

15.10.2015

# THE HINDU

## Commodity prices

*Onion is not the only vegetable that makes households shed tears due to its surging prices. Brinjal too could be added to this list. The price of brinjal has surged 40 per cent in the last one year. Fall in production due to poor rains has taken prices higher. In Chennai, brinjal is sold currently at ₹28 per kg, up from ₹20 per kg a year ago and from ₹24 per kg last month.*

Here are the prices of various commodities in Chennai.  
Price scale is given as Rs./kg

Commodity	Quantity	Now	Year ago
Rice	1 kg	28	32
Wheat	1 kg	32	30
Atta	1 kg	30	32
Gram Dal	1 kg	75	48
Tur Dal	1 kg	160	83
Urad Dal	1 kg	150	90
Moong Dal	1 kg	130	96
Masoor Dal	1 kg	95	75
Sugar	1 kg	32	34
Milk	1 ltr	37	27

<b>Commodity</b>	<b>Quantity</b>	<b>Now</b>	<b>Year ago</b>
Ground Nut Oil	1 ltr	126	105
Sun flower Oil	1 ltr	92	85
Gur (Jaggery)	1 kg	50	49
Tea	1 kg	220	220
Salt	1 kg	18	17
Lime	1 kg	80	100
Apple	1 kg	140	140
Papaya	1 kg	30	30
Pineapple	1 kg	40	40
Pomegranate	1 kg	140	120
Sapota	1 kg	50	50
Banana	1 kg	32	30
Bitter Gourd	1 kg	28	24
Brinjal	1 kg	28	40
Cabbage	1 kg	20	18
Cauli Flower	1 kg	40	40

Commodity	Quantity	Now	Year ago
Garlic	1 kg	140	120
Ginger	1 kg	100	120
Chilly	1 kg	24	46
Onion	1 kg	52	28
Potato	1 kg	28	40
Tomato	1 kg	28	16

\*Source: Ministry of Consumer Affairs, National Horticulture Board.

### **Making farmers proud**

When everyone, right from a daily wages labour to a multi-millionaire, wants his loan to be waived for one reason or another, it is heartening to read about a farmer who came up in his life without taking any loans. (“Keep your chin up, says Dasara celebrity farmer,” Oct. 14). Despite the erratic monsoons and poor planning in the field of agriculture by the government, Mr. Puttaiah has increased his land-holding from four acres to 40 acres. Youngsters taking to agriculture, who often complain about a lack of state support and apathy on the part of the society, should take inspiration from him.

**Kumaran Appuchami, Salem**

### **Thanks to fresh supplies, onion prices fall**

After burning a hole in people’s pockets for over three months, prices of onions have finally begun to show a downward trend. Thanks to fresh supplies along with a fall in demand owing to Navratris, prices of the edible

bulb have come down from the Rs 70-80 mark to settle between Rs 40-Rs 55 per kilo.

On Wednesday, wholesale rates of the edible bulb came down to Rs. 15-35 from the season's all-time high of Rs. 65. Based on these rates, price of onions in the retail market has also fallen to about Rs. 55 for the best quality of onions. However, it is pertinent to note that the trickle-down effect, as is generally expected, hasn't yet happened when it comes to retail market. Several retailers are still taking advantage by stating "artificial shortage" and are fleecing customers by charging as much as Rs. 60 for a kg of onions.

According to traders in Azadpur Mandi, the reason for the fall in onion prices is two-faceted. "Prices have fallen because there is lesser demand as most people fast during Navratri and abstain from consuming onions. Besides, now there is adequate supply owing to fresh harvest and imports from Egypt and Afghanistan. The prices shall a bit more in the coming days," said Rajender Sharma, member of Azadpur Agricultural Produce Market Committee (APMC).

Mr Sharma added the demand has fallen by almost 25-30 per cent these days and that overall prices of onions have fallen by almost 50 per cent from its peak. Explaining the difference in demand during the festive season, another trader said, "Usually 1000-1200 tonnes of onions come to Azadpur Mandi on a daily basis. But, now since the demand is low, we ask for about 600-800 tonnes per day."

At present, the Capital is receiving maximum onions from the Southern state of Karnataka. Lesser quantities are also arriving from Maharashtra and Rajasthan. Following curbs on exports and fear of action against hoarding, just a day before, on Tuesday, wholesale prices of onion fell below Rs 30 per kg at Lasalgaon in Maharashtra. Lasalgaon houses Asia's biggest onion market.

***On Wednesday, wholesale rates of the edible bulb came down to Rs. 15-35 from the season's all-time high of Rs. 65. Based on these rates, price of***

*onions in the retail market has also fallen to about Rs. 55 for the best quality of onions.*

### **Cocoa cultivation enhances income of coconut farmers**

Coconut farmers in the district are reaping dividend by raising cocoa crop in their farms.

Thanks to the supply of cocoa seedlings free of cost by the Horticulture Department as also subsidy towards planting saplings of the crop that grows only in shady conditions, farmers have increased the area under cultivation to over 300 hectares over the last four to five years, according to Deputy Director of Horticulture Prabu

A leading chocolate manufacturer has been procuring the cocoa produced by the coconut farmers at the rate of Rs. 150 per kg at a centre in Kavindapadi.

The department advocates planting of 200 saplings per acre. A minimum of 1.5 kg cocoa seeds could be sourced per plant. A farmer could rest ascertained about producing 300 kg. per acre, and making additional income, Mr. Prabu said. The awareness about raising cocoa crop has been catching up well with coconut farmers, he said.

*Farmers have increased the area under cultivation to over 300 hectares*

### **IFFCO-Mitsubishi rolls out chemical fertilisers**

*The aim is to control the market against spurious production in the next 3-4 years.*

IFFCO and its Japanese joint venture partner, Mitsubishi Corporation, on Wednesday rolled out 18 chemical fertilisers such as pesticides, fungicides and weedicides, which will be made available to farmers from the upcoming rabi season. Last month IFFCO and Mitsubishi announced their tie-up for manufacture and sale of chemical fertilisers in India.

It is a Rs.25 crore joint venture with 51:49 per cent stake holding between IFFCO and Mitsubishi. The roll out will be from this rabi at 'reasonable price' but with no subsidy component.

Speaking to *The Hindu*, Chairman and Managing Director of Mitsubishi Corporation India, Masakazu Sakakida said "We are keen to enter into relationship with farmers in poor villages. We will do procurement for domestic and international market."

"Our aim is to control the market against spurious production in the next three to four years," IFFCO Managing-Director M.S. Awasthi said at the launch.

He said the distribution of fertilisers under IFFCO-MC Crop Sciences will be accompanied by extension services to farmers which will make them aware about how much to use and when to use.

"What we are trying is that quality of these agrochemical products should be such that farmers should have same trust as they have for our fertiliser products."

The joint venture will target potato, paddy, sugarcane and wheat from this season in 10 states, said A. Ray, Managing Director of IFFCO-Mitsubishi. IFFCO will source agrochemicals from the Japanese firm and it will be sold through its member cooperatives across India.

### **Farmers get a second chance**

Young farmers, who had attempted suicide, attend a meeting in Hyderabad on Wednesday. An NGO, along with Osmania General Hospital, is raising funds for their rehabilitation

Veeranna, a farmer's son from Khammam, is only 20 years old but walks as if he is carrying the weight of the world on his shoulders. After a suicide attempt, he was on ventilator for over four months in the State-run Osmania General Hospital (OGH), which pretty much damaged his wind pipe and voice box.

Pressure due to spiralling interest on a Rs. 2-lakh loan taken from a private lender drove Veeranna to take the extreme measure of consuming pesticide. On Wednesday, the youngster's voice was feeble but firm.

“I want to go back to Khammam and start working to support my family. I made a mistake but doctors gave me another chance and I want to make use of it,” he says, with a wry smile.

Santosh (28) from Amrutapur village in Nizamabad district in Telangana also shares a similar tale. He took a piece of land on lease to sow cotton and invested close to Rs. 1 lakh. The crop failed and the interest accumulated, forcing him to take the desperate measure of consuming phosphorus-based pesticide.

“This ordeal has taught me how precious life is and I want to make something out of it. I am able to speak now and breathe properly without any pain. I just want to go back to my village and start helping my family,” he says, from his hospital bed.

In all, the surgeons at OGH saved lives of six persons, hailing from families involved in farming and who had attempted to end life due to crop failure and financial setbacks.

“All the six have spent anywhere between three and four months on ventilator. Prolonged ventilation had narrowed their airways, impacted speech and led to breathing and other complications,” said Superintendent, OGH, Dr. C. G. Raghuram.

### **Social stigma**

Initially, to enable them to breathe, the doctors had inserted a temporary stent to dilate the trachea but this came at a price. “Nobody gave me a job as a day labourer in the fields when they saw a tube protruding out of my neck. They simply ignored me and I had to return to the hospital,” recalls 28-year-old Lalita from Chevella in Ranga Reddy district.

The stop gap arrangement of using a stent to dilate the trachea did not work because the protruding tube from the neck became a social stigma. The farmers simply did not get an opportunity to resume their work because they were not offered any.

Later, OGH doctors collaborated with Helping Hand Foundation (HHF), a Hyderabad-based NGO, to raise funds and took up tracheal reconstruction surgery, a long-term solution to enable farmers to lead a normal life. “I am now able to talk and breathe properly. I am just waiting to go back to my village and start working,” says 30-year-old Narayana from Mahabubnagar.

B. Santosh (28) from Nizamabad, S. Krishna (24) from Mahabubnagar, G. Lalita (28) from Ranga Reddy, B. Veeranna (20) from Khammam, Savitri (32) and Narasimha (28) from Medak and A. Narayana (30) from Mahabubnagar were the beneficiaries of the procedure.

“We raised over Rs. 5 lakh for the surgeries. In private hospitals, however, such surgeries would cost anywhere between Rs. 2 and Rs. 3 lakh for each person. We also will provide them with monthly support of medicines and represent their cases with Government for financial assistance,” says president, HHF, Mujtaba Hasan Askari.

### **Pechiparai receives 60 mm rainfall**

Rain has been continuing in Kanyakumari district for a fortnight and the catchment areas of Pechiparai received a maximum rainfall of 60 mm till 8.30 a.m. on Wednesday.

According to Water Resource Organisation of the Public Works Department, Pechiparai dam area received continuous rain for over three hours on Tuesday.

There was rain in Surulode, Kannimar, Boothapandi, Mullanginavilai, Puthananai, Adayamadai, Kozhiporvilai and suburban areas.



Tirparappu falls flooded, forcing authorities to ban bathing in the falls. Inflow into the major dams – Pechiparai and Perunchani — increased considerably.

Water level in Pechiparai dam was stood at 38.35 as against its full level of 48 feet. Inflow into the dam was 1,066 cusecs and discharge was nil.

Water level in Perunchani dam stood at 70.90 feet against its total height of 78 feet, with an inflow of 435 cusecs and a discharge of 50 cusecs.

The level in other dams was (in feet): Chittar I – 16.37, Chittar II – 16.41 and Mambazhathuraiaru – 54.12.

The of rainfall registered in important stations in the district till 8.30 a.m. on Wednesday was (in mm): Pechiparai – 60, Perunchani – 30.4, Chittar I – 13.8, Chittar II – 33, Mambazhathuraiaru – 39, Anaikidangu – 42, Adayamadai – 22, Kozhiporvilai – 14.7, Mullanginavilai – 8, Puthanthurai – 31, Boothanpandi – 18.5, and Surulod – 31.6, the sources said.

### **Wholesale price of egg increases**

The wholesale price of egg that remained less than Rs. 3 for over a month has increased by two paise due to increase in demand. Officials of the National Egg Coordination Committee, Namakkal Zone, said that the price of egg was fixed at Rs. 3.02 on Tuesday and are positive that the price would go up in the coming days. They said that due to the month of *Puratasi* and drop in consumption in North India the wholesale price of egg dropped in the past one month. They said that upward price trend is expected in coming weeks due to the ensuing festival season and increase in consumption.

### **Buy produce and learn ways to use it**

People thronging the Savayava Swavalambi Santhe held in Ujjodi in Mangaluru on Sunday to buy organic vegetables and home-made dishes prepared using organic products

*The organic vegetables fair, Savayava Swavalambi Sante, is gaining popularity in the region.*

One woman showed keen interest on a bunch of banana flowers that were being sold at Rs. 10 per piece. As the stall operator offered her the banana flower, the woman said she did not know how to make use of it.

“I know your problem,” he told the woman, and called an elderly person to elaborate on the dishes that can be made using banana flowers.

The elderly person, who grows organic vegetables, spoke of salads and other dishes that can be prepared. The customer, in her 30’s, purchased the banana flower as well as banana stem and went home happy.

“These dishes have fibre and are good for health. We are just making people aware of these healthy dishes,” said the owner of stall.

This was one of the few stalls that had been set up at the Savayava Swavalambi Sante (shandy of organic products). The event was organised jointly by the Desi Uthana Associates and Pranava Yoga Mattu Chikitsa Kendra in the city in Ujjodi on Sunday.

This market was the fourth one held in the region this year.

There were a good number of stalls selling home-made pickles, juices and pappads. There were different self-help groups from the city and Udupi selling sambar powder, rasam powder, sabji power, puliyogare mix and other masalas. There were also stalls selling native curry leaves, beans and other organic vegetables.

Home-made ice cream prepared using coconut milk by software professional-turned-agriculturist Vasant Kaje from Mani, Bantwal, was in good demand. “I prepared four litres of ice cream and it is over within two hours,” Mr. Kaje said.

There were also a good number of people tasting Bisi Bele Bath prepared using Navanakki (millet without husk), offered at another stall.



### **Soaring pulse prices: Centre considers buffer stocks, stabilisation fund**

As retail prices of pulses soar over Rs 150 per kg in metros, Centre on Wednesday announced building of buffer stocks by importing pulses and invoking price stabilisation fund to bring down the prices.

After an inter-ministerial meeting held here to discuss the situation, finance minister [Arun Jaitley](#) told reporters that the group has decided to “build a buffer stock preferably by import to take care of the problem in future. As far as the current situation is concerned, we request states which are facing shortage to start lifting quantity available.”

“An inter-ministerial meeting in relation to prices and shortage of certain category of pulses in market was held. Principle concern is on account of tur dal. We perused the production of pulses in the country... Further import will be carried out. We have also decided to invoke price stabilisation fund (PSF). So handling charges, transportation charges, milling and processing charges will be borne out of this fund,” Jaitley said adding that the country faces a shortage of 2 MT pulses.

The meeting was attended by commerce minister Nirmala Sitharaman, urban development minister [Venkaiah Naidu](#), road minister [Nitin Gadkari](#) and principle secretary to the Prime Minister Nripendra Misra along with secretaries of the departments including agriculture, consumer affairs, expenditure, economic affairs.

Over the next few days, Centre expects considerable stock to come into the market, which will cool off prices, the finance minister said while maintaining that even global prices are high on account of shortage.

According to consumer affairs department data, the retail price of arhar was Rs 157 per kg in Delhi, Rs 155 in Mumbai, Rs 150 in Kolkata and Rs 175 in

Chennai. Urad was being sold at Rs 145 in Delhi, Rs 152 in Mumbai, Rs 138 in Kolkata and Rs 160 in Chennai.

States, according to officials, have not been lifting stocks from the Jawaharlal Nehru Port Trust (JNPT) due to high prices. It is in this context that the centre assured the states of providing them the handling, transportation, milling and processing charges among others from the PSF kitty. While 5,000 tonne of pulses have already been imported, 2,000 tonne is lying at the port and 2,000 tonne will be further imported, an official said. According to the government data, while price of gram increased 45.34 per cent year-on-year, price of tur dal has risen 90.12 per cent. Similarly, urad has seen price hike of over 67 per cent while masoor dal price increased over 30 per cent year-on-year.

### **Wheat import duty may be hiked to 25%**

**New Delhi:** The Centre may raise import duty on wheat to 25 per cent from the current 10 per cent to restrict overseas purchases when domestic stocks are surplus.

In August, the government imposed a 10 per cent import duty on wheat — for the first time since 2006 — after private flour millers started importing from Australia amid sluggish supply of high-protein wheat varieties. *PTI*  
- See more at: <http://indianexpress.com/article/business/business-others/soaring-pulse-prices-centre-considers-buffer-stocks-stabilisation-fund/#sthash.fHVyTmph.dpuf>

### **Enjoy black coffee? You may be a psychopath**

A new study brings out the dark side of coffee; connects black coffee with Machiavellianism, sadism and narcissism.



According to the research, bitter-taste preferences were linked to malevolent personality traits. (Source: Petr Kratochvil/Wikimedia Commons)

A fondness for bitter-tasting food and drinks, such as black coffee, may be a sign of dark personality traits, including Machiavellianism, sadism and narcissism, according to a new study.

Christina Sagioglou, study author and psychologist at the University of Innsbruck in Austria, and her colleague Tobias Greitemeyer, studied how bitter taste preferences may be associated with antisocial personality traits. About 1,000 participants with an average age of 35 were analysed in two experiments. In the first experiment, 500 men and women were shown a long list of foods with equal numbers of sweet, salty, sour and bitter, and were asked to rate them on a six-point scale ranging from “dislike strongly” to “like strongly”.

The participants then completed four separate personality questionnaires that measured their levels of aggression by asking them to rate statements that resonated with them, such as “Given enough provocation, I may hit someone”.

For the second half of the experiment, participants were asked to rate how strongly they agreed or disagreed with statements that assessed personality traits of psychopathy, narcissism and Machiavellianism — which is characterised by a cynical disregard for morality and a focus on self-interest and personal gain. The participants were also asked to answer questions relating to the “big five” personality traits — extraversion, agreeableness, conscientiousness and emotionality stability, the ‘Medical Daily’ reported.

Everyday sadism was assessed by the Comprehensive Assessment of Sadistic Tendencies. The second experiment assessed their preferences for food tastes, except the list was reduced to 20 items — sweet and bitter. The participants also had the choice to choose “I don’t have an option” to each of the food items.

Based on both experiments, the researchers concluded bitter-taste preferences were linked to malevolent personality traits. “General bitter taste preferences emerged as a robust predictor for Machiavellianism, psychopathy, narcissism, and everyday sadism,” the researchers said.

For people with sadistic traits, the consumption of bitter foods was comparable to a roller-coaster ride, where they enjoyed things that induced fear, according to Sagioglou. The study was published in the journal Appetite.

## THE TIMES OF INDIA

Centre will provide all help to Punjab cotton farmers who lost their crops:  
Agriculture minister



Breaking his silence over central assistance to cotton farmers who lost their crops due to a massive attack by whitefly pests in Punjab, agriculture minister Radha Mohan Singh on Wednesday said his ministry would go all out to "help distressed farmers and ensure such a situation does not recur".

"A team has visited whitefly affected cotton areas of Punjab and interacted with scientists and farmer representatives," Singh tweeted.

It is learnt that the Centre will decide on providing assistance to cotton farmers after getting the report of the central team that visited the state last week to assess the extent of damage.

Whitefly destroyed nearly two-thirds of the standing cotton crop in Punjab. The state has nearly 12 lakh acres under cotton this year. Almost all standing crop is Bt cotton, which is resistant to some major pests such as bollworm. The Malwa region has been the worst affected by the whitefly pest.

After getting a report of a sudden surge in whitefly pest in cotton crop in the state, the ministry had last month issued an advisory and suggested names of 30 pesticides and five pesticide combinations that can be used to control the pest attack.

Remedial measures were also suggested to the state. However, these efforts could not save the standing cotton crop.

**5 foods we think are totally healthy. Are they?**



*You may have already made the switch from white bread to brown bread in a conscious bid to eat healthy and save your diet. But have you thought the brown bread you pick up every time from your local general store could well just be a brown colour bread?*

Blame our new found consciousness for healthy eating that has led FMCG companies to up the ante by inundating the market with a host of high nutrition foods and then suavely marketing them as essential lifestyle products. From heart-healthy cooking oil, crunchy granola bars, fruit-

flavoured yoghurt, to dry fruit-sprinkled muesli, we have begun hoarding everything that screams 'low calorie' in a last ditch effort to save our health.

Despite the number of hours at the gym we wonder where we are going wrong. Well, the reason behind this is foods we think are healthy, but are actually not. Delhi-based wellness expert Dr Shikha Sharma helps us identify such foods and their possible substitutes.

### **Healthy food trap: Brown bread**

After it slowly sunk in that white bread is bad for health as it is made of all purpose flour and can lead to obesity, high cholesterol and diabetes, we made a reluctant transition to brown bread. Now, it turns out the brown bread locally available is no more than regular white bread coloured brown by using chemicals. By having brown coloured bread regularly for breakfast you are doing your body no good, worse still if you are exercising as well.

### **Break free with: Multi-grain bread or porridge (dalia)**

Dr Sharma advises you rather get used to the more coarse multi-grain bread which may not be the most appetising in the first place, and may not make for the perfect toast with your egg or greens. Better still, if you can have a bowl of dalia or porridge everyday by stirring in a few vegetables of your choice. It is wholesome breakfast food.

### **Healthy food trap: Breakfast cereals**

You have been stocking all sorts of breakfast cereals for a while since you discovered parathas are lousy for breakfast. But reconsider a moment. Not all breakfast cereals on the market are low-calorie, or the least bit healthy. When buying breakfast cereals be extremely picky about the ingredients of your pack; check for the sugar content, artificial colouring, salt, fibre and fat



content. It is always advisable to steer clear of the sugar-frosted, chocolate-coated varieties as you don't want your first meal to do anything but pump sugar into your body.

### **Break free with: Oatmeal or wheat flakes**

A bowl of oats in the morning is good for those suffering high cholesterol and diabetes, provided you don't add extra sugar to it. The high fibre content in oats balances the blood sugar, and relieves people prone to depression. You can even alternate it with wheat porridge which is a nice change from run-of-the-mill breakfast cereals.

### **Healthy food trap: Flavoured yoghurt/milk**

Your local dairy shop will first produce a strawberry-flavoured yoghurt cup when you ask for yoghurt. Such is the hoopla surrounding every food that's flavoured. Its novel and apparently healthy. But it is only preposterous to think that they contain real fruit pulp and probably as good as plain yoghurt. All your strawberry, blueberry and mango flavoured yoghurts are loaded with sugar and chemicals to get the desired colour and sweetness, for real fruit pulp can never be that sweet. The same goes with flavoured milk.

### **Break free with: Plain yoghurt or fruits**

Plain yoghurt preferably set at home is the ideal and the only way you should have yoghurt if you are truly concerned about healthy living. Fruits are another healthy addition to your diet provided you do not squeeze the pulp out every time.

### **Healthy food trap: White rice**

Devoid of nutrition, white rice is nothing but a refined grain that has been

stripped of its vitamins, minerals and fibre. Cooked white rice is all starch that easily converts to glucose in our body and shoots up our blood pressure, or gives a tummy bulge. White rice should especially be avoided by those who are carb sensitive as even a little bit of rice could make them feel full, and even fat. Also, white rice leaves you hungry too soon as your body takes very little time to break it down and digest it.

### **Break free with: Brown rice**

If rice is a must for you, switch over to brown rice as it is healthier and less fattening. Brown rice is not as refined as white rice, and hence retains some of the nutrition. Besides, it takes longer to deliver the glucose into your bloodstream allowing your blood pressure to stay unaffected.

### **Healthy food trap: Granola bars**

Crispy cereal bars are all over the market and are marketed as a healthy snack option, one that satisfies our sugar craving. The truth is granola bars are simply loaded with refined sugar. They of course do a lot of favouring and add muesli among other cereals to it, but ultimately it is a sugar bar packaged with cereals. You can have them once in a while to purge your sugar urge, but don't get addicted.

### **Break free with: Dry fruits or sprout salad**

Sweet craving can be sated with dates, raisins, and dry apricot among other dry fruits. But if you wish to have something more filling, make a quick sprout salad by taking a bowlful of sprouts, squeezing in half a lemon, small shreds of green chilli and onion, and tossing it together.

Carbohydrates, dairy, sugar and oil are our established dietary villains; we could do better by tweaking our diet routines to include less of these and more of others.

## THE HINDU **BusinessLine**

### **DCB Bank will cut base rate by 15 bps by month-end: MD**

As competition intensifies in the banking sector, DCB Bank (previously Development Credit Bank) is charting an aggressive growth strategy.

Apart from adding 150 branches in the next 12 months, Murali Natrajan, MD and CEO, says the bank plans to keep bad loans under control with a focus on retail, small and medium enterprises and agriculture portfolio. Edited excerpts from the interview:

#### **Could you elaborate on why your profits declined in Q2?**

In Q2, the tax rate was substantially higher than in the previous year. It was 13 per cent last year, but this year we came into the 34 per cent bracket. That is a major difference. Our operating profit was up 30 per cent.

On provisions, we settled one old corporate account and took a hit of Rs. 6 crore. It had become an NPA (non-performing asset) in the first quarter.

Even with the provisions, our profit before tax was up 22 per cent. So, it's income tax that made a big difference.

#### **Where do you see the NPAs heading?**

I believe our NPAs will be largely under control (1.99 per cent). At any point, we see two to three accounts under stress.

Stress in the corporate sector continues and there are cash-flow challenges. But we hope to keep the NPAs at current levels.

## **What is the outlook for growth?**

Of course, there is a hope that it will improve. I think the situation is the same as last year. So, we will remain cautious on the corporate side. On advances, we are targeting a growth of anywhere between 25 and 27 per cent and 21-24 per cent in deposits. We had a setback because our corporate loan growth declined from the start of the year, primarily because of competition...Our retail, SME and agriculture banking looks good.

Corporate growth has been muted and there is hardly any scope to grow.

We plan to add 150 more branches in the next 12 months in tier II to tier VI centres.

Our board has approved the plan. Previously, it was 25-odd branches but we are looking at expanding as we are seeing increasing competition.

We expect the new branches to break even in about 24 months. If we put these 150 branches into action, we will be adding 1,800-2,000 people in the next 12 months. Yes, this will increase our cost-to-income ratio. We plan is to substantially improve our digital banking strategy.

## **With interest rates moving downwards, do you plan to change your base rate?**

We hope to effect changes in the base rate in the next 15 days. We are at 10.85 per cent at present.

Since, we are seeing deposit rates coming down, we will reduce our base rate by about 15 bps. Our deposit rates have come down from 7.77 per cent to about 7.6 per cent now.

## **How do you see this impacting your net interest margins?**

Our NIM is at 3.79 per cent for the quarter. I believe it could be impacted by 25-30 bps in the next three to six months.

We also have to see the RBI regulation on marginal-costing method to calculate the base rate.

If that comes through, the impact could be higher at 55-75 bps, but it will get adjusted over a period of time.

(This article was published in the Business Line print edition dated October 15, 2015)

### **‘Centre to invoke price stabilisation fund to keep pulses prices in control’**

With prices of tur (arhar) dal touching the Rs. 200/kg mark in some retail outlets across the country, Finance Minister Arun Jaitley said the Centre “would invoke” the price stabilisation fund (PSF) to augment supplies and lower the rates.

Speaking to reporters after a review meeting held here on Wednesday, Jaitley hoped that the move would help cool prices and pointed to onion rates having been controlled.

“We have decided to invoke the PSF which will take care of the handling cost of stock lifting including milling and processing charges. We are hoping there will be considerable stocks coming into the market over the next few days,” he said.

The PSF was set up this year by the Agriculture Ministry, though it was announced during the 2014 Budget. It has a corpus of Rs. 500 crore and is used to manage prices of agricultural and horticultural products through market interventions.

Jaitley stated that the government will be looking to import an additional 2,000 tonnes of tur and it was up to States, who have been requested to lift quantities, to subsidise the price of the pulse as has been done by Andhra Pradesh and Tamil Nadu.

The Centre has so far imported 3,250 tonnes of tur from Myanmar and east African nations such as Kenya, Tanzania and Mozambique through the MMTTC Ltd.

Earlier in the day, Telecom Minister Ravi Shankar Prasad had blamed the shortfall of the key protein source for many Indian households on a decline in output and urged patience.

Prices of tur have risen between Rs. 500 and Rs. 1,750/quintal across India's wholesale markets since Monday. Any softening of prices is expected only with arrivals of the new crop in December and early January.

Private importers had earlier told *BusinessLine* that there was a shortage in tur (also called pigeon pea) availability globally, particularly in Myanmar which is a major supplier.

(This article was published in the Business Line print edition dated October 15, 2015)

Brazilian coffee farms are close to suffering a third straight year of losses from drought if rain fails to arrive in the coming weeks, foiling a good start to flowering and further tightening global stocks of the commodity, specialists said on Tuesday.

After posting a very good primary flowering in mid-September, follow-up rains, which are needed to assure that young coffee buds develop and do not simply fall off the branches, have yet to materialise.

Forecasters expect widespread precipitation in the coffee belt next week at the earliest. But a blockage of hot, dry air is also expected to form in the region, presenting a risk of spoiling producers' hopes for rain. Jose Braz Matiello, agronomist at the coffee research group Procafe, said no significant losses have been registered so far. But he added that coffee fruit could start to fall off trees between 80 and 100 days after flowering if rains are irregular.

"The fears of the market ... are focused principally on the question of El Nino, which makes rain more sparse here in the coffee areas and heavier in the southern states and this is already being seen," Matiello said.

He added that high temperatures currently building over the coffee belt were also a risk for trees while the rains remained irregular.

Coffee futures prices on the New York ICE exchange have steadily climbed 18 per cent from a month ago at \$1.34/lb. Markets have been jumpy in the face of record low stocks of the commodity expected in the second quarter of 2016 before Brazil starts harvesting the new crop.

"We need rain for trees to grow leaves to shade the young coffee fruit and sustain them on the branches," said Adelson Costa at the Varginha, Minas Gerais-based Costa Comissaria de Cafe brokerage.

Some isolated or scattered showers could fall over the next week, meteorologists say, but this will only help some farms. The coffee belt needs a widespread rain that only a cold front can bring.

The robusta areas of Brazil's No 2 coffee-producing state of Espirito Santo are in the most critical need of rain. State officials banned the use of irrigation in several townships and restricted its use in the rest of the state to night time.

The state suffered a severe drought in January that erased as much as 2 million bags (of 60 kg each) from its potential output this year, which reached almost 11 million bags.