# THE MAR HINDU

Online edition of India's National Newspaper Saturday, August 28, 2010

#### Date:28/08/2010 URL:

http://www.thehindu.com/2010/08/28/stories/2010082863130300.htm

#### Farmers sore at Centre's failure to gazette final award of Tribunal

TIRUCHI: A cross-section of agriculturists, who participated in the farmers grievances meeting here on Friday, condemned the Central government's failure to publish the final award of the Cauvery Tribunal in its gazette.

While the Centre had failed to gazette the notification, the Karnataka government had erred to comply with the directive of the Tribunal, they said.

Soon after the meeting commenced, a group of farmers submitted a memorandum condemning both the Centre and Karnataka governments over the non-compliance of the Tribunal's directive.

P.Ayyakannu, State general secretary of Bharathiya Kisan Sangam, submitted a memorandum to C.A. Raman, District Revenue Officer, who presided over the meeting. The sangam, he said, would file cases against the Centre for not notifying the award in the gazette and against the Karnataka government for not complying with the Tribunal's directive for releasing water to Tamil Nadu.

A.Nagarajan, District president of Indian Farmers Association, said the Karnataka government's stand on release of water had shocked the delta farmers. The samba season was yet to begin in full swing owing to the uncertainty over the water availability. A number of farmers complained over the distraint proceedings initiated by a few nationalised banks against farmers who had failed to repay their loans. A.Karuppannan, district president of the DMK Farmers Wing, appealed to the officials to take criminal action against land grabbing activity in the district.

Mr.Karuppannan also said the incidence of mealy bug attack in brinjal and tapioca crops had resulted in a serious fall in yield for the farmers in and around Manapparai.

Suriyan, District secretary of Tamizhnadu Vivasayigal Sangam, who brought a sample of the affected crop, appealed to the officials to take immediate action to arrest the disease.

R. Raja Chidambaram, State secretary of the Tamil Nadu Vivasayigal Sangam, appealed to the Tamil Nadu Electricity Board (TNEB) to ensure free power supply for all farmers.

Pointing out that the Board resorted to levying fine and collecting penalty on farmers cultivating herbal and medicinal plants, he requested the officials to direct the TNEB to desist from crop-based discrimination in providing power supply.

N. Veerasekaran, Co-ordinator of Ayyan Vaikkal Ayacutdars Association, said the district administration should convene a meeting of farmers for identification of beneficiaries for the free electric motors for agricultural pump sets. Mr. Raman replied that a meeting would be held shortly in this regard. The Joint Director of Agriculture, J. Sekar, said about 555 tonnnes of samba seeds had been stocked at the Agriculture Extension Centres.

#### Date:28/08/2010 URL:

#### http://www.thehindu.com/2010/08/28/stories/2010082856711401.htm

#### Food security

The article "Food security — by definition" (Aug. 27) exposes our rulers' scant regard and contempt for the underprivileged while drafting laws. That the Maharashtra government has not found it necessary to repeal the Act deleting the words 'famine' and 'acute scarcity' from its laws even when conditions of acute scarcity exist and farmers commit suicide in large numbers is a shame. Unfortunately, people's representatives do not recognise poverty as they are busy working out their salary hike.

#### G. Kulandaivelu, Panruti

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When the Maharashtra government enacted the law deleting the word 'famine' from all its laws in 1963, it might have seemed that famines were a thing of the past. But the situation is different now. There is no food security for the masses. A huge population living in the jhopdies of Mumbai is reeling under poverty. PDS in most States is hit by corruption. The government would do well to eliminate hunger, instead of doing away with food security.

Sravana Ramachandran, Udhagamandalam

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The article speaks volumes about the games politicians play with people's lives. If passing a law is an answer to all problems, the Maharashtra government can pass Acts on all burning issues plaguing the State — power shortage, caste discrimination, regionalism and farmers' suicides. It is time to make the Directive Principles of State Policy enforceable like the Fundamental Rights.

Viraj Deshpande, New Delhi

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P. Sainath's article is a stark reminder of the degree of hypocrisy we practise. Record food production, farmers' suicide, inferior quality of produce, inadequate warehousing facilities and rotting grain, and starving millions — it is no longer an irony, but a shame of epic proportions and a mockery of our democracy.

Ramesh Babu, New Delhi

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# **Business** Line

Business Daily from THE HINDU group of publications

Saturday, August 28, 2010

#### Date:28/08/2010 URL:

http://www.thehindubusinessline.com/2010/08/28/stories/2010082852291500.htm

Back Demand surge drives spike in onion

(million b/c			
Date	Arrivals*	Modal price*	
Aug 23	42	825	
Aug 25	706	931	
Aug 26	1,166	1011	
Aug 27	900	970	

Arrivals in tonnes; price in Rs/quintal Source: NHRDF

M.R. Subramani

Chennai, Aug. 27

Onion prices gained handsomely, especially in the last two days, on domestic and export demand.

The modal price or the rates at which most of the trade takes place hit a recent high of Rs 1,011 a quintal on Thursday before moderating a little to Rs 970 on Friday.

"The cloudy weather and rain in South India have definitely led to an improved sentiment. Traders in South are purchasing good quantity from the Ahmednagar market," said Mr Rupesh Jaju, an exporter from Nashik.

"Because of rain, people bought less in South. Now, there is increased buying,"

said Mr Madan Prakash, Director of the Chennai-based Rajathi Group.

The rise in prices is despite arrivals being higher. "On Friday, 5,800 tonnes arrived in various markets of Nashik district. But no one in the market knows how much of produce the farmers actually hold. That is one of the reasons behind this rally," Mr Jaju said.

#### Exports up

Export demand has picked up and, according to Mr Jaju, it is huge. "There is a demand for 4,000 tonnes a day from Dubai alone. From there, it goes to other places such as Saudi Arabia," he said.

Demand from Malaysia is around 1,200 tonnes a day, while it is 100 tonnes for Sri Lanka. Other countries too are seeking Indian onion and even Indonesia is buying about 150 tonnes daily, he said. Demand from Kuwait is about 125 tonnes a day and from Bahrain it is nearly 200 tonnes.

"Export demand is normal, barring for Dubai," Mr Prakash said.

"We suspect if arrivals really match this demand. That's why there is a run-up in prices," Mr Jaju said.

Prices are likely to stabilise around these levels. "If it rains in Karnataka, then we may see rise in prices. Otherwise, we will see prices at these levels until kharif arrivals in October," Mr Prakash said.

The export trend is in contrast to what was witnessed during April-July of the current fiscal. Till July, exports dropped 28.5 per cent to 5.68 lakh tonnes (It), valued at Rs 579 crore, against 7.94 It valued at Rs 867.79 crore during the same period a year ago.

#### Date:28/08/2010 URL:

http://www.thehindubusinessline.com/2010/08/28/stories/2010082852551600.htm

Progress card				
	(in lakh hectares			
Crop	2010	2009	% change	
Rice	312	293	6.48	
Cotton	106	98	8.16	
Sugarcane	48	42	14.3	
Coarse cereals	202	183	10.4	
Maize	73	69	5.8	
Pulses	109	89	22.5	
oilseeds	165	159	3.8	
Groundnut	49	41	19.5	
Soybean	92	95	(-) 3.2	

#### Back Kharif coverage of all crops, barring soya, up

#### Our Bureau

#### Chennai, Aug. 27

With the monsoon picking up this month, sowing in almost all crops, barring soyabean, has gained.

According to the Agriculture Ministry's data, the area under rice has increased to 312 lakh hectares (Ih) against 293 Ih during the corresponding period a year ago. The rise is despite deficient rainfall in the eastern parts, particularly Bihar, Jharkhand and West Bengal.

#### Cotton acreage

Coverage of cotton has increased to a record 106 lh (98 lh), while sowing in sugarcane is estimated to have been completed in 48 lh (42 lh).

Oilseeds coverage has also improved but the area under soyabean trails 3.2 per cent at 92 lh (95 lh). This is mainly in view of parts of Madhya Pradesh being covered by monsoon rather late. However, Government authorities expect a

higher yield in these areas to make up for the lost coverage.

#### Groundnut's revival

Groundnut acreage that witnessed a sharp fall last year along with production seems to be on a comeback. Sowing in the crop has increased nearly 20 per cent to 49 lh (41 lh).

Acreage in coarse cereals has increased over 10 per cent to 202 lh (183 lh).

Of this, area under maize is up at 73 lh (69). Bajra and jowar coverage has increased mainly since farmers in rain-fed areas of northern parts, especially Rajasthan and Haryana, chose to sow them.

Pulses crops are among the ones that have witnessed a rapid improvement over last year. Enthused by timely monsoon in States such as Maharashtra, Karnataka and Andhra Pradesh and higher minimum support prices, farmers have covered a higher area. The area under pulses so far is 109 lh, up from 89 lh last year.

Meanwhile, the storage position in the 81 major reservoirs in the country is near the 10-year average.Water level as on August 26 in the reservoirs was 82.792 billion cubic metres (BCM) against the full reservoir level of 151.768 BCM. This is 55 per cent of the capacity, marginally lower than the 10-year average of 56 per cent. During the same time last year, the level was 42 per cent.

#### Date:28/08/2010 URL:

http://www.thehindubusinessline.com/2010/08/28/stories/2010082852311500.htm

Back With Yamuna in spate, wheat arrivals from UP drop



Our Correspondent

Karnal, Aug. 27

The flood-like situation on the Yamuna Belt has affected many villages of Kanral district and Uttar Pradesh.

Due to this situation and incessant rain in the region, wheat arrivals from Uttar Pradesh and procurement in the market dropped.

On Friday, wheat prices witnessed a steady trend and ruled at the Rs 1,180 levels. Mill delivery of dara variety was quoted at Rs 1,185 a quintal.

Prices of desi wheat varieties dropped marginally from their upper levels. Tohfa variety ruled at Rs 2,180-2,190 a quintal; Lok-1 ruled around Rs 1,810; kitchen queen new marka was at Rs 2,100; Parley-G variety quoted at Rs 2,100 and the Nano at Rs 2,030 a quintal.

Mr Sewa Ram, a wheat trader, said due to uncertain weather nobody wants to stock up.

Catchment areas of the district are badly affected by the flood following which the

arrivals from Uttar Pradesh dropped, he said.

Local traders continued to offload their stocks in the local market. Around 400 quintals were offloaded here today.

Paddy arrivals drop

Facing the same problem, paddy arrivals and prices also dropped.

Only 800 bags (60 kg each) of Govinda paddy arrived in the market. The early variety paddy was quoted at Rs 1,005 a quintal.

With a stock of 300 bags another early variety paddy, Sugandha-999 arrived in the market and it was quoted at Rs 1,200-1,300 a quintal.

#### Date:28/08/2010 URL:

http://www.thehindubusinessline.com/2010/08/28/stories/2010082851681700.htm

Back Pepper futures pare losses

G.K. Nair

Kochi, Aug. 27

The pepper futures market, after high volatility and flooring, recovered later in the afternoon and ended marginally down by 0.3 per cent from the previous close on buying support.

The market fell as the long position holders started liquidating heavily in the noon. Short position holders then began buying and the bears covered back their sales. There were no fresh sellers also. These factors helped the market to recover. In fact, there was no selling pressure in tandem with the falling trend on the futures market.

Investors having farm grade pepper and validity expired stocks in the exchange

warehouse as private stock were selling Rs two below the

September delivery price.

Meanwhile, investors also bought back September that also gave the market some support to recover, market sources told Business Line. Some exporters were buying from national level cooperatives and 20-30 tonnes were traded, they said.

September contract on NCDEX dropped Rs 61 to close at Rs 20,300 a quintal. October declined by Rs 19 to close at Rs 20,500 while November was up by Rs 27 to close at Rs 20,705 a quintal.

Total turnover increased by 3,358 tonnes to 28,494 tonnes.

Total open interest fell by 1,026 tonnes to close at 17,172 tonnes. September and October open interest dropped by 866 tonnes and 111 tonnes respectively to close at 12,450 tonnes and 3,552 tonnes while November remained unchanged at 453 tonnes.

Spot prices on matching demand and supply remained steady at previous levels of Rs 19,600 (ungarbled) and Rs 20,100 (MG 1) a quintal.

Indian parity in the international market was at around Rs 4,500 a tonne (c&f) and remained nearly competitive if one goes by the quotes given in some of the overseas reports, they said.

#### Waiting mode

As Indian futures market started falling, other origins were willing to consider firm bids.

Buyers in Canada were said to be waiting for MG1 ASTA to ease further to about \$4,400-\$4,450 (c&f) before stepping in, an overseas report said.

Prices quoted for different origins of black pepper in dollar a tonne c&f New York

were : MG 1 asta — 4,650-4,750; Vietnam asta —4,650-4,750; Lampong 500GL — 4,100 (fob); Lampong asta — 4,300(fob); Sri Lanka 500GL — 4,000 (fob); Brazil B2 500 GL — 4,150 (fob); Brazil B1 560GL — 4,250 (fob); Brazil asta – 4,350 (fob).

Prices quoted for Vietnam white pepper was \$6,350-\$6,400 a tonne (c&f) while that of Muntok was at \$5,950-\$6,000 a tonne (c&f).

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Back Adopt contract farming to enhance food processing, says Sahai

The colossal wastage estimated at Rs 58,000 crore annually, due to the absence of proper storage, could be prevented provided adequate investments were made.



Mr Subodh Kant Sahai, Minister of State for Food Processing Industries

Our Bureau

Kolkata, Aug. 27

Mr Subodh Kant Sahai, the Union Minister for Food Processing, has urged the local entrepreneurs to come forward in a big way to adopt contract farming as a means to promote food processing activity which, blessed with so may incentives

from the Centre, holds out a big promise particularly in West Bengal. The State, according to him, is not only a major producer of potato but also a complete horticulture state.

#### Potential to lead

"West Bengal, dominated by small and marginal farmers, can give lead in this matter in the entire eastern region, more so because Pepsi's contract farming in potato in the State has proved to be a big success despite political reservation about it in certain quarters," he said, adding, "I do not want to bring Government into it".

Mr Sahai was addressing the members of the Bengal National Chamber of Commerce and Industry (BNCCI) here on Friday.

The Minister felt that even existing industries could promote contract farming and in fact they should do it. "I've requested the Steel Authority of India Ltd and Coal India Ltd to adopt three-four districts each and go for contract farming," he said. To promote food processing, he felt, Central or State level planning would not be enough as more important would be to have district level, even block level, planning.

The call for second green revolution given by the UPA Government would remain a distant dream unless a linkage was established between farming and industry, he observed.

#### Storage facilities

The food processing industry, Mr Sahai pointed out, posted huge growth in 2009-10 when many other sectors were languishing due to the downturn.

The colossal wastage of fruits and vegetables, estimated at Rs 58,000 crore annually, caused by the absence of proper storage, particularly cold chain facilities, could be prevented provided adequate investments were made. The investments, in his opinion, should not be lagging because this particular sector was totally tax-free.

Earlier, Mr S K Roy, President of BNCCI, in his welcome address, pointed out that with the change in life style, particularly in urban areas, the demand for packaged and preserved food products was fast increasing, thus making food processing an attractive venture.

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http://www.thehindubusinessline.com/2010/08/28/stories/2010082852331500.htm

Back Global trend helps edible oils move up

Our Correspondent

#### Mumbai, Aug 27

Prices of imported edible oils – palmolein and soya oil – increased Rs 2-3/10 kg on Friday on the back of firm international markets and increased retail demand.

In line with cash market, NBOT soya oil futures gained on speculative buying. Crude palmoil futures in Malaysia rose on short covering, higher soya oil in world market. Forecast for a 2.3 per cent drop in Malaysian CPO output for 2010 supported the rally in prices. CBOT soya oil advanced amid concerns about US soya crop may mean spillover buying interest for BMD CPO futures. About 200–250 tonnes of palmolein were traded in resale in the price range of Rs 460–463.

Liberty sold about 140-150 tonnes of palmolein at Rs 457 as a ready delivery. Bhogi group sold 180-200 tonnes palmolein ay Rs 445–447 for October.

Allana sold about 50–60 tonnes ready at Rs 463. Ruchi quoted palmolein and soya oil for September delivery. Groundnut and sunflower oil faced lack of demand, said market players.

Malaysia's September crude palm oil futures ended 20 ringgit (MYR) higher at 2,688 MYR, October was up by 27 MYR at 2,600 MYR and November closed 13 MYR higher at 2,543 MYR a tonne.

Indore NBOT soya oil Septemberfuture increased sharply to Rs 491.50 (Rs 489.30) for 10 kg.

On the Mumbai commodity exchange, spot rates were: groundnut oil Rs 845 (Rs 845); soyabean refined oil Rs 476 (Rs 473), Sunflower expeller refined Rs 525 (Rs 525), sunflower refined Rs 575 (Rs 575), rapeseed refined oil Rs 570 (Rs 572), rapeseed expeller refined Rs 540 (Rs 542), cotton refined Rs 496 (Rs 495) and palmolein was at Rs 462 (Rs 460) for 10 kg.

#### Date:28/08/2010 URL:

http://www.thehindubusinessline.com/2010/08/28/stories/2010082852301500.htm

Back Jeera futures rebound; spot declines



Our Correspondent

Rajkot, Aug 27

Jeera futures rebounded after Thursday's sharp fall, while on the spot market jeera continued to decline on increasing arrivals.

On the National Commodity and Derivatives Exchange jeera September futures gained Rs 187 at Rs 13,808 a quintal. . At Unja mandi, jeera was quoted Rs 2,251-2,635 for 20 kg., it decreased by Rs 106 from the previous close of Rs 2,300-2,741. Fresh arrivals of around 4,000 bags were reported .

Analysts expect a rebound in prices after sharp downfall on Thursday due to profit taking sale. On the other hand, spot market is missing the export demand and increasing offtake pressurise the price.

Kedia Commodity's report said that "exports of cumin seed declined 19 per cent to 13,500 tonnes and value dipped 16 per cent to Rs 15,281.63 lakh during the period April-July . The spot demand for jeera is weak and arrivals continued to be lower."

According to Angel Commodities, weak overseas and domestic demand will keep jeera prices bearish in the short-term. . It said: "However, prices in the international market of Syrian origin are being offered at higher rates than Indian

origin. This will help prices to find support and strengthen in the medium term."

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http://www.thehindubusinessline.com/2010/08/28/stories/2010082852641600.htm

Back Assam CTC tea rules lower

Our Bureau

Kolkata, Aug. 27

This week, best Assam CTC teas were irregularly lower, while the remaining Assams sold at around last levels and at times, lower following quality, according to J Thomas & Company Pvt Ltd, the tea auctioneers.

Better Dooars were around last week's level, while the remainder were irregularly easier. Tata Global Beverages operated actively and Hindustan Unilever provided good support. Western India sections operated on the better sorts. Bolder brokens and grainy fannings saw some enquiries from the exporters. There was fair support from local dealers and other internal sections.

#### Highest price

A line of Hatimara CD auctioned by J Thomas & Co sold at Rs 270, which is the highest price ever recorded in the dust auctions in India.

Orthodox whole leaf grades sold at firm rates while brokens were irregularly around last levels. Fannings saw fewer inquiries and met with withdrawals. West Asia shippers were the mainstay of the market. Hindustan Unilever was quiet. North India operated on the cleaner, well made, bolder whole leaf grades. Local dealers operated primarily on the smaller brokens.



### Weather

Chennai - INDIA

## Today's Weather

	Saturday, Aug 28	
	Max Min	
Partly Cloudy	29.6º   23.7º	
Rain: 00 mm in 24hrs	Sunrise: null	
Humidity: 79%	Sunset: null	
Wind: Normal	Barometer: 1004.0	

#### Tomorrow's Forecast

$\bigcirc$	Sunday, Aug 29		
	Max	Min	
Rainy	33º	25°	

### Extended Forecast for a week

Monday	Tuesday	Wednesday	Thursday	Friday
<b>Aug 30</b>	<b>Aug 31</b>	<b>Sep 1</b>	<b>Sep 2</b>	<b>Sep 3</b>
Ģ	Ģ	Ģ	$\langle , \rangle$	Ģ
30º   26º	30º   26º	29º   25º	32º   25º	32º   26º
Rainy	Rainy	Rainy	Rainy	Rainy

# **Business Standard**

Monday, Aug 28, 2010

Moong dal drops in wholesale foodgrain market during week Press Trust of India / Chennai August 28, 2010, 14:07 IST



Prices of moong dal, urad dal, gram dal and maida sharply went down while other commodities remained unaltered in the wholesale foodgrains market during the week under review.

Moong dal opened the week at its previous rate of Rs 7,500 moved down by Rs 300 per quintal on Tuesday to Rs 7,200 and further slipped by Rs 200 per quintal to Rs 7,000 on Thursday and recovered by Rs 200 per quintal to Rs 7,200 on Friday and declined by Rs 200 per quintal today to end the week at Rs 7,000 from its last week rate of Rs 7,500.

Prices of urad dal moved down to Rs 7,300 on Tuesday and recovered to Rs 7,400 and to settle at Rs 7,200 today from its previous week's rate of Rs 7,500.

Gram dal went down by Rs 50 per quintal to Rs 2,800 from Rs 2,850. Maida (90 kgs) declined by Rs 50 to Rs 1,700 from Rs 1,750.

Thoor dal (Rs 6,200), sugar (Rs 2,650), wheat (Rs 1,850) and sooji (Rs 1,900) remained unchanged from their last week's rates.

Gur closes quiet in thin trade

Press Trust of India / New Delhi August 28, 2010, 15:52 IST

Steady conditions applied in the national capital today, as prices moved in a narrow range on poor trading activity and settled at last levels.Muzzafarnagar and Muradnagar gur market also closed steady in thin trade.Marketmen said adequate stocks against little buying, held gur prices around last levels.

Following are today's quotations in Rs per quintal:

Chakku Rs 2,800-2,850, Pedi Rs 2,950-3,000 and Dhayya N.T., shakkar Rs 3,100-3,200 In Muzaffarnagar: Raskat Rs 1,700-1,800, chakku Rs 2,425 -2,525 and Khurpa N.T In Muradnagar: Pedi 2,800-2,850 and Dhaya N.A