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## Harvesting vital to market the products, says mango expert



**Power point:Michael Moshe Roy (left)a mango expert, Israel Embassy in New Delhi addressing a State-level seminar on Improving Productivity of Mango Orchards, in Krishnagiri on Tuesday. P. Subbaian (centre), Additional Director, Horticulture Department, A.K. Mani (right), Head and Professor, Regional Research Station, TNAU, Paiyur,**

KRISHNAGIRI: A three-day State-level seminar on Improving Productivity of Mango Orchards was inaugurated at the collectorate by Collector V. Arun Roy here on Tuesday.

Mango experts from Israel Embassy, New Delhi, Michael Moshe Roy and Cliff Love, gave a detailed power presentation on how to improve the productivity of mango orchards to the officials from the horticulture department across the State.

The experts pointed out that for reaping maximum production, farmers have to

prepare themselves right from land preparation before planting the sapling, proper spacing between the rows, climatic condition, area of cultivation, rainfall and drainage facilities.

The farmers have to plan themselves a prudent mango harvesting and packaging plan according to the requirements of the local purchasers and the norms lay down by the importing consignee and country.

Mr. Michael said the harvesting and packaging are vital to market the products. Mango without any scratch or black marks will fetch higher price.

Farmer eyeing for export market should have detailed discussion with the overseas buyer. A demonstration on pruning of unwanted and dead branches has been planned at the Government Nursery at Thimmapuram near Kaveripattinam with the equipment imported from Israel on Wednesday.

P. Subbian, Additional Director, Horticulture, A.K. Mani, Head and Professor, Regional Research Station, TNAU, Paiyur participated.

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## **Vegetable prices increase**

SALEM: The price of vegetables soars to a new high here, thanks to the World Classical Tamil Conference in Coimbatore.

According to sellers, bulk purchasers have started arriving at the vegetable markets in Salem and neighbouring places to procure vegetables in large quantities to supply to hotels and eateries in Coimbatore, which is hosting the Tamil Conference.

Common varieties of vegetables barring a few have registered 20 to 30 per cent increase when compared to the last month's price list.

“Expecting a huge influx from far and wide, the hoteliers there have increased their vegetables' demand manifold, which in turn has jacked up the prices of vegetables.

“After exhausting the stocks in near-by locations, they have started visiting markets in towns such as Salem where the vegetables will be fresh and cheap,” says a wholesale seller.

The prices of almost all vegetables barring carrot and potato have started rising menacingly this week.

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*By Express News Service*

*22 Jun 2010 01:08:06 AM IST*

## A supermarket for farmers

THIRUVANANTHAPURAM: Farmers in the district will no longer have to roam around for buying farming tools and agro machinery. The Agro Super Bazaar, the first-ever agricultural hypermarket in the State to be launched in the city on Wednesday, will bring various planting materials, agro machinery, implements and farm products under one umbrella.

Agricultural machinery, including tractors and power tillers, farm implements like sprayers, weed cutters, lawnmowers, rubber tapping kits and rollers, copra dryer and moisture meter and climbing devices will be on display at the bazaar, having an area of nearly 3,200 sq.ft.

Chief Minister V.S. Achuthanandan will inaugurate the hypermarket, a prestigious project of the Kerala Agro Industries Corporation (KAICO), at a function to be held on KAICO premises on Wednesday at 11.30 a.m. Ministers Mullakkara Ratnakaran, C. Divakaran, M. Vijayakumar and N.K. Premachandran, Shashi Tharoor MP, MLAs V. Sivankutty and V. Surendran Pillai and Corporation Mayor C. Jayan Babu will attend.

Set up at the KAICO Campus at Fort here, the bazaar aims to ensure easy availability of quality farming machinery and products. "There will be exclusive stalls for machinery, implements, irrigation equipment, planting materials, bio-fertilisers, bio-insecticides and weedicides, materials for constructing greenhouse and poly-house and value-added products," said KAICO chairman Ambalathara Sreedharan Nair, at a news conference here on Monday. KAICO managing director N.K. Manoj also was present.

Besides, products of various public sector undertakings under the Agriculture Department like juices, pickles, honey, coconut oil and chips, products of Kepco, Meat Products of India (MPI) and Milma will be available at the bazaar. "Ethnic corner is the highlight of the hypermarket. This features ethnic varieties of rice such as 'Jeerakasala' and 'Gandhakasala', white pepper, Marayoor jaggery, virgin coconut oil, honey items and food products of Thirunelly, and rare ayurvedic medicines used by tribals," Manoj said.

There will be a technology corner, where the visitors will be introduced to the latest machinery and farming methods practised across the world and the projects being implemented by the Agriculture Department. A new training hall has been built for the purpose and to conduct seminars. High quality seeds and seedlings developed by agencies such as VFPCCK, Horticultural Corporation and Kerala Agricultural University will be available at the bazaar. The project costs nearly Rs 40 lakh. KAICO officials said that the Corporation aims to set up similar hypermarkets in every district in a phased manner. *trivandrum@expressbuzz.com*

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# Business Standard

Wednesday, Jun 23, 2010

## Exports of spices reach all-time high

George Joseph / Kochi June 23, 2010, 0:10 IST



Despite the economic slowdown in major consuming markets, spices exports reached an all-time high, both in volume and value terms in 2009-10. And for the first time, India crossed the 500,000 tonnes mark.

Total exports were 502,750 tonnes valued at Rs 5,560.50 crore (\$1,173.75 million) against 470,520 tonnes valued at Rs 5,300.25 crore (\$1,168.40 million) in the previous financial year. They registered an increase of seven per cent in volume and five per cent in rupee value. In dollar terms, the increase was 0.5 per cent.

The exports during 2009-10 exceeded the target both in terms of volume and value.

In the export basket, spice oils and oleoresins including mint products like mint oils, menthol crystals, and menthol powder contributed 34 per cent to the total export earnings.

Chilli contributed 23 per cent followed by cumin (10 per cent), turmeric (seven per cent) and pepper (six per cent). During the year, Indian spices and spice products reached more than 140 countries around the world. Leading among them were the US (16 per cent), Malaysia (8 per cent), China (7 per cent), UAE (6 per cent), and the UK (5 per cent).

India exported 19,750 tonnes of pepper valued at Rs 313.93 crore as against 25,250 tonnes valued at Rs 413.74 crore last year, registering a decline of 22 per cent in volume and 24 per cent in value. Export of pepper to major destinations like the US, EU etc. declined during the year. It is reported that major US companies are keeping low inventories which resulted in low volume of imports. US continued to be the major market for pepper and imported 8,525 tonnes, accounting for 43 per cent of the total exports of pepper. The other major buyers were UK (1,600 tonnes), Canada (895 tonnes), Germany (880 tonnes), Italy, (835 tonnes) and Japan (600 tonnes).

Export of cardamom (small) during 2009-10 touched all-time high in terms of value. During 2009-10, India exported 1,975 tonnes of the commodity valued at Rs 165.70 crore as against 750 tonnes valued at Rs 47.27 crore in 2008-09, registering an increase of 163 per cent in volume and 251 per cent in value, latest Spices Board data showed.

The reported decline in supply from Guatemala, the largest supplier, is the major reason for the increase in export of cardamom (small) from India.

### **Maharashtra sugar mill owners lobby for political intervention on cane prices**

Dilip Kumar Jha / Mumbai June 23, 2010, 0:09 IST



The Maharashtra government may intervene to make farmers accept a lower price for sugarcane supplied to mills, given the way these have gone out of line with current market prices. Chief Minister Ashok Chavan has convened a meeting on Thursday with mill representatives on the issue.

With the current cane prices of Rs 240-250 a quintal delivery at the mill gate, the cost of sugar production comes to around Rs 2,700 a quintal. The market price is Rs 2,300 a quintal.

“This has been prevailing for the last one-and-a-half months. Any continuation will severely affect the financials of sugar companies,” said Prakash Naiknavare, managing director of the Maharashtra State Federation of Co-operative Sugar Factories. The CM can also lobby with Union agriculture minister Sharad Pawar to help the mills, he said.

According to sources, over 170 sugar mills are yet to clear the final instalment of last year’s cane payment to farmers. Besides, mills will need to make the first advance payment for the next season (the sugar year is from October to September) early on. Unless a revised cane price is arrived at, payment to farmers will be a major problem, they said.

### **Mills miscalculated**

Mills contracted with farmers at higher cane prices on incorrect output estimates for this season, in anticipation of firm sugar prices through the year. Since the revised higher output estimates, plus nine million tonnes of carryover stocks, brought India into self-sufficiency, prices started falling from the Rs 44 per kg in the beginning of this year. They are Rs 23 per kg now.

The Indian Sugar Mills Association estimated 15 mt of output for the sugar season 2009-10 at the beginning. Mid-season, it revised this to 16 mt and later to 18 mt.

According to a report by rating agency Icra, high cane prices made economic sense when these were contracted because of the prevailing expectations of low sugar production and high sugar prices. However, given the current prices, this has resulted in pressure on profitability from the second quarter of the sugar year.

The report further expects conversion margins to come under pressure in sugar year 2009-10, although the impact is not likely to be uniform across regions. The two largest

production belts, of Northern India (UP, Uttarakhand, Punjab and Haryana) and Western Maharashtra-North Karnataka, are likely to be the worst hit, given the high cane prices prevailing here. Other regions such as Tamil Nadu and Bihar are likely to be less affected, given that cane was contracted at much lower prices than in the former regions.

ICRA forecasts production in 2010-11 to be around 25 mt, marginally higher than the domestic offtake of around 23.5-24 mt. Maharashtra crushed 61.5 mt of cane to produce 7.1 mt of sugar during the current season, as compared to 40 mt and 4.6 mt, respectively, in the last season.

## **Expect 10% more sowing of pulses than last year**

Dilip Kumar Jha / Mumbai June 23, 2010, 0:07 IST



More oilseeds areas could be converted on higher MSP, market prices.

The sowing area under pulses is likely to increase by 10-12 per cent per cent in this ongoing kharif season, feel industry analysts, due to crop diversion from oilseeds.

The Union agriculture ministry reported a marginal decline in the cumulative acreage area as on the week ended June 18, to 130,000 hectares from 140,000 hectares in the same period a year earlier. However, this is only the start of the season and analysts believe a recovery is imminent. In the previous week, the sowing area was 18 per cent higher than a year earlier.



The total area for pulses was 23.16 million hectares in the 2009-10 crop year, a little less than half coming in the kharif season (55 per cent came from the rabi crop). The acreage was 5.6 per cent lower in 2009-10 than the earlier year.

### **More returns**

K C Bharatiya, president of the Pulses Importers Association, believes sowing will pick up in the coming days and be higher compared to last year. He gives three reasons. One, the government raised the minimum support price (MSP) of all pulses ahead of sowing. That for tur has been raised by 30 per cent or Rs 700 per quintal to Rs 3,000. For moong and urad, it has been revised upwards by 15 per cent each to Rs 3,170 per qtl and Rs 2,900 per qtl, respectively.

Two, the retail price of pulses prices rose significantly last year to hit Rs 94 per kg of tur and Rs 72 per kg of urad. They have since slipped, to trade currently at Rs 65-70 per kg and Rs 45-55 per kg, respectively. Bharatiya sees no reason for any further decline in prices, due to a low global crop.

Third, the prices of our annual imports set a trend for the home market. And, prices are presently ruling higher in the global market.

Pulses, says Amol Tilak, an analyst with Kotak Commodity Services Ltd, a Mumbai-based broking firm, are largely grown in central India, Maharashtra and Gujarat in the kharif season. They compete directly with oilseeds (and also with cotton and sugarcane), where there has been a huge building of inventory. Therefore, farmers will have to opt for more remunerative crops, of which pulses are one.

### **Monsoon factor**

Rainfall was about five per cent deficient till the end of third week of June. Amol hopes the pulses' sowing area would pick up once rainfall resumes, possibly in the last week of the month.

Madan Sabnavis, chief economist with CARE Ratings, said the government had been spending more to raise soil fertility and, thereby, the yield in the existing area under pulses.

“We saw higher yields per hectare in pulses last year, which means these programmes may be working in the right direction and have to be persevered with,” he said.

However, he also felt that, “It will be too premature to comment on whether there has been a switch from oilseed to pulses.”

The total production of pulses in India is estimated at 14.7 million tonnes annually, with an average yield of 659 kg per ha, much lower than the yield in developed countries of 1,700-2,000 kg per ha. India imports three to four million tonnes of pulses each year to meet its rising consumer demand. The per capita consumption is about 12 kg a year. The country is well short of requirement. Net imports have risen from 460,000 tonnes in 1998-99 to over two million tonnes in 2008-09. It is likely to go up if more attention is not given to raising home production, Bharatiya said. Countries such as Canada and Australia are reaping the benefits of India’s rising demand.

### **Import tax unlikely to support sugar prices for long**

Reuters / Mumbai June 22, 2010, 17:31 IST

An import tax is likely to halt a free fall in sugar prices, but unlikely to bolster them, as ample supplies meet likely subdued demand, dealers said.

Indian sugar millers are expecting import tax of 40 per cent to halt cheaper imports, while the government said it will take a call after assessing the domestic crop prospects.

"Duty will bring some relief. Prices may rise a bit reacting to the decision, but they are unlikely to rise significantly or sustain at higher levels. Demand is not supporting upside," said Ashwini Bansod, a senior analyst at MF Global Commodities India.

In top sugar producer Maharashtra, the price of the most traded S-variety sugar has fallen 40 per cent since a January 7 record high of Rs 3,972.3 per 100 kg.

"Millers signed import deals when production estimates were low. But actual output has turned out much higher than initial estimates, and the imports have already landed," said Ashok Jain, president of the Bombay Sugar Merchants Association (BSMA).

Last year India permitted duty-free sugar imports and set limits on stocks as output fell and prices soared.

Industry body The Indian Sugar Mills Association (ISMA) estimated availability of 5.5 million tonnes imported sugar in 2009-10.

The world's biggest consumer is likely to produce 18.7 million tonnes in the 2009-10 season ending September, significantly higher than initial estimate of 14-15 million.

Industry and government officials expect production to top 24 million tonnes in the sugar year beginning in October, higher than the domestic demand of about 23 million tonnes.

Besides, higher carry-forward stocks for next year will add pressure on prices, said Mukesh Kuvadia, secretary of the BSMA.

ISMA estimated stocks at the end of the current year in September could be 4.9 million tonnes.

"Even if we assume imports stops from today, we still will have significant stocks from domestic output. Stocks will not allow prices to harden," Kuvadia said.

"Summer, wedding season demand is over. Now, we will see demand improve from August-end when festivals start, but till then it will stay sluggish," said Harakhchand Vora, a dealer based in Vashi spot market near Mumbai.

Demand from bulk buyers like beverage and ice cream makers taper off with the summer as lower temperatures douse demand.

Dealers said this year's festival demand too is unlikely to lift prices as millers are struggling to sell allocated June quota and things will be same for July as well.

"Unsold non-levy stocks of June and July will come into the market in August. So despite festive demand, supplies would be on higher side," said a member of BSMA.

Non-levy, or free-sale sugar, is sold by millers in the open market, but the quantity each mill can sell is fixed by the federal government on a monthly basis.

Shares of sugar millers like Shree Renuka Sugars, Bajaj Hindusthan, Simbhaoli Sugars Ltd and Balrampur Chini have lost more than 40 per cent in 2010 in tandem with the prices of the sweetner.

### **China to gain in soymeal exports**

Press Trust of India / New Delhi June 22, 2010, 18:09 IST

Yuan appreciation may bode well for exports of various Indian goods, but this would not hold for soyameal, say experts.

"Yuan strength will make imports cheaper for China. So I expect China will import cheaper soyabean from big producers like Argentina, Brazil and the US and process it to make large quantities of soyameal, which they will export in the global market," Soyabean Processors Association of India (SOPA) spokesperson Rajesh Agarwal said.

Yuan appreciation would create more competition for Indian soya products in the global market in favour of the neighbouring country, as China would stockpile the raw material through cheaper imports, he said.

"Yuan appreciation doesn't paint a rosy picture for Indian soyameal," he added.

Contrary to apprehensions that the Chinese central bank may not allow its currency to rise, the yuan appreciated today to its highest level against dollar since July, 2005, when it was revalued. It closed at 6.81 a dollar today.

Except items like soyameal, Chinese exporters would stand to lose against India and other rivals in the international market on account of the yuan rise, as their margins will be reduced.

Exports of soyameal from India were down 41 per cent to 1.6 million tonnes between October, 2009, and May, 2010, on account of poor availability and the high cost of soyabean in the domestic market.

Out of the total shipments, exports to China stood at just 49,928 tonnes.

Brazil and Argentina, the biggest producers of soyabean, have produced seven million tonnes more oilseed this year, due to which soyabean prices are low in the Indian market, prompting farmers to hold back stocks.

Soyabean production in the country, as per SOPA, was pegged at 9.72 million tonnes in 2009-10. However, government data pegs output higher at 10.54 million tonnes.

## **Pepper prices turn weak on subdued demand**

Press Trust of India / New Delhi June 22, 2010, 17:36 IST

Black pepper prices drifted by Rs 100 per quintal in the national capital today owing to weak local and exports demand.

Adequate stocks followed by higher arrivals from the producing belts also weighed on the prices.

Black pepper prices fell by Rs 100 to Rs 17,500-17,600 per quintal on subdued demand.

Marketmen said sufficient stocks, increased arrivals from producing belts mainly pulled down pepper prices on the wholesale kirana market here.

Weakening trend in futures market also put pressure in the prices, they added.

Following are today's quotations in Rs (per quintal):

Ajwain 13,500-18,000, black pepper common 17,500-17,600, betelnut (kg) 85-105, cardamom brown -Jhundiwali (kg) 780-800 and cardamom brown-Kanchicut (kg) 875-1,000

Cardamom small (kg): Chitridar 1125-1,250, cardamom (colour robin) 1,310-1,325, cardamom bold 1,330-1,345, cardamom extra (bold) 1,475-1,500 and cloves (kg) 290-300

Chirounji (new) (kg) Rs 310-340 Dry mango( raipur) Rs 6,000-8,500 Dhania Rs 3,200-8,500 Dry ginger Rs 12,000-25,500 Kalaunji Rs 8,800-9,800 Mace-Red (kg) Rs 900-1100 Mace-Yellow (kg) Rs 1300-1450 Methiseed Rs 3,200-4,400

Makhana (per kg) Rs 190-225 Nutmeg Rs 420-440 Poppyseed (KG Turkey) Rs 223 Poppyseed (KG MP-RAJ) Rs 223-280 Poppyseed (KG Kashmiri) Rs 210 Red chillies Rs 5,000-9,000 Soya bari pariwar (20 kg) Rs 350-400 Saffron (kg) Irani Rs 95,000-1,05,000

Saffron (kg) Kashmiri Rs 1,35,000-1,50,000 Soanf-bold Rs 9,000-15,000 Turmeric Rs 16,800-19,600 Tamarind Rs 2,100-2,600 Tamarind without seed Rs 3,800-5,000 Tea (kg) Rs 110-200 Watermelon kernel (Kg) Rs 230 Jeera common Rs 12,200-12,500 Jeera best Rs 13,500-14,100

### **Wheat, maize rise on fresh buying**

Press Trust of India / New Delhi June 22, 2010, 16:39 IST

Wheat dara and maize prices gained upto Rs 10 per quintal in the wholesale grains market today on fresh buying activity. Elsewhere, other commodities prices moved in a tight range on alternate bouts of trading and pegged around previous levels.

Marketmen said fresh buying, against restricted arrivals helped wheat dara and maize prices to gain fresh ground. Wheat dara (for mills) traded marginally higher by Rs 5 to Rs 1,240-1,245 per quintal, while atta chakki delivery traded higher by the same margin at Rs 1,245-1,250 per 90 kg.

Maize also remained in demand from consuming industries and edged up by Rs 10 to Rs 975-985 per quintal.

Following are today's quotations in Rs per quintal:

Wheat MP (deshi) 1,750-1,850, wheat dara (for mills) 1,240-1,245 chakki atta (delivery) 1,245-1,250, atta Rajdhani (10 kg) 175, Shakti bhog (10 kg) 175, Roller flour mill 640-660 (50 kg), Maida 750-780 (50 kilos) and Sooji 800-820 (50 kg)

Basmati rice (Lal Quila) 9,300, Shri Lal Mahal 9,300, Super basmati rice 9,000, Basmati common 5,200-5,300, rice Pusa-(1121) 4,550-5,050, Permal raw 1,725-1,775, Permal wand 1,825-1,975, Sela 2,025-2,075 and Rice IR-8-1,550-1,575, Bajra 935-945, Jowar yellow 1450-1,525, white 2,250-2,300, Maize 975-985, Barley (UP) 1040-1060 and Rajasthan 1,080-1,090

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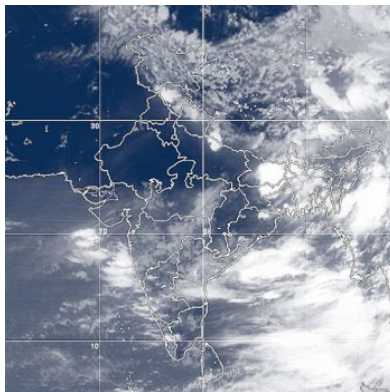
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### Reviving monsoon to hit west coast, North-East



Vinson Kurian, Thiruvananthapuram, June 22

The South-West monsoon is expected to revive over the next two days, ending a hiatus after seasonal rains reached south Gujarat, southern parts of central India and the northeast by June 18.

India Meteorological Department (IMD) has forecast isolated heavy to very heavy rainfall over Assam, Meghalaya, and Arunachal Pradesh.

Widespread rain

Heavy rainfall would occur over Nagaland, Manipur, Mizoram, Tripura, Konkan, Goa and coastal Karnataka during the next two days.

Extended forecasts until Friday spoke about the possibility of fairly widespread rain or thundershowers over Konkan, Goa, coastal Karnataka, Andaman and Nicobar Islands, Kerala, Lakshadweep, sub-Himalayan West Bengal, Sikkim and Orissa.

They would be scattered over central, the rest of east and peninsular India, the IMD added. Widespread rainfall is likely over the Northeastern States.

Despite the reasonably strong revival over the west coast and the northeast, the monsoon is expected to run up a cumulative lag of eight to 10 days by the month-end. It would barely have made it into northwest India by then, Dr Akhilesh Gupta, operational forecaster and Advisor to the Ministry of Science and Technology, told Business Line on Monday.

He had, however, refused to hazard a guess on the progress of the monsoon into early July, but the US National Centres for Environmental Prediction sees west Rajasthan alone not covered by the rains by July 8.



According to the European Centre for Medium-Range Weather Forecasts, there would be a fresh wave of rains from the south from July 1, up to which forecasts were available.

### Peninsular trough

The whole peninsula is forecast to be brought under the cover of a trough, which indicates the possibility of fairly widespread rainfall over the region.

The Climate Prediction Centre (CPC) of the US National Weather Services sees the revived monsoon covering the entire peninsula, central and east-central India during the week ending June 28

On a scale of one to three (high, moderate, weak), the CPC assessed as 'high' the probability of this actually panning out. For the following week (June 29-July 5), the rains would be concentrated over north and northeast India, the CPC said. Parts of the peninsula, including Rayalaseema and eastern Maharashtra, Madhya Pradesh, Chhattisgarh, Jharkhand and West Bengal may also share the spoils during this period.

An IMD outlook suggested that an upper air cyclonic circulation may form over west-central and adjoining coastal areas of north Andhra Pradesh and south Orissa.

The system may go on to become a crucial low-pressure area over west-central and adjoining Bay of Bengal by Thursday. The system would head westward over land and according to Dr Akhilesh Gupta, associated moisture-laden easterlies may loosely converge with flows from a prevailing western disturbance.

This might set off rains in parts of east India and go on to set up clouds over further northwest, bringing some relief from the severe heat wave conditions over parts of north-west India. The IMD expected that maximum temperatures may fall by 2-3 deg Celsius over northwest and adjoining central India during next three days.

The western disturbance, on its part, is forecast to cause some isolated rain or thundershowers over Jammu and Kashmir during the next 24 hours, before scaling up thereafter.

Isolated rain or thundershowers may also occur over Himachal Pradesh and Uttarkhand. Isolated dust storm or thunderstorms have been forecast over the plains of northwest India during this period.

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## Scarcity of quality seeds dampens AP farmers' hopes

*Number of seed varieties plummets to 75 from 470 in five years.*



Spurious seeds: A farmer displaying subsidised groundnut seeds of inferior quality allegedly supplied by the agriculture department in Nalgonda.

K.V. Kurmanath, Hyderabad, June 22

Timely monsoon brought good news to the farmers in Andhra Pradesh. But the threat of low quality seeds, scarcity of seeds and delays in the credit support could dampen their hopes.

With reports of supply of low quality seeds coming from different parts of the State, the Andhra Pradesh Government has warned that it would invoke the Anti-Goonda Act to punish those who supply and sell sub-standard seeds. The fact that the Government

itself admitted there were issues regarding paddy and groundnut seeds in Vizianagaram and Anantapur districts, respectively, reflects the concerns of the farmers.

It all began last week when the district collector of Guntur district, Mr Ramanjaneyulu, wrote to the Commissioner of Agriculture, asking him to take action against Nuziveedu Seeds for allegedly supplying sub-standard seeds. "Officials in the district had picked some samples from a lot of 1,600 quintals and found some not up to the standard," he said.

Nuziveedu Seeds, however, denied the reports. "The lots in question recorded 100 per cent gene purity in our tests. We requested the Commissioner for ordering a re-test of the seeds in question," Mr S.V.R. Rao, Senior Vice-President, Coordination and Strategic Planning, Nuziveedu Seeds, said responding to the allegation.

"We understand that the Government's Seeds Testing Laboratory tests only 30 seeds in a lot and with such a low number of seeds, possibilities of statistical errors are high," he said.

### Seed crisis

Mr S. Malla Reddy, Vice-President of All-India Kisan Sabha (AIKS), a CPM-affiliated farmers' organisation, said that while the State needed 47 lakh quintals of seeds, the Government had set a target of 18 lakh quintals for subsidised distribution, leaving a yawning gap between supply and demand.

He pooh-poohed the subsidy aspect too. "They are giving a subsidy of Rs 1,000 a quintal of groundnut seed costing Rs 3,600. But last year, farmers got a yield of Rs 2,200 a quintal in groundnut," he said, pointing out even the subsidised seed was much costlier than the yield itself.

"The private sector has taken the driver's seat, with the public sector withdrawing gradually. The number of seed varieties (across all crops) plummeted to 75 from 470 five years ago, leading to the problem," he said.

Government response

When approached, a Government official said, "Last year, we supplied K6 variety of groundnut, but there were no takers. But this year, they want it more. About 90 per cent of all the seed distribution centres are deserted. There is keen demand in only 10 of the centres," he said.

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## **Pepper futures move up on domestic demand**

G K Nair,Kochi, June 22

Pepper futures, which witnessed high volatility with the prices dropping in the forenoon and then moving up touching the highest levels of the day and then declining, closed marginally above the previous day's close.

Good domestic demand coupled with some buying by the investors/processors had pushed up the market. Short position holders also resorted to buy back.

Investors who had sold futures bought ready pepper. Processors were also actively covering good quantity from the spot market. Added to this, Vietnam was reportedly firmer today while Indonesia had quoted at higher levels probably due to tight availability. These factors could keep the Indian parity at competitive levels with some business coming to India at the current levels.

A weak rupee against the dollar helped the Indian parity at around \$3,900 a tonne.

Availability is not going to be a problem since the exchange has stocks in its warehouses, they told Business Line.

However, they were apprehensive about the quality of the material which is alleged to have 13 per cent moisture content requiring reconditioning involving additional expenditure, they said.

In the spot market, sellers were reluctant to sell high range pepper below Rs 170 a kg. Buyers were quoting Rs 167 – Rs 168 a kg.

Small quantities were traded by inter-state dealers at Rs 164 – Rs 165 a kg in the plains, traders said. As there were buyers at Rs160 a kg there emerged sellers and that in turn aided the futures prices to decline at the closing.

Processors are said to have bought around 30 to 40 tonnes of high range pepper at Rs 165- Rs 166 a kg.

Domestic buyers were covering from the primary markets also.

July contract on NCDEX moved up by Rs 75 to close at Rs 17, 000 a quintal. August and September went up by Rs 50 and Rs 100 respectively to Rs 17,180 and Rs17,405 a quintal.

Total turn over increased by 3,065 tonnes to 13,492 tonnes. Total open interest moved up by 140 tonnes to 14,932 tonnes.

July open interest dropped by 345 tonnes while that of August increased by 687 tonnes and September moved up by 53 tonnes. Some switching over seems to have happened and additional purchases or short position holders might have bought back their sales.

Spot prices on good buying support moved up by Rs 100 to close at Rs 16,300 (ungarbled) and Rs 16,800 (MG 1) a quintal.

According to an overseas report from the US, Vietnam is said to be not “really interested in making offers as their market too was up” in line with the Indian futures market. Indonesia prefers to work firm bids. Brazil is more or less steady, it said.

Prices quoted for different origins in dollar per tonne c&f New York were: MG1 asta – 3,925-4,025; vietnam 500g/l – 3,400 (f.o.b); Vietnam asta – will respond to firm bids; Lampong asta – 3,650 (f.o.b);

Brazil 500 GL and 550 GL – 3,250-3,300 and 3400-3450 (f.o.b) respectively; Brazil asta – will respond to firm bids; Sri Lanka 500GL – 3,325 (f.o.b). Vietnam white pepper – 4,900. Meanwhile, a report from Vietnam said its pepper prices were up by \$70 a tonne. Prices quoted for black pepper FAQ min 500 G/L was \$ 3,400 a tonne (f.o.b) HCMC, while FAQ min 550 GL was at \$3,575 a tonne (f.o.b) HCMC. White pepper double washed was quoted at \$4,890 a tonne.

**Date:23/06/2010 URL:**

**<http://www.thehindubusinessline.com/2010/06/23/stories/2010062352141700.htm>**

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## **Concern over volatile coffee prices**

Our Bureau,Chikmagalur, June 22

Coffee growers have expressed concern over the volatility in world coffee prices since December 2009, and its impact on their viability.

Addressing a gathering of growers and entrepreneurs here, the Chairman of Karnataka Planters' Association, Mr K.M. Nanaiah, said, “Demand and supply do not look to have the same effect on prices as it used to have years ago. Something else seems to play havoc with the global price level. If this is so, how do prices get stabilised? I don't think we have an answer.”

Option

Mr Nanaiah said that in this situation, and faced with rising labour costs, there is no option but to raise productivity and “improve the quality of cultural operations, post-harvest technology, use of agrochemicals and fertilisers and mechanisation of operations.”

Mr V. Murali of Lingapur Estates, an exporter, told Business Line, "It is difficult to explain the global price movements in arabica and robusta in recent times with reference to demand and supply parameters."

#### Workforce review

Prof Panduranga Vittal (IIPM) of the Indian Institute of Plantation Management, Bangalore, said that the coffee growers should take steps to improve domestic consumption, instead of expecting the Coffee Board alone to conduct promotional campaigns.

"We are missing the market, missing the younger generation. We are in a positive global scenario," he said.

The IIPM Director, Dr V.G. Dhana Kumar, said that workforce management methods in the sector needed review.

The meeting also discussed the prospects of using pulping machine, manufactured by a Columbian firm Penagos for robusta that would bring effluent discharge to nil by converting it to pulp which can be put back in the field.

The existing technology has some pollution issues, growers said.

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**<http://www.thehindubusinessline.com/2010/06/23/stories/2010062352131700.htm>**

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## **FACT starts production of plant micro nutrient**

Our Bureau,Kochi, June 22

The public sector FACT has started commercial production and marketing of zincated factamfos, an important micro nutrient required by plants.

Mr A. Asokan, Chairman and Managing Director, flagged off the first consignment of zincated factamfos at a function held at the Udyogamandal division of the company on Tuesday.

Zinc has been identified by the Government as one of the important micro nutrients required by plants. It is found that 50 per cent of soil in the country is deficient in zinc.

Addition of zinc to the soil in the required quantity will improve the quality and quantity of crops.

FACT's R&D wing developed the product. The new nutrient-based subsidy scheme of the Government has made the new product economically viable, since zinc is also included in the ambit of subsidy, a press release said.

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**<http://www.thehindubusinessline.com/2010/06/23/stories/2010062351021900.htm>**

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## **One-stop shop for agri products**

Thiruvananthapuram, June 22

The Agro Industries Development Corporation has readied a one-stop shop for agriculture-related products and tools. The Chairman, Mr Ambalathara Sreedharan Nair, said here that the Chief Minister, Mr V.S. Achuthanandan, would open a 3,200-sq ft Agro Super Bazaar at the Corporation head office here on Wednesday. The showroom will display tractors and power tillers, weed cutters, rubber rollers, pump sets, drip and sprinkler irrigation systems, various kinds of fertilisers including organic, and material for setting up greenhouse and poly house.

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# Weather

Chennai - INDIA

## Today's Weather



Cloudy

Wednesday, Jun 23

Max Min

34.1° | 26.1°

Rain: 0.2 mm in 24hrs Sunrise: 05:43

Humidity: 79% Sunset: 18:37

Wind: Normal Barometer: 1004.0

## Tomorrow's Forecast



Rainy

Thursday, Jun 24

Max Min

35° | 26°

## Extended Forecast for a week

Friday

Jun 25



34° | 28°

Rainy

Saturday

Jun 26



35° | 29°

Rainy

Sunday

Jun 27



34° | 28°

Rainy

Monday

Jun 28



34° | 29°

Rainy

Tuesday

Jun 29



33° | 28°

Rainy