

Date:31/05/2010 URL:

<http://www.thehindu.com/2010/05/31/stories/2010053151620300.htm>

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## Compensation sought for damage to crops

ERODE: The Erode district unit of Communist Party of India has urged the State government to provide compensation to farmers whose crops were damaged during the recent rains.

### Strong winds

Banana crop cultivated in large tracts of lands in Bhavani Sagar, Sathyamangalam, Gobichettipalayam and Thuchanaickanpalayam areas got damaged during the rains accompanied by strong winds a few weeks ago.

The government should identify the affected farmers and distribute compensation to them without any delay, District Secretary V.P. Gunasekaran said in a press release [here](#).

The government should come forward to provide crop insurance to the farmers cultivating crops such as banana free of cost, he said.

### Stern action

The party also asked the State government initiate stern action against private colleges that were demanding fees from the students who dropped out in the middle of their course.

Mr. Gunasekaran said that a few students drop out from the colleges due to their family circumstances. When these students approach the colleges in order to get their

certificates, the college managements were asking them to pay the fee for the full term of the course, it was pointed out.

The government should initiate immediate steps to restrict the college managements from indulging in this type of practice.

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## **Kotagiri vegetable show lives up to expectations**

*Season related activities conclude in The Nilgiris*

Udhagamandalam: With many returning with the satisfaction of having witnessed an event which was not only attractive but also related to a major economic activity of the Nilgiris, the curtain came down on the two-day third Vegetable Show organised by the Department of Horticulture at the Nehru Park in Kotagiri on Sunday.

The show evoked a good response among those who turned up for the event. About 16,000 persons including a large number of tourists enjoyed the show on the two days. Organised in a commendable manner it lived up to the expectations of all sections of the society. It also marked the end of the season related activities in this holiday destination.

Participating as the chief guest in the valedictory function, the Nilgiris Collector Archana Patnaik said that scenic spots near Kotagiri like the Kodanad view point and Catherine water falls would be improved and promoted among the tourists.

Coonoor MLA A. Soundarapandian presided.

Among those who also spoke was the Kotagiri Panchayat President K. Bhojan. The Joint Director of Horticulture C. Israel welcomed the gathering. The Assistant Director of Horticulture N. Mani proposed a vote of thanks.

While the trophy for the best collection of temperate vegetables went to E. Krishnappa, the prize for the best collection of tropical vegetables was bagged by M. Ramesh. The prize for the best vegetable garden over 500 Square metres was won by M. Mothesh.

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## Business Standard

Monday, May 31, 2010

### India's sugarcane output may rise by 10% this yr

Press Trust of India / New Delhi May 30, 2010, 19:29 IST

Sugarcane production is likely to increase by 10 per cent to over 300 million tonnes in the 2010-11 crop year on improved cane acreage and better yield, a cooperative sugar body said.

In the 2009-10 crop year, sugarcane production stood at 274 million tonnes. Sugarcane is planted round the year and the crop is harvested during October-September.

"Sugarcane output would be more than 300 million tonnes in 2010-11 crop year as farmers are enthused to bring more area under the crop driven by better cane prices last year," National Federation of Cooperative Sugar Factories (NFCSF) Managing Director Vinay Kumar said.

New varieties of sugarcane are promising yield increases to 65 tonne per hectare from 55 tonne per hectare in the country's top two cane growing states -- Uttar Pradesh and Maharashtra, he said.

Kumar also said: "The country's sugar output may rise to 24-25 million tonnes in 2010-11 crop year if the monsoon rains are normal, against 18.5 million tonnes this year."

In 2009-10 crop year, farmers had received a record Rs 250 per quintal of sugarcane, while the fair and remunerative price (FRP) was Rs 129.84 per quintal. For 2010-11, the government has fixed sugarcane FRP at Rs 139.12 per quintal.

As on May 28, farmers have planted sugarcane in 4.28 million hectare, up from 4.07 million hectare tonnes a year ago period, according to official data.

Sugarcane, a very long duration crop, is planted during January-February and July-August period in south India, while during February-March and October-November period in north India. The crop is harvested during October-September.

## **Mfg, agri can help GDP grow in double-digits: Assocham**

**Press Trust of India / New Delhi May 30, 2010, 19:03 IST**

The industry chamber Assocham today urged the government to bring about reforms in the agriculture and manufacturing sectors to push economic growth to double-digits in the medium-term.

Suggesting a two pronged-strategy to help the economy clock 10 per cent growth, Assocham said a consistent emphasis would have to be made to achieve over 15 per cent and 4 per cent growth in manufacturing and agriculture, respectively.

"The move would create thousands of direct and indirect jobs and push growth to 10 per cent growth rate," it said.

Prime Minister Manmohan Singh had recently said the economy is expected to grow by 8.5 per cent this fiscal and that the country is capable of achieving 10 per cent growth in the medium-term.

Assoham said the government must increase the pace of agricultural reforms to ensure better variety of seeds, increase land fertility and technological upgrade in the field of horticulture and other farming practices. Irrigation would also have to be added through higher allocations from the Central pool since irrigation is largely dominated by the states, it added.

As per the official initial estimate, agriculture growth in 2009-10 would contract by 0.2 per cent.

On the manufacturing front, Assocham said to ensure competitiveness, friendly policies need to be taken so that they can go in for intensive R&D programmes and infuse new technologies. In 2009-10, the manufacturing sector accelerated to 10.9 per cent from 2.8 per cent previous fiscal.

"The states must be involved in the process. Investments need to be made in the power sector," it said.

The Centre is expected to come out with a national manufacturing policy by the year-end. The GDP numbers for 2009-10 are scheduled to be released on Monday.

## **Copra rises on firm spot demand**

**Press Trust of India / May 29, 2010, 15:10 IST**

Copra prices rose by Rs 100 in the wholesale dry fruits market today on pick up in demand due to ongoing heat wave.

Elsewhere, other dry fruits prices hovered around last levels in limited deals.

Traders said pick up in demand due to the ongoing heat wave led to a rise in copra prices.

Copra rose by Rs 100 to Rs 5,500-6,300 per quintal.

Following are today's quotations in Rs per 40 kg:

Almond (California) new Rs 10,850 Almond (gurbandi-new) Rs 4,600-4,700 almond (girdhi) Rs 2,200-2,300 and Abjosh Afghani Rs 7,000-16,000.

Almond kernel in per kg (California) Rs 370-375, almond kernel (gurbandi-new) (kg) Rs 305-380.

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<http://www.thehindubusinessline.com/2010/05/31/stories/2010053150391400.htm>

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## Pepper competitive in global market, as futures fall

G.K. Nair, Kochi, May 30

Indian pepper has become competitive in the international market at the weekend following sharp fall in the futures market engineered by bearish operators whose propaganda led to heavy liquidation by bulls of June delivery Saturday.

If the June delivery is taken as the base price, Indian parity in the international market was at \$3,750 a tonne (c&f) which is at par with the Indonesian price. However, since the other origins are closely monitoring the futures market here, there is a possibility that Indonesia might reduce its price to quote below the MG 1 price.

According to an overseas report on Saturday, Vietnam and Brazil were not showing any interest to sell while Indonesia was presenting “intermittent new crop buying opportunities, but also in a less than aggressive manner. Continued concerns about the world financial markets and exchange rates are probably holding back activity, more than the overall market sentiments. In sum, both buyers and sellers are playing their cards very close to their vests”.

A short supply in the world market is predicted for the current year. Vietnam pepper Association (VPA) was quoted as saying that “pepper production had decreased by 10 per cent for the year and the main cultivation area Binh Phuoc province production estimation showed a fall of 30-40 per cent”.

Meanwhile, the International Pepper Community (IPC) has reportedly projected the carry over stock of pepper to decline by 32 per cent this year to 79,124 tonnes. Indian

production has not been growing corresponding to the rise in consumption and as a result, there is a mis-match in demand and supply leading to increased imports for value-addition and re-export.

In April this year imports stood at around 2,150 tonnes as against exports of around 1,250 tonnes. Growers have alleged that part of it might enter the domestic market to depress domestic prices. The June, July and August contracts fell sharply during the week by Rs 850, Rs 895 and Rs 778 a quintal respectively to close on Saturday at Rs 16,405, Rs 16,600 and Rs 16,810.

#### Turnover

Total turnover moved up by 807 tonnes to 50,231 tonnes. Total open interest also went up by 226 tonnes to 16,689 tonnes. In fact, 960 tonnes of June were liquidated on Saturday alone on bearish activities. Bear operators spread a propaganda at the weekend that 13,240 tonnes are the net open position for June and nearly 4,000 tonnes would be available for delivery at the exchange platform when it matures on June 20, after 17 working days.

Add to this, as the “Badla” has narrowed down as sellers were not interested in switching over, and that was also used as a tool to floor the market on Saturday, market sources told Business Line.

Meanwhile, pepper from Sakleshpur, Chickmagalur areas in Karnataka was being offered at Rs 155 a kg delivered anywhere in the country and its availability in northern Kerala made a negative impact on the market here.

At the same time trading sources in Delhi said there it was available at Rs 152 a kg. All these bearish information aided the futures as well as spot prices to fall. Spot prices during the week fell by Rs 600 to close at Rs 16,000 (MG1) and Rs 15,500 (un-garbled) a quintal.

In the international market everybody is on a wait and watch mode as prices at all the origins were firm. The IPC report for the week said the black pepper market continued to remain volatile. Currency fluctuations at most origins have had influenced the situation as well. Local prices at origins were reported to have increased. In dollar terms however, it was down due to weakening of their currencies against the US dollar. In Vietnam, local prices of black pepper increased almost daily to reach VND 56,500 a kg on Thursday from VND 54,500 on Monday. Fob prices increased to \$2,875 a tonne for black 500GL from \$2, 825 at the beginning of the week.

In Lampung and Sarawak, also prices increased. It was reported that fob price in Brazil stood at \$3,175 a tonne for black 500GL during the week.

#### WHITE PEPPER

White pepper prices at most origins increased further. In Sarawak, local price also increased, but in dollar terms, prices fell down by 2 per cent.

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#### Cashew market quiet; prices unchanged

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*"This trend is likely to continue as we move into the peak Asian consumption months from August, resulting in continued volatility"*

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G.K. Nair

Kochi, May 30

The cashew market during the week witnessed limited activity but, without any change in the prices. Business was done for W240 at around \$3.20, W320 at around \$3, W450 around \$2.80, WS/WB around \$2.50 and LP around \$1.70 (f.o.b).

“Overall, there has been no change in prices, except for an increase in prices for broken grades, despite very quiet market during whole of May,” market sources said.

Due to the various uncertainties such as recent currency volatility, stakeholders on both sides (processing countries and importing countries) are reluctant to take large positions, especially for forwards. They are content to sell/buy for prompt and nearby deliveries when needed.

“This trend is likely to continue as we move into the peak Asian consumption months from August, resulting in continued volatility”, Mr Pankaj N. Sampat, a major Mumbai-based dealer told Business Line. He said in view of uncertainty of demand trend at

higher levels, buyers do not want to cover forward requirements unless the price is at lower than spot price.

## Raw Cashew Nut

Since the Raw Cashew Nut (RCN) prices are high and there is limited replacement available, processors do not want to sell large volumes for longer spreads unless they have a reasonable cushion to absorb further increase in RCN price. All these are leading to reduced liquidity.

Small changes in periodic supply push and demand pull will have significant impact on prices, he said.

RCN market is very delicately poised. During week, it seems to be taking a breather after the rise of about \$150 a tonne (equivalent to approx 30-32 cents/lb of kernels) in the last four weeks. There is resistance at the higher levels because of quiet kernel market.

Also, he said, kernel prices have not picked up to the extent of rise in RCN prices. Number of stock holders is larger than normal and so, holding capacity is increased. If they see increase in kernel demand/prices, they can afford to hold on but if the kernel market remains quiet in June, they may be forced to reduce prices to move stocks.

Considering all factors, "we continue to feel that market will move in current range of \$2.80-3 (f.o.b) for some time. There is a possibility of a breakout above the range if there is good demand in next eight weeks. On the other hand, we may see lower prices at the end of the year if the pattern of limited buying continues through the next 3-4 months," he added.

Related Stories:

[Cashew market listless on low demand](#)

[Trading in domestic cashew market lacklustre](#)

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<http://www.thehindubusinessline.com/2010/05/31/stories/2010053150621500.htm>

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## **Govt keeps June sugar sale quota at 17 lakh tonne**

Our Bureau

New Delhi, May 30The Centre has allocated 17 lakh tonnes (lt) of sugar for sale in the open market during June. The 17 lt includes 12.8 lt as the normal free sale quota (FSQ) of sugar mills and 3.7 lt of white/refined sugar processed out of imported raws during April.

In addition, an estimated 50,000 tonnes is expected to be available from directly imported white/refined sugar. Mills will be required to deliver and despatch this entire released quota for the coming month within June 30. The Centre had earlier imposed fortnightly and even weekly sale quotas to force mills to liquidate their stocks to control runaway prices. But with prices crashing in the last couple of months and mills struggling to make payments to cane growers, the Centre, in April, replaced the weekly release system with fortnightly releases. In May, it restored the original monthly release mechanism to prevent any further fall in prices.

For June, the Centre has also released 2.08 lt of levy sugar for the public distribution system. This, along with the 17 lt of open market releases, would translate into a total domestic availability of 19.08 lt, which "is sufficient to meet the internal demand of sugar for the month of June," according to a Food Ministry release.

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<http://www.thehindubusinessline.com/2010/05/31/stories/2010053150661500.htm>

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## **Nafed to market coconut products**

Our Bureau

Kochi, May 30The Coconut Development Board (CDB) is exploring the possibilities of marketing various coconut products through Nafed to avoid middlemen.

Discussions in this regard are being held between the Coconut Development Board, Nafed and coconut processors.

Addressing a meeting of the processors in Kochi, Dr C.V. Ananda Bose, Chairman, Coconut Development Board and Managing Director, Nafed, called upon the processors to introduce new technologies including packaging for manufacturing diversified coconut products.

A recent initiative of Nafed to provide Kerala products in Delhi markets was received well. Nafed could act as a facilitator for marketing quality coconut products across the country as well as globally, thus establishing a synergy between CDB and Nafed, he said.

The Coconut Development Board is exploring the possibility of introducing quality logo for different coconut products specifying the standards of each product.

Mr M. Thomas Mathew, Chief Coconut Development Officer, CDB, said that the objective of this tie up is to avoid intermediaries to reduce the price spread. On this front, Nafed can act as a facilitator. Nafed can introduce coconut products in non-traditional areas also.

The Board will extend financial assistance to the coconut processors for establishing Quality Testing Laboratories so that they can make available the best quality coconut products. The CDB and Nafed are planning to introduce coconut products in the Commonwealth Games to be held at Delhi. Nafed is also considering supplying the procured copra to coconut millers and buy back the oil for marketing under Nafed's brand.

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**<http://www.thehindubusinessline.com/2010/05/31/stories/2010053151621900.htm>**

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## Decision on milk prices soon

Thiruvananthapuram, May 30

The State Government will take a decision on hiking the milk price on getting the P.K. Mohanty Committee report, according to Mr C. Divakaran, Minister for Animal Husbandry and Civil Supplies. The Minister was speaking at the launch of the Gosuraksha livestock insurance scheme here on Saturday. No scientific study had been conducted on the issue. In the past, the State Government had gone by the recommendations of the apex milk marketing federation, Milma. The State Government has proposed to hike the pension of milk farmers since it was aware of the plight of the 14 lakh families in the sector. The Government would also seek to retain as many farmers as possible in the sector by supporting their cause to the extent feasible, the Minister said. – Our Bureau

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## Weather

Chennai - INDIA

### Today's Weather



Partly Cloudy

**Monday, May 31**

Max Min  
39.4° | 28.4°

Rain: Trace

Sunrise: 05:41

Humidity: 75%

Sunset: 18:31

### Tomorrow's Forecast



Cloudy






**Tuesday, Jun 1**

Max Min  
41° | 30°

Wind: Normal

Barometer: 1005.0

Extended Forecast for a week

| Wednesday   | Thursday  | Friday  | Saturday  | Sunday  |
|---|---|---|---|---|
| Jun 2   | Jun 3   | Jun 4   | Jun 5   | Jun 6   |
|  |  |  |  |  |
| 38°   30°   | 40°   29°   | 41°   30°   | 40°   29°   | 40°   29°   |
| Cloudy  | Cloudy  | Cloudy  | Cloudy  | Cloudy  |

Airport Weather

Delhi

Delhi

Rain: 00 mm in 24hrs Sunrise: 05:24

Humidity: 21 %

Wind: Normal

Sunset: 19:13

Barometer: 1002

