

## To help cultivate quality mangoes

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*With a majority of farmers ready to adopt the new method, State to see production of quality mangoes in 10 years*

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Photo: E. Lakshmi Narayanan



**Israeli mango experts interact with officers from Tamil Nadu Horticultural Department in Salem.**

SALEM: The State Horticulture Department has adopted the 'Israeli experiment' in mango cultivation to give value-addition to Tamil Nadu mangoes and get them a pride of place among the choicest table varieties abroad.

Tamil Nadu, one of the leading producers of the 'King of Fruits,' has brought in experts from Israel, which, despite its limited resources, is emerging a potential competitor to other major mango producing countries in the world.

## Mindset

Two mango experts from the Extension Services of Department of Fruit Trees of Ministry of Agriculture, Israel, have been frequently visiting Tamil Nadu, especially the mango growing pockets, primarily with the objective of “changing the mindset” of both farmers and officers of Tamil Nadu who have been adhering to the traditional way of cultivation resulting in poor yield.

“With less and insignificant cultivation in about 2,000 and odd hectares, mostly abetting the Sea of Galilee and weathering a hostile climate, we can produce between 25 and 35 tonnes of the choicest fruits per hectare, which have become the preferred best in the European market today,” said Cliff Love and Michael Moshe Roy, who were here recently to share their rich experiences with extensional officials of mango cultivating pockets.

## Average

The Indian national average per hectare, according to an official, is a dismal 6.2 tonnes while for Tamil Nadu it is 5.52 tonnes.

Mr. Love and Mr. Roy said archaic farming methods should be replaced with modern technology of high density planting, pruning, prevention of flooding and maximum light harvesting for better and rich colouring of these juicy fruits. They had carried out extensive field experiments at the State Horticultural Farm in Krishnagiri district in June. “This is our second visit to the farm,” they said and insisted on canopy management in high density planting for bountiful and quality harvest.

## Innovation

The experts said with heavy constraints Israel's innovative techniques could boost the quality production of mangoes. “Today we give a tough competition to the established exporters to European countries with our commercial varieties, which are exceptional in size and rich in colour.

The Asian fruits are juicy and have a strong aroma, which Europeans shun,” they said.

A senior horticultural official said in another five to 10 years production of quality mangoes would be possible in Tamil Nadu since major growers had shown an inclination to adopt the

tech-driven Israeli method.

According to 2006 statistics, Tamil Nadu has 1.62 lakh hectares to produce 8.95 lakh tonnes a year.

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### **Paddy cultivation area to go up**

*Rainfall has damaged chilli and coriander also: official*

— Photo: N. Rajesh



**Boon:Paddy crop at Athimarapatti village near Tuticorin on Thursday renders a green cover to the area, thanks to the rainfall.**

Tuticorin: With the district receiving heavy rainfall during the North East monsoon, farmers hope for a good paddy crop. Due to the good amount of rainfall in recent days, most of the reservoirs including system irrigation tanks and rain-fed tanks have reached their maximum storage capacity.

About 22,000 hectares of land was expected to be brought under paddy cultivation by March 2011, S. Joseph Karunanidhi, Joint Director, Department of Agriculture, Tuticorin told 'The Hindu' here on Thursday.

The district had witnessed 19, 000 hectares of paddy cultivation on an average a year. Paddy crop was normally cultivated in various parts of the district including Tuticorin, Srivaikuntam, Karungulam, Alwarthirunagari, Tiruchendur and Sathankulam.

During Pisanam season, paddy cultivation was undertaken normally over 14, 000 hectares but following the continuous downpour, cultivation was likely to increased to 17, 000 hectares. Though paddy crop had been damaged to an extent of 140 hectares due to rain, farmers could make profit out of cultivation in the days to come.

An additional coverage to the extent of 1, 500 hectares of sunflower was expected. Similarly other crops including maize and summer irrigated cotton would be covered to an extent of 1, 000 hectares each.

The field activity for summer irrigated cotton would be taken up during February and March. Usually, these crops were cultivated over 500 hectares only. Since the farmers had excessive rainfall, they expect good yield.

Adequate water resources had encouraged the farmers to enhance the cultivation area of vegetables to 2, 000 hectares. "If the stagnant water recedes in the rainfed blocks, farmers can also cash in on chickpea and oilseeds including sunflower and sesame, which are late sown crops," Mr. Karunanidhi said.

But unfortunately, the incessant rainfall had also caused damages to horticultural crops including chilli and coriander. M. Syed Ahmed Miranji, Deputy Director, Department of Horticulture, said chilli on 8, 669 hectares had been damaged in Vilathikulam taluk and 3, 399 hectares of coriander was also damaged. In Ottapidaram taluk, a total of 104 hectares of chilli suffered damages, he added.

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## **SHGs trained in cattle rearing**

Special Correspondent

Photo: M.Srinath



**Life skills:M. Chandrasekaran, Tiruvarur Collector, presenting certificate to an SHG member.**

MANNARGUDI: Cattle rearing can fetch additional income to farmers and women self help groups besides agriculture, said Collector M.Chandrasekaran, here on Thursday.

He was distributing certificates to women SHG members from Koradachery, Needamangalam and Mannargudi who underwent three day training on rearing of milch animals and producing value-added milk products.

The training was jointly organised by the Department of Animal Husbandry, Tamil Nadu Veterinary and Animal Sciences University and the National Bank for Agriculture and Rural Development (NABARD).

He said that banks are providing loans for buying milch animals. He also released a guide on producing value added products from milk.

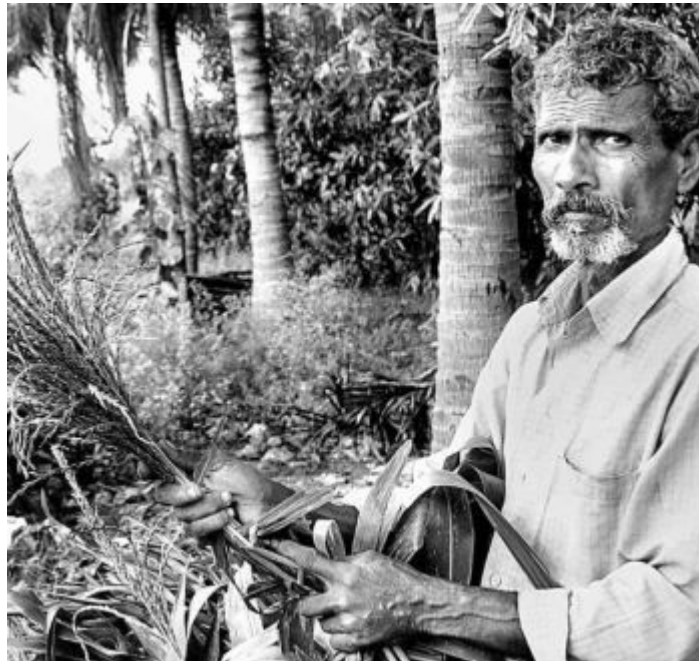
Training on artificial insemination of animals was also given, he added. T.Kathiresan, Extension Officer of the Tamil Nadu Veterinary and Animal Sciences University; M.Pazhaniappan, Joint Director, Animal Husbandry; V.A..Raghavan, Assistant General Manager, NABARD; A.Selvaraj, Revenue Divisional Officer, Mannargudi and Selvin from World Vision, an NGO, participated .

## Farmers' hope for reaping rich maize harvest dashed

M. Balaganessin

*Crops grown in 32,790 hectares in the district damaged*

— Photo:R. Ashok



**devastated:**A farmer showing the damaged maize at Perali village near Perambalur.

PERAMBALUR: The intense rain that battered the delta districts this November, has seriously damaged the maize crops grown at an area of 32,790 hectares in the four major maize centres in Perambalur district.

Most of the damaged crops were either nearing harvest or ready for harvest, but the lack of storage facilities have forced the farmers to wait for the harvest period that normally falls on mid-January, during Pongal.

“All the hybrid varieties of ‘Pioneer 7777’ and ‘Mahyco NK 6240’ grown in and around Veppanthattai; Veppur; Alathur Gate and Perambalur were totally damaged ,” says R.Reghunathan, Joint Director of Agriculture, Perambalur.

The crop, with a growth duration of 120 – 130 days, was raised at various periods between the first and fourth weeks of September.

“The variety raised in the fourth week bore the brunt of the sharp showers,” he said. Excess and uneven distribution of rainfall all through the month of November was the cause , he added.

The average per acre yield was about two tonnes, but the rain had totally damaged the grains, says R.Mohan, Agriculture Officer, Government of India Schemes, Perambalur.

A farmer of Perali near Perambalur said that he had invested about Rs. 30,000 for raising the crop in the month of ‘Avani’.

Last year, the per acre harvest was 70 bags, each of 100 kg.

However, the rain has impacted the grain setting process and this is likely to affect the output.

D.Napoleon, Union Minister of State for Social Justice and Empowerment, visited a number of villages and inspected the crop damaged in Kurumbalur, Veppanthattai, Nerkunam and Thondamanthurai. He assured the farmers that steps would be taken to sanction adequate relief to the farmers.

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## **Rain hits paddyfields**

Staff Reporter

*“Over 4,600 ha of cultivated land inundated in past 2 weeks”*

PUDUCHERRY: The heavy rain that lashed Puducherry in the last two weeks has inundated paddyfields in the rural areas though the actual damage is yet to be ascertained.

According to officials of the Agriculture Department, the area of standing crop of paddy in the region was 5,648 hectares in the current season. Of this, over 4,600 hectares of cultivated land had been inundated in the past two weeks.

Despite water level receding in more than 2,000 hectares in the last three days, the inundation could result in loss of productivity. "Though damage to the crops may not be visible, water-logging would have an effect on yield. For example, if the yield per hectare is 75 bags of paddy, the inundation would reduce it to 30 or 40 bags," the official said.

However, department officials maintained that inundation need not necessarily result in "total damage" of the crop. Only if heavy rain continued in the next few weeks, it could result in "visible damage."

Heavy rain may also result in increase of expenses for the farmers as they would have to spend more on fertilizers to resurrect the crop. "When water level recedes, it washes away a large amount of nutrients added to the soil. So farmers have to add fertilizers again," the official said.

However, officials said that banana plantations had seen extensive damage. As per the statistics provided by the department, 305 hectares of banana plantations had been completely destroyed this year.

A second report on inundation had been sent to the Cabinet, which would decide on the amount of compensation to be paid to the farmers, the official said.

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## **West Bengal may suffer substantial crop shortfall**

Special Correspondent

Kolkata: West Bengal may suffer a substantial crop shortfall in 2010-11 due to an acute paucity of water triggered by drought in eleven districts.

Talking to reporters after a high-level meeting at the State Secretariat on Thursday, Agriculture Minister Naren De said that against a normal of 14.5 lakh acres only about 5.5 lakh acres could be cultivated in the State during the aman and the boro seasons.

West Bengal, the largest paddy growing State in the country, expects to harvest a crop of about



120 lakh tons against an average of 148 lakh tons. Its own requirement is about 138 lakhs and procurements would be made from other States, he said.

The minister said that to protect farmers' livelihoods, emphasis is now being placed on alternative crops and farmers were being given seeds of moong, and edible oils like groundnut and mustard.

Irrigation Minister Subhas Naskar, who also attended the meeting, said that in the boro season only about fifty per cent of the land could be cultivated. He said that the State was keen to buy water from its neighbours but they would be in position do so only if they had any in excess after meeting their needs.

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## **Work on disaster management plan begins**

Staff Reporter

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*The exercise is part of Urban Risk Reduction programme which will be implemented by 2012*

*Researchers in association with BMC will make a thorough assessment of probable risks*

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**BHUBANESWAR:** Keeping possible disasters and their impact on populace in mind, Bhubaneswar Municipal Corporation has begun spade work to put City Disaster Management Plan in place.

Ward officers of 60 wards under BMC were invited to a workshop here on Wednesday where they were informed about the different disasters that could happen in a city. As per the plan, 20 ward officers were asked to prepare ward-level plan to minimise impact of disasters and to deal with aftermath situations. Draft of the disaster plan for 20 wards would be ready by March next, said Gyana Das, State Project Officer (Disaster Risk Reduction) of UNDP.

## Workshop

BMC's Slum Improvement Officer Dillip Routray who conducted the workshop said focussed awareness programme should be devised and people should know their duties during and after disasters.

The current exercise is part of Urban Risk Reduction (URR) programme, which will be implemented by 2012. Upon completion, the capital could see a unified incident command system taking over the affairs from emergency operation centre during crisis situation.

Mr. Das said the BMC has already identified a control room on its office premise to start the work.

Researchers in association with BMC employees would make a thorough assessment of probable risks and disasters the capital could face in future for which vulnerability mapping would be done.

Among others Kamal Lochan Mishra of Orissa State Disaster Management Authority and Meghanada Behera of a programme associate of Urban Risk Reduction (URR) spoke on the occasion.

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## **Agri clinics can function as parallel extension centres**

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*The State Government will provide Rs. 3 lakh as subsidy to each agri clinic*

*It plans to establish nearly 2,000 agro service stations in the State*

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COIMBATORE: Agri clinics have the capability to function as parallel extension centre, supplementing the extension services of the State Department of Agriculture and allied

departments, Vice-Chancellor of Tamil Nadu Agricultural University P. Murugesha Boopathi said here recently.

### Competencies

Inaugurating a programme for consultants of agri clinics of Primary Agricultural Co-operative Credit Societies (PACCS) at the university, he said consultants of the clinics should develop their competencies on agricultural subjects they could not interact with farmers confidently.

“As farmers are prepared to pay for good services, consultants should develop their knowledge on latest farm technologies, which in turn will boost the image of agri clinics.

“The latter should also advise farmers on fertilizer recommendations to prevent their indiscriminate use save the Government subsidies from being wasted,” the Vice-Chancellor said.

In 2007-08 agri clinics were promoted by the Government under National Agricultural Development Programme at a cost of Rs. 6 lakhs each. The State Government earmarked Rs. 20 crore as subsidy at Rs. 3 lakhs a agri clinic. K.C. Ravichandran, Deputy Registrar of Co-operative Societies, said: “The State Government has planned to invest Rs. 300 crores to Rs. 400 crores for establishing nearly 2,000 agro service stations across the State by which custom hiring of farm machinery by farmers will be made possible,” Mr. Ravichandran said.

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### Ornamental mushrooms

BANGALORE: An emerging trend is ornamental mushrooms, native to the Western Ghats, which come in bright hues. Available in colours such as pink, orange, red and blue, these are non-toxic but also inedible as they are hard.

They have a good shelf life too.

## State to reschedule crop loans in 467 mandals

Staff Reporter

*Banks will be directed to provide finance to the farmers for the rabi season, says Chief Minister*

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*Kiran goes around photo exhibition on flood damage in EG & WG districts*

*Government ready to help tenant farmers in rabi: Chief Minister*

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Photo: T. Vijaya Kumar



**TAKING STOCK: Chief Minister N. Kiran Kumar Reddy inspecting damaged paddy at Penumudi village in Repalle mandal of Guntur district on Thursday.**

AMALAPURAM: Chief Minister N. Kiran Kumar Reddy on Thursday announced that the government would reschedule loans in 467 flood-affected mandals in the State.

Addressing a meeting of officials from East and West Godavari districts after going around a photo exhibition on the flood damage here, Mr. Reddy said it was unfortunate that farmers of the State had lost their crops due to rains.

He said the original estimate that 2.20 lakh tonnes of paddy would be produced this year would have to be revised due to damage caused to the crop by heavy rains and floods.

He said the plight of tenant farmers had been brought to his notice and the government was ready to help them in the rabi season.

Apart from rescheduling loans, the Chief Minister assured that he would direct the banks provide finances for the rabi season.

#### Request to Pawar

He would also request Union Agriculture Minister Sharad Pawar to lift the ban on export of rice and give permits to the fine variety of rice.

Apart from paddy, Mr. Reddy said that the State government would take care of cotton, sugarcane, pulses and other commercial crops and extend loan facilities to the concerned farmers.

The Chief Minister asked the Collectors to enumerate flood damage accurately and send reports to the government at the earliest.

Ministers Raghuveera Reddy, Pinipe Viswaroop, Thota Narasimham and several MLAs were present.

#### Priority for ryots

Penumudi (Guntur dt.): Chief Minister N. Kiran Kumar Reddy has said the government will take necessary steps for mitigating losses incurred by farmers due to heavy rain in the last two days. Farmers' issues will be given priority in the Assembly session beginning Friday.

Addressing a public meeting after interacting with farmers at Penumudi village in Repalle mandal on Thursday, Mr. Reddy, who undertook an aerial survey of rain-damaged crops, said

loans taken by farmers would be rescheduled.

#### Enumeration of loss

He also wanted the enumeration of loss to be completed at the earliest and not leave any scope for farmers to be deprived of compensation. The enumeration should be in detail, he told Cyclone Special Officer Hiralal Samariya and district Collector B. Ramanjaneyulu.

Besides allowing deferment of repayment of loans, subsidies would be given on farm inputs and steps taken to properly implement the weather-based insurance scheme.

On being told that the loss ranged from Rs. 10,000 to Rs 12,000 per acre, Mr. Reddy admitted that the situation was indeed grim and, promised to do his best.

Ministers Kanna Lakshminarayana (Housing), Dokka Manikya Vara Prasad (Rural Development) and Mopidevi Venkata Ramana Rao (Excise) and others were present.

#### To persuade FCI

MOPIDEVI (Krishna dt.): Chief Minister N. Kiran Kumar Reddy on Thursday assured farmers who suffered losses in the recent heavy rains that the Food Corporation of India would be persuaded to pay minimum support price for discoloured paddy.

Mr. Reddy said he had spoken to Union Agriculture Minister Sharad Pawar and would speak once again to get the FCI pay MSP for the damaged paddy.

He would also speak to Prime Minister Manmohan Singh to get Central teams for assessment of the total damage.

Mr. Reddy along with Minister for Revenue N. Raghuvveera Reddy arrived from Hyderabad by a helicopter and landed at Puligadda-Penumudi bridge in the Diviseema area that connects Krishna and Guntur districts. After interacting with farmers of Penumudi in Guntur district, he reached Mopidevi and saw the paddy sheaves lying in rainwater.

#### Farmers disappointed

Mr. Reddy's whirlwind visit left farmers disappointed, even as questions were raised about the place chosen for assessing the damage. The farmers pointed out that much of the damage was in Koduru and Nagayalanka mandals.

When farmers complained that very low price was being offered to the damaged paddy, the Chief Minister assured them that the State government would intervene if the Food Corporation of India was not willing to pay MSP. He advised the farmers to first register themselves for enumeration and assessment by the FCI teams. The Chief Minister admitted that input subsidy related to previous two spells of rain-induced damage was pending. The total burden on account of input subsidy had already reached Rs. 1,400 crore, but the government would not hesitate to pay the same once again.

He instructed the authorities to also enumerate the weavers who suffered losses and to monitor the availability of seed and fertilizer.

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### **'Free power supply was extended to all farmers'**

Coimbatore: The Tamizhaga Vivasayigal Sangham has disputed the statement of the Chief Minister that the State Government had never extended free power supply to horticulture crops. District secretary of the Sangham P. Kandasamy, in a memorandum to the Chief Minister, said in 1989-90, the Chief Minister had ordered extension of free power supply to all farmers.

Mr. Kandasamy said that though free power was given only to maize, ragi, paddy and wheat, later the rule was amended and was extended gradually to sugarcane, coconut and even for coffee and tea. Finally, the government said that all crops would be given free power supply. The rules were amended and till date free power was given even to turmeric, grapes and vegetables. The farmers had been availing themselves of the free power since 1989-90.

Mr. Kandasamy said that the Chief Minister could have come out with such an announcement exempting the farmers cultivating horticulture crops from free power supply based on the information provided by the officials. Mr. Kandasamy said that horticulture crops should be

changed from Tariff 3 A 1 to Tariff IV and even farmers involved in cultivating horticulture crops should be provided with free power supply thus fulfilling the promise made by the Chief Minister on the floor of the House last month.

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### Farmer brings new banana planting method to Kamalapur



**Innovative:Farmer Suraj Patil with the red banana at Kamalapur in Gulbarga taluk**

GULBARGA: A unique method of banana cultivation that increases the yield of the crop has been introduced at Kamalapur in Gulbarga taluk by a progressive farmer.

The farmer, Suraj Patil, has introduced the new 'spacing method' in the cultivation of the G-9 variety of banana in his farm in Kamalapur, a region known for its red banana cultivation.

Mr. Patil has been awarded the Dr. Marigowda Memorial Best Farmer Award this year, an annual award presented to farmers for their contribution to horticulture. He is also responsible for getting the Kamalapur Red Banana the geographical indication status.



He says the new method of spacing at the time of plantation is being successfully followed in Israel and was first introduced in India by the National Council of Research in Banana (NCRB) at Tiruchirapalli in Tamil Nadu. "I came to know of the method during my visit to NCRB at Tiruchirapalli and introduced the same for the first time in Gulbarga."

A graduate in Arts who has followed the family practice of cultivating banana on the ancestral 10-acre farm, Mr. Patil told The Hindu that conventional spacing at the time of plantation allowed only 1,210 plants to be grown in one acre of land. In the new "triangular planting method", as many as 1,710 plants could be grown in an acre.

Thus, according to him, 20 tonnes more of banana can be produced.

He cultivates red banana on four acres of land, and the G-9 variety of banana as well as other traditional crops, including red gram, on the rest of his farm, all using organic farming methods.

The farmer says his main interest is in protecting the red banana variety in Kamalapur. The banana is known to have medicinal properties and low sugar content, and is suited for those with diabetes, he adds.

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## **Crop loss in Guntur district at least Rs. 1,500 crore: Naidu**

Staff Reporter

*TDP will wage a do-or-die battle for farmers in the Assembly, he says*

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*He addresses farmers who incurred huge losses*

*Corruption is still a major issue confronting people, he says*

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Photo: T.Vijaya Kumar



**TDP president N Chandrababu Naidu inspecting damaged paddy crop near Sattenapalli in Dachepalli mandal of Guntur district on Thursday.—**

Guntur: Telugu Desam Party president N Chandrababu Naidu said his party would wage a do-or-die battle in the Assembly for the welfare of farmers who incurred heavy losses due to heavy rains in the last two days and not relent till they are adequately compensated. Crop loss in Guntur district alone was estimated at Rs 1,500 crore-Rs 2,000 crore and Chief Minister N Kiran Kumar Reddy and Ministers were apparently doing hectic lobbying to meet their political ends instead of attending to issues concerning the people. The Central Government was also indifferent to the situation. Addressing farmers who incurred huge losses at Dachepalli, Piduguralla and Sattenapalli on Thursday, Mr. Naidu said that it was an unprecedented crisis that befell on farmers and the Government should respond immediately. Massive stocks of paddy and other crops got piled up with farmers as precious little was done to produce the same. Rains came as yet another blow to them.

The Government should pay compensation per acre, crop insurance with village as a unit and take other urgent steps before the farmers were forced to resort to extreme steps.

Implementation of Swaminathan Commission recommendations would solve their problems to a large extent. Mr. Naidu said that the previous Chief Minister (Y.S. Rajasekhara Reddy) and Ministers in the then Government looted the State like 'Alibaba and 40 thieves' and corruption was still a major issue confronting the people.

Focus was not on governance but on self aggrandisement of Ministers and others with whom

they had personal dealings. Corruption was eating into vitals of the national economy which was recently rocked by the Rs 1.76 lakh crore 2G spectrum scandal involving some high profile politicians and businessmen.

A relatively small amount of Rs 1,000 crore would be sufficient to alleviate the plight of farmers but the Central Government was callous enough to let such a huge sum go down the drain and allow culprits to roam scot - free.

Narsaraopet MP Modugula Venugopala Reddy, MLC Nannapaneni Rajakumari, MLAs Prathipati Pulla Rao (Chilakuripet), Y Srinivasa Rao (Gurazala), Dhulipalla Narendra (Ponnur) and others accompanied their party chief. CPI district secretary Muppalla Nageswara Rao was also present.

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### **State to have four fodder factories**

KOTTAYAM: The State government will start four fodder factories aimed at providing dairy farmers fodder for their animals at reasonable rates, Minister for Food and Civil Supplies C. Divakaran has said. Speaking at the inaugural ceremony of a district dairy farmers' meet at Muttuchira near here on Thursday, Mr. Divakaran said two of these factories would be in Malappuram district, one at Karunagapally (Alappuzha district) and one in Palakkad. In addition, the government is also thinking of opening two more fodder units under Milma, he said.

Expressing confidence that the State would become self-sufficient in milk by 2011, the Minister stressed the role played by the dairy farmers in this endeavour.

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### **Ryots lose ready-to-harvest paddy**

*We waited for drying of grain discoloured by rain in October and November, says a ryot*

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*Big farmers used machines for harvesting in November, says a ryot CPI(M) leader seeks input subsidy and fresh loans for farmers*

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— Photo: Srinivas Kommuri



**What to do?:A farmer showing the paddy damaged by rain caused by depression at Gadipathipalem near Chemakurthi mandal in Prakasam district.**

ONGOLE: Thanks to bountiful rains during both southwest and northeast monsoons farmers in Prakasam district have taken up paddy cultivation in a big way hoping to get good crops like last year.

But they have to blame themselves now for delaying harvest by a month to lessen the impact of discolouring of grains formed by the cyclonic storm Jal last month.

Farmers took up paddy cultivation in late khariff on over 28,000 acres under minor irrigation tanks and borewells in the district, agriculture department officials said.

Forty-year-old farmer K Sreenu of Tallur who has grown paddy in 10 acres lamented that heavy

rains in late October and in early November under influence of cyclone Jal had left their fields heavily water-logged.

“After a lot of toil, we saved our standing crops not before the rains discoloured the grains in the formation stage. With winter setting in we thought there will be no more rains and decided to wait for drying of the damaged grains”, another 30-year-old tenant farmer T Venkataiah from Sivaramapuram, who has taken on lease four acres of land, said keeping his fingers crossed.

“All our hopes are dashed now with the unexpected rains taking away our ready-to-harvest crops”, regrets a woman farmer Rama Devi taking stock of the situation on her fields.

Last year, traders offered Rs 1000 per 75 kg bag of discoloured paddy. But there were no takers even to purchase our produce for Rs 650 last month. Hence we thought of delaying the harvest for some more time only to lose all the ready-to-harvest crops to the recent rains, said a farmer Brahmaiah in Dhodavaram village.

Another farmer G Hanumantha Rao said big farmers were now a happier lot as they had used machines to harvest in November itself. “We waited for manual harvesting to save on cattle feed. But now we have to pay very dearly losing our crops ripe for harvest in the rains”, he regretted. CPI(M)-led Andhra Pradesh Rythu Sangham district secretary N Ranga Rao said farmers struggled against odds and saved their standing crops from the wrath of Jal. Now the present depression had played spoilsport taking away all their crops. The State Government should lose no time in providing input subsidy and arrange for fresh credit from banks, besides rescheduling present loans so that the farmers recoup the losses by taking a fresh cultivation of cash crops now, he added.

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**Distressed farmers need government support: AIKS**

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*Farmers urged to join the road blockade planned for December 11. Centre and State should make joint efforts to bail them out, says AIKS leader*

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ONGOLE: The CPI(M)-led All India Kisan Sabha(AIKS) on Thursday urged the Union and State Governments to immediately come to the rescue of debt-ridden farmers who were on the verge of committing suicide after unseasonal rain due to depression.

Addressing a press conference here after leading an AIKS team to damaged fields in Prakasam district, All India Kisan Sabha national vice-president S Malla Reddy said "the situation at the grassroots level is very serious with depression taking away ready-to-harvest crops.

Both the Centre and the State Government should shed their attitude of passing the buck and immediately make joint efforts, to give some hope for the peasants in despair".

He urged farmers cutting across party lines to join the road blockade agitation on December 11 to urge the State Government to purchase all discoloured

Paddy by providing an additional rs 200 per quintal over the minimum support price of Rs 1000 and offer Rs 4000 per quintal for cotton.

He also pressed for supply of all farm inputs free of cost and interest-free loans from banks for raising fresh crops.

"After Laila and Jal cyclones, the depression in December has completely destroyed whatever crops left over on the fields", he observed after visiting the fields along with All India Kisan Sabhaleaders in the worst-hit mandals of Korispadu, Pongaluru, Martur and Chimakurthi.

"It is unfortunate that the Centre has released only Rs 1300 crore for providing relief, though the State Government had pressed for Central assistance of Rs 48,000 crore on previous occasions to tide over the situation arising out natural disasters", he said.

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## Farmers selling paddy below MSP in Raichur

Staff Correspondent

*There has been low demand, no procurement by Government*

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*MSP for Grade A produce is Rs. 1,030; farmers selling it at Rs. 960 to Rs. 1,000 a quintal*

*Centre urged to withdraw ban on export of paddy, increase MSP*

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**Case of plenty:**The Agricultural Produce Marketing Committee yard in Raichur has received 50,000 tonnes of paddy so far.

Raichur: The price on paddy has come down owing to lack of demand in the open market and non-functioning of the paddy procurement centres opened by the State Government.

This has forced the farmers to sell their produce at the Agricultural Produce Marketing Committee (APMC) yard here at the prevailing rate, which is below the Minimum Support Price announced by the Centre.

The Centre announced an MSP of Rs. 1,030 a quintal for Grade A and Rs. 1,000 a quintal for common paddy. Meanwhile, the State Government promised to procure the commodity through paddy procurement centres at the existing MSP. However, none of these centres have commenced the procurement.

As a result, the commodity is being procured by traders at prices ranging from Rs. 960 to Rs. 1,000 a quintal for Sona Masuri (Grade A), and Rs. 800 to Rs. 860 a quintal for common grade paddy. A delegation of farmers led by Minister for Kannada and Culture Govind Karjol met Agriculture Minister Sharad Pawar in New Delhi on Tuesday and appealed to the Centre to withdraw the ban imposed on the export of paddy and increase the MSP. The Union Government is yet to look into their demand.

Good yield

Paddy was cultivated on 70,600 hectares during the Kharif season in Raichur district, with an expected production of nearly 5 lakh tonnes, at an average yield of 28 quintals an acre. Last season, APMC registered the arrival of 2.68 lakh tonnes of paddy. This season, it expects to receive about 70 per cent of the paddy cultivated in the district and neighbouring districts in Andhra Pradesh. So far, it has received 50,000 tonnes of paddy and is expected to get over 3 lakh tonnes before the end of the season in January.

Date: 10/12/2010 URL: <http://www.thehindu.com/2010/12/10/stories/2010121060930700.htm>

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**New Indo-Israeli centre of agricultural excellence launched**



**NEW VISTAS: Israeli Ambassador to India Mark Sofer harvesting cucumber at the new Indo-Israeli joint agricultural farm near Bassi in Jaipur district of Rajasthan on Thursday to mark the**



**launch of the centre of excellence in agriculture. Also seen is Rajasthan Chief Secretary S. Ahmed.**

BASSI (JAIPUR): Israeli Ambassador to India Mark Sofer on Thursday said given a chance to stay on in Delhi longer by his country he would like to make more visits to Ajmer Dargah, the mausoleum of Sufi Saint Khwaja Moinuddin Chishti in Rajasthan's Ajmer town. Mr. Sofer had made history of sorts and earned all-round goodwill by visiting the hallowed shrine in the first week of September this year, being the first Jew to do so.

“It was a moving experience. A beautiful occasion,” said Mr. Sofer, who was in this small town some 35 km from Jaipur city along National Highway-11 on Thursday to launch a new Indo-Israeli centre of agricultural excellence.

Rajasthan Chief Secretary S. Ahmed and senior officials of the Israeli Embassy including Avri Bar Zur, Counsellor, International Cooperation, and Moshe Goren, Director, Ministry for Agriculture and Rural Development for International Agricultural Development Cooperation (CINADCO), were present. The State of Rajasthan and Israel have joined together to improve the lot of farmers through technical upgradation in farming and optimal use of scarce water.

Mr. Sofer visited the Ajmer Dargah on September 3 and interacted with the “khadims” at the shrine and joined the “roza iftar” there. “Israel respects Islam and loves Muslims,” Mr. Sofer said on the occasion. “Sufism is the only tool which could retain peace and harmony in the world,” he noted.

Interacting briefly with the media during the visit to the experimental farm where seven-foot-tall olive trees swayed in the mild wind and a thousand flowers bloomed under the green canopy, Mr. Sofer was equally emphatic about what he did -- and what that act could do for world peace -- during his previous visit to Rajasthan. “We are sons and daughters of Abraham. Islam, Judaism and Christianity are the offshoots of the same faith. We are cousins,” Mr. Sofer said.

“It was very natural (for him to visit the Ajmer Dargah). Completely natural. It was also natural that the Islamic community there opened their doors. I am grateful to them for that,” Mr. Sofer said.

The Ambassador, a career diplomat who studied at London School of Economics, said his

gesture was also taken kindly by the people back home. "It was taken very positively there (in Israel). I said there what I said here," he observed.

"We are not in any type of conflict with Islam in West Asia," Mr. Sofer said emphasizing that it was wrong to involve religions in disputes between the nations.

Date:10/12/2010 URL: <http://www.thehindu.com/2010/12/10/stories/2010121052580300.htm>

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### **Expedite enumeration of crop loss, administration told**

Staff Reporter

*Rain shatters hopes of farmers who are anticipating bumper crop*

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*Dharmana Prasada Rao asks Collector to depute teams to all affected mandals*

*Yerrannaidu asks State to reschedule farm loans*

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— Photo: Basheer

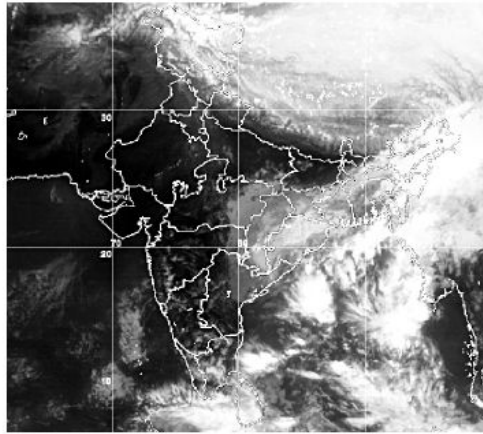


**Last-ditch effort: A farmer spraying pesticide on damaged paddy crop at Killipalem in Srikakulam district on Thursday.**

**SRIKAKULAM:** The State government has asked the district administration to complete the enumeration of crop loss in the district so that relief measures can be taken up immediately for

providing relief to farmers, who had lost their crops due to incessant rains in the district.

It was estimated that about 2.6 lakh tonnes of paddy was badly damaged due to heavy rains in the last couple of days. Initially, many farmers were happy anticipating the bumper crop but the rains shattered their hopes. Apart from paddy, other crops were also damaged in many mandals which had received more than 10 cm rainfall in the last couple of days. R and B Minister Dharmana Prasada Rao advised district Collector N. Srikanth to send the teams immediately to all the mandals for the verification of crop loss in the respective areas. Srikakulam MP Killi Kruparani urged the administration to take up relief measures immediately to instil the confidence among the distressed farmers. "The district has never witnessed such huge loss. I request all the officials to complete the assessment of the damage and enable the farmers to get relief within no time," said Mrs. Kruparani. Meanwhile, former MP Kinjarapu Yerranna visited several areas to know the actual loss. He asked the government to reschedule the loans immediately as farmers were completely in debt trap with the unexpected loss due to the nature's fury.

WEATHER						
<b>ANDHRA PRADESH</b>						
Anantapur	30 19	0 219				
Aroyavaram	27 19	0 315				
Bapatla	25 22	1 502				
Calingapatnam	26 21	6 762				
Gannavaram	26 22	3 410				
Hyderabad AP	24 20	tr 113				
Kakinada	27 24	12 875				
Khammam	29 14	7 222				
Kavali	25 22	tr 869				
Kumool	25 20	0 102				
Mahabubnagar	25 19	0 61				
Machilipatnam	25 23	tr 770				
Nandyal	26 20	0 166				
Narasapur	28 24	3 633				
Nellore	27 22	0 847				
Nizamabad	25 20	0 117				
Ongole	25 22	1 469				
Ramagundam	24 21	5 163				
Tirupathi AP	31 22	0 507				
Tuni	25 22	56 599				
Vizag AP	26 23	32 775				
Vizag	26 23	47 938				
<b>KARNATAKA</b>						
Agumbe	29 17	0 743				
Bangalore AP	32 18	0 250				
Bangalore	29 19	0 288				
Belgaum AP	28 17	0 179				
Bellary	30 20	0 220				
Bijapur	29 19	0 166				
Chitradurga	29 19	0 425				
Chintamani	26 15	0 238				
Gadag	29 20	0 250				
Gulbarga	30 18	0 139				
Honavar	34 22	0 531				
Karwar	35 24	0 704				
Madikeri	24 13	0 461				
Mangalore AP	32 22	0 748				
Mysore	29 19	0 328				
						
INSAT PICTURES AT 11-30 hrs. Observations recorded at 9-30 a.m. on Dec. 09.						
Mandya	30 17	0 269				
Panambur	32 23	0 647				
Raichur	26 15	0 45				
Shirali	34 22	0 399				
<b>KERALA</b>		<b>TAMIL NADU</b>				
Alappuzha	29 23	21 821	Adiramapattinam	31 23	1 747	
Kannur	33 22	0 782	Coimbatore AP	30 21	0 422	
Kochi AP	29 24	0 1077	Coonoor	22 12	0 757	
Kottayam	26 22	49 1037	Cuddalore	31 23	0 1072	
Kozhikode	33 23	0 720	Chennai AP	31 24	0 643	
Punalur	28 22	54 1196	Chennai	31 24	0 713	
Thiruvanantha			Dharmapuri	29 21	0 500	
				<b>LAKSHADWEEP</b>		
				Amini Divi	33 23	0 420
				Minicoy	32 24	2 408
				Kavarathi	33 24	0 375
				<b>OTHER STATIONS</b>		
				Kolkata (Alipore)	23 19	16 108
				Mumbai	32 21	0 177
				New Delhi	23 9	0 33
				The columns show maximum and minimum temperature in Celsius, rainfall during last 24 hours (trace) and total rainfall in mm since October 01, 2010.		
				<b>Monsoon vigorous in south T.N.</b>		
				CHENNAI: Northeast monsoon has been vigorous over south Tamil Nadu. Rainfall occurred at many places over		
				south Tamil Nadu and coastal Andhra Pradesh and at a few places over Kerala. Isolated rainfall occurred over north Tamil Nadu and Telangan		
				Mainly dry weather prevailed over coastal Karnataka. Lakshadweep at dry weather prevailed over interior Karnataka and Rayalaseema.		
				The following stations recorded very heavy-to-heavy rainfall in centimetre		
				Kuzhithurai (Kanyakumari dt.) 1		
				Elamanchili (Visakhapatnam dt.) 1		
				Mybadu (Kanyakumari dt.) and Arakkonam (Tiruvannamalai dt.) 9 each and Nagercoil (Kanyakumari dt.) 8.		
				The other chief amounts of rainfall recorded in centimetres are: Tirunelveli 10, Erode 10, Pechiparai 10, Thuckalay (all Kanyakumari dt.), Kanyakumari and Peraiyur (Madurai dt.) each. Minimum temperature rose one or two places over coastal Andhra Pradesh, Karnataka, north coastal Tamil Nadu, fell appreciably at one or two places over north Kerala and changed little elsewhere in the region.		
				Adilabad recorded the lowest minimum temperature of 12 degree Celsius in the plains of the region.		
				<b>FORECAST (Valid till Saturday morning):</b> Rain or thundershowers would occur at many places over north coastal Andhra Pradesh and at a few places over Tamil Nadu, Puducherry, Kerala, Lakshadweep, south coastal Andhra Pradesh, Rayalaseema, coastal and south interior Karnataka.		
				Isolated rain or thundershowers may occur over north interior Karnataka and Telangan.		



**Press Trust Of India**

New Delhi, December 09, 2010

First Published: 12:18 IST(9/12/2010)

Last Updated: 12:36 IST(9/12/2010)

### **Food inflation at 8.69 %**

A week after declining to an 18-months low, food inflation rose again, albeit marginally, to 8.69 % for the week ended November 27 on back of rise in prices of rice, onions, fruits and milk.

Food inflation in the previous week stood at 8.60 %, which was the lowest since May last year.

The upward trend in food inflation also marked a break of seven consecutive weeks of fall in food prices.

Food inflation during the corresponding week of last year was 20.24 %.

During the week under review, rice became costlier by 1.60 % on an annual basis, according to the government data released on Thursday.

Cereals overall also became dearer by 0.66 %, while food items like egg, meat and fish rose by 16.16 % year-on-year.

In vegetables segment, onions were expensive by 25.48 %.

On a year-on-year basis, fruits and milk became costlier by 18.31 % and 17.76 % respectively.

However, wheat prices went down by 3 % on an annual basis.

While pulses fell by 10.91 %, vegetables became cheaper by 3.42 % largely aided by a sharp dip in potato prices that came down by as much as 45.40 % on an annual basis.

The sudden rise in food inflation, after a record fall, is likely to be a cause of worry for the government which was looking at a decline in the overall inflation to 6 per cent by March next year. Overall inflation, which also takes account of manufactured goods, primary articles and fuels, was 8.58 per cent in October. The data for November is expected next week. Chief

Economic Advisor Kaushik Basu earlier this week said that overall inflation is likely to decline to around 7.5 per cent in November.

<http://www.hindustantimes.com/StoryPage/Print/636260.aspx>

## Weather

Chennai - INDIA

### Today's Weather



Cloudy

Friday, Dec 10

Max Min

33.1° | 24.1°

Rain: trace

Sunrise: 6:19

Humidity: 89%

Sunset: 17:42

Wind: Normal

Barometer: 1008.0

### Tomorrow's Forecast



Rainy

Saturday, Dec 11

Max Min

30° | 23°

### Extended Forecast for a week

Sunday Dec 12	Monday Dec 13	Tuesday Dec 14	Wednesday Dec 15	Thursday Dec 16
29°   24°	27°   24°	26°   23°	25°   22°	26°   22°
Rainy	Rainy	Rainy	Cloudy	Partly Cloudy

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DECCAN  
**Chronicle** *On The Web*

Published on Deccan Chronicle (<http://www.deccanchronicle.com>)

## **Food inflation rises to 8.69%**

Dec 10 2010

Dec. 9: A week after declining to an 18-month low, food inflation rose again, albeit marginally, to 8.69 per cent for the week ended November 27 on back of rise in prices of rice, onions, fruits and milk.

Food inflation in the previous week stood at 8.60 per cent, which was the lowest since May last year. The upward trend in food inflation also marked a break of seven consecutive weeks of fall in food prices. Food inflation during the corresponding week of last year was 20.24 per cent.

During the week under review, rice became costlier by 1.60 per cent on an annual basis, according to the government data released on Thursday. Cereals overall also became dearer by 0.66 per cent, while food items like egg, meat and fish rose by 16.16 per cent year-on-year. In the vegetables segment, onions were expensive by 25.48 per cent. On a year-on-year basis, fruits and milk became costlier by 18.31 per cent and 17.76 per cent, respectively.

However, wheat prices went down by 3 per cent on an annual basis. While pulses fell by 10.91 per cent, vegetables became cheaper by 3.42 per cent largely aided by a sharp dip in potato prices that came down by as much as 45.40 per cent on an annual basis. — PTI

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### **Source URL:**

<http://www.deccanchronicle.com/business/food-inflation-rises-869-544>

**THE ECONOMIC TIMES**

Fri, Dec 10, 2010 | Updated 10.53AM IST

9 Dec, 2010, 02.15PM IST,REUTERS

## **Oilseeds, soyoil up on demand; eyes USDA data**

MUMBAI: Indian oilseeds and soyoil futures edged higher on Thursday afternoon due to a jump in November oilmeal exports and on hopes that demand for edible oil will improve in the ongoing wedding season, analysts said.

India's oilmeal exports in November jumped 42 percent from a year earlier, for the fifth straight month, on robust demand from traditional buyers in China, Japan and Vietnam, data from a leading trade body showed.

At 1:20 p.m., U.S. soy futures were down 0.6 percent at \$12.88-¼ per bushel, while Malaysian crude palm futures rose 0.89 percent to 3,626 ringgits per tonne.

"The market is waiting for the USDA data. It may trim production and ending stock projection and may raise export forecast," said Veeresh Hiremath, senior analyst with Karvy Comtrade.

The U.S. Department of Agriculture report, due on Friday, is forecast to show that U.S. corn supply will fall to a 15-year low for the 2010-11 marketing year on increased exports and demand for ethanol use, according to a Reuters poll of analysts. Chinese demand should also cut U.S. inventories for soybeans.

January soyoil futures on India's National Commodity and Derivatives Exchange (NCDEX) were 0.78 percent higher at 604.5 rupees per 10 kg.

The January soybean futures contract was 0.52 percent higher at 2,305 rupees per 100 kg.

In the Indore spot market, soybean rose by 5 rupees to 2,193 rupees per 100 kg, while soyoil edged up by 2.35 rupees to 576.15 rupees.

Rapeseed for January delivery edged up 0.48 percent to 586.8 rupees per 20 kg.

In the Jaipur spot market in Rajasthan, the country's top rapeseed producing state, the price edged down by 0.4 rupee to 574.45 rupees per 20 kg.

A likely rise in rapeseed acreage due to higher prices and bountiful monsoon rains weighed on the prices, analysts said.

### **Food inflation up to 8.69 pc, experts say minor blip**

PTI, Dec 9, 2010, 03.41pm IST

NEW DELHI: Snapping a seven week declining trend, food inflation went up marginally to 8.69 per cent for the week ended November 27, as experts exuded confidence the mild rise will not impact an overall downward trend.

Economists, however, feared a steeper inflationary pressures due to rising global commodity prices, particularly oil.

The marginal rise in food inflation is due to increase in prices of onions, fruits and milk.

Food inflation for the previous week ended November 20 was 8.60 per cent, which was the lowest since May 2009.

However, food inflation still looks under control if compared with the over 20 per cent during the corresponding week of last year.

The government says it is optimistic of containing food prices, an issue that haunted it for much of the year due to its spiralling nature.

Finance Minister Pranab Mukherjee, during the consultative committee meeting of his ministry, maintained the government has taken several fiscal and administrative measures to contain the



price rise and continues to be vigilant on the price front.

He termed as "silver lining" the decline of overall food inflation during the October to 9.97 per cent.

"...with normal rainfall, the kharif production is now expected to rise by over 10 per cent year on year for food grains and even higher for cash crops such as cotton and sugarcane," Mukherjee said.

Economists said the marginal rise of 0.09 percentage points for week ended November 27 is not of much concern and that minor ups and downs are part of the overall trend in food prices.

"Statistically speaking, it is not a reversal of the downward trend. The downward trend will continue and we think it will also aid in reducing the overall inflation to around 5.5-6 per cent by March 2011," Principal Economist of "Deloitte in India" Shanto Ghosh said.

He said international oil prices, impacted by a severe winter in Europe, may affect overall inflation for the year more than food.

Freezing temperatures in Europe helped push oil prices above USD 89 a barrel in Asian trade today.

However, in India fuel and power prices did not show any change during the week ended November 27.

On a weekly basis, prices of all items moved in a narrow range, except onions which became dearer by around 5 per cent.

Axis Bank's Senior Vice President Saugata Bhattacharya attributed this to damage of onions crop in Maharashtra due to unseasonal rains.

# Business Standard

Friday, Dec 10, 2010

**Grapes arrival starts in Nashik**

**Tushar Pawar / Nashik December 10, 2010, 0:39 IST**

The grape season has begun with the arrival of grapes in Nashik. The proportion of grapes arrival is very low i.e 25 per cent only as compared to the grapes arrival during the same period last year.

“On Thursday (December 9, 2010), the grapes were sold at Rs 45 a kg at Nashik Agriculture Produce Market Committee (APMC). The regular arrival of grapes in Nashik markets is expected by January 15, 2011.

Last year, the arrival of grapes had begun on October 15 in Nashik APMC, with wholesale rate of Rs 43 per kg. This year, arrival of grapes has delayed due to unseasonal rains that had badly affected vineyards in Nashik district in last couple of months.

Om Jay Mata Dee, a fruit trading company, bought 1,500 quintals of grapes on Thursday from the grape-growers at Rs 45 a kg.

“The grape season has begun for the last couple of weeks, but grapes are available with a very low quantity. Grapes are sweet and sour in taste and contain low proportion of sugar. The regular arrival of grapes is expected to begin by January 15, 2011,” Bapu Pingle of Om Jay Mata Dee told Business Standard.

THE HINDU  
**Business Line**

Business Daily from THE HINDU group of publications

Friday, December 10, 2010

**Date:10/12/2010 URL:**

**<http://www.thehindubusinessline.com/2010/12/10/stories/2010121053931600.htm>**

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**Back Food inflation rises marginally to 8.69%**

Our Bureau

New Delhi, Dec. 9

Bucking a seven-week declining trend, food inflation, based on the annual Wholesale Price Index, surged 8.69 per cent for the week ended November 27, higher than the 8.60 per cent rise in the previous week.

The rise in food inflation was due to an increase in prices of products such as onions, fruits and milk. Fuel inflation did not show any change during the week ended November 27, Ministry of Commerce and Industry data showed Thursday.

During the latest reported week, onions surged nearly 26 per cent, coming on top of a 15 per cent increase seen in the corresponding week last year. This could be in part due to damage of the onion crop in Maharashtra due to unseasonal rains. While staples such as wheat declined 3 per cent from a year, milk rose 18 per cent and eggs, meat and fish prices rose 17 per cent.

On a weekly basis, inflation in most items moved in a narrow range, except onions, which surged by around 5 per cent. The food index rose 0.4 per cent on a sequential basis as eggs, meat, fish also surged. Despite the blip during the latest week, analysts forecast that the downward trend will continue and that the headline inflation rate should settle in around 5.5-6 per cent by March 2011. However, global oil prices, impacted by a severe winter in Europe, could put pressure on the overall inflation rate for the year in the coming months.

Economists also expect the downtrend in food inflation to ease pressure on the Reserve Bank of India, which has raised key policy rates six times in 2010 to keep prices under control.

**Date:10/12/2010 URL:**

**<http://www.thehindubusinessline.com/2010/12/10/stories/2010121051800900.htm>**

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## Back Farming awaits technology thrust

S. CHANDRAMOHAN

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*Farm exports will pick up if there are cold chains to reduce wastage, better warehousing facilities, improved food hygiene and an increased area under contract farming.*

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Technology is important for extended storage of fruits and vegetables to render them conducive for further processing.

Indian agriculture is full of paradoxes. While it has the largest irrigated land in the world, ranks second in terms of arable land, and is the largest producer of milk, tea and pulses, rice and wheat, it still lags behind in terms of agricultural exports.

While India's share of exports in world production is nearly 10 per cent in fruits and 14 per cent in vegetables, and it produces more than 50 per cent of the world's mangoes and 20 per cent of the world's bananas, its share in world exports of fruits and vegetables is hardly 1 per cent. A modernisation impetus can transform this scenario.

### PRODUCTIVITY ISSUES

India wastes more fruits and vegetables than are consumed in the UK. The yield for most of the key agricultural products today is 20-40 per cent of the world's best levels.

Productivity of pepper in Kerala is 320 kg per hectare, while Vietnam, a smaller country than India, produces 1.2 tonnes per hectare. Similarly, India's coffee productivity is 765 kg per hectare, while Vietnam produces 1.7 tonnes per hectare. While India leads with its annual milk production of 100 million tonnes, an estimated 75 million women are involved in growing or collecting fodder and feed essential for the dairy animals to produce milk. In contrast, one lakh farmers are involved in producing 70 million tonnes of milk in the US.

This does not mean that the 75 million women are to be displaced. We must improve productivity and profitability of the land, through labour diversification and small automation, and not labour displacement.

### TACKLING WASTAGE

After fruits and vegetables are harvested, the produce is kept out in the sun in baskets or in open piles where it deteriorates rapidly. Much of it becomes inedible within a day or two of harvesting.

The produce is handled roughly. It is piled into large cane baskets or onto truck beds without cushioning and transported in open trucks that leave it exposed to temperatures often exceeding 40 degrees Celsius. This is best tackled by increasing investment in cold chains.

### VALUE-ADDITION

Majority of the food units are engaged in primary processing. The production base of secondary and tertiary processed foods is low, resulting in low value-addition. This scenario has to change.

Most of the processing in India is currently manual. There is limited use of technology like pre-cooling facilities for vegetables, controlled atmospheric storage and irradiation facilities.

Technology is important for extended storage of fruits and vegetables, rendering them conducive for further processing. While all farm units may not be able to take advantage of scale economies, India's diversity should be used to make it the "organic food hub", the "vegetarian food hub", the "sea food hub" among others.

Food chain clusters should be formed with the participation of all stakeholders such as farmers, seed growers, merchants, transporters, wholesalers, retailers, financial institutions and

insurance companies. Information-sharing is essential for generating efficiencies. We need to identify our niche strengths and develop brands for those specific products. There are certain product categories where India has already made a mark, such as marine products, Indian ethnic products, honey, specific tropical fruits and their products.

Food standards are expected to acquire greater importance, given the increasing concerns on food safety against the backdrop of diseases such as bird flu. The capacity of India to penetrate world markets depends on its ability to meet increasingly stringent food safety standards imposed by developed countries.

## THE ROAD AHEAD

Prof. M.S. Swaminathan has been repeatedly saying that at least one woman and male member of every panchayat should be trained as knowledge managers. The gram panchayat should be fully involved in providing policy oversight at the village level.

The Government should make use of its own machinery as well as various academies like the Jamsetji Tata National Virtual Academy for Rural Prosperity to train people. In addition, the following approaches can be pursued:

Engage direct manufacturer–farmer linkage. Contract/cluster farming has to be extended. Agriculture universities have to be fruitfully engaged for this purpose;

Encourage value -addition through incentives;

More incentives for infrastructure for packing, cold storages, refrigerated transport systems;

Warehousing facilities have to be significantly improved upon;

A one-time amendment of basic food law and standards integrating all existing regulations into one, clearly spelling out responsibilities and definite direction for future amendments;

Increase production of oilseeds and pulses: It is heartening to note that during this year, the Government increased MSP of oilseeds and pulses relative to rice and wheat

Supply of quality seeds

Improvement in pulses acreage

With the prospect of more floods in North India, rice varieties with genes for submergence tolerance must be introduced. Genes responsible for drought tolerance have been identified. Of course, environmental impact and food safety aspects have to be taken into account.

More use of FM radio, TV and the cellphones to communicate to the farmers the new variety of crops, introduction of new seeds, and weather information, in addition to the market price.

Usage of implements such as rotovator, laser leveller, combined harvesters, in addition to tractor, for productivity improvement must be looked into.

(The author is CFO, TAFE.)

Date:10/12/2010 URL:

<http://www.thehindubusinessline.com/2010/12/10/stories/2010121053541800.htm>

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### Back Hybrid cottonseed production turns unviable despite soaring kapas prices

*Lower returns, high labour requirement deter farmers.*

Costing of Bt cotton hybrid seeds				
	(Rs/packet of 570 gm)			
	Kharif 2009		Kharif 2010	
	Bt-1	Bt-2	Bt-1	Bt-2
1 Sale price (MRP)	650.00	750.00	650.00	750.00
Less trade distribution cost (21.5%)	139.75	161.25	139.75	161.25
<b>2 Net realisable value</b>	<b>510.25</b>	<b>588.75</b>	<b>510.25</b>	<b>588.75</b>
3 Seed procurement cost (450 gm)*	193.22	195.22	212.68	214.68
4 Seed procurement cost (120 gm)*	49.44	49.44	54.17	54.17
5 Marketing & after-sales service	27.00	27.00	29.00	29.00
6 Financial & Administration cost	77.34	77.34	85.00	85.00
7 Research cost	81.50	86.50	89.65	95.15
<b>8 Total cost (3+4+5+6+7)</b>	<b>428.50</b>	<b>435.50</b>	<b>470.50</b>	<b>478.00</b>
9 Trait fee & applicable taxes	156.00	263.00	156.00	263.00
<b>Net Income to seed firm (2-8-9)</b>	<b>-74.25</b>	<b>-109.75</b>	<b>-116.25</b>	<b>-152.25</b>

\*Includes costs of processing, treatment, supervision/quality control and packaging.  
Source: NSAI.

Harish Damodaran

New Delhi, Dec. 9

High kapas prices ought to please seed companies, given the increased derived demand for their product from farmers wanting to plant more area.

But far from being so, the industry is actually worried about the current Rs 4,000/quintal-plus rates for kapas, which, it believes, makes it less attractive for farmers to take up hybrid seed production.

At Rs 4,000 a quintal and a yield of 12-13 quintals an acre, a farmer growing kapas would gross revenues of Rs 50,000. As against this, he would spend only Rs 15,000, which leaves a net return of Rs 35,000 an acre.

On the other hand, a hybrid cottonseed grower would produce 2-2.5 quintals an acre, for which he is paid Rs 40,000 a quintal by the seed company.

The gross revenue here works out higher at Rs 80,000-100,000. But then, the expenses are also corresponding more, at Rs 65,000 or so, thereby generating a profit of Rs 25,000-30,000 an acre.

“Today, it makes less economical sense for a farmer to produce seed-cotton. Cultivating normal kapas is more attractive because he does not have to bother about organising labour, except for picking operations,” noted Dr M. Ramasami, Managing Director of the Attur (Tamil Nadu)-based Rasi Seeds Pvt Ltd.

#### Labour intensive

Hybrid seeds production is a highly labour-intensive affair, where the male part of a flower is removed one day and the resultant female parent manually pollinated with the pollen of another flower the next day.

“In seed production, you require 8-10 labourers for every acre over 50-60 days, which adds up to roughly 450 man-days or Rs 50,000 at a Rs 100-120 wage rate. Besides, the farmer would have to incur another Rs 15,000 towards other regular expenses,” said M. Harish Reddy, MD, Ganga Kaveri Seeds Ltd.



According to him, farmers are not inclined to take up seed production unless they receive at least 50 per cent more than what get from ordinary crop production. "It is only the more progressive growers who opt for seed production and they expect to be compensated for the extra labour and quality standards to be maintained in this case," Mr Reddy pointed out.

#### Pricing limits

According to Dr Ramasami, cotton seed-growers should ideally realise about Rs 60,000 a quintal for their produce.

But the industry is unable to pay more than the existing Rs 40,000, in view of the pricing controls imposed by State Governments on their product.

Most States have fixed a maximum retail price (MRP) of Rs 650 on every packet of Bt cotton-seeds incorporating the first generation (Bt-1) trait belonging to Monsanto.

The MRP is pegged at Rs 750 for seeds that bear the US life sciences major's dual-gene or Bt-2 technology. Each packet to be sold contains 450 grams of Bt cotton-seeds and 120 grams of non-Bt seeds.

"Even at the present rates being paid to seed-farmers, the industry is losing money (see Table). If the situation continues, seed production would become totally unviable, which could affect future plantings by farmers," claimed Dr N.K. Dadlani, Director of the National Seed Association of India (NSAI).

For 2010-11, the demand for Bt cotton seeds was estimated at 3.2-3.5 crore packets, which could go up further with the bullish trend in kapas prices.

**Date:**10/12/2010 **URL:**

<http://www.thehindubusinessline.com/2010/12/10/stories/2010121051931700.htm>

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[Back](#) Cotton prices continue to decline on poor demand



M.R. Subramani

Rajkot, Dec. 9

Cotton prices that have been showing a downward trend continued to decline on Thursday on uncertainty over export prospects and lower demand.

In the Gondal Agricultural Produce Marketing Committee (APMC) yard, 35 km from here, the price of Shankar-6 raw cotton was quoted below Rs 900 a maund of 20 kg.

“Today, the Shankar-6 and related varieties dropped by Rs 7 a maund to Rs 898. Though the despatch to ginning units was the usual 40 lorry-loads (10 tonnes each), ginnerers quoted a low price, saying demand is low,” said Mr Jitubhai Patel, a trader at Gondal.

Arrivals in the Gondal APMC yard were around 40 lorry-loads. “We saw an at least 12 per cent drop in demand for cotton today,” said Kalpesh Posiya, a trader at the Dhoraji APMC yard.

“The poor quality of arrivals added to the downtrend,” he said.

In Mumbai, prices dropped Rs 600 for a candy of 356 kg to Rs 40,900 from Wednesday's price. A fall in prices in the global market is another reason for the downtrend.

“The trend could be downward from here on,” said Mr Jaishukhbhai Patel, another trader at the Gondal APMC yard. “There is uncertainty over exports with the December 15 deadline approaching,” he said.

The Centre had given its permission for the export of 55 lakh bales (170 kg each) from November 1 and gave a time-limit of 45 days for the shipments to be finished.

However, exporters have been unable to ship the permitted quota on account of the rains, the festival season and the non-availability of cotton.

Cotton production in the Saurashtra region is feared to be lower as unseasonal rain in November wreaked havoc on the plants, leading to boll in the affected plants.

“Not only have the flowers been affected, but heavy winds have felled plants,” said Mr Shyamjibhai Raiyani, a pesticide distributor-cum-farmer in Rajkot.

A meeting convened by the Centre on December 13 to take stock of the situation and consider extending the deadline for exports holds the key to further prospects in cotton.

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**<http://www.thehindubusinessline.com/2010/12/10/stories/2010121053531800.htm>**

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### **Back Soya gains on positive futures**

*Crushers reduce buying on weak demand for oil.*

Our Correspondent

Indore, Dec. 10

Both soyabean and soya oil gained a little higher on positive futures and strong local fundamentals. Soyabean prices in Indore mandis on Thursday quoted slightly higher at Rs 2,080-2,130 a quintal, while plant deliveries were quoted at Rs 2,190-2,205 a quintal.

Arrival of soyabean in Indore mandis on Thursday was recorded at 8,000 bags against 3 lakh bags at the State-level. Soyabean futures at the National Commodities and Derivative Exchange traded on positive note on fresh buying supported by bullish fundamental factors. Soyabean December contract at the NCDEX closed Rs 3 higher at Rs 2,235 per 100 kg, while its January contract closed Rs 4 higher at Rs 2,298 a quintal.

According to a soyabean trader Mr Mukesh Purohit, the demand for soyabean at plant-level continues to be weak. The reasons for weak demand are that, on one hand, plant operators have already stocked soya seeds in plenty and they are facing dearth of space to accommodate fresh stock, while the other reason for sluggish demand is that there is already large consignment of soya seeds lying at Kandla port in the absence of shipments.

Keeping this in mind, plant operators have slowed down fresh buying in soyabean as they feel soya seeds would be easily available because of higher yield and good carryover stocks lying with farmers. Hence, traders have ruled out an uptrend in soyabean in the near future unless there are major changes at the global level with regard to soya seeds' output.

However, release of the USAD report by the US on Friday may influence its prices to some extent, he added.

According to another soyabean trader Mr Sanjay Bansal, any major changes on soyabean prices are likely to be seen in January after the release of the inventory report of soyabean by Argentina, Brazil and the US, which is due in the first week of January.

#### Global cues

On the other hand, soya oil gained higher on Thursday on positive global cues wherein KLC closed + 4. Soya refined gained Rs 2 at Rs 548-552 for 10 kg, while in resale it was quoted at Rs 545. Similarly soya solvent also quoted Rs 3 higher at Rs 518 for 10 kg.

At the National Board of Trade also, soy oil for December contract after opening at Rs 580 closed little higher at Rs 580.50. Similarly, soya oil January contract at the NBOT after opening at Rs 602 closed Rs 2 higher at Rs 599.10 for 10 kg.

#### High import cost

According to traders, rise in foreign palm oil prices and high cost of import are the prime reasons for bullishness in domestic soya oil. In the past one month, soya oil prices have zoomed by Rs 23-25 per 10 kg. Soya oil prices on November 8 last month had been quoted at Rs 525 for 10 kg and on Thursday (December 9) prices were quoted at Rs 548-552, notwithstanding rise in domestic oil production at plant level.

Traders however, hope that with the onset of `malmaas' (inauspicious period) and end of marriage season from December 14 current, bullishness in soya oil may not continue following decline in its demand.

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<http://www.thehindubusinessline.com/2010/12/10/stories/2010121053491800.htm>

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## Back **Pepper futures fall on selling pressure**

G.K. Nair

Kochi, Dec 9

Pepper futures fell sharply at the closing hour after remaining steady much of the time of trading on bearish activities and selling pressure.

According to the bear operators, the market was “unnecessarily ruling high widening the gap between the futures delivery and the spot prices” and, therefore, it needed to coincide somewhere. Hence, the market was pulled down, market sources told Business Line.

Meanwhile, some 40–50 tonnes of farm grade pepper were reportedly traded at Rs 210–213 a kg and exporters bought it.

At the same time, there was selling of low bulk density pepper from the plains of north Malabar at Rs 205–207 a kg and this had added pressure to the market aiding bear operators to pull down the market. Both futures and spot markets fell.

There was good switching over and liquidation and the turnover had moved up significantly, they said.

December contract on NCDEX fell by Rs 425 to close at Rs 21,991 a quintal. January and February dropped by Rs 381 and Rs 441, respectively, to close at Rs 22,276 and Rs 22,438 a quintal.

Total turnover increased by 3,760 tonnes to 10,451 tonnes. Total open interest dropped by 508 tonnes to 14,644 tonnes.

December open interest fell by 1,305 tonnes. January went up by 810 tonnes showing good switching over while February declined by 13 tonnes.

Spot prices fell by Rs300 in tandem with the futures market trend and the selling pressure to close at Rs 20,700 (ungarbled) and Rs 21,200 (MG 1) a quintal.

Indian parity has dropped to \$5,050 a tonne (c&f) following the fall in the futures delivery price coupled with a weak rupee against the dollar and became competitive as Indonesia has quoted \$5,050 a tonne (fob) for L asta. Therefore, chances are there for some orders coming to India now, export sources said.

#### OVERSEAS TREND

An overseas report from the US said there was interest for FAQ material of 550 g/l at \$4,700 a tonne. But, according to it, Indonesian sellers were quoting \$4,825 a tonne (fob) or higher.

Prices quoted for black pepper of different origins per tonne in dollar c&f New York were: MG 1 500g/l faq – 4,900 fob; MG 1 asta – 5,175-5,300 ; Lampong asta – 4,950-5,000 fob; Lampong 550g/l – 4,825-4,875 fob; Lampong 500g/l – 4,750-4,800 fob; Brazil B asta – 5,000 – 5,050; (last quoted); Vietnam faq 500g/l – 4,675-4,875 fob; Vietnam faq 550g/l – 4,875-5,175 fob; Vietnam asta – 5,200-5,250; new crop Mar/Apr; Spot USA MLSVasta treated – 5,400 ex warehouse New York/New Jersey.

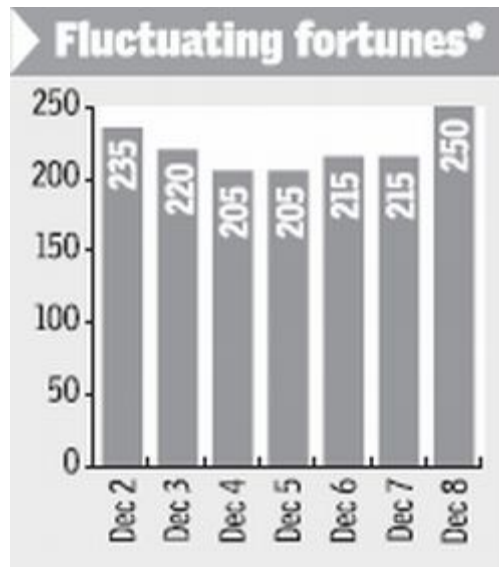
White pepper prices quoted per tonne in dollar c&f were Muntok 7,400 – 7,450; and Vietnam 7,425- 7,500.

**Date:10/12/2010 URL:**

**<http://www.thehindubusinessline.com/2010/12/10/stories/2010121051941700.htm>**

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**[Back](#) Poultry products hatch gains**



Gayathri G.

Chennai, Dec. 9

The end of the year offers some cheer to poultry farmers.

Much fluctuation is being witnessed with egg prices, which touched a record high (2.90 a piece) in November and is ruling at a year's low in December (Rs 2.05 a piece).

Despite the austere Sabarimala season in the South, egg prices are ruling steady at the farm gate level, thanks to better offtake from the northern markets.

On Thursday, the Namakkal zone of the National Egg Coordination Committee raised the price by 35 paise to Rs 2.50 an egg.

Last Friday, the committee had slashed the price by 40 paise to Rs 2.05. Namakkal egg prices are seen as the benchmark in the country.

The hike is surprising considering the onset of Sabarimala season (when consumption of poultry products is low in the South) that extends till January 15.

“The reason for the cut in prices earlier this week was to prevent the accumulation of stocks.

“Although there is good demand from the North, we could not move the eggs because of incessant rains. So, we lowered the prices to perk up consumption here.

“Now that the rains have stopped and the festive season of Christmas is setting in, we have increased the prices on better demand,” said Mr P. Selvaraj, Chairman, NECC's Namakkal zone.

The Palladam-based Broiler Coordination Committee has increased the wholesale price of live-birds to Rs 43 a kg from last week's Rs 37.

NECC's layer rates (for birds of 1.3 kg) too have gone up this week to Rs 34 from Rs 27 a kg last week.

Meanwhile, Sri Lanka's decision to import up to 2,000 tonnes of chicken from India to meet shortages ahead of Christmas holiday season, too has come as a boost to the trade.

Reports said that the Sri Lankan Government was placing an order for 500 tonnes with the balance to be imported before the holiday season. Sri Lanka produces about 9,800 tonnes a month but there is a demand-supply gap of a million one-day old chicks.

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**<http://www.thehindubusinessline.com/2010/12/10/stories/2010121052221900.htm>**

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**Back Traders bemoan poor quality of onion**

L N Revathy

Coimbatore, Dec. 9

Trade sources at the “Trichy Vengaaya Varthaga Mandi” have expressed concern about the quality of the onions arriving at the market place.

The recent rains that lashed the Cauvery delta region is said to have caused extensive damage to the crop. “Farmers are harvesting the produce as they feel that the bulb, if left in water-logged conditions would decay in toto. The arrivals have dropped and the quality of the produce is not good at present,” the Joint Secretary of Trichy Vengaaya Varthaga Mandi, Mr A Nalluswamy,



told Business Line. The daily arrivals of small onions in Peramballur market (near Trichy) is said to be around 2,000 to 3,000 bags (of 75 kg each). "We source these sambar onions from in and around this belt and at least 15 per cent of the arrivals are exported to Malaysia, Sri Lanka and Singapore," Mr Nalluswamy said.

But, after the recent rains, the arrivals at the market place have dropped significantly and the quality of the produce also is "sub-standard," he said.

The rates are said to have dropped to around Rs 300-500 a bag of 50 kg each. "Some traders have stocked onion. The dry and good quality bulbs continue to quote between Rs 1,300-1500/bag, but these are being exported," he said.

This mandi also deals with big onions sourced mostly from upcountry markets. The daily arrivals according to trade sources, is about 20 loads (about 6,000 bags of 50 kg each). "The rate of these onions has also fallen, and most of the stock lying in the shops is in a state of decay,' the source said. Trade sources further said that the damage has been quite extensive this year compared to the last.

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**<http://www.thehindubusinessline.com/2010/12/10/stories/2010121051540500.htm>**

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### **Back Adani Wilmar enters branded rice market**

Ahmedabad, Dec .9Adani Wilmar Ltd (AWL), leading manufacturer and distributor of edible oils, on Monday announced its foray into the domestic branded rice market by launching the Pilaf Gold basmati rice in Gujarat .

As the provider of branded agri-commodities, with the new range of Pilaf Gold basmati rice, AWL aims to replicate the success story of its edible oils, the company said in a statement.

The product will soon be available across India in packs of 10 and 25 kg with an assortment of full grain, half grain and one-third grain rice.

AWL is already exporting basmati rice for the past two years and is now venturing into the domestic market.

Mr Amit Takkar, Associate Vice-President (Head, Rice Division), said consumers would be able to choose from an assortment of rice such as traditional basmati, Pusa basmati, 1121 basmati and Sharbati.

AWL has a dedicated domestic manufacturing unit at Karnal. In the first phase, it plans to reach out to key markets of Delhi, Mumbai, Chennai, Kolkata, Bangalore, Hyderabad, Ahmedabad and Pune. The Adanis are already working on developing new plants in Haryana and Punjab.

According to CRISIL's estimates, basmati rice exports from India will grow 15-20 per cent to around 3 million tonnes in 2011-12. The domestic consumption of basmati rice is also expected to grow at a rate of around 15 per cent per annum over the medium term.

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#### **Back Fresh retail demand pushes up sugar**

Mumbai, Dec. 9

Spot sugar prices at the Vashi market on Thursday continued to rise by Rs 20-25 a quintal, taking cues from the firm trend at the naka and mill delivery levels. In the absence of resale selling pressure, supply position depends on the mills, which kept the market sentiment high.

Mills are also quoting higher price on local, upcountry buying support. Naka and mill delivery rates rose by Rs 35-40 a quintal. Arrivals, compared to dispatches, were thin, as the market was closed on Wednesday, said a wholesale trader.

Fresh demand

Mr Jagdish Rawal, a wholesale trader, said sugar prices, after declining by more than Rs 80-90 a quintal in the first week of this month, recovered by Rs 30-40 at the spot level in the last two days. Naka and mill tender rates have gone up by Rs 50. Fresh demand from local retailers and outstation buyers have pushed up the prices. Buyers from the neighbouring State continue to cover from Maharashtra's mills.

On Wednesday evening, only 2-3 mills came up with tender offers. And owing to the bandh only 9,000-10,000 bags were traded — Rs 2,800-2,840 for S grade and Rs 2,860-2,900 for M grade.

On Thursday evening, the mills' tender rates were expected at Rs 2,800-2,840 for S grade and Rs 2,860-2,900 for M grade.

Total arrivals in the Vashi market were lower at 35-37 truckloads (each of 10 tonnes) and dispatches were about 58-60 trucks.

According to the Bombay Sugar Merchants Association, spot sugar rates for S grade were Rs 2,891-2,946 (Rs 2,870-2,931) and M grade, Rs 2,931-Rs 3,021 (Rs 2,915-3,011). Naka delivery rates for S grade were Rs 2,880-2,910 (Rs 2,850-2,890) and M grade, Rs 2,920-2,980 (Rs 2,900-2,950).

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**<http://www.thehindubusinessline.com/2010/12/10/stories/2010121051901700.htm>**

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### **Back Palmolein up on strong export queries**

Our Correspondent

Mumbai, Dec. 9

In the edible oil market on Thursday, palmolein and soyabean oil prices continue to rise forcing edible oil to follow, on taking cues from higher closing of Malaysian markets. Soya refined oil rose by Rs 4, palmolein by Rs 6, sunflower and rapeseed oil gain Rs 5 per 10 kg. Only in absence of fresh demand groundnut oil came down by Rs.10.

BMD CPO futures closed higher in line with the bounce back of soya oil and crude oil. CPO futures extend rally as traders cover short positions. Firm palm oil export demand from China and dwindling palm oil stocks will support the market, said analysts, tipping the market to stay above the MYR 3,600/tonne support level on expectations of a rise in December 1-10 exports.

In Mumbai market, volume was thin. Only 150-200 tonnes of edible oils were fresh traded. Stockists are concentrating on taking deliveries of their outstanding from refineries and keeping away from fresh buying, said market players. In Saurashtra, with more arrivals of seeds and

fresh demand from brand makers kept groundnut oil price steady. At Rajkot, groundnut oil prices were at Rs.1160 a tin and Rs.750 for a 10 kg.

Malaysia's BMD CPO futures closed higher at January 10, MYR 3,650 (3,635), February 11 closed at 3,598 (3,594) MYR. Indore NBOT soya oil futures December 10 was Rs 583 (Rs 580.20), January 11 was Rs 600 (Rs 597.10).

Mumbai commodity exchange spot rate (Rs/10 kg):

Groundnut oil 770 (780), soya refined oil 572 (568), sunflower exp. ref. 675 (670), sunflower ref. 725 (725), rapeseed ref. oil 615 (610), rapeseed expeller ref. 585 (580), cotton ref. oil 565 (565) and palmolein was 560 (554).

**Date:10/12/2010 URL:**

**<http://www.thehindubusinessline.com/2010/12/10/stories/2010121051911700.htm>**

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### Back Turmeric arrival, sales encouraging

Our Correspondent

Erode, Dec. 9

“We are having very limited stock of turmeric with us. We have sold 80 per cent of stocks and within the next few days we will bring all our stock. This year there would be no carry over of stock, as the present price is very attractive and remunerative for us,” said turmeric farmers at Erode on Thursday.

The turmeric price showed slight increase, but the arrival and sales on Thursday is encouraging, said traders. The price increased by Rs 100-150 a quintal.

In Erode Turmeric Merchants Association Sales Yard, finger variety was sold at Rs 9,661 to Rs 16,169 a quintal, root variety Rs 9,661 to Rs 16,135 a quintal. Out of the arrival of 1,482 bags, 712 bags were sold.

In Gobichettipalayam Agricultural Cooperative Marketing Society, finger variety was sold at Rs 15,926 to Rs 16,239 a quintal, root variety at Rs 15,955 to Rs 16,139 a quintal. All 88 bags that arrived were sold.

In the Erode Cooperative Marketing Society, the finger variety was sold at Rs 15,986 to Rs 16,289 a quintal, the root variety at Rs 15,991 to Rs 16,210 a quintal. All the 166 bags meant for sale were sold.

In the Regulated Market Committee Finger, the variety was sold at Rs 15,899 to Rs 16,217 a quintal, root variety Rs 15,989 to Rs 16,335 a quintal. Out of the arrival of 567 bags, 528 were sold.

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**<http://www.thehindubusinessline.com/2010/12/10/stories/2010121051921700.htm>**

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**Back Tight supply lifts wheat; uptrend in flour**

Our Correspondent

Karnal, Dec. 9

Low availability of Tohfa variety, desi wheat, lifted prices by Rs 50 a quintal in the last two days whereas the Dara variety rose marginally, by Rs 5-10 a quintal at the Karnal grain market terminal. Because of low buying of Dara variety, prices ruling with low alterations.

On Thursday, prices of dara variety ruled at Rs 1,235-1,240 a quintal, while the prices at the retail outlets ruled around Rs 1,250 a quintal, the fine quality was quoted at Rs 1,260 a quintal.

Just around 140 quintals of dara variety were offloaded at the flour mills in Karnal on Thursday.

Mr Rajesh Kumar, Proprietor of DR Flour Mills, told Business Line that Food Corporation of India can re-release the wheat stock for the flour mills at the levels of around Rs 1,160. There is a talk going on with the Government regarding the prices and traders expect that a decision may come soon, he said.

Flour prices continued to witness an upward move, rose by Rs 10, and ruled at Rs 1,250 for a 90-kg bag.

The branded flour is reaping hefty margins at the retail market against the prices of local brands or open flour. Flour of big brands such as Lal Mahal was quoted at around Rs 1,480 a quintal, Shiv Brand around Rs 1,450 and Raj bhog at Rs 1,500. Chokar prices ruled firm and were quoted at Rs 600 for a 49-kg bag.

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**<http://www.thehindubusinessline.com/2010/12/10/stories/2010121053461800.htm>**

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### Back **Regulating wheat prices**

K.K. Mustafah



Solitary reaper:A farmer on his multi-crop wheat field at Kallatti near Udthagamandalam in Tamil Nadu. The farm gate price for wheat here is Rs 8 a kg. The Cabinet had cleared a Food Ministry proposal in October to sell 30 lakh tonnes of wheat to bulk users to cut surplus and rein in rising wheat prices.

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**<http://www.thehindubusinessline.com/2010/12/10/stories/2010121053451800.htm>**

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### Back **Spot rubber steady in dull market**

Aravindan

Kottayam, Dec. 9

Spot rubber finished steady on Thursday. According to observers, the market was inactive as there were no quantity buyers or sellers to set the trend.

Another weak closing in domestic futures kept the buyers on sidelines while sellers stayed back on supply fears. The transactions continued to be dull.

Sheet rubber closed flat at Rs 198 a kg both at Kottayam and Kochi, according to dealers and the Rubber Board.

The December series weakened to Rs 197.50 (Rs 198.22), January to Rs 200.30 (Rs 201.44), February to Rs 204.10 (Rs 205.27) and March to Rs 207.25 (Rs 208.38) a kg on National Multi Commodity Exchange (NMCE).

The volumes totalled 4,412 lots and open interest 6,581 lots. The turnover was Rs. 89.43 crore.

RSS 3 improved at its December futures to Rs 372.0 (Rs 200.21) from Rs 369.3 a kg during the day session but then remained inactive in the night session on the Tokyo Commodity Exchange.

The grade (spot) closed at Rs 205.64 (Rs 205.18) a kg at Bangkok. The per kg spot rubber rates are: RSS-4: Rs 198 (Rs 198.00), RSS-5: Rs 188 (Rs 188.00), Ungraded: Rs 183 (Rs 183.00), ISNR 20: Rs 191 (Rs 191.00) and Latex 60%: Rs 128 (Rs 128).

**Date:**10/12/2010 **URL:**

**<http://www.thehindubusinessline.com/2010/12/10/stories/2010121052161900.htm>**

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**[Back](#) AP millers to stop buying paddy from Dec 12**

Our Bureau

Kakinada, Dec 9

Rice millers in the coastal districts and Rayalaseema regions of the State have decided to stop purchase of paddy from farmers from December 12 in protest against certain decisions of the State Government such as collection of arrears of market cess from the millers. This comes as a blow to the farmers in the coastal districts who have already suffered huge crop loss due to two cyclones during November and December, especially in the two Godavari districts – Krishna and Guntur.

Mr A. Ramakrishna Reddy, the President of the AP Rice Millers' Association, said here on Thursday that a decision had been taken by the millers at a meeting here on Wednesday to the effect. He said it should not be construed as a strike by the millers as they did not want to hurt the farmers, but a form of protest as they were unable to buy paddy from the farmers in the present circumstances in view of the policies of the Government.

Market cess

Apart from the usual problems of the lack of storage space, the non-availability of rakes, and other issues, the State Government was compounding the problem by insisting on payment of market cess.

He said the cess should be waived and the State Government should also address the power problems faced by the small rice mills.

He said the Government should relax the procurement norms in view of the extensive damage to the paddy crop in the coastal districts and other parts of the State due to the recent cyclones. Otherwise, millers would not be able to buy paddy from farmers.

He wanted the State Government to resolve the issues and enable the millers to buy paddy from farmers.

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**<http://www.thehindubusinessline.com/2010/12/10/stories/2010121053501800.htm>**

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## Back Tea output falls 9.65% in Oct

P. S. Sundar

Coonoor, Dec. 9

India's tea production in October fell by 9.65 per cent over October 2009, reveals an analysis of the latest data available with the Tea Board and producers' organisations.

The country produced 120.74 million kg (mkg) against 133.64 mkg in October 2009, a decline of 12.90 mkg.

The bulk of the decline happened in North India where the output fell by 12.94 mkg to 99.24 mkg. In the South, there was a marginal increase of 36,000 kg to 21.50 mkg.

All the regions of the North posted lower production owing to adverse weather conditions. Assam, the country's largest tea-producing State, lost 10.54 mkg to 72.12 mkg. West Bengal posted a lower output in all its major tea growing districts — Darjeeling, Dooars and Terai. In all, the State lost 2.16 mkg to record an output of 25.46 mkg.

In the South, Tamil Nadu lost marginally to account for 14.43 mkg. Kerala gained marginally, to reach 6.41 mkg.

Cumulatively, in the 10 months, India's tea production fell by 2 per cent to 813.74 mkg. Production in the corresponding period of last year was 830.36 mkg — 16.62 mkg more.

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<http://www.thehindubusinessline.com/2010/12/10/stories/2010121053481800.htm>

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Back Court gives Centre 4 weeks to respond to rubber industries plea

C. J. Punnathara

Kochi Dec. 9

On an appeal filed by the natural rubber consuming industry, the Delhi High Court has directed the Government of India to respond within four weeks. This is the second petition filed by the consuming industries before the Court in the last six months.

The first petition was filed before the Delhi High Court in May this year, appealing for action to curb spiralling rubber prices, which at that point of time was 60 per cent higher than the year before at Rs 170 a kg.

As there was limited action by the Government and the prices of natural rubber had reached Rs 205 a kg in November, the user industry was forced to appeal to the court once again, Automotive Tyre Manufacturers Association (ATMA) said.

Spiralling prices of natural rubber is not the only issue hurting the industry. Compounding the problem is the anomaly of inverted duty structure in India, where tyres can be imported at 10 per cent duty, while natural rubber attracts 20 per cent import duty, ATMA highlighted. The association pointed out that the gap between production and consumption has been increasing, with the shortfall increasing to 100,000 tonnes this year.

All these factors prompted the rubber consuming industry associations consisting of the All India Rubber Industries Association, Indian Cycle Rickshaw Tyre Manufacturers Association and ATMA, to appeal to the court.

The Department of Commerce had decided that the advalorem tariff on imports should be restricted to 20 per cent or Rs 20, whichever is lower. The decision was conveyed to the Ministry of Finance for issuance of formal notification, ATMA pointed out.

Meanwhile, faced with spiralling natural rubber prices, which increased from Rs 170 to Rs 205, the consuming industry was constrained to file yet another appeal before the High Court.

“This is an unnatural situation that no other country in the world is facing — short on supplies and high on prices, high on speculation and inability to import. In the first half of the year, all of us in the industry have taken a huge beating on margins. This comes at a time when the entire tyre industry is putting up fresh investments and new technology to meet the needs of the

automotive segment. I am sure it is not possible for the Indian tyre industry to be globally competitive without legitimate Government support," Mr Neeraj Kanwar, Chairman of ATMA, said.

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