	Ramanathapuram	64.3	-12	282.3	22
Coimbatore	165.2	137	248.3	32	Salem	112	3	256.3	16
Cuddalore	50.8	-48	556.3	102	Sivaganga	76.1	-18	265.5	17
Dharmapuri	137.1	29	253.7	24	Thanjavur	58.4	-32	399.2	73
Dindigul	170.9	77	284.1	26	Theni	141.5	83	205.3	-1
Erode	126.9	54	217	14	Tirunelveli	57	-3	309.4	49
Kancheepuram	33.1	-66	363.7	26	Tirupur	70	-5	181.1	1
Kanyakumari	69.2	-32	281.8	-1	Tiruvallur	35	-63	385.0	43
Karur	84.8	9	224.2	31	Tiruvannamalai	100.5	-3	373.0	61
Krishnagiri	139.7	28	275.0	40	Tiruvarur	49.7	-41	605.4	138
Madurai	99.5	-6	186.0	-26	Thoothukudi	57.8	-3	204.1	3
Nagapattinam	20.8	-78	678.7	116	Tiruchy	96	1	268.6	31
Namakkal	107.9	23	205.1	12	Vellore	74.5	-21	291.3	55
Nilgiris	165.8	54	393.4	52	Villupuram	74	-22	456.1	102
Perambalur	88.3	-17	245.6	8	Virudhunagar	118.4	41	224.1	-1

As on October 17 * As on November 5

The government is taking measures on a war-footing to survey and assess the extent of damage to crops caused by Cyclone Nilam and grant relief to affected farmers at the earliest, according to Thoppu N.D. Venkatachalam, Revenue Minister. “Officials of the Revenue Department have taken up survey of the affected lands. District Collectors will submit a report to the government,” he told reporters shortly after inspecting banana crops damaged in the recent rains in a few places in Vellore district on Monday.

The government decided to provide Rs. 10,000 per hectare as relief amount for paddy crops damaged in the rains, and Rs. 7,500 per hectare for other crops such as banana.

“Chief Minister Jayalalithaa has instructed us to conduct inspection and provide relief to farmers of the affected areas,” he added.

A few farmers at Melakuppam panchayat requested the Minister to increase the relief amount from Rs. 100 per plant to Rs. 120 – Rs. 125, as they incurred heavy loss and had to bear the increased cost of fertilizers and agricultural labourers. Mr. Venkatachalam said, “The farmers have requested for increase in relief amount. If any affected areas have been left out in the survey, the farmers could inform the respective Village Administrative Officers.”

In Vellore district, survey of about 500 acres of land had been completed and the process was under way in other affected areas, he said. Asked about which districts were the most-affected in the cyclone, the Minister said paddy crops were damaged in central districts such as Thanjavur and Tiruvarur, while northern districts, including Vellore, witnessed damage to banana and other crops. Mr. Venkatachalam said swift measures taken by the government ensured return of normality in affected areas within a day.

After a review meeting in Chennai, the Minister said the northeast monsoon and Nilam claimed 65 lives, killed 862 heads of cattle, fully destroyed 785 huts and partially damaged 3,836 huts.

Dairy farmers seek hike in procurement price

Coimbatore District Dairy Farmers Welfare Association has urged the Chief Minister to hike the procurement price of milk by Rs. 2 per litre for the milk supplied through societies and distribute the same as incentive for the Deepavali and for Pongal in January 2014.

In a memorandum to the Chief Minister, Patron of the Association S.R. Rajagopal and President K.S. Balachandran thanked her for having hiked the procurement price by Rs. 2 per litre in November 2011.

However, taking into account the prevailing price of milch cows, wages for workers, increase in prices of cattle feed, medical expenses, the procurement price of Rs 19.40 per litre for the milk with 4.5 per cent fat and 8.3 per cent solid non-fat (SNF) was inadequate. In Kerala the procurement price was Rs 28.28 per litre for the milk with same level of fat and SNF.

Mr. Rajagopal urged the Chief Minister to issue orders for permanently disbursing the hike in procurement price once in three months i.e., especially during festivals such as Deepavali, Pongal and Tamil New year. The hike in procurement price has resulted in many of the 17 unions turning into profit making unions and the union in Coimbatore District alone was expected to net a profit of Rs. 20 crore.

The hike could be staggered and distributed as Re 1 per litre of milk supplied during 2011-12 for the Deepavali festival and another Re 1 per litre for the Pongal in January 2013.

He also called for steps to make the 17 bulk milk coolers (BMC) installed at various places in Coimbatore and Tirupur to turn functional immediately. The Association thanked the Chief Minister for ordering modernisation of the Coimbatore Aavin and sought immediate commissioning of the works.

Considering the workload, the association urged the Chief Minister to announce appointment of veterinarians at the rate of one veterinarian for every 20 to 25 societies on consolidated pay basis to ensure proper vaccination and health care for the cows to enhance dairy production. Thanking the Chief Minister for announcing a pay hike of Rs 200 to Rs 300, he called for steps to turn these workers at the milk societies into permanent employees with fixed salary.

Relief for crop loss to be given by November 20

Minister for Water Resources Basavaraj Bommai on Monday said that Chief Minister Jagadish Shettar directed the Deputy Commissioners to disburse compensation to small and marginal farmers who lost their crop during the recent drought and Rs. 232 crore had already been released for it.

Briefing mediapersons on the decisions taken at the conference of Deputy Commissioners and Chief Executive Officers of the zilla panchayats, presided over by Mr. Shettar, he said that amount had been released to the tahsildars by the Deputy Commissionerss, but it had not reached farmers. Teams of officers from the departments of Agriculture, Horticulture and Revenue had been constituted to prepare the list of beneficiaries.

The compensation would first be disbursed in Bangalore Rural, Chitradurga, Bidar, Gulbarga, Mysore, Chickballapur, Yadgir, Chikmagalur, Davangere, Dharwad, Mandya, Raichur, Bellary and Bijapur districts. It would be disbursed in other districts after some time. All the districts had taken funds released to their personal deposit account (PD account), except in Kolar, and they would start disbursement of compensation immediately.

Mr. Bommai said the survey of damage owing to drought had been carried out in Bijapur, Bellary, Mysore, Raichur and Mandya districts. He said that Mr. Shettar directed the officials concerned to release Bhagyalakshmi bonds and funds under Sandhya Suraksha scheme. He told Revenue Department officials to streamline Nemmadi programme. Around 10,000 Bhagyalakshmi bonds pending in three districts, including Bijapur, should be issued immediately.

Mr. Shettar also wanted the officials to expedite drinking water supply both under the Union and State government programmes on a war-footing, so that there should be no scarcity of water the next summer. The recent drought could provide enough inputs into the areas which needed urgent attention, he added.

Job scheme

The Chief Minister instructed the officials to spend Rs. 500 crore under the Mahatma Gandhi National Rural Employment Guarantee Act in the next six months in the departments of agriculture, horticulture and sericulture and provide jobs to villagers. Under both the central and State Suvarna Grama Sadak Yojanas, road works should be taken up in right earnest. He told the officers to invite tenders to build 30 km of road in each Assembly constituencies under PMRGY and proposals had been received under the Sstate sector, which should be started immediately.A task force comprising officials from the Karnataka State Pollution Control Board, Forest, Public Works Department and headed by the Deputy Commissioners would go into licences for starting crushers after identifying safe zones in the districts.

KSMDMC to see to the needs of mango growers, State tells court

The State government on Monday informed the Karnataka High Court that it has already set up Karnataka State Mango Development and Marketing Corporation Ltd. (KSMDMC) to take care of the needs of mango growers.

‘Lack of facilities’

A submission in this regard was made by the State government’s counsel before a Division Bench comprising Chief Justice Vikramajit Sen and Justice B.V. Nagarathna during a hearing on a public interest litigation petition filed by the Kolar District Mango Growers and Sellers’ Association, who complained about the lack of facilities and inadequate support for mango growers.

The Karnataka State Mango Development and Marketing Corporation Ltd. was established under the Companies Act in January 2011.

‘Fix MSP for all produce’

However, the Division Bench asked the State government why it does not fix minimum support price (MSP) for all agricultural produce annually instead of announcing MSP only after the crash of a particular crop as many farmers are distressed by the time the government intervenes. At earlier hearings too, the Bench had felt the need for fixing MSP for mango as well as other agricultural produce on the lines of what is being done for tomatoes and other crops.

Hearing adjourned

The Bench has asked the government to inform its views on fixing MPS for all agriculture produce annually and adjourned hearing of the petition till November 8.

Procure coconut at Rs. 10, say farmers

President of the Planning Committee of the Thirumurthy Irrigation System of the Parambikulam – Aliyar Project (PAP), Medical K. Paramasivam, has asked the Government to procure coconut at Rs. 10 a nut.

In a memorandum to Union Agriculture Minister he said that in Tamil Nadu, 4.25 lakh acres of irrigation lands in Coimbatore, Tirupur, and Erode districts are benefitted by the PAP scheme.

From 1990, farmers were getting the same price for coconut though production cost has increased. Owing to rise in wages for farm workers, price of inputs, and diesel, cost of production of coconut was Rs. 15 whereas the farmers were getting just Rs. 4. Government should directly procure coconuts because procurement of copra was not beneficial to the farming community.

Copra

Copra procurement was benefitting merchants and middlemen. Farmers were not in a position to process their coconuts into copra. Government procured paddy and not rice, wheat not flour, sugarcane not sugar, hence coconut should be procured and not copra.

Till a decision in this regard was taken, the Government should procure copra at Rs. 75 a kg.

Property loss put at Rs. 357 crore

Crops in 68,196 hectares damaged: official

Colossal loss:Cotton crop submerged in rainwater at Vatticherukuru in Guntur district. —Photo: T. Vijaya Kumar

Even as the district is coming to grips with the devastation caused by heavy rains for the last three days, the district administration has estimated the loss of property to be Rs. 357 crore.

District Collector S. Suresh Kumar said at a media conference on Monday that the estimates from the Revenue, Agriculture, Roads & Buildings, and Panchayat Raj had been taken while preparing the report.

Mr. Suresh Kumar said the estimates for taking up permanent works would also be sent to the State government.

The Guntur Municipal Corporation suffered loss estimated at Rs. 50 crore and Panchayat Raj Rs. 93 crore.

Three deaths were reported from Phirangipuram, Guntur, and Chebrolu mandals, and another death reported was yet to be confirmed. Fourteen buffaloes were feared dead and poultry loss was put at 1,200.

The Revenue Department estimated that 467 houses had been completely/partially damaged in the district.

Medical camps were conducted in 10 mandals and 1,450 persons had been evacuated to safer places, the Collector said.

The reports were being sent to the government for the latter’s perusal and action.

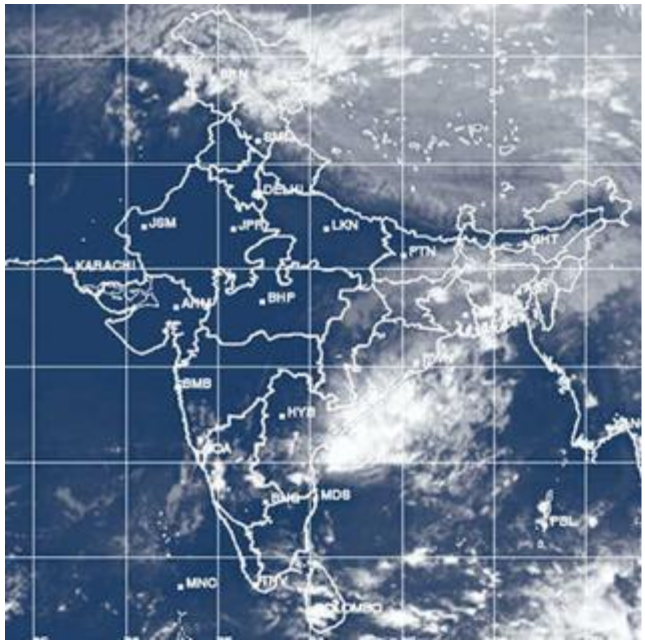
The Department of Agriculture prepared a report based on inputs from various mandals.

The complete consolidated report of the damage would be available in a week.

Giving a break-up of the loss in the district, Joint Director of Agriculture A. Sridhar said crops in 68,196 hectares have been damaged due to floods caused by incessant rains.

Cotton crop bore the brunt with inundation being reported in 34,077 hectares. Paddy too suffered inundation (13,432 hectares), followed by maize (615 hectares), groundnut (229 hectares), bengal gram (147 hectares), black gram (1,957 hectares), and jute (688 hectares).

Weather



The columns show maximum and minimum temperature in celsius, rainfall during last 24 hours (trace) and total rainfall in mm since October 01, 2012.

Scattered rain in Rayalaseema

CHENNAI: Rainfall occurred at a few places over coastal A.P. and Rayalaseema. Isolated rainfall occurred over T.N., Karnataka, Telangana and Kerala. Dry weather prevailed over Lakshadweep.

The chief amounts of rainfall recorded in cm are:

Tamil Nadu and Puducherry: R.K.Pet (Tiruvallur Dist) 9, Sholingur (Vellore Dist) 7.

Andhra Pradesh: Kalingapatnam (dist Srikakulam) 26, Tekkali (dist Srikakulam) 11.

Karnataka: Harangi (Kodagu dt) 13,Madikeri 7.

Kerala: Kudulu (Kasargode dt) 5. The minimum temperature fell appreciably at one or two places over Telangana, fell at one or two places over north interior Karnataka, rest Telangana, rose appreciably at one or two places over north coastal T.N. , rose at one or two places over

Kerala, south interior Karnataka, south interior T.N. and changed a little elsewhere over the rest of the region.

FORECAST (valid till Tuesday morning): Rain would occur at many places over coastal A.P. and at a few places over Rayalaseema. Isolated rain may also occur over T.N., Puducherry, Telangana, Karnataka, Kerala and Lakshadweep.

HindustanTimes

TODAY FARM NEWS

06.11.2012 A.M

Weather

Chennai

Chennai - INDIA

Today's Weather

Tuesday, Nov 6

	Max	Min
Partly Cloudy	33.0°	22.3°

Rain: 0
Humidity: 94
Wind: normal
Sunrise: 06:04
Sunset: 05:40
Barometer: 1010

Tomorrow's Forecast

Wednesday, Nov 7

	Max	Min
Partly Cloudy	34°	24°

Extended Forecast for a week

Thursday Nov 8	Friday Nov 9	Saturday Nov 10	Sunday Nov 11	Monday Nov 12
34° | 25°	33° | 25°	32° | 25°	33° | 25°	32° | 25°
Partly Cloudy	Overcast	Overcast	Overcast	Overcast

Airport Weather

Delhi **Delhi**

Rain: 0
Humidity: 82
Wind: normal
Sunrise: 06:37
Sunset: 05:32
Barometer: 1014

THE HINDU Business Line
TODAY FARM NEWS
05.11.2012 P.M
06.11.2012 A.M

5th nov 2012 P.M

Farmers will get benefit only when APMC reforms happen: ITC official

Foreign direct investment in retail will not help farmers until APMC (Agricultural Produce Marketing Regulation) Act is reformed. “As long as you do not do that, farmers will not be able to get benefits from FDI in retail. You need to have competition in the market place. As of now, there is only mechanism where farmers can sell their produce,” S. Sivakumar, Chief Executive Officer of Agri Business Division of ITC, has said.

Talking to reporters on the sidelines of Food 360 conference organised by FICCI here on Monday, he said competition would improve efficiencies in the supply chain and help farmers get more income. “Till such time we carry out market reforms, it is only consumers in urban areas who will benefit from investment flows in the retail sector,” Sivakumar, who is also the Programme Chair of Food 360.

On the prospects for contract farming in the wake of FDI in retail, he said it was not a solution for all crops. “One should produce as required and one should not grow depending on the last year’s prices,” he said.

With regard to processing, he said there was need for improved technologies. “It is not viable to set up processing unit for a particular produce. We should evolve methods that ensure major part of processing of several farm crops. You can have additional investment to take care of crop-specific processing,” he said.

The second edition of the two-day Food 360 conference will focus on productivity and reducing costs in farming sector.

J.A. Chowdary, the Conference Chair, said FICCI would hold this conference annually to provide a platform to various stakeholders. Andhra Pradesh Governor E. S.L. Narasimhan inaugurated the meet.

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Chilli may touch Rs 50/kg in March-April: TNAU

Chilli prices are expected to rule around Rs 50/kg during March-April, according to the Tamil Nadu Agricultural University, Coimbatore.

The prices are now ruling at about Rs 35/kg in the Guntur market.

It has cautioned farmers that exports to Bangladesh and Pakistan might decline as production in these countries is expected to be good this year which would have a bearing on its price in the domestic market.

In a release, TNAU said India, which produced about 12.50 lakh tonnes of chilli last year, was the world’s largest producer of chilli, while China was second.

In 2010, China’s chilli production fell sharply due to weather conditions benefiting the Indian exporters.

India exports chilli in processed forms like chilli powder, dried chillies, flaked chilli etc that had been witnessing phenomenal growth since 2001-02. The exports, which were valued at Rs 1,536 crore in 2010-11 (2.40 lakh tonnes), had jumped to Rs 2,144 crore in 2011-12 despite only a marginal increase in quantity to 2.41 lakh tonnes which was due to the increase in prices.

Malaysia was the largest importer of chillies from India accounting for 26 per cent of the exports while Sri Lanka (19 per cent), Bangladesh (17 per cent) and the US (14 per cent) were the other major buyers.

Bangladesh, Pak crop prospects

TNAU said that during the current year, chilli crop in Bangladesh and Pakistan was expected to be good leading to a possible fall in exports to them. Production in China also might improve this year putting it in direct competition with India in the export markets.

Since the prices in domestic market are influenced by exports, a fall in exports might impact the domestic prices negatively.

TN crop

The release pointed out that, in Tamil Nadu, chillies were grown during October-November in nursery or directly sown to be harvested in February-March with April-May accounting for peak arrivals of harvested crop. Farmers were keen to know the likely price of chillies during harvest time so that they could take up sowing them now.

TNAU said that chilli harvest had commenced in Madhya Pradesh from where about 70 lakh bags are expected to flood the Guntur market soon. It was reported that in Andhra Pradesh itself 60 lakh bags of chillies, each weighing 45-60 kg, had been stocked. While about 11.50 lakh tonnes of chillies would be produced in India in 2012-13, already there was a stock of 3 lakh tonnes available, all of which might exert pressure on chilli prices.

The Domestic and Export Market Intelligence Cell of the university, which had analysed the price of dry chillies in the Virudhunagar regulated market, has estimated that the chilli price might rule around Rs 50 per kg during March-April 2013 and has advised the farmers to take a call on cultivating chillies keeping this in view.

Awareness seminar on commodity, agri markets in Shimoga

An awareness and education seminar on agribusiness and commodity markets will be held on November 7 at 6 p.m. at the Shanthala Spherocast Auditorium, Shimoga District Chamber of Commerce and Industry, K. T. Shamaiah Gowda Road, Behind City Club, Shimoga.

The event is part of an ongoing initiative by The Hindu Business Line jointly with the Forward Markets Commission (FMC), the commodity futures market regulator under the Union Ministry of Consumer Affairs, and the National Commodity and Derivatives Exchange (NCDEX), India's largest agribusiness futures trading portal.

Producers, processors, traders, importers and exporters face price risks in the volatile commodity markets. The event will create awareness among hedgers and potential hedgers about the need to follow a price risk management policy.

Speakers will make presentations on commodities as the key driver of Indian economy, how to hedge price risks through a commodity futures exchange and regulators' perspective . Role of banks in commodity financing will also be covered.

State Bank of Mysore is the banking partner for the event, while Federation of Karnataka Chambers of Commerce and Industry, Bangalore; Shimoga District Chamber of Commerce and Industry, Shimoga; and Kanara Chamber of Commerce and Industry, Mangalore, will provide support.

A similar event will also be held on November 8 at 6 p.m. at the Senate Hall, II floor, Hotel Deepa Comforts, M.G. Road, Mangalore.

To participate, prior registration is solicited. To register, please contact K. Eshwar for the Shimoga seminar on 94481 60126 and Aldrin Vaz on 94481 89030 for the Mangalore event.

Cyclone Nilam damages standing crops in coastal AP

Standing crops on roughly half a million hectares may have been badly damaged due to torrential rains in the wake of Nilam cyclone, according to preliminary estimates by officials. However, a more accurate assessment will be possible only after the waters recede completely. The crop loss has been very heavy in three districts — East Godavari, West Godavari and Krishna. Till now, 25 casualties have been reported.

According to East Godavari District Collector Neetu Prasad, standing paddy crop on almost 1.5 lakh hectares and cotton crop on 11,000 hectares has been damaged. Paddy crop in the Godavari delta as well as the uplands was damaged but the damage is more in the delta, according to sources. Farmers in the Konaseema area of East Godavari district are particularly despondent, as it is a crippling blow to them after the crop holiday which they observed last year.

In West Godavari district, the damage to the paddy crop and horticultural crops is of a similar magnitude and in Krishna district, crops on I lakh hectares have been ruined, according to the District Collector. In Visakhapatnam district, standing crops on 25,000 hectares have been damaged.

Poor drainage

Poor drainage facilities in the Krishna and Godavari deltas is one of the main reasons for heavy crop loss as it takes much longer than necessary for the waters to recede, even after the abatement of rains. Neglect of drainage is proving to be costly. Rice is a water-logged crop and the loss can be minimised if the Government improves drainage facilities, according to agricultural experts. Even in the uplands of the two Godavari districts and Krishna, the damage to paddy crop has been heavy this time, according to sources.

Spices Board offers new trading platform

In a bid to develop alternate direct marketing system to bypass the oft disturbed cardamom auctions, the Spices Board is offering new trading platforms for farmers.

Cardamom growers in Kerala, Tamil Nadu and Karnataka are being provided an opportunity in the forthcoming India International Trade Fair in New Delhi for marketing their produce in the potential North Indian market.

The Spices Board will make available facilities for showcasing and entering into marketing tie ups with prominent merchants and dealers of cardamom in the major markets of Delhi and the States of Uttar Pradesh, Madhya Pradesh, Punjab, Haryana and Rajasthan.

The Board will be setting up a cardamom theme pavilion at the Pragathi Maidan from November 14 to 27. India International Trade Fair, the iconic annual event of the India Trade Promotion Organisation (ITPO) is the largest trade fair in India.

Cardamom growers and associations of cardamom growers are being intimated to participate in this event. Upcountry marketers, traders and buying houses are being invited by the Board to visit the pavilion to interact with the growers, a release said.

Rubber at competitive price will be the key challenge: Industry

The All-India Rubber Industries Association (AIRIA) has urged the Government to waive import duty on raw materials, particularly when domestic production is lagging behind demand.

Speaking at the National Rubber Conference here recently, Niraj Thakkar, AIRIA President, said that inadequate availability of natural rubber and higher import duty on raw materials compared to finished products (inverted duty structure) are affecting the competitiveness of the Rs 50,000-crore rubber industry.

Natural rubber production is projected to fall short of domestic consumption and securing raw material at competitive price will be the key challenge for the industry, he said.

The Government should reduce customs duty on raw materials such as PBR (poly butadiene rubber, used in tyre production), nylon tyre cord fabric and steel tyre cord.

It should also waive duty on raw materials such as butyl rubber and other hi-tech synthetic rubbers, EPDM (ethylene propylene diene monomer rubber) and polyester tyre cord that are not produced in the country, said AIRIA.

The industry has alleged that the surge of cheap imported rubber products from China and other countries has emerged as an area of concern.

Many of the finished rubber products are being imported at much lower duty than that is applied on raw materials.

With over 35,000 rubber products, it has become difficult to prove a case for dumping duty. As most of the manufacturers are small, they do not have the resources to initiate the anti-dumping proceedings according to the law, Thakkar said.

The import duty on latex was recently capped at Rs 49 for one kg from 70 per cent charged earlier.

However, latex being a wet form of natural rubber, the duty should be comparable to natural rubber which is 20 per cent or maximum Rs 20/kg, he said.

The levy of anti-dumping duty on carbon black and rubber chemicals, major raw materials for the industry, has made the Indian rubber products more expensive in comparison to imported finished products, said AIRIA.

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Change agri marketing rules to help farmers gain from retail FDI’

Foreign direct investment (FDI) in retail will not help farmers until the APMC (Agricultural Produce Marketing Regulation) Act is reformed. “As long as you do not do that, farmers will not be able to get benefits from FDI in retail. You need to have competition in the market place. As of now, there is only mechanism where farmers can sell their produce," S. Sivakumar, Chief Executive Officer of Agri Business Division of ITC, has said.

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J.A. Chowdary, the Conference Chair, said FICCI would hold this conference annually in order to provide a platform to various stakeholders. Andhra Pradesh Governor E.S.L. Narasimhan inaugurated the meet.

Award for top sesame seed exporter

Rajkot-based Dhaval Agri Exports has won the first price for the highest export of natural sesame seed and hulled sesame seed.

The award has been instituted by the Indian Oilseeds and Produce Export Promotion Council, an arm of the Commerce Ministry and was given away recently by Asit Tripathy, Agricultural and Processed Foods Export Development Authority Chairman.

With an ultra-modern ISO-22000-2005 and HACCP certified unit, Dhaval has its own laboratory for sample testing to ensure the exported products are hygienic. Dhaval also exports sesame seed to the McDonalds.

Cabinet to decide on more wheat under open market sale next week

The Cabinet will take a decision on releasing more wheat under the open market sale scheme next week, even as flour mills in Kerala are seeking a higher allocation for this month.

According to sources in the know, the Cabinet could decide on the release of as much as 70 lakh tonnes for December and January. This is part of the Government's plan to cut its inventories with the Food Corporation of India and other State agencies that has bulged. Currently, the Centre has stocks of over 40 million tonnes of wheat.

Meanwhile, the Kerala Roller Flour Millers Association has asked the Food and Consumers Affairs Ministry to release more wheat for the State since the allocation under the open market scheme in October and November totally was 7,150 tonnes.

The State needs 35,000 tonnes this month to meet the demand for Diwali, said P.K. Ahammed, Kerala Roller Flour Millers Association President.

In a memorandum submitted to K.V. Thomas, Union Minister of State for Food, he said that even the quality of wheat offered was bad since it was from 2010-11 and 2011-12 crops. However, he stressed the need for immediate release of wheat required to meet Diwali as also Christmas demand.

Ahammed also said that there was disparity in the price at which wheat was offered in Kerala and Tamil Nadu. While mills in Kerala had to pay Rs 1,580 a quintal, units in Tamil Nadu had to pay Rs 1,523. Therefore, he said, the Centre should cut the offer price for Kerala to Rs 1,523.

He also reiterated his demand for a ban on wheat exports by private traders in view of shortage being faced in the domestic market despite a record 93.9 million tonnes production of wheat.

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Unrestricted growth of subsidies financially damaging: Montek

The Deputy Chairman of Planning Commission, Montek Singh Ahluwalia, today said that unrestricted growth of subsidies is financially damaging.

It prevents states from doing many things they have to do for the poor. Many countries and states have some subsidies and there is no question of withdrawing them.

On subsidies in the power sector, he said the Government has therefore planned to resolve the issue of debt restructuring of financially stretched distribution companies. But they have to eliminate the operating deficit within three years partly by raising tariff and by curbing the transmission and distribution losses.

Respective states have to take a call on how to go about this process.

“During the second half of the year, the growth rate will be better than the first half. Many will agree with this as the sign of deceleration has stopped. But we have to be watchful and cannot be sure of making prediction for the next three months,’’ he said.

“A number of initiatives have been taken for the revival of the confidence of investors by getting rid of the impediments of movement of large projects. The issue of fuel supply — both gas and coal for power is receiving a lot of attention and is being addressed,’’ he said.

Coal India Limited has signed fuel supply agreements with large projects and the issue is about import of coal and arrive at a pooling price.

Unrestricted subsidy growth damaging

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GROWTH

“During the second half of the year, the growth rate will be better. Many will agree with this as the signs of deceleration have stopped. But we have to be watchful and cannot be sure of making prediction for the next three months,” he explained.

“A number of initiatives have been taken for revival of the confidence of investors by removing the impediments dogging large projects. The issues of fuel supply, both gas and coal, for the power sector are receiving a lot of attention and are being addressed,” he said.

POOLING PRICE

“There is no difficulty in gas supply. The import is free but the cost is high. To hike output of domestic gas will take time. In the case of coal, output can be increased and additional coal can be imported,” he said.

Coal India Ltd has signed fuel supply agreements with large projects and the issue is about import of coal and arriving at a pooling price. This price needs to be moderate. How to arrive at pooling price is being worked out, he added.

Traders may end cardamom auction’s boycott tomorrow

A majority of traders continued to boycott cardamom auctions resulting in thin trading activities at auctions last week, even as harvesting has picked up.

Lack of buyers prompted auctioneers to restrict registration of lots and consequently, arrivals last week stood at 180 tonnes, less than 50 per cent of the normal arrivals at this time of harvesting season, auction sources told Business Line.

Full participation of the traders is expected from Wednesday as they cannot hold on for long in the interest of their own business, they claimed.

Exporters were active in the market and they are estimated to have bought around 25 tonnes last week, they said.

Upcountry buyers were not active as their agents (traders) were keeping away from the auctions in protest against the raising of the minimum bidding rate from Rs 0.50-2.

Consequently, fresh demand is likely to come up in the coming days for the winter and wedding season.

At the Sunday auction conducted by the KCPMC total arrivals stood at 33 tonnes and the entire quantity was sold out.

The maximum price was at Rs 826 a kg and the minimum was at Rs 502 a kg. Auction average price was at Rs 689 a kg against Rs 765.03 a kg the previous Sunday, Mr P.C. Punnoose, General Manager, CPMC, told Business Line.

He said good colour bulk having capsules of the size of 6.5mm and above fetching Rs 800 to 825 a kg.

Meanwhile, some of the growers have reportedly urged the Spices Board to allow them to sell their produce directly in the open market instead of pooling it through the auction system.

Total arrivals and sales during the current season from Aug 1 to Nov 4 were at 3,003 tonnes and 2,808 tonnes respectively.

In the corresponding period the previous season were at 5,986 tonnes and 5,814 tonnes, respectively, official sources said.

The weighted average price as on Nov 4 stood at Rs 740.45 a kg as against 593.16 a kg on the same date last year.

Prices of graded varieties remained nearly steady in Rs/kg were AGEB 895 -905; AGB 680 - 690; AGS 645 - 655; and AGS -1 : 620-630.

Mixed trend in pepper market

Pepper market ended in a mixed trend after showing high volatility on Monday. One of the three active contracts slightly declined while two others moved up marginally.

In the opening session, November moved up sharply and touched the highest price at the beginning of the forenoon session at Rs 42,980, up by Rs 300 a quintal from the lowest price of the day and then started sliding with high volatility and touched Rs 42,470 a quintal, down by Rs 510 a quintal from the highest price of the day at the closing minutes and then recovered to the last traded price of Rs 42,795.

There was good circular trading as the bulls cartel was trying to keep the prices up.

Most of the long position holders, who do not want to take delivery, were seen switching over to December and February. Many of the investors were fishing in the market. They were ready to buy at Rs 2 below the November delivery price outside the exchange, market sources told *Business Line*.

November contract on the NCDEX increased by Rs 160 a kg to the last traded price (LTP) of Rs 42,795 a quintal. December contract declined by Rs 75 a quintal to the LTP of Rs 42,345 a quintal while February was up by Rs 100 a quintal to the LTP of Rs 37,645 a quintal.

Turnover

Total turnover soared by 1,358 tonnes to close at 2,634 tonnes showing good circular trading, they said. At the same time total open interest declined by 15 tonnes to close at 8,923 tonnes.

November open interest decreased by 690 tonnes while that of December and February increased by 633 tonnes and 39 tonnes showing good switching over.

On the spot, 10 tonnes of farm grade pepper arrived and 8 tonnes were traded at Rs 400, 405, 410 and 415 a kg depending upon the quality, grade and area of production.

Spot prices in tandem with the futures market trend remained steady at Rs 40,000 (ungarbled) and Rs 41,500 (garbled) a quintal.

Despite an increase in Nov price, weakening of the rupee substantially today against the US dollar has aided the Indian parity to drop to $8,100 a tonne (c&f) Europe and $8,400 a tonne (c&f) for the US.

Soyabean, its oil slip on slack demand

Weak global cues and slack demand in the physical market dragged soya oil and soyabean in *mandis* here on Monday. Soya refined declined to Rs 655-660 for 10 kg (Rs 660-662). Soya solvent slipped to Rs 616-620 for 10 kg. Compared with last week, soya refined is down Rs 23-25 in local mandis. However, soya oil futures rose on buying at the lower rate.

On the National Board of Trade here, soya refined oil November contract closed higher at Rs 679.20 for 10 kg after opening at Rs 661.50. The November contract opened almost Rs 20 down on Monday. Soya oil futures closed higher on the National Commodity and Derivatives Exchange (NCDEX) on rise in buying support at lower rates even as Chicago Board of Trade's projections were negative. The November and December contracts on the exchange closed at Rs 674.35 (up Rs 8.75) and Rs 667.95 (up Rs 4.50) for 10 kg respectively.

Weak buying support also pulled down soya seeds on Monday to Rs 3,050-3,125 a quintal amid arrival of 4 lakh bags in Madhya Pradesh. In Ujjain and Indore *mandis*, 14,000 bags each arrived, while 15,000 arrived in Dewas, 10,000 in Piparia and 4,000 in Sehore. Plant deliveries of soyabean ruled at Rs 3,250-3,270 a quintal, about Rs 50-70 lower than last week. On the other hand, soyabean futures traded higher from last week with its November and December contracts on the NCDEX closing at Rs 3,290 a quintal (up Rs 14.50) and at Rs 3,335 a quintal (up Rs 13).

Soyabean prices are likely to drop as it is ruling much higher than the minimum support prices even as output has increased to 127 lakh tonnes against 116.50 lakh tonnes last year.

According to the Soybean Processors Association of India here, the export of soyameal in October dipped to 51,050 tonnes from 2,34,594 tonnes in the year-ago period. According to Association spokesperson Rajesh Agrawal, total export of soyameal during April-October was 8,88,128 tonnes against 13,63,446 tonnes in the year-ago period.

Buying by mills keeps basmati firm

Buying by rice mills coupled with low arrivals has helped aromatic paddy varieties fetch better rates this year.

Estimates that the produce will be less this year led to frantic buying by mills, as they don't have enough carry-forward stocks of basmati. According to the All India Rice Exporters' Association, this year basmati rice production is estimated to drop by around 6 per cent due to decline in acreage.

In the grain markets here, pure basmati fetched Rs 3,000-3,150 a quintal against Rs 1,600-2,000 in the corresponding period last year.

In the physical market, aromatic and non-basmati varieties remained unchanged. Pusa-1121 (steam) sold at Rs 5,600 a quintal, while Pusa-1121 (sela) sold at Rs 4,400-4,450 a quintal.

Pure basmati (raw) quoted at Rs 5,475-5,500, while pure basmati (sela) sold at Rs 4,600 a quintal. Duplicate basmati traded at Rs 4,600-4,650 a quintal.

PR-11 (sela) sold at Rs 2,450-2,500, while PR-11 (raw) quoted at Rs 2,400 a quintal. Permal (raw) sold at Rs 2,100 a quintal, while Permal (sela) fetched Rs 2,200-2,250 a quintal.

Sharbati (steam) quoted at Rs 3,700, while Sharbati (sela) quoted at Rs 3,300 a quintal.

About 45,000 bags of PR variety arrived and sold at Rs 1,220-1,280 a quintal. Around 7,000 bags of Sharbati arrived and quoted at Rs 1,700-1,800 a quintal, while the 6,000 bags of Sugandha-999 that arrived sold at Rs 1,800-1,900 a quintal.

About 15,000 bags of Pusa-1121 arrived and quoted at Rs 2,200-2,350 a quintal, while around 600 bags of pure basmati arrived and sold at Rs 3,000-3,100 a quintal.

Weak rupee drives up edible oil futures

The edible oils futures market rebounded on Monday as the rupee weakened to 54.70 against the dollar. A weaker rupee makes import costlier, raising demand for local produce. Spot prices declined due to extended loss in Malaysian palm oil futures and an initial drop of more than Rs 15 for 10 kg in domestic soyabean oil futures, which later recovered and closed higher. The volume in the physical market also improved as stockists placed new orders as quotations . Most edible oils declined here by Rs 2-10 for 10 kg on reports of higher stocks. Malaysian palm oil futures extended loss tumbling to their lowest in more than three weeks on Monday, as traders continued to worry over large stockpiles. Analysts expected inventories in Malaysia to reach a fresh record high in October on the back of strong production.

Following a bearish trend overseas, local refineres reduced prices of palmolein and soyabean oil. Stockists bought at these lower prices, as demand is expected to rise ahead of Diwali and supplies are tight. About 1,000 tonnes were traded during the day.

Ruchi sold about 450-500 tonnes of palmolein at Rs 500-505 and 50-60 tonnes of soyabean refined oil at Rs 655. Liberty sold 100-150 tonnes of palmolein at Rs 510. About 250-300 tonnes of palmolein were traded at Rs 507-508 in the resale market. At the end of the day, Liberty quoted palmolein at Rs 510-512 and super palmolein at Rs 570 and soya refined oil at Rs 660.

Ruchi quoted palmolein at Rs 505 and super palmolein at Rs 566, soyabean refined oil at Rs 655 and sunflower refined oil at Rs 720. Allana offered super palmolein at Rs 564. In Saurashtra and Rajkot, a *telia* tin of groundnut oil declined to Rs 1,800 (Rs 1,830) and loose (10 kg) to Rs 1,170 (Rs 1190) due to holidays and expectation of higher arrivals after Diwali.

On the National Commodities and Derivatives Exchange, soyabean refined oil's December futures closed at Rs 668 (Rs 663.90) and January at Rs 672 (Rs 669). **Malaysia's crude palm oil's** December contracts closed at MYR2,352 (MYR2,427), January at MYR2,411 (MYR2,496) and February at MYR2,455 (MYR2,541) a tonne.

The Bombay Commodity Exchange spot rates (Rs/10 kg): groundnut oil 1,160 (1,170), soya refined oil 655 (665), sunflower exp. ref. 670 (670), sunflower ref. 720 (721), rapeseed ref. oil 835 (840), rapeseed expeller ref. 805 (810) cottonseed ref. oil 690 (695) and palmolein 510 (512).

Rising arrivals, falling demand may crush cotton

otton prices declined by Rs 100 for a candy of 356 kg in Gujarat on increasing arrivals and lower demand from mills and exporters.

New cotton was offered at Rs 33,300-33,500 a candy. The A-grade Sankar-6 variety traded at Rs 33,300-33,500 a candy and B-grade at Rs 33,000-33,200 a candy. V-797 was offered at Rs 28,500-28,600 a candy.

New cotton was offered at Rs 33,500-33,800 a candy in Maharashtra. A-grade low micronaire quoted at Rs 33,300-33,500 a candy and high micronaire (29 mm) at Rs 33,000-33,300.

About 50,000-52,000 bales of 170 kg each arrived in the State. Overall, 80,000 bales arrived in the country. Rain is likely to damage the crop in parts of Andhra Pradesh.

According to traders, prices may decline this week, because demand has dropped as arrivals have increased. Besides, international demand for cotton is also weak.

A report from the Junagadh Agriculture University has estimated a 33 per cent fall in Gujarat production compared with last year. The report said that despite lower production, prices are expected to remain stable due to large global stockpiles, including in China.

Turmeric tops Rs 6,000 a quintal

Demand from North India pushed up spot turmeric to Rs 6,000 a quintal on Monday here.

“Turmeric has touched Rs 6,000 after a month. Exporters have received orders from Bihar, Delhi, Kolkata and some other North Indian towns. Demand for Erode turmeric has gone up because of quality and due to rain in Andhra Pradesh. The orders will be despatched within two or three days,” said R.K.V. Ravishankar, President, Erode Turmeric Merchants Association.

Futures were unchanged. More than 5,000 bags arrived for sale, of which 60 per cent were sold mostly to traders and bulk buyers.

After Diwali, new orders will be placed only in January when the new crops start arriving. Quality turmeric in the Gobichettipalayam Cooperative yard fetched Rs 6,001 a quintal and Rs 5,961 in the Erode Cooperative yard. Overall, prices increased by Rs 150-250 a quintal.

At the Erode Turmeric Merchants Association yard, the finger variety was sold at Rs 4,099-5,585 a quintal, the root variety at Rs 3,809-4,990.

Salem hybrid crop: The finger variety was sold at Rs 4,859-6,316, the root variety at Rs 4,509-5,620 . Of the 1,138 bags that arrived, 40 per cent was sold.

At the Regulated Marketing Committee, the finger variety was sold at Rs 4,799-5,619 a quintal, the root variety at Rs 4,365-5,085 a quintal. Of the 598 bags that arrived, 544 were sold.

At the Erode Cooperative Marketing Society, the finger variety was sold at Rs 4,889-5,961, the root variety at Rs 4,279-5,185. Of the 775 bags that arrived, 765 found takers.

At the Gobichettipalayam Agricultural Cooperative Marketing Society, the finger variety fetched Rs 5,009-6,001, the root variety Rs 4,546-5,089. All the 150 bags that arrived for sale were sold.

Poor offtake pulls down sugar

Sugar fell by Rs 10 a quintal on the Vashi wholesale market on Monday despite firm futures.

Prices in the spot market declined by Rs 10 a quintal for M-grade, while at the *naka* level dropped by Rs 10 for S- and M-grade. Mill tender rates were down Rs 10 a quintal. Mill prices dropped by Rs 10-20 a quintal in Uttar Pradesh.

Demand from other States was lower in Maharashtra as prices in other States were lower or at the same level, said Jagdish Rawal of B. Bhogilal and Co., a wholesaler in Vashi.

Supplies from mills have risen after the Union Government warned mills of consequences if they failed to exhaust their free-sale quota in time and asked them to submit crushing, production and despatches data.

The free-sale quota for October-November is 40 lakh tonnes compared with a usual monthly allocation of about 17-18 lakh tonnes.

On the National Commodities and Derivatives Exchange, December contracts were up Rs 3,335 (Rs 3,322), January to Rs 3,347 (Rs 3,327) and February to Rs 3,366 (Rs 3,350).

In the Vashi spot market, 69-70 truckloads (each of 100 bags) and 67-68 truckloads were despatched locally.

On Saturday evening, 16-17 mills offered tenders and sold 48,000-50,000 bags (each of a quintal) to local traders at Rs 3,360-3,400 (Rs 3,370-3,410) for S-grade and Rs 3,450-3,530 (Rs 3,450-3,530) for M-grade.

The Bombay Sugar Merchants Association's spot rates: S-grade Rs 3,476-3,552 (Rs 3,476-3,552) and M-grade Rs 3,542-3,711 (Rs 3,552-3,711).

Naka **delivery rates:** S-grade Rs 3,440-3,460 (Rs 3,450-3,470) and M-grade Rs 3,500-3,630 (Rs 3,500-3,640).

Palm oil likely to turn bearish as oilseeds production is set to rebound

Despite aggressive forecasts by analysts, the performance of palm oil has been rather muted on the price front since the beginning of this year. There was seldom a case for a bull run in palm oil for various reasons, including market fundamentals, currency factors and flow of speculative capital (*Business Line* March 1 and March 9, 2012).

Whatever limited firmness crude palm oil (CPO) exhibited in the last six months was the result of a setback to the South American soyabean crop quickly followed by drought in the US Midwest. Importantly, CPO has been in peak production since April this year and the high season is likely to continue almost till November.

Huge stocks

With export sales of the world's two largest palm oil producers-exporters slowing, prices have been under pressure in recent months. Worse, fierce competition between Indonesia and Malaysia to maximise market share has ensured lower prices for importers. So, robust production and slowing exports have translated into rising palm oil inventory.

Some trade estimates suggest Malaysia's palm oil inventory will rise to 3 million tonnes by the end of December, while Indonesia is said to carry probably twice that size. Clearly, despite attempts to scale down the stock data, the volumes are truly burdensome. If anything, stocks are set to expand further in the coming months simply because palm fruits are perishable and have got to be crushed promptly.

On current reckoning, what 2013 holds for the palm oil market is clear. Palm oil will face a bear market reminiscent of 2001-2002. Palm production is cyclical in nature, and 2013 will be a year of biological yield up-cycle. Additionally, it would be important too recall that between 2007 and 2009, Indonesia planted about 2.5 million hectares of oil palm, and the plants are now in full vigour to generate high yields.

Biodiesel demand

CPO production is set to expand by up to 10 per cent to reach 56 million tonnes in 2013 compared with a 5 per cent increase this year. Additionally, fierce competition between Malaysia and Indonesia will turn more intense, especially in a year of higher production. On the other hand, demand for biodiesel, an important market driver, has been decelerating.

Not only are the fundamentals of palm oil likely to turn weak, an anticipated major rebound in global soyabean and other oilseeds production in 2013 will considerably expand the world oil pool. There will inexorably be a supply response to the current high prices of soyabean and other oilseeds (resulting from global production shortfall).

In other words, subject only to the key assumption of normal weather, in 2013, the world will be awash with oilseeds and oils. A large rebound in world oilseeds and oils production will put further pressure on CPO prices. Also, any change – read, worsening – of global macro-conditions can impact prices and increase volatility.

Between now and March (traditionally the lean season for palm oil), CPO prices can be expected trade range-bound between 2,250-2,300 ringgits and 2,550-2,600 ringgits a tonne. Beyond March, CPO prices risk a sharp correction with potential to test 2,000 ringgits a tonne.

In the longer term, there is a strong indication that use of crop-based biofuels will be capped. Palm oil is feedstock for biodiesel. The European Union has taken the lead in the direction. Also, there is a call to end all subsidies for biofuels by 2020. So, further growth potential in the biodiesel segment for CPO is restricted.

(This is an excerpt from the speech delivered by the author at the golden jubilee convention of Central Organisation for Oil industry and Trade, New Delhi.)

Business Standard

TODAY FARM NEWS

06.11.2012 A.M

Trade questions IPC's estimates on pepper fall

The International Pepper Community (IPC) has said next season (2013), global black pepper production is likely to stand at about 3,16,832 tonnes. Last season, production stood at 3,27,090 tonnes, while in 2011, the output was 3,17,750 tonnes.

Traders and exporters from IPC member countries, however, disagree with IPC's estimate, saying next season, production would be about 3,59,832 tonnes.

At its meeting in Colombo last week, IPC had finalised the estimate for this year and stated its projection for the next. It said with production of 90,000 tonnes, including 10,000 tonnes of white pepper, Vietnam would top the table again. Vietnamese agriculture ministry officials, however, said this time, production would be lower. In 2011, production in that country stood at 1,10,000 tonnes and this year, production was 1,00,000 tonnes. Exporters and traders in Vietnam said next season, production was likely to be 1,20,000-1,22,000 tonnes.

India and Vietnam have adopted a cautious stand on production estimates to maintain high prices next season. Exporters said next season, production in India would stand at 60,000 tonnes, an estimate the Spices Board also agreed to.

Monsoon may fail more often due to climate change: study

The Indian monsoon is likely to fail more often in the next 200 years threatening food supplies, unless governments agree how to limit climate change, a study showed on Tuesday.

The monsoon rains could collapse about every fifth year between 2150 and 2200 with continued global warming, blamed mainly on human burning of fossil fuels, and related shifts in tropical air flows, it said.

"Monsoon failure becomes much more frequent" as temperatures rise, Anders Levermann, a professor of dynamics of the climate system and one of the authors at the Potsdam Institute for Climate Impact Research, told Reuters.

India's monsoon, which lasts from June to September, is vital for India's 1.2 billion people to grow crops such as rice, wheat and corn. India last faced a severe widespread drought in 2009 and had to import sugar, pushing global prices to 30-year highs.

The researchers defined monsoon "failure" as a fall in rainfall of between 40 and 70 percent below normal levels. Such a drastic decline has not happened any year in records dating back to 1870 by the India Meteorological Department, they said.

Catastrophe

"In the past century the Indian monsoon has been very stable. It is already a catastrophe with 10 percent less rain than the average," Levermann told Reuters.

The study, in the journal Environmental Research Letters, projected a temperature rise of 4.6 degrees C (8.3 F) over pre-industrial times by 2200. U.N. scenarios indicate a gain of between 1.1 and 6.4 degrees C (2.9-11.5F) by 2100.

Assuming a 4.6 degree C rise by 2200, about 10 monsoons would fail in the 50 years to 2200 with daily rainfall of only about 3 mm (0.11 inch), about half of the normal 6 to 7 mm. (0.24 to 0.28 inch), the study indicated.

Almost 200 nations have promised to limit global warming to below 2.0 degrees C (3.6 F) above pre-industrial times to avoid dangerous changes such as more droughts, floods and rising sea levels.

But world emissions are rising and the 2 degree ceiling is getting harder to achieve. Environment ministers from around the world will meet in Qatar from November 26-December 7 as part of talks meant to end by 2015 with a global deal to combat climate change.

Higher temperatures will mean that more water evaporates from the oceans, increasing rains in many areas.

But the study said that the shifts would disrupt air flows known as the Pacific Walker circulation, which usually helps to drive the Indian monsoon by bringing high pressure to the western Indian Ocean, the study said.

In years with an El Nino weather phenomenon, which warms waters in the eastern Pacific, the Walker pattern gets shifted eastwards, bringing high pressure over India. That pattern suppresses the monsoon.

"As temperatures increase in the future, the Walker circulation, on average, brings more high pressure over India, even though the occurrence of El Nino doesn't increase," a statement about the findings said.

The study contrasts with a 2007 report in which the U.N. panel of climate scientists said that most models predicted more variability in the amounts of rainfall in the Asian monsoon this century, along with a trend towards more rain on average.

Rice Sheiks

Thailand is reviving a four-year-old bad idea. According to Thai media reports, the country is putting together a cartel of rice producing countries. But unlike oil, rice rots.

The alliance, which could include Vietnam, Cambodia, Myanmar and Laos, may be unveiled at a summit of the Association of Southeast Association Nations later this month. In a Wall Street Journal op-ed published last month, Thailand's commerce minister said the bloc's goal is "to raise rice prices in global markets."

Joining forces might look seductive. Between them, the five Asian neighbours are expected to export about 15 million tonnes of milled rice this year, accounting for 40 per cent of the total global trade in the staple.

Bangkok, in particular, has good reasons to drive up the rice price. To fulfil an election pledge, Prime Minister Yingluck Shinawatra has spent about 300 billion baht ($10 billion) of taxpayers' money in just one year on buying rice paddy from Thai farmers.

With millions of tonnes in its stockpile, Thailand has now extended the crop-buying programme into its second year. Since the government is effectively paying 37 per cent more than the benchmark market price, it's a no-brainer for farmers to offload their produce to the government. Adis Israngkura, a professor at the National Institute of Development Administration in Bangkok, recently made an unsuccessful bid to challenge the constitutional validity of the market-distorting programme.

Controlling supplies means storing rice at a significant cost — and even then the quality decays over time. The only way the Thai government can continue to buy votes in this way without wrecking its finances is to get other producers on board so that international prices increase.

But with less than 10 per cent of global rice production exported each year, the market is almost impossible to control. India, for example, will export almost twice as much rice this year as in 2011, and may remain a significant challenger to Thailand in 2013 as well.

Moreover, Bangkok's policy mistake gives Thailand's neighbours an opportunity to replace Thai rice in global markets. Why should they join it in promoting a cartel of dubious pricing power? This bad idea deserves to be put back into storage.

THE TIMES OF INDIA

TODAY FARM NEWS

06.11.2012 A.M

Meghalaya has less indebted farmers

SHILLONG: Meghalaya is known to be one of the least agriculturally developed states but it has been revealed that the state accounts for the one of the least number of indebted farmer households in the country.

While Meghalaya has merely 4.1 per cent of indebted farmer households, Arunachal Pradesh stands second with 5.2 per cent of the same, which are amongst the lowest in the country.

"We are looking at increasing institutional credit flow for reducing dependence of farmers on non-institutional sources of credit. The credit flow has increased from Rs 86,981 crore in 2003-04 to over Rs 4.75 lakh crore in 2011-12," said an agriculture department official.

The official revealed that though the Centre is pushing for credit coverage for the entire farming community, only 50 per cent of total farmer households in India are under the agricultural credit net which includes both formal and informal sources of credit.

"With farmers suicide due to huge debts sounding an alarm across the country, the need of the hour is to find ways to emancipate the farming population from this perennial woe and this is an area where the government ought to shift its focus to," the official added.

In fact, in hilly states such as Meghalaya, a large segment of small and marginal farmers are excluded from the institutional financial system. The flow of credit is skewed across states and regions. Even within the states, there are sharp differences in credit flow to developed regions, regions with greater access to physical infrastructure and regions closer to urban centres as compared to underdeveloped regions.

"Due to a lack of banking penetration in remote areas, farmers, specially small and marginal, are largely dependent on moneylenders for credit against collateral. The government's agricultural credit schemes are far from their reach making them vulnerable to higher cost of credit," observed a senior official.

According to a National Sample Survey Organization report on indebtedness of farmer households, of the 89.35 million farmer households in the country, 43.42 million are under debt. The report says that the most important sources of loan in terms of percentage of outstanding loan amount are banks (36 per cent) followed by moneylenders (26 per cent) and co-operative societies (20 per cent).

Rains ravage standing crops in five districts

BHUBANESWAR: The state government has asked district collectors of Ganjam, Puri, Cuttack, Gajapati and Khurda to submit a detailed report of loss due to heavy rain in the past five days. Ganjam was the worst-affected district in the unseasonal rain, followed by Puri and Gajapati.

One person was killed while several houses were damaged in the rain. Local meteorological centre forecast rain for two more days due to a trough line passing over the state.

Chief minister Naveen Patnaik gave the direction during a review meet on Monday. He also ordered senior officials to undertake field visits to the rain-ravaged districts to assess the actual loss.

According to preliminary reports, standing crops in about 50,000 hectares of land were damaged in the rain. Crops in over 25,000 hectare were affected in Ganjam, which received the highest 250.8 mm rain in the last five days.

Puri received 170 mm rain in five days and reported a loss of standing crops in over 15,000 hectare of farmland. Cuttack, Gajapati, Koraput and Rayagada districts also reported substantial crop loss.

A senior government officer said the actual loss of paddy will be assessed only after a final report is submitted to the government by January 15. "The actual damage can be assessed only after the water recedes and officials prepare damage reports," said Ganjam collector Krishan Kumar. He said the district received less rainfall on Sunday compared to the previous two days.

Road communication continued to remain affected in several pockets of the district, while train services were affected for the third consecutive day due to rain in Andhra Pradesh. Communication in Bahnajanagar-Belaguntha, Berhampur-Phulbani, Buguda-Polasara, Podamari-Taptapani was disrupted as canal water flowed on the road.

Train services hit

Train services on Monday continued to remain affected on Howrah-Chennai line due to water flowing on rail line following heavy rain. The railway had to cancel, reschedule and short terminate selected trains due to the calamity.

The trains cancelled include Bilaspur-Tirupati express, scheduled to leave Bilaspur on Tuesday, Hyderabad-Howrah East Coast express and Chennai-Howrah Mail supposed to pass Bhubaneswar on Tuesday were cancelled. Similarly, Howrah-Chennai Mail scheduled to leave Howrah on Tuesday and Secunderabad-Visakhapatnam special train scheduled to leave Secunderabad on Tuesday have been cancelled.