

## **Drought severe, sanction relief quickly, farmers tell team**

*'Centre must sanction the full quantum of Rs. 19,665 crore'*



*Ground reality: Members of the Central team at the green fodder cultivation farm at Vallam village in Thanjavur district on Tuesday.—  
Photo: B. Velankanni Raj*

Farmers representatives sought to impress upon the Central team that toured the delta districts on Tuesday the need for sanctioning relief quickly to all farmers as the drought has had a severe impact.

Several farmers also insisted that the Centre sanction the full quantum of compensation sought by the State (which has sought about Rs.19,665 crore as drought relief).

“This visit should not turn out to be a ritualistic one and lead to a political blame game. Farmers have suffered much mental agony and you should sanction adequate relief to them,” said G.K. Muralidharan of the Congress, at an interaction with the team at Vengur.

While monsoon failure and absence of flow in the Cauvery have caused crop losses in the delta region, farmers in non-delta areas too have been badly hit. Even in canal and river-irrigated areas, borewells have not been of much help owing the severe drought, they told the Central team visiting the delta region in Tiruchi, Thanjavur, and Tiruvarur districts on Tuesday.

M. Shanmugavel, a farmer of Vengur, explained how he had sustained heavy losses after investing Rs.20,000 an acre to raise samba paddy in about 4.70 acres. He harvested five bags of paddy against the normal of 40 bags an acre. His neighbour, S.Natarajan showed a failed borewell for which he had spent Rs.36, 000. He could hardly pump water for five minutes at a stretch.

Ayilai Sivasurivyan, Tamil Nadu Vivasayigal Sangam, affiliated to the CPI (M), said farmers in non-delta areas of the district, dependent on tanks for irrigation, have also been badly affected and the team should cover the entire district to assess the requirements of all farmers. However, Collector Jayashree Muralidharan said the team

has been briefed on the situation in the entire district. “When the situation is so bad right along the Cauvery, the plight of farmers in other parts of the district could very well be imagined,” she said.

C. Masilamani, district secretary, Tamil Nadu Vivasayigal Sangam, said apart from farmers who had suffered losses after raising different crops, those who were forced to leave their fields fallow for want of water, and farm labourers should also be compensated. Similarly, farmers who had not insured their crop should also be given relief.

A. Nagarajan of the farmers’ wing of the Congress and M.P. Chinnadurai of Tamizhaga Vivasayigal Sangam demanded a waiver of all agricultural loans given by commercial banks and cooperative societies.

Mr.Nagarajan said farmers should be sanctioned Rs.20,000 an acre for paddy and Rs.1 lakh an acre for banana.

Mr.Chinnadurai also sought work right through the year under the Mahatma Gandhi National Rural Employment Guarantee Scheme covering agricultural work. Steps should also be taken to interlink national rivers.

P. Viswanathan, president, Tamilaga Eri Matrum Aatrupasana Vivasayigal Sangam, sought a compensation of Rs.20,000 an acre for cotton growers.

R. Subramanian of the Cauvery Delta Farmers Association sought assistance for renovating the 17 irrigation canals fed by the Cauvery. Farmers dependent on the canals have

sustained heavy losses owing to lack of water and their long term interests need to be protected.

N.Ganesan of Tamizhaga Vivasayigal Sangam drew the attention of the team to the drinking water shortage faced in many places with farmers facing problems in getting adequate water even for cattle. Farmers should also be given fodder at subsidy.

In Thanjavur and Tiruvarur, farmers pointed out that they had lost both kuruvai and samba crops this year in canal irrigated areas in the district. They also sought funds from Central government to develop the irrigation infrastructure in the district. The team also inspected the farmers festivals held in different villages across the three districts.

## **Banana regulated market, a boon for farmers**

*The crop is cultivated on 9,000 hectares in Nellai district*



*FRUITFUL: Bananas on auction at Sirumalanji market in Tirunelveli district on Tuesday.*

The Chief Minister's announcement in the Assembly of the government's decision to establish a special regulated market for selling banana has been applauded by the plantain farmers in the district.

According to statistics available with the Department of Agriculture, banana is cultivated on 9,000 hectares in the district, including 3,400 ha in Nanguneri taluk, 2,000 ha in Ambasamudram taluk and 1,000 ha in Radhapuram taluk.

Agriculturists with plantations in the areas between Thirukkurunkudi and Ambasamudram, along the foothills of the Western Ghats, cultivate the 'nenthiran' and 'rasakathali' varieties. But they do not get reasonable prices for their produce in the Sirumalanji market which is open to them on Mondays and Thursdays, and controlled by a buyers' cartel from Kerala.

Some farmers take their produce to markets at Kaavalkinaru Junction and Vadaserry in Nagercoil, or Thiruvananthapuram.

“Apart from creating the special commercial zone exclusively for selling banana at Kalakkad, the ‘Banana Bowl’ of the district, the government should also explore the possibility of opening banana-based industries in this region,” said P. Perumbadaiyaar from Thirukkurunkudi, a banana farmer and Communist party functionary.

***“Banana-based industries should be opened”***

## **Delta farmers seek memorial for Sir Arthur Cotton**

The farmers of Chidambaram and Kattumannarkoil areas, that form part of the tail-end delta region, have appealed to the State government to construct a memorial and install the statue of Sir Arthur Thomas Cotton, an English General and irrigation engineer, who had built the Upper Anicut and Lower Anicut.

V. Kannan, vice-president of the Cauvery Delta Farmers’ Welfare Association, has said that Sir Arthur Cotton had the forethought to construct the anicuts to irrigate about 1.45 lakh acres in Cuddalore and Nagapattinam districts and they are the only barrages built across the Coleroon as

far back as in 1836. Besides storing water for irrigation, these anicuts also help in replenishing the groundwater potential. Before the construction of the Lower Anicut, the Veeranam tank was fed mainly by rain water from over 450 sq km of catchment area, spread over Jayamkondan and Ariyalur areas. After the construction of the anicut, the Veeranam tank was being regularly fed by the Vadavar.

Mr. Kannan also pointed out that the entire Coleroon system would need seven more such barrages. If these barrages become a reality, an aggregate of 14 TMC (thousand million cubic feet of water) could be stored in one filling (at the rate of 2 TMC of water in each barrage). Such measures would turn the entire region into a fertile land, besides abundantly augmenting subsurface water.

He also pointed out that earlier Ponneri (previously known as Chozha Gangam) was supplying water to the Veeranam tank through the Sengal Odai and Karuvattu Odai. But after heavy siltation in the Ponneri and the blockades in the canals, the Veeranam tank had been cut off from this age-old source.

Mr. Kannan was of the view that if the Ponneri is adequately deepened, its water holding capacity could be increased and which in turn would raise the water level in the Veeranam tank (as the canals could carry water to the latter) so as to fulfil the irrigation requirements as well the drinking water needs of Chennai even through summer months.

P. Vinayagamoorthy, president of the Kollidam-Keelanai Paasanava Vivasayigal Sangam, said that the farming community was thankful to Chief Minister Jayalalithaa for having established a memorial and installed a statue of John Pennycuick who had built the Mullaperiyar Dam. Similarly, Sir Arthur Cotton too deserved such honour and privilege.

. The memorial and statue could come up at either of the anicut site, Mr. Vinayagamoorthy sought.

## **Tamil Nadu seeks court direction for Neyyar water**

*Seeks urgent hearing of case; Kerala says suit is not maintainable*

Tamil Nadu, on Tuesday, sought a direction from the Supreme Court to Kerala to supply water from the Neyyar irrigation project to irrigate 3,680 hectares in Vilavancode taluk of Kanyakumari district every irrigation year.

A Bench, comprising Chief Justice Altamas Kabir, Justice Vikramajit Sen and Justice Kurian Joseph, however, directed that the case be listed before another Bench, as Justice Joseph, who hails from Kerala, recused himself from the hearing. When Guru Krishna Kumar, Additional Advocate General, Tamil Nadu, sought an urgent hearing, the senior counsel Harish Salve and Rajeev Dhavan, appearing for Kerala, opposed it, saying there was no urgency as the suit filed by Tamil Nadu was not maintainable.



Mr. Dhavan submitted that the Neyyar dam did not belong to Tamil Nadu for it to seek release of water from Kerala.

Tamil Nadu, in its suit, said Kerala had unilaterally and arbitrarily stopped release of water in 2004, thus seriously affecting the interests of the people in Vilavancode taluk. The Neyyar originated in the Agastya hill, at about 6,100 feet above the mean sea level, in Kerala, and the Karuppaiyar and a jungle stream, which originates in Kaliyar village in Vilavancode taluk, joined it upstream of the Neyyar dam. “Since admittedly the Neyyar river is an inter-State river, the action of Kerala in withholding the release of water since 2004 is wholly illegal. The plaintiff is entitled to the release of water as per the existing arrangements, which were acted upon since 1965 till 2004. The plaintiff is entitled to receive 150 cusecs of water under the project to meet the irrigation demands in Vilavancode taluk. However, it has not received the said quantity since 2004, and even prior to 2004 it has not received the full quantity of water,” it said.

“The annual receipt of water by the plaintiff State from 1971 till 2004 was only in the range of 30 cusecs to 125 cusecs. Even this supply of water was unilaterally stopped by Kerala after 2004, which has caused serious hardship to the farming community in Vilavankode taluk in Kanyakumari district.”

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- *Suit says Kerala arbitrarily stopped supply in 2004*
  - *Wants water for irrigation in Vilavancode taluk*

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# **Pallipalayam farmers demand compensation for crop loss**

*Affected farmers have made an appeal to State Government*

Nearly 5,000 farmers who are cultivating paddy on an area of 11,000 acres in and around Pallipalayam in Tiruchengode Taluk, Namakkal, for decades were not given relief assistance.

They were considered ineligible for the same due to guidelines from the government.

Affected farmers have made an appeal to the State Government to consider their plight and give them relief for the heavy loss incurred by them.

## **Loss by farmers**

P. Shanmugasubramaniam (62) of Seeramapalayam near Pallipalayam who cultivates paddy on 10 acres of land for more than 45 years said that farmers in that region incurred a loss on a par with the loss incurred by farmers in the Delta Region.

“It is unfair to neglect farmers of this region while our counterparts cultivating paddy in the Delta Region got Rs. 15,000 per acre,” he lamented.

The State Government's drought relief package of Rs. 56.11 crore for farmers in Namakkal covers 1,17,458 farmers who suffered more than 50 per cent yield loss on an area of 1,80,981 acres.

Farmers cultivating paddy on an area of 2,413 acres in other parts of the district — that is irrigated by sources other than River Cauvery — got a total compensation of Rs. 1.2 crore at Rs. 5,000 per acre as part of the relief package.

“Farmers of Pallipalayam suffered 100 per cent loss in paddy cultivation in the year 2012-13 but they could not be given compensation as the government's direction to conduct the study on the impact of the drought did not cover paddy cultivated in this district using water from River Cauvery,” officials in the District Administration and Agriculture Department said on condition of anonymity.

State General Secretary of the Tamizhaga Vivasayigal Sangam K. Sundaram told *The Hindu* that water released through the Left and Right canals of Mettur Dam irrigates 45,000 acres of land in Erode (17,000), Salem (16,000) and Namakkal (11,000) districts.

“The entire area of paddy cultivation in and around Pallipalayam is solely dependent on water from Mettur Dam for irrigation,” he added.

He said that the issue was taken up by them during the visit of the high level committee — headed by Finance Minister O. Panneerselvam and five other Ministers —

here on March 22, 2013, in the form of a representation in writing.

## **Meeting**

It was also explained during the meeting with the committee at Puduchatram on that day.

Noting that the Government sanctioned Rs. 15,000 per acre for paddy cultivating farmers in the Delta Region — as the entire cultivation was completely affected by the severe drought — he said that farmers in Pallipalayam were equally affected by the drought.

“The Government should reconsider their plight and disburse equal compensation for them,” the Secretary said.

“We will wait for the government to fulfil our demand, failing which further course of action to grab the attention of the government in this connection will be discussed and decided in the state level committee meeting,” Mr. Sundaram said.

Relief for paddy farmers here on a par with the farmers in the Delta Region would attract about Rs. 16.5 crore.

# **Exhibition of farm implements**

The Kerala Karshaka Sangham will organise an exhibition of farm implements at the Thekkinkad Maidan here from May 15 to May 20 as part of its annual convention. Farmers and Kudumbasree units may take part in the exhibition. Those who wish to participate should register their names before May 10. For details, contact 994748856 or 0487-3108571.

# **‘TDP will waive loans of farmers’**

*Party leader KEK asks ryots to wait till TDP returns to power*

Telugu Desam Party (TDP) polit bureau member and MLA K.E. Krishna Murthy has said that the TDP would implement agriculture loan waiver scheme at any cost when it comes back to power.

Talking to reporters here on Tuesday, Mr. Krishna Murthy asked farmers to delay repayment of loans since they were going to be waived. He said the banks were issuing notices to farmers to repay the loans and indulging in forcible recovery of agriculture loans.

Mr. Krishna Murthy disapproved party leader Dadi Veerabhadra Rao migrating to YSRC saying it was unfortunate that he deserted the party after enjoying the post in the Legislative Council for six years. He accused the government of copying the schemes announced by Mr. Naidu saying removal of belt shops was the proposal of the TDP.

## **Farm sector at crossroads, says APRS leader**

*Three-day conference to discuss problems of ryots*



*APRS Prakasam district secretary N.Ranga Rao briefing newsmen on APRS State conference in Ongole. —Photo: Kommuri Srinivas*

The farm sector at the cross roads with more and more cultivators losing the status and joining the ranks of farm workers or end their lives, requiring urgent steps from policy makers to stem the rot.

In this backdrop, the Andhra Pradesh Rythu Sangam will hold its 20th State conference here for three days from June 9 to discuss the problems threadbare and bring together ryots for a protracted struggle against the neo-liberal economic policies of the government.

APRS district president N.Ranga Rao told reporters here on Tuesday that the conference would discuss the policies of the Union and State governments which were encouraging corporatisation of agriculture and throwing farmers out of farming.

Conference reception committee honorary president Ch. Chalamaiah oldest ophthalmologist in Ongole said "we used to spend time in our farms and farming used to be profitable then. Now farming had lost respectability as ryots are not even able to break even let alone make profits with ever-increasing cost of production and no remunerative price for their produce".

Former MLC D. Rami Reddy said it was the multi-national companies which were controlling seeds production and holding farmers captive growers.

Liberalisation, privatisation and globalisation (LPG) is hurting the growers and forcing more and more farmers opt out of farming, once a sacred profession, Jana Vignana Vedike leader A.V. Pulla Rao said.

"We will come out with suggestions during the conference to find a solution to agrarian crisis", APRS district secretary D.Gopinath added.

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• ***‘Centre and State encouraging corporatisation of agriculture’***

• ***‘Liberalisation, privatisation and globalisation is hurting the growers’***

# **Rs. 984.70-crore scheme to boost agriculture production**

*CM announces separate allocations for different segments*

Chief Minister Jayalalithaa on Monday unveiled a Rs. 984.70-crore package to give a stimulus to agriculture production, taking into account the shrinkage of cultivated land and to ensure that farmers got a fair price for their produce.

Making a *suo motu* statement in the Assembly, the Chief Minister announced separate allocations for different segments of agriculture.

One of her announcements was for purchase of 700 Rain Gun and Mobile Sprinklers at a cost of Rs. 57 crore. These machines will be used for effective utilisation of water from farm ponds being dug in all districts to ensure water supply in seasons of inadequate rain. A total of 15,000 farm ponds are being dug in the delta districts, and another 56,000 ponds in other districts.

As agriculture production was likely to go down in the wake of reduction in the area of cultivated land, around 12,500 acres of arid land in the State would be made into cultivable by providing water facilities.

The government would provide Rs. 4000 per acre as back-end subsidy and supply inputs at a subsidised rate.



The State will have an express mission mode approach at three levels – village, taluks and districts – to foster increase in the cultivation of paddy, millets and cereals. Millet cultivation in the State had come down substantially in the last three decades.

To meet protein requirements, red gram will be cultivated on 50,000 acres. The government will spend Rs. 55.60 crore to provide drip irrigation to 10,000 acres under red gram cultivation.

Ms. Jayalalithaa said sugarcane production would be increased through implementation of a sustainable sugarcane initiative on 50,000 acres. The project cost is Rs. 275.20 crore and will be done through sugar mills.

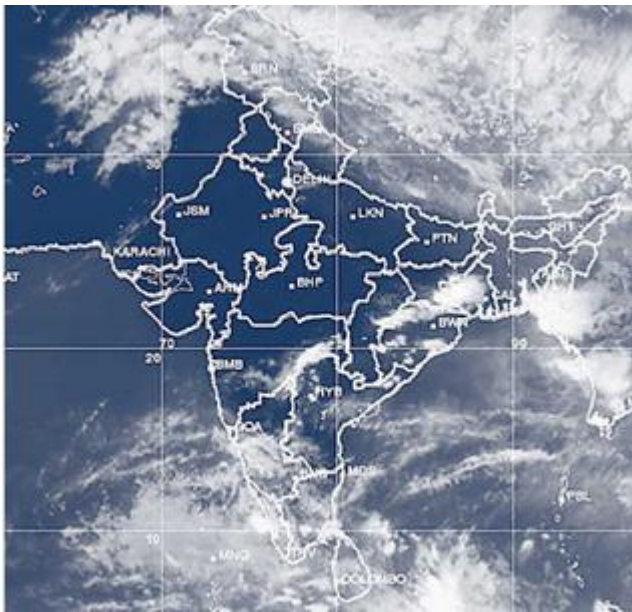
The Chief Minister said a special purpose vehicle would be launched to ensure that quality agricultural and horticultural inputs were available for farmers. The total cost for the scheme is Rs. 112.49 crore.

She said her government was taking efforts to mechanise agricultural operations as the farm sector could not provide sustained income and the people from rural areas were migrating to towns. This year also government would purchase farm machines at a cost of Rs. 124.70 crore.

The government also decided to set up service centres in 50 taluks at a cost of Rs. 28.25 crore to provide counselling on horticultural crop technology

A special commercial complex for tender coconut in Coimbatore district, special complex for banana in Tirunelveli district, approach roads for 10 regulated markets and new regulated markets in Bodinayakanur and Muthukalathur are other announcements.

## Weather



INSAT PICTURE AT 14.00 hrs. Observations recorded at 8.30 a.m. on May 7th.

	Max	Min	R	TR
New Delhi (Plm)	42	25	0	26
New Delhi (Sfd)	41	25	0	22
Chandigarh	39	24	0	26
Hissar	42	21	0	41
Bhuntar	32	11	1	143
Shimla	25	16	0	113
Jammu	38	25	0	36
Srinagar	20	8	3	181
Amritsar	39	19	0	10
Patiala	39	22	0	25
Jaipur	42	29	0	15
Udaipur	40	24	0	15
Allahabad	41	27	0	11
Lucknow	37	25	0	1
Varanasi	37	25	0	21
Dehradun	37	20	0	39
Agartala	23	21	41	326
Ahmedabad	41	27	0	6

Bangalore	34	24	0	39
Bhubaneshwar	39	23	15	67
Bhopal	42	27	0	53
Chennai	35	27	0	32
Guwahati	28	20	41	210
Hyderabad	40	27	1	52
Kolkata	34	28	0	32
Mumbai	35	28	0	0
Nagpur	45	28	0	24
Patna	34	24	0	14
Pune	39	23	0	3
Thiruvananthapuram	33	24	13	170
Imphal	24	17	8	248
Shillong	20	12	36	168

The columns show maximum and minimum temperature in Celsius, rainfall during last 24 hours (tr-trace) and total rainfall in mm since 1st March.

## RAIN AT FEW PLACES

**RAINFALL:** Rain/thundershowers have occurred at few places over Himachal Pradesh and Jammu and Kashmir and at isolated places over Uttarakhand. Weather was dry over rest of the region.

**MAXIMUM TEMPERATURES:** The maximum temperatures fell appreciably in east Uttar Pradesh, fell in west Uttar Pradesh and changed little elsewhere. They were above normal in Haryana, Rajasthan and Uttarakhand, below normal in Jammu and Kashmir and east Uttar Pradesh and normal in rest of the region. The highest maximum temperature in the region was 44.6°C recorded at Dholpur and Jhalawar (Rajasthan).

**FORECAST VALID UNTIL THE MORNING OF 09th May 2013:** Rain/thundershowers may occur at one or two places over Jammu and Kashmir and Himachal

Pradesh. Weather would be mainly dry over rest of the region.

**FORECAST FOR DELHI AND NEIGHBOURHOOD  
VALID UNTIL THE MORNING OF 09th May  
2013: Mainly clear sky.**

## **Water level**

: Water level in the Papanasam dam on Tuesday stood at 55.55 feet (the maximum level is 143 feet). The dam had an inflow of 179.28 cusecs and 604.75 cusecs was discharged from the dam. The level in Manimuthar dam stood at 81.89 feet (118 feet). The dam had an inflow of 10 cusecs and 100 cusecs was discharged.

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# Weather

Chennai - INDIA

## Today's Weather



Sunny

Wednesday, May 8

Max Min

34° | 28°

Rain: 0

Sunrise: 05:45

Humidity: 63

Sunset: 06:25

Wind: normal

Barometer: 1007

## Tomorrow's Forecast



Partly Cloudy

Thursday, May 9

Max Min

38° | 28°

## Extended Forecast for a week

Friday May 10	Saturday May 11	Sunday May 12	Monday May 13	Tuesday May 14
39°   28°	39°   28°	39°   28°	36°   29°	42°   27°
Partly Cloudy	Overcast	Overcast	Overcast	Overcast

## THE TIMES OF INDIA

# Number of self-reported farmers declines, govt data says

NEW DELHI: The sharp fall in the number of [self-reported farmers](#) over the last decade was driven by women, and states at low levels of [industrialization](#) shed the most farm jobs, an analysis of census data released by the government last week shows.

The 'Primary Abstract of Census Data' counts all workers in the country and splits them by the nature of their work as main or marginal workers, and by four types of work - cultivators, agricultural labourers, household industry workers and 'others'. As TOI reported last Wednesday, the data shows that the absolute number of cultivators has declined for the first time in 40 years, by nearly 9 million.

A closer look at the data shows that [women farmers](#) accounted for two-thirds of this decline, despite being less than a third of all farmers. So while the number of male cultivators fell by 2.71 million over the last decade, the number of women fell by 5.91 million. At the same time, women have not joined other sectors in large numbers, leading to a small net fall in female participation in the workforce, a phenomenon confirmed by labour economists.

Moreover, while it is usually believed that the decline in the number of farmers is on account of rising industrialization, the state-wide split shows that states with low levels of industrialisation account for the bulk of the decline in farmers. Uttar Pradesh has 3.1 million fewer farmers than it did ten years ago, and accounts for over a third of the all-India decline. Andhra Pradesh, Madhya Pradesh and Bihar all have over 1

million fewer farmers today than a decade ago.

Simultaneously, there has been a massive rise in the number of agricultural labourers. For the first time in history, agricultural labourers now form over half of all those working in the sector; in 1961, they formed just under a quarter. There are now over 37 million more agricultural labourers than there were in 2001. As a result, the net number of workers in the agricultural sector is still growing, an indication that many of those who quit farming do not move to the industrial or service sector.

[Economist Abhijit Sen](#) who is a member of the planning commission said that while the fall in cultivators was expected, the rise in agricultural labour was "surprising". However Sen says that this cannot immediately be blamed on the lack of jobs in other sectors.

## **Drought-hit farmers ask central team to waive loans**

TRICHY/MADURAI/CHENNAI: The spectre of farmer suicides in the state's Cauvery delta districts could become real if steps are not taken to waive the bank loans given to cultivators, representatives of farmers

warned a central team that began a four-day visit to the state on Tuesday to take stock of the drought conditions.

One team comprising Manash Choudhuri, deputy advisor, agricultural division, planning commission, K Manoharan, director (in-charge), directorate of tobacco development; V Srikanth, deputy director, department of expenditure, ministry of finance; P J Jose, deputy secretary, ministry of power; and R Sundaramurthy, superintending engineer from central water commission, began the tour of Trichy district at Thiruverumbur taluk where people of Vengur village are reeling under an acute drinking water shortage. A possible confrontation between residents and the central team was averted by tashildar Siva Subramanian.

Several state government officials, including principal revenue secretary Rajiv Ranjan, principal agricultural secretary Sandeep Saxena, Commissioner of rural development Dr S Vijayakumar, director of town planning Dr R Selvaraj, [Tamil Nadu](#) state apex cooperative bank joint registrar M P Sivan Arul, and chief engineer (Cauvery) Painthamizh Selvan, accompanied the team. Collector Jayashree Muralidharan presented a computer-aided picture of the drought situation to the officials.



This is the third time a central team is visiting the delta districts.

An official told TOI, "The situation is beyond redemption, because for the first time borewells on the banks of Cauvery have gone dry. We cannot run a government on prayers alone."

A few nationalized banks, particularly Indian Overseas Bank and SBI, on Tuesday confiscated tractors from drought-hit farmers and auctioned them. "The Thuraiyur SBI has humiliated farmers by posting pictures of loan defaulters," said farmers' leader Puliyur Nagarajan.

In Madurai district, people gheraied the second central team that was on its way to Karuppayurani to examine the AMMA scheme. In Cuddalore, farmers were furious when they came to know that the central team would not be visiting the district.

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## Alien species fished out of Periyar



Picture for representational purpose only.

**Kottayam:** Ninety of the African fish species, which were a threat to the native fish species of the Periyar lake in the Periyar Tiger Reserve (PTR) have been caught and destroyed as part of the first ever campaign against the alien fish species in India.

The Conservation Research Group (CRG), Periyar Tiger Reserve, and the Periyar Foundation, Zoo Outreach Organisation, IUCN, Fresh Water Fish Specialized Group, and Invasive Species Specialised Group led the campaign that was held on April 30 at PTR.

The African cat fish, a rare breed of predators, which has the potential to grow up to 32 kgs, were caught with the help of the Eco

Development Committees(EDCs) using drag nets and hook nets at the PTR.

“Ninety of the African cat fish were fished out from a canal adjacent to the Periyar lake as they had destroyed all the native fish species,” said Krishnakumar of the CRG. The PTR lake is one of the most important water bodies in the Western Ghats for fresh water fish, according to conservationists.

“One genus and eight species of the fresh water fish are currently known to be endemic to the water bodies within the 777 sq. km area of PTR. These include two species of the Genus Garra, and Nemachelius, and the Homaloptrea, Hypselobarbus, Crossocheilus and Lepigopydopsis species,” they say, explaining that alien fish are a major threat to the Periyar Lake Stream System (PLSS). The villains are mainly four alien fish species, Clarias gariepinus, Cyprinus Carpio, Oreochromis Mossambicus and Poecilia Reticulata.

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## Business Standard<sup>beta</sup>

# Potato gains 1.36% on rising demand, tight supply

### Traders build positions on restricted arrivals from producing belts

Amid rising demand in the spot market, restricted arrivals from producing belts, potato prices rose 1.36 per cent to Rs 990 per quintal in futures trade today as speculators enlarged their positions.

At the Multi Commodity Exchange, potato for delivery in June gained Rs 13.30, or 1.36 per cent, to Rs 990 per quintal in business turnover of 63 lots.

The potato for delivery in the May contract also traded higher by Rs 6.70, or 0.66 per cent, to Rs 1,022 per quintal in 10 lots.

Market experts said besides rising demand in the spot market, limited arrivals from producing regions mainly kept potato futures higher.

## Turmeric weakens on subdued export demand

**May, June contracts shed 1.5% and 2.4% respectively, as traders trim positions over new arrivals from growing areas**



Turmeric fell by Rs 146 to Rs 6,032 per quintal in futures market today after participants trimmed their positions weighed by weak exports and increased supplies.

At the National Commodity and Derivatives Exchange, turmeric for

the most-active June delivery contract fell by Rs 146, or 2.36 per cent, to Rs 6,032 per quintal with an open interest of 29,145 lots.

The May contract shed Rs 92, or 1.52 per cent, to Rs 5,980 per quintal in 2,225 lots.

Market analysts said besides subdued export demand in the spot market, increased supplies from the new season crop mainly kept pressure on turmeric prices at futures trade.

## Sugar up marginally on summer-season demand

**May, June contracts rise 0.03% and 0.14% respectively, as higher supplies in spot market cap gains**



Sugar prices went up by 0.14 per cent to Rs 2,960 per quintal in futures trade today as speculators created fresh positions, driven by an improvement in summer season demand in the spot market.

However, higher supplies in the spot markets, limited the gains.

At the National Commodity and Derivatives Exchange, sugar for

delivery in June gained Rs 4, or 0.14 per cent, to Rs 2,960 per quintal, with an open interest of 38,180 lots.

The May contract edged up by Re 1, or 0.03 per cent, to Rs 2,915 per quintal in 16,290 lots.

Marketmen attributed rise in sugar prices at futures trade to pick-up in summer season demand from bulk consumers in the spot market but ample supplies, limited the gains.

## Cardamom gains 0.36% on spot demand

**Traders create fresh positions against restricted arrivals from producing regions**



Cardamom prices rose by Rs 2.70 to Rs 758.70 per kg in futures trade today as speculators indulged in creating fresh positions, supported by a rise in demand in the spot market against restricted arrivals from producing belts.

At the Multi Commodity Exchange, cardamom for delivery in May rose by Rs 2.70, or 0.36 per cent, to Rs 758.70 per kg in business turnover of 1147 lots.

Analysts said fresh positions built by speculators on the back of a rise in demand in the spot market against restricted arrivals from producing belts mainly influenced cardamom prices at futures trade.

## Pepper gains 0.8% as demand picks up

**Traders create fresh positions on restricted supplies from Kerala and depleting stocks**



In restricted activity, pepper gained 0.82 per cent to Rs 36,350 per quintal in futures trading today as speculators created fresh positions driven by restricted supplies from Kerala amid depleting stocks.

At the National Commodity and Derivatives Exchange, pepper for delivery in May spurted by Rs 295, or 0.82 per cent, to Rs 36,350 per quintal with an open interest of 428 lots.

Analysts said fresh positions created by speculators triggered by lower-than-expected supplies from Kerala, mainly influenced pepper futures here but estimates of higher output, limited the gains.

They said absence of any far-month contracts, however, has hit volumes across pepper futures.

Meanwhile, NCDEX postponed the launch of the June 2013 expiry contract.

## Chana up 0.2% on pick up in spot demand

**However, higher supplies from new season crop in physical market, hopes of higher output cap gains**



Chana prices rose by Rs 7 to Rs 3,380 per quintal in futures market today as speculators created fresh positions, tracking a firm trend at spot market on pick up in demand.

However, increased supplies from the new season crop in the physical market and expectations of higher output restricted the gains.

At the National Commodity and Derivatives Exchange, chana for delivery in May rose by Rs 7, or 0.21 per cent, to Rs 3,380 per quintal with an open interest of 16,680 lots.



The June contract gained Rs 4, or 0.12 per cent, to Rs 3,462 per quintal in 1,45,470 lots.

Analysts said speculators created fresh positions, taking a firm cues from spot market on pick-up in demand mainly helped chana prices to trade higher at futures trade.

## Wheat procurement likely to decline 8% in 2013-14

**FCI expected to purchase 35 mt, against last year's 38 mt as yield in Punjab, Haryana to dip 10-15%**



India will purchase fewer quantities of wheat in the 2013-14 crop marketing year for its central stocks, due to brisk buying by private traders in Madhya Pradesh and Uttar Pradesh and a drop in yields in Punjab and Haryana, said a senior official.

“By our estimate, wheat procurement this year could be somewhere around 35 million tonnes because yields in Haryana and Punjab, the two biggest wheat producing states, are almost 10-15 per cent less than 2012,” a senior official of the Food Corporation of India (FCI) told Business Standard. Punjab, Haryana, Uttar Pradesh

and Madhya Pradesh account for 90 per cent of the total wheat produced in India every year.

Last month, Food Minister K V Thomas had told Business Standard that wheat procurement in 2013-14 could be around 40 million tonnes, less than the original target of 44.12 million tonnes, because of strong demand from private traders.

According to a PTI report today, procurement could be around 33 million tonnes, of which Punjab will contribute 11 million tonnes and Madhya Pradesh nine million tonnes.

“Between last month and now, the situation has further changed and indications of strong revival in arrival has gradually diminished,” said the FCI official.

In the 2012-13 crop marketing year, which ended on March 31, the government had purchased a record 38.1 million tonnes from farmers. “A clear picture will emerge only around May 15 but the trend indicates that procurement from Punjab and Haryana won’t be huge,” the official added.

Massive procurement in the previous years has stretched the already precarious foodgrain storage scenario. According to FCI data, foodgrain stock in the central pool as on April 1 was around 60 million tonnes, three times the required quantity.

Of this, wheat stocks are estimated to be around 24.2 million tonnes, compared to a requirement of seven million tonnes, while rice stocks are estimated to be around 35.4 million tonnes, against a requirement of 14.2 million tonnes.

The FCI data shows the government has so far procured 20 million tonnes of wheat at the minimum support price of Rs 1,350 a quintal. Officials said although the procurement is expected to be lower than last year, the quantity is sufficient to maintain the government's buffer stock and fulfil the demand of the Public Distribution System and other welfare schemes.

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## THE HINDU Business Line

### First fruit



Bumper seasonal crop: Strawberry is the first fruit crop of Kashmir. Farmers harvesting the fruits at Gusoo village on the outskirts of Srinagar on Tuesday. — Nissar Ahmad

# Maharashtra plans using satellite images to grow crops

**Mumbai, May 7:** In an attempt to improve farm productivity in Maharashtra, the State Government has decided to extensively use satellite images for agricultural planning.

Crops such as onion, sugarcane and cotton are already being tracked by satellites. Now soyabean, jowar and rice, which are cultivated on a much larger area in the State, are to be added to the list.

A senior Maharashtra Government official told *Business Line* that the imagery is coming in handy for the planning process, since it helps in cross-checking the data submitted by field officers.

Lacunas in their data sheets can be pointed out using the images, he said.

Based on the images, accurate advisory can be given to the farmers, which could enhance production by about five per cent, said the official.

“Market information coupled with real time images would be used for advising farmers for crop cultivation.

If there is a glut of a certain commodity in the market, then it does not make sense to cultivate that crop, it will lead to a further slump in prices,” the official said.

To prevent major volatility in onions prices at farm levels, the Centre has been keeping an eye on the total area under cultivation for the last three years.

It has roped in the Nashik-based National Horticultural Research and Development Foundation (NHRDF) and Space Application Centre, Ahmedabad, for monitoring the crop.

### **data analysis**

While the satellites take pictures of major areas producing onion in Maharashtra, Gujarat, Madhya Pradesh and Karnataka, the ground data is matched with the crop and the area under its cultivation is calculated.

An analysis is done to find out whether there is a likely increase or decrease in total onion production, as compared to the previous year.

R.P. Gupta, Director of NHRDF, told *Business Line* that monitoring of the onion crop is being carried out for the last three years.

Ground agriculture data is co-related with the satellite data, for which NHRDF field officers visit onion fields with a Global Positioning System (GPS) device.

“With this technique, we get about 80-85 per cent accuracy, but aim to reach 90 per cent accuracy,” he said.

Agriculture Commissioner of Maharashtra Umakant Dangat said that satellite images are useful for agriculture planning, but the personnel reading the images need more training in terms of interpretation and analysis.

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# Groundnut oil may slip on weak demand

**Rajkot, May 7:** Groundnut oil remained unchanged at the lower level as demand was reported almost nil. Cotton oil also traded flat on Tuesday.

Groundnut oil for 15 kg was traded on Rs 1,985-1,990 while groundnut oil *teilya* tin stood at Rs 1,693-1,694 and loose groundnut oil was quoted at Rs 1,100-1,105 for 10 kg.

The price decreased more than Rs 110 for a tin in the past 10 days.

Cotton oil wash price remained steady on Rs 600-603 for 10 kg and cotton oil new tin price stood at 1,065-1,075 for 15 kg.

About 15-20 tankers traded in cotton oil from Saurashtra mills.

HPS Saurashtra origin bold 50-60 count offered at Rs 76,000-76,500 a tonne and Rajasthan origin 50-60 count at 72,500-73,000 (ex mill).

Tamil Nadu origin 80-90 count HPS offered at Rs 67,000 (Chennai and Mumbai port delivery).

“Price of groundnut oil is decreasing since last one week and it may decline further as demand is very weak. Most of people have now shifted to other edible oils such as cotton seed oil, palm oil and soya oil as these edible oils are cheaper than groundnut oil,” said a source from Gondal Oil Mills Association.

# Organic cotton faces hurdles despite potential to capture global market

‘There is no specialised market for organic cotton’



Economics of growing organic cotton		
Compared with farms using chemicals		
Description	Chemical farming (Rs/ha)	Organic farming (Rs/ha)
Land preparation	8,000	3,000
Seed	3,500	300
Sowing	2,000	1,000
Thinning	500	500
Fertilisers	4,000	-
Farmyard manure	-	1,500
Irrigation	5,000	1,200
Cotton picking	10,000	9,000
Total cost (in Rs)	33,000	16,500
Yield (quintal/ha)	15	12

Source: M.S. Kairon paper on 'Organic cotton scenario in India'

**Chennai, May 7:** Sanjay Deshmukh, a farmer in his mid-30s in Kanzara village near Akola in Maharashtra, has not had a good experience with Bt cotton last year. “The prolonged dry weather took a toll of my crop,” he says ruefully over phone from his village. “I may reduce the area under cotton this year but will continue to grow Bt cotton,” he says.

Ask him why he is not looking at non-Bt or organic cotton, he says: “I am comfortable with Bollgard.”

“They (farmers) may not be telling you the real reason. It has got to do with prices they fetch. There is no specialised market for organic cotton,” says a cotton scientist, who does not want to be identified.

“You need to pay them for the effort and lower yield compared to Bt or conventional cotton,” he says.

**Scope for exports**

That, in a nutshell, sums up why organic cotton is not picking up despite its potential as a major foreign exchange earner. In fact, ever since the Government began taking interest in promoting organic cotton, many farmers have opted out.

Traders and scientists agree that organic cotton has immense scope for exports. However, they say farmers are not compensated for the ordeal they undergo in cultivating organic cotton.

### **Growing demand**

“The foremost problem is that we don’t have an organised market for organic cotton. They are mixed with ordinary cotton that comes to the market and end up being treated as ordinary variety,” says M.S. Kairon, former director of the Central Institute for Cotton Research.

Kairon recently told a global cotton conference that demand for organic cotton is growing.

In India, some 1.28 lakh hectares are under organic cotton, while another 70,000 hectares are being converted to grow organic cotton. This represents a meagre quantity compared with the nearly 115 lakh hectares totally under all forms of cotton.

Madhya Pradesh leads in growing cotton accounting for 57 per cent of the total organic cotton, followed by Maharashtra (20 per cent).

But the International Cotton Advisory Committee, a body dedicated to promotion in cotton affairs, says that the global area under organic cotton dropped to 3.25 lakh hectares in 2010-11 from 4.60 lakh hectares the previous year.



Production in India, the top grower and exporter of organic cotton, during the period fell to 1.02 lakh tonnes from 1.95 lakh tonnes due to stringent control by the Agricultural and Processed Food Products Export Development Authority. The yield dropped to 466 kg a hectare from 525 kg.

Organic cotton can be grown on a larger scale since there is great scope for exports.

According to Kairon, production costs for organic cotton are 20 per cent lower, while total crop input costs are 40 per cent lower.

According to scientists, farmers opt out from organic cotton because of stringent external and internal checks, while some farmers have been excluded since they had used synthetic fertilisers or pesticides.

Pollachi-based Appachi Cotton is one of those firms trying to promote organic cotton in a big way in the country.

Appachi pays a premium from the time farmers embrace organic cotton and has an on-going project in Mysore.

It also ensures that farmers comply with the norms fully by supplying seeds and nursing them through the entire process.

Kairon says farmers should be made to understand the pros and cons of organic farming and told that prices are determined by quality rather than by quantity.

The global cotton body says that Apeda's strategy will begin to bear fruit soon and Indian organic cotton has better chances of capturing the global market. Organic

cotton production could begin gathering momentum from this year, it says.

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## Pepper rises on buying support

**Kochi, May 7:** Pepper prices continued to move up on buying back by short position holders. The market was volatile and the difference between the buying and selling bids was wider. The net open interest showed a decline indicating buying back. But turnover dropped significantly giving the indication that the people are losing interest, trade sources said.

On the spot, Karnataka pepper was traded more and the low bulk density material has arrived at the trading centres in almost all the districts of Kerala, market sources told *Business Line*.

On the spot, 78 tonnes of fresh pepper arrived today and were all traded afloat. Of this 48 tonnes of the material were from Karnataka. Exporters and inter-State dealers are reported to have bought pepper having bulk density ranging from 510 GL and 525 GL at Rs 330-335 a kg while that of 500 GL and below was traded at Rs 320-325 a kg, they said. May contracts on the NCDEX were up by Rs 185 at Rs 36,240 a quintal. Total turnover decreased by 250 tonnes to 47 tonnes. Total open interest dropped by 32 tonnes to 416 tonnes.

Spot prices moved up by Rs 100 to close at Rs 34,200 (ungarbled) and Rs 35,700 (garbled) a quintal.

Indian parity in the international market was at \$6,800 a tonne (c&f) for May and June shipments.

## **Spot rubber up on weak supply concerns**

**Kottayam, May 7:** Spot rubber improved on Tuesday despite a weak closing on the National Multi Commodity Exchange.

According to observers, sharp gains in the international markets and local supply concerns kept prices firm.

The market may experience moderate selling pressure at higher levels in the succeeding days if the weakness continues to persist in domestic futures, they said.

Meanwhile, Tokyo rubber futures gained more than five per cent to a three-week high, tracking the rally in global stock markets and supported by a weak yen as the market reopened after the long holidays.

Sheet rubber improved to Rs 167 (Rs 166) a kg at Kottayam and Kochi, according to traders and the Rubber Board.

The trend was partially mixed.

RSS 4 weakened with May contracts slipping to Rs 164.90 (Rs 167.30), June to Rs 165.00 (Rs 167.44), July to Rs 162.80 (Rs 165.32) and August to Rs 161.00 (Rs 162.43) a kg on the NMCE.

RSS 3 (spot) flared up to Rs 162.45 (Rs 157.30) a kg at Bangkok.

May futures closed at Rs.142.23 on the Tokyo Commodity Exchange

**Spot rubber rates Rs/kg were:** RSS-4: 167 (166); RSS-5: 163 (162); Ungraded: 157 (157); ISNR 20: 156.50 (156) and Latex 60%: 105 (104.50).

## **Met dept upgrades prospects**

**Thiruvananthapuram, May 7:** The India Meteorological Department (IMD) has upgraded prospects of a brewing low-pressure area ('low') in south-west Bay of Bengal.

It said that the 'low' could materialise during the next two days and might become more 'marked' (increase in strength) subsequently.

### **BASIC UNIT**

The 'low' is the basic unit of a building storm, and the area of its genesis is increasingly becoming crucial from the viewpoint of monsoon onset dynamics.

The normal onset date for Andaman and Nicobar, the farthest outpost and the first port of call for monsoon, is between May 15 and 20.

According to international weather models, the onset here could happen with the strengthening of the 'low' in south-west Bay of Bengal.

US National Centres for Environmental Prediction went a step to suggest that the system might also start triggering rains over peninsular India from next week.

## **STORM PATH**

Some models suggest a north-north-west movement for a 'minimal storm' into the east coast towards Andhra Pradesh-Odisha.

Along the way, the monsoon could be coaxed to rush with its approach in the Arabian Sea towards western coast of the country as well.

This would be a welcome change from the past, when pre-monsoon storms have strayed to divert rains to Myanmar/Bangladesh on the Bay side and Oman/Yemen on the Arabian Sea side. On Tuesday, the Australian Bureau of Meteorology said in an update that a negative phase of Indian Ocean Dipole (IOD) event could occur later in the season.

## **NEGATIVE IOD**

It agreed with an earlier forecast by Japanese scientists at Tokyo-based Regional Institute for Global Change to this effect.

A negative phase of IOD is no good news for Indian monsoon, just as an El Nino in the Equatorial Pacific is. Both represent warming anomalies in the respective oceans.

The IOD index is currently neutral, the Australian bureau said. Model outlooks of the IOD are mixed, with three of the five models favouring the development of a negative IOD.

“Overall, a negative IOD event is slightly favoured over neutral conditions,” the bureau said. The Japanese view suggested a ‘strong’ negative IOD this year.

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## **Slack offtake by millers pounds chana**



**Indore, May 7:** Weak buying support from millers continues to drag chana in local mandis. On Tuesday, chana (kanta) declined to Rs 3,350 a quintal (Rs 3,375) amid slack demand for local chana. Chana (desi) also declined to Rs 3,150-75 while chana (mausmi) ruled at Rs 3,300-3,400 and Kabuli Bitki at Rs 3,000-3,200. Sluggish trend in chana currently has been attributed to supply of cheap quality chana dal from Rajasthan. With rise in production of chana in Rajasthan, pulse mills have been

offloading cheap quality chana dal in Madhya Pradesh mandis. This has led to decline in demand for good quality local chana in mandis here, leading to fall in its prices, said a chana trader.

Chana dal (average) was at Rs 4,000-25 a quintal, chana dal (medium) at Rs 4,100-25, while chana dal (bold) ruled at Rs 4,250-75. Dollar chana also ruled sluggish on slack buying support both in domestic and export market. Amid an arrival of 6,000-7,000 bags, dollar chana in Indore mandis ruled at Rs 4,200-4,800.

In container also, dollar chana ruled sluggish amid slack export demand. With dollar chana (42/44 count) being quoted at Rs 5,775-5,800 (Rs 5,925-50), 44/46 count Rs 5,550-75 (Rs 5,700-25), 46/48 count at Rs 5,350-75 (Rs 5,500-25), 58/60 count at Rs 4,100, while dollar chana (60/62 count) ruled at Rs 3,950-75 a quintal.

(This article was published in the Business Line print edition dated May 8, 2013)

## **Sugar may improve soon with rising mercury**



**Mumbai, April 7:** Pressurised by ample supply, sugar prices are unlikely to go down further.

An analyst said. “Sugar prices are under pressure since Diwali but are not expected to go down further as it is already ruling near Rs 3,000 – far below the cost of production. Also, prices are likely to show some improvement with the rise in temperature.”

Sugar prices ruled almost unchanged at upper level on Tuesday tracking range-bound volatility in futures market and slack physical demand at national level. Mumbai’s sugar traders are on indefinite strike against Local Body Tax since May 1 so there were no activities in spot market here.

A wholesaler said: “Vashi APMC Market – 1 including sugar, gur, spices, coconut and other are on indefinite strike in protest of LBT. Vashi Market -2 including Grain and pulses may also join hands soon. As sugar production this year is higher than local demand, prices in other main producing centres are also ruling downward. Upcountry buying is lacking since long in Maharashtra, forcing the State’s mills to concentrate on local markets. Vashi sugar market currently carries sufficient 110 – 120 truck loads inventory . There were no fresh arrivals or local dispatches of sugar since May 1. On Monday evening, 13-14 mills offered tenders and sold 28,000-30,000 bags at Rs 2,920-3,000 (Rs 2,910-2,990) for S-grade and Rs 3,000-3,060 (Rs 3,000-3,060) for M-grade.

On the NCDEX, sugar June futures dropped by Rs 5 to Rs 2,951, July contracts was down by Re 1 to Rs 2,987 and August was lower by Rs 6 to Rs 3,022 till noon.



# Edible oils trade awaits palm oil output data



**Mumbai, May 7:** Ahead of Malaysian palm oil production and inventories data, edible oils market may bottom out and the next few days will be crucial in determining the course of the trade.

Shailesh Kataria of Riddhi Broker said, “expectation of lower Malaysia's palm stocks in April pushed up sentiment later on the day. Investors avoided taking risky bets ahead of official data for stocks and output due on Friday. Market may see bottoming out. The next few days will be crucial in determining market direction.”

Groundnut oil continued to decline on Tuesday tracking bearish reports from the producing centres. With a drop of Rs 10 more, groundnut oil in the first seven days of this month registered total loss of Rs 60 for 10 kg in Mumbai. Slack demand pulled down rapeseed oil by Rs 1 and cotton oil by Rs 2. In the absence of active buyers, palmolein, sunflower and soya oil ruled unchanged. The volume was thin and sentiments remain cautious tracking bearish domestic futures market, said sources.

An observer said, “leading local refineries lowered the prices in absence of demand. As some importers were

offering lower rates volume remain subdued in spot. Importers sold about 350-400 tonnes of palmolein at Rs 493 for delivery from June 1-10. Resellers sold 150-200 tonnes of palmolein at Rs 496 for ready - near term delivery. There was no volume in other oils.”

Arrivals of soyabean in Madhya Pradesh were 30,000 bags and the mandi prices were Rs 3,950-75 and plant delivery Rs 4,010-25. Mustard seed arrivals were 3.90 lakh bags and its prices were Rs 3,250-3,490.

Towards the day's close, Liberty was quoting palmolein at Rs 500-505, super palmolein Rs 543 and sunflower refined oil Rs 780. Ruchi was quoting palmolein at Rs 506 ex-Patalganga, soyabean refined oil Rs 660 and Rs 780 for sunflower refined oil. Allana was quoting super palmolein Rs 545. In Saurashtra – Rajkot groundnut oil rose by Rs 5 to Rs 1,725 for *telia* tin and Rs 1,120 (Rs1,120) for loose (10 kg).

**Malaysian BMD crude palm oil's** June futures closed higher at MYR 2,258 (MYR 2,249), July at MYR 2,260 (MYR 2,250) and August at MYR 2,256 (MYR 2,248) a tonne.

**The Bombay Commodity Exchange spot rates (Rs/10 kg):** groundnut oil 1,130 (1,140), soya refined oil 665 (665), sunflower exp. ref. 685 (685), sunflower ref. 765 (765), rapeseed ref. oil 677 (678), rapeseed expeller ref. 647 (648) cottonseed ref. oil 638 (640) and palmolein 500 (500).

**Vikram Global Commodities, Chennai** has quoted Malaysian super palmolein at Rs 548 ex-Chennai.

# Lower crop may boost turmeric next year



**Erode, May 7:** Lower crop prospects on account of drought-like situation has affected turmeric cultivation over 5,000-6,000 acres of land in Erode. Traders expect good price for the yellow spice from next year. Turmeric prices have declined Rs 450 a quintal in Erode on non-receipt of upcountry orders for the spice.

“Usually from February to May, all the traders here will get good number of demand from North India, but contrast to the traditional practice, this year the traders have received very meagre orders from North Indian merchants. This has created worries to the traders. We feel that the merchants in North India are having huge stock of turmeric with them, so they have not made any fresh orders from Erode. But the traders in Erode also having enough stock, waiting for demand,” said R.K.V. Ravishankar, President, Erode Turmeric Merchants Association.

At the Erode Turmeric Merchants Association sales yard, the finger variety was sold at Rs 4499 to Rs 7709 a quintal, root variety Rs 4496 to Rs 6445 a quintal.

**Salem Hybrid Crop:** The finger variety was sold at Rs 5,799-8,109; the root variety Rs 5,496-6,899. Of the arrival of 955 bags, only 25 per cent stocks were sold.

At the Regulated Market Committee, the finger variety fetched Rs 6,199-7,309 and the root variety Rs 5,616-6,537. Of the 160 bags arrived, 161 found takers.

At the Erode Cooperative Marketing Society, the finger variety was sold at Rs 6,016-7,489; the root variety Rs 5,616-6,687. Of the arrival of 635 bags, 631 were traded.

At the Gobichettipalayam Agricultural Cooperative Marketing Society, the finger variety was sold at Rs 6,400-7,612; the root variety Rs 5,919-6,780. All the 97 bags found takers.

## **Wheat may see range-bound trading**

**Karnal, May 7:** A range-bound movement in wheat prices is likely to be witnessed in the coming days, according to traders.

Moderate buying kept dara wheat and flour prices unchanged on Tuesday.

About 15,000 bags of wheat arrived at the Karnal Grain Market Terminal. Quality of the stock was medium and procurement was done by Government agencies at the minimum support price.



Radhey Sham, a trade expert, told *Business Line* that only need-based buying is taking place in the market at present. After witnessing a fall last weekend, market has been ruling flat since then and it may continue to rule around current levels even in the next few days, he added.

In the physical market, Dara wheat remained unchanged and quoted at Rs 1,400-1,405 a quintal. Mill delivery was at Rs 1,400 while delivery at the chakki was Rs 1,405.

In Delhi's Lawrence road market, a benchmark for the country, wheat mill quality traded at Rs 1,430-1,450.

On the National Commodity and Derivatives Exchange, wheat futures traded positive on good buying support. Wheat for May series increased by Rs 11 and traded at 1,486 with an open interest of 4,180 lots. June contracts went up by Rs 6 and traded at Rs 1,508.

According to market experts, fresh buying to meet the upcoming season demand mainly led the wheat prices upwards. However, arrival of new crop in mandis, limited the rise. While, wheat spot prices on the exchange decreased by Rs 2.5 and traded at Rs 1,400.

## Flour Prices

With a steady trend in wheat, flour too ruled flat and quoted at Rs 1,670. Similarly, Chokar ruled flat and sold at Rs 1,250-1,275 a quintal.

## Cheaper palm oil cools coconut oil



**Kochi, May 7:** Fall in palm oil prices in the international market has impacted coconut oil prices Kerala and Tamil Nadu this week.

Coconut oil prices in Kerala are now ruling at Rs 61.50 a kg (Rs 63) whereas in Tamil Nadu it dropped drastically to Rs 58 (Rs 60).

Prakash B. Rao, Vice-President, Cochin Oil Merchants Association (COMA), told *Business Line* that cheaper availability of palm oil and palm kernel oil, a close substitute of coconut oil being used for industrial purpose, has resulted in low demand from corporates and upcountry buyers.

He said that a majority of industrial buyers and even retail traders had shifted to palm oil, which is now cheaper than coconut oil.

Lower palm oil prices tend to put pressure on coconut oil prices as consumption shift to the lower priced oil, he said.

Palm oil prices are now trading at Rs 48/kg while palm kernel oil is at Rs 51.

Simultaneously, copra prices also dropped to Rs 4,450 a quintal in Kerala (Rs 4,600), while it was Rs 4,300 in Tamil Nadu against Rs 4,500 last week. The summer season demand for tender coconuts in Tamil Nadu and Kerala markets also affected copra arrivals, he added.

Thalath Mahamood, former President, COMA, said that a panic situation is prevailing in the market due to low demand.

Bharat N.Khona, former Board Member, COMA, attributed the cheap imports of other edible oils as the reason for this continuing price fall in coconut oil.

If the market stabilises at this lower rate, he said upcountry buyers and corporates may enter the market to purchase coconut oil.

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