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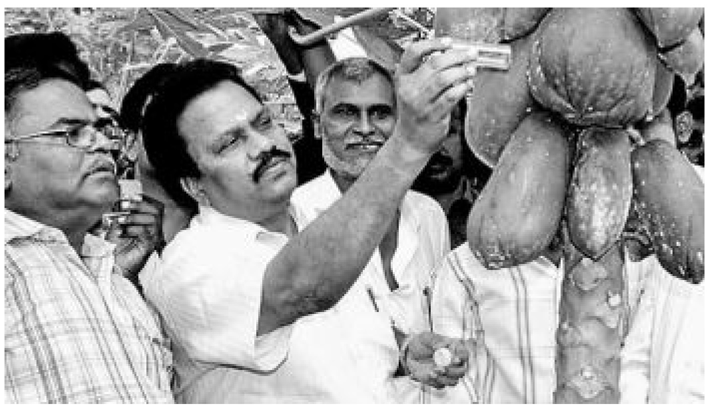
Parasitoids introduced in Theni district farm

Staff Reporter

To control papaya mealy bug infestation

— PHOTO: G. KARTHIKEYAN.



BOON:Collector P. Muthuveeran releasing parasitoids in a papaya farm at Thimmarasanaickanur in Andipatti on Wednesday.

THENI: Farmers raising papaya plants need not worry about mealy bug, a major destroyer of the plant, as agriculture officials introduced three imported parasitoids in a farm at Thimmarasanaickanur in Andipatti near here on Wednesday.

Releasing them , Collector P. Muthuveeran said that these parasitoids would biologically control papaya mealy bug infestation.

About 20 to 30 per cent of papaya farms in the district had been affected by the mealy bug, Paracoccus marginatus Williams and Granara de Willink, a small hemipteran invasive insect. It could not be controlled by pesticides, he added.

This bug was first noticed in Madurai, Dindigul, Sivaganga and Virudhunagar districts in July, 2009 and later spread to other districts.

The Collector stated that this technology would definitely be a boon to papaya growers.

Entomologists K. Suresh and B. Usha Rani said that symptoms of infestation were crinkling, cupping, drying and ultimately death of the infested plants. Heavy infestations would reduce the fruit marketability.

The Tamil Nadu Agricultural University, in collaboration with The National Bureau of Agriculturally Important Insects, Bangalore, had imported three species of parasitoids — Acerophagus Papaye, Pseudoleptomastix mexicana and Anagyrus loecki — from Costa Rica and Mexico for its biological control, they added.

Assistant Director of Horticulture A. Muthaiah said papaya had been grown on 500 hectares in the district. Mealy bug had affected some portion of all almost all farms. On the whole, 100 hectares could be affected.

The pest has a high reproductive potential especially during summer and the dense, waxy secretions around the body to protect the pest from adverse environmental conditions and pesticides.

Later, the Collector distributed parasitoids in culture tubes to six farmers in Andipatti block.

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No need to panic over rhizome rot: horticulture officials

S. Ramesh

Those who adopt best water management practices can get 25 to 30 quintals a hectare

— Photo: M.Govarthan

No major impact: The extent of damage caused by the rhizome rot in turmeric seemed to be negligible in Erode district.

ERODE: Turmeric cultivated in nearly 100 hectares in Erode district has been affected by rhizome rot.

Officials said turmeric had been cultivated in over 10,000 hectares this year and the extent of damage seemed to be negligible.

Many areas under turmeric cultivation were submerged in water due to rain in October and November and famers expressed concern that the disease might spread.

The disease affects the crop both under the ground and above it.

Leaves turn yellow from the tip to the periphery of leaf lamina. Gradually, the leaves dry up and drop. In the collar region of stems soaked in water, rhizomes turn brown and rotten resulting in death of the plant.

The disease was pronounced in a few areas in Gobichettipalayam block after the heavy rain.

Horticulture officials, however, said that only a few areas in the district were affected by the disease and there was no need to worry about a fall in the yield.

“Along with revenue officials and experts from Tamil Nadu Agricultural University, we took up a survey recently and found that only a few patches in Kodumudi, Modakurichi, Bhavani and Gobichettipalayam areas were affected by the disease.

The University had already given instructions to the farmers on how to manage the disease. We do not expect any major adverse impact of the disease on the turmeric crop," officials here say.

The average yield of turmeric in the district is 20 quintals a hectare.

"We expect a good yield this year too. Farmers who have adopted best pest and water management practices can get around 25 to 30 quintals a hectare," the officials said. Turmeric prices started showing an upward trend since November last year and touched an all time high of Rs. 16,678 a quintal in the Erode Regulated Market on November 29. This prompted farmers in the district to cultivate the crop in over 10,000 hectares this year. The new crop is expected to hit the market in mid January. The March-April period witnesses a peak and heavy arrival continues through June.

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Close cropping for high mango yield

Karthik Madhavan

Under the new scheme of NHM, the Horticulture Department will encourage farmers to reduce the spacing between saplings

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A boost:By adopting high density cultivation technique, farmers get to enjoy a few benefits like less dependence on labour and low cultivation cost.

COIMBATORE: Horticulture Department, Coimbatore, has embarked on a project to double mango production in the district.

Under the ‘High Density Mango Production' scheme of the National Horticulture Mission (NHM), the department will encourage farmers to reduce the spacing between saplings so as to increase the number of trees on a hectare, says M. Thangaraju, Deputy Director, Horticulture Department, Coimbatore.

The recommended space under the scheme is five metres as against the regular 10 m. And this means that the number of mango trees a hectare will go up from 100 to 400.

The NHM document says by adopting such a technique, the department will be able to see a jump in production from 4.55 tonnes to around nine tonnes a hectare.

In Tamil Nadu, over 1.18 lakh hectares are under mango and the yield is around 5.39 lakh tonnes.

The officer says that in adopting the high density cultivation technique, farmers get to enjoy a few benefits like less dependence on labour, reduced problem from weeds and low cultivation cost. And, as the farmers prune the trees every year they get to have healthy trees and mangoes.

The department has so far brought 80 hectares under mango in Anamalai, Annur, Karamadai, Kinathukadavu, Madukkarai, Periyanaickenpalayam, Pollachi North, Pollachi South, S.S. Kulam, Sulur, Sultanpet and Thondamuthur blocks.

Aside from encouraging the farmers, the department also provides subsidy and inputs to the farmers for three years. A farmer for every hectare of mango gets Rs.37,400 in subsidy spread over three years.

Those going in for the high density mango cultivation will also have to go in for drip irrigation. Here too the department offers subsidy – at 65 per cent a hectare subject to a maximum of four hectare a farmer.

Mr. Thangaraju says the favoured mango varieties are Alphonsa, Imam Pasand, Bengaloora and Chendoora.

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Onion prices

The rise in the prices of onion has been attributed to low yields due to unseasonal rains. It seems middlemen have exploited the situation to their benefit. They have hoarded huge quantities of onion and created an artificial demand-supply mismatch.

The government acts only when things go out of control. Was it waiting for the onion prices to hit the roof to take corrective action? Was it not aware that there was a shortfall of onion yields due to untimely rains in Maharashtra and that it would give hoarders a chance to exploit the situation?

Shisir Das,Kolkata

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With onion prices skyrocketing, the usual blame game among political parties has begun. By blaming the price rise on unseasonal rain or hoarding, the government cannot get away. It should improve storage facilities on a war footing.

Deendayal M. Lulla,Mumbai

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One wonders whether the government has a credible mechanism to assess in advance the supply and demand of essential commodities. The Nasik-based National Horticulture Research and Development Foundation had hinted about the likely price rise as early as May. People need to know what steps the government took to ward off the crisis.

Ramadhar,Patna

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Onion price falls in retail, wholesale markets

Staff Reporter

It follows announcement on ban on export

— Photo: V. Sreenivasa Murthy

SOME RELIEF:The fall in price of onion brought relief to people in Bangalore on Wednesday.

BANGALORE: The retail price of onion in Bangalore declined on Wednesday even as the slide of price of onions in the wholesale market continued for the second day after the Union Government announced a ban on export of onions.

The price slide in the wholesale market has had its effect in the retail segment as the price of onion hovered between Rs. 55 and Rs. 72 a kg in leading vegetable chains on Wednesday against a price of Rs. 65 to Rs. 85 on Tuesday. However, some neighbourhood onion vendors quoted Rs. 45 a kg.

HOPCOMS brought down the price to Rs. 72 on Wednesday from Rs. 78 on Tuesday. The economy grade is being sold at Rs. 55. Sources indicated that the price could further come down in the next few days.

The Horticulture Department has issued a direction to HOPCOMS not to hold any profit margin to reduce the burden on consumers.

However, onion was sold in markets in Basavanagudi, N.R. Colony and Basaveshwara Nagar at Rs. 35 a kg.

“These could be lower grade onions,” an executive of a leading vegetable chain said and added that the price in vegetable chains could take a day or two to come down as they had made bulk purchases at a higher price earlier.

Meanwhile, Dappa, the best quality onion, traded between Rs. 1,500 and Rs. 1,700 for a bag (50 kg) on Wednesday, was down by about 24 per cent since Tuesday. Medium grade onion traded between Rs. 1,000 and Rs. 1,200. The price of Gulti and Golta, the other two grades, also came down. “Trading volume came down on Wednesday in anticipation of further fall,” G.S. Karisiddappa, an onion trader in Yeshwanthpur APMC, told The Hindu. Buyers have put off their purchase plans, while sellers have also refrained from the market, he said. HOPCOMS has also reported a drop in sale of onion. The daily sales of onion that ranged between seven to eight tonnes have now dropped to four to five tonnes, said sources. Other vegetable chains too reported a drop in sale by about 20 per cent. This drop could be due to customers' anticipation of further fall in price.

The high price has prevented several neighbourhood shopkeepers from stocking onion. “It is too risky to buy onion at a high price and sell it keeping our margins,” Y. Niranjana, who owns a shop in Hanumanthnagar, said. Further, the quality of onion was also poor, he added.

Anger

In Hubli, angry over the sudden crash in price, farmers, who had brought onion to the market expecting a good price, blocked the old national highway between Hubli and Dharwad for two hours.

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45 p.c. crop loss

Staff Reporter

BANGALORE: Karnataka lost about 45 per cent of its onion crop to the untimely rainfall in November. “We estimated the crop size to be about 13 lakh tonnes for this year. However, rain destroyed about 45 per cent of the crop, and moreover about 15 per cent of the yield was damaged," Horticulture Department Director N. Jayaram said. The area under onion in 2010 was about 1.2 lakh hectares while it was 1.01 lakh hectares in 2009 when the State produced 10.5 lakh tonnes of onion. Onion is cultivated in Belgaum, Gadag, Haveri, Chitra-durga, Dharwad, Gulbarga, Raichur, Bijapur, Bagalkot, Gulbarga and Bellary districts.

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Vegetables price rise hits hotels

Lavanya.M

CHENNAI: With the prices of vegetables soaring, most city restaurants have been acutely affected. While some restaurants have revised the prices of the dishes, others, wary of losing customers, are unable to take such a decision. Salem RR Restaurant near the Chennai Mofussil Bus Terminus in Koyambedu had increased the cost of all items in the menu by Rs.5 each in the last few days. "Even this is not sufficient to compensate the increased price of vegetables and gas. But if we further hike the prices we stand to lose our customers," says the owner. The use of vegetables such as onions is inevitable in the recipes, and such steep increase in the cost of the vegetables makes it difficult to cope, he adds.

According to R. Raj Kumar, Secretary, Chennai Hotels Association, the restaurants cannot increase the prices at a short notice, as they are in a service industry. "We will wait and watch for a week and if there is no alternative will be forced to raise the price," he says, pointing out that bigger restaurants are in greater distress as their overhead expenses are more.Many of our customers who have restaurants are substituting a portion of the onions used with cabbage, and tomatoes with tamarind, says A. Balaji, a vegetable vendor in Koyambedu market "Some of the lower-end restaurants are buying damp onions since they are available at Rs.30 a kg as compared to Rs.80 for quality ones," he adds.

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Tenant farmer ends life

Staff Reporter

GUNTUR: M. Narasimha Rao (33), a tenant farmer, committed suicide by consuming pesticide at his house in Tekkallapadu village in Dachepalli mandal on Wednesday. He was cultivating paddy in five acres, chillies in three acres and cotton in two acres.

Paddy and cotton were damaged by rain while chillies withered away due to pest attack earlier. He had invested around Rs. 5 lakh, including money he had taken as a loan. He is survived by wife and two children.

Meanwhile, some farmers in Vatticherukuru mandal reportedly burnt paddy in about 30 acres as rains rendered the crop unfit for consumption. Even gathering the damaged paddy involved high expenditure.

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Maize, sunflower prices likely to remain stable

Staff Correspondent

Hubli: Officials of the Domestic and Export Market Intelligence Cell (DEMIC) of the University of Agricultural Sciences, Dharwad, have said that the prices of rabi maize and sunflower are likely to remain stable till harvest.

While the assessment has been made with regard to maize based on the data collected from Jamkhandi market, the leading market for maize for the past 15 years, the likely price for sunflower post harvest has been predicted based on the data collected from Bagalkot market.

According to DEMIC officials, the data has been analysed by using rigorous time series analytical models and reliable forecast prices predicted for January and February 2011. Normal arrival is expected both for maize (yield around 35 quintals per hectare) and sunflower (yield around 6 quintals a hectare).

At present, maize is priced at Rs. 850 a quintal in the Jamakhandi market and the prices were likely to be Rs. 825 to Rs. 900 during January and February. The Union Government has fixed a Minimum Support Price of Rs. 880 a quintal for this year.

Sunflower is priced at Rs. 2,852 a quintal in Bagalkot market and it is likely to be Rs. 2,400 to Rs. 2,600 a quintal during January and February. The Minimum Support Price has been fixed at Rs. 2,350 per quintal.

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124 more mandals declared flood-hit

Special Correspondent

HYDERABAD: The State Government on Wednesday declare d 124 more mandals in Visakhapatnam, Khammam, Nalgonda and Karimnagar districts as flood-hit., making famers and others in these areas also eligible for relief benefits. Of them, 46 are in Khammam district, 40 in Nalgonda, 32 in Karimnagar and six in Visakhapatnam. The six mandals in Visakhapatnam had been left out under the earlier declaration.

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385 outlets to sell onions at Rs.40 per kg from today

Special Correspondent

Raids at 123 points in Delhi to curb hoarding of the commodity

- Photo: Sushil Kumar Verma

Precious stuff: Traders sorting onions at Azadpur Mandi in Delhi on Wednesday.

NEW DELHI: The Delhi Government will start distribution of onions at Rs.40 per kg through the 385 outlets of Mother Dairy and Kendriya Bhandar from Thursday to have a salutary effect on the price of the commodity which had shot up unusually in the recent past, Delhi Food and Supplies Minister Haroon Yusuf said on Wednesday.

Mr. Yusuf said the Delhi Government would also start selling the smaller variety at Rs.20 per kg for Friday.

The Minister said he has also spoken to Mother Dairy about the high rates of onions it was charging. On Wednesday, onions were selling at Rs.69 per kg at Minto Road outlet of Mother Dairy and this had raised questions if the Government-owned company was also indulging in profiteering.

As per a Government survey, in the retail market, onions were selling at nearly Rs.62 per kg in Shahdara, Kotla and Paharganj; Rs.65 in Janakpuri and Rs.67.50 in Yusuf Sarai.

Mr. Yusuf said the Delhi Government also organised raids and surveys at the Okhla, Ghazipur and Azadpur wholesale vegetable markets during the day. He said the Food and Civil Supplies Department along with the Office of Development Commissioner had conducted raids at 123 points in Azadpur wholesale market. “The traders have been told that the Government will not spare them if they are found hoarding or selling onion at very high rates."

Though no actual case of hoarding came to light, Mr Yusuf said the raids did have the necessary impact on the mood of the market. He said the price of onions in the Azadpur market had dropped significantly from between Rs.15 per kg and Rs.55 per kg (depending on the variety) on December 20 to between Rs.10 and Rs.37.50 per kg on Wednesday.

The arrival of onions in the Azadpur market has also increased substantially from 1144 metric tonnes on December 21 to nearly 2,000 metric tonnes on Wednesday. This, he said, was a marked improvement over the arrivals on December 19, when only 740 metric tonnes had come. Incidentally, Delhi's own demand for onions varies between 350 and 400 metric tonnes per day while the remaining onions goes to the other States.

The Minister said the impact on the retail price would take some time. However, he expressed confidence that the prices of onions would correct soon.He said the Delhi Government has also been persuading onion growers to sell onions in open auction at reasonable price.

Acknowledging that the 100 to 150 per cent increase in the price of onions over the past week was “abnormal", Mr. Yusuf said even in Nasik Market, the shortfall was just about 15 per cent and since Delhi of late had been securing most of its supplies from Haryana, Rajasthan, Gujarat and Madhya Pradesh there was actually no trigger for the sudden spurt in prices.

He said the modal price range for onion in Nasik was between Rs.30 and Rs.37 per kg on December 21 and this too had come down to between Rs.25 and Rs.30 per kg on Wednesday.

Mr. Yusuf said to keep the people informed about the prices of onions in the wholesale market, his Department had also decided to place advertisements in the newspapers. Besides, a control room has been activated in the Department of Food and Supplies to monitor the rates of onions in wholesale and retail markets of Delhi and to disseminate information to public in this regard. It would have a toll free number -- 1800-11-0841.

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Onion price touches Rs. 60

Staff Reporter

BERHAMPUR: The wholesale price of onion was Rs. 40 per kilogram in Berhampur on Wednesday, while the retail price touched Rs. 60 per kilogram. This disparity between wholesale and retail price is due to lack of interference of the administration and anticipatory trading by retailers, alleged trading experts and consumers. It may be noted that Berhampur is the major trading centre of south Orissa. The administration called up a meeting to control the retail price of onion in Berhampur and Ganajm district when the wholesale price of onion was Rs. 30 per kilogram. But despite signs of further hike in onion prices, no major intervention by the administration has come up to have control over the price of onion in retail market.

Ganjam Chamber of Commerce president C. Ravindranath puts blame on the electronic media for this high retail price of onion in the city in comparison to its wholesale price. According to him continuous negative reporting about the high price of onion in metros like New Delhi and Mumbai, where onion price has crossed Rs. 80, has prompted and provided scope for the retailers to hike the retail price of onion although the wholesale price remained at Rs. 40 per kilogram.

The wholesale traders also put the blame on the panicky hoarding by consumers who have started to buy onion in large quantities with the anticipation that the price may go up further. "This panicky buying has added to the chaos and put extra pressure on the onion market providing ample scope for the retailers to continue to hike their retail price of onion," Mr Ravindranath said.

Greatest irony is that now the retailers of onion in the city have TV sets running in their shops to make the consumers feel that they are providing onion at a low rate when compared to the price in metros. But in reality they are collecting a hefty profit over the wholesale price.

Worried Centre abolishes import duty on onions

PTI The steep rise in onion prices has prompted the government to reduce the custom duty from 5 per cent to zero.

Stung by the skyrocketing retail prices of onion in the country, the Centre on Thursday announced abolition of import duties and banned its exports for an indefinite period.

Cabinet Secretary K.M. Chandrasekhar, who is personally monitoring the situation, asked the State governments to take strong action against hoarders. He asked the Commerce Ministry to import onions to cool down prices.

The government directed its three trading companies — STC, PEC and MMTC — to scout for imports.

Meanwhile, onions continued to sell at Rs. 70-80 a kg.

“To counter the sudden and unexpected rise in the prices of onions, the Department of Revenue has brought down customs duty and countervailing duty to zero,” Finance Secretary Ashok Chawla told reporters here.

The government, which had earlier suspended exports till January 15, notified an indefinite ban on onion export.

Onion imports hitherto attracted a customs duty of 5 per cent, while countervailing duty was fixed at 4 per cent. Countervailing duty is levied to protect domestic producers. Abolition of import levies, Mr. Chawla said, would help in increasing supplies through imports.

Agriculture Secretary P.K. Basu expressed confidence that the retail prices would come down in 7 to 10 days with the expected arrival of fresh crops.

While, the wholesale prices at the country's largest trading centre in Nashik dropped by 42 per cent, the prices at the Azadpur Mandi in Delhi came down by 29 per cent. In the Laslgaon onion market yard in Nashik, the wholesale price went down to Rs. 3,702 per quintal on Thursday against Rs. 5,200 per quintal on Wednesday.

Meanwhile, Mr. Chandrasekhar asked Commerce Secretary Rahul Khullar to speed up onion imports to augment domestic availability. The Cabinet Secretary is also understood to have asked the Railway Board to provide more rakes for expeditious movement of onions from producing regions to different parts of the country.Mr. Chandrasekhar will review the situation on Friday with the Secretaries of the Agriculture and Consumers Affairs Ministries.

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Manmohan for urgent steps to cool onion prices

The Hindu Labourers packing onion which arrived from Pakistan, at a wholesale vegetable market in New Delhi on Tuesday. Photo: Sushil Kumar Verma

Prime Minister Manmohan Singh on Tuesday expressed deep concern over the sharp rise in onion prices and said effective steps should be taken to bring down the prices to affordable levels.

In a letter to the secretaries of Departments of Consumer Affairs and Agriculture, the Prime Minister's Office said that Dr. Singh expressed deep concern over the "extraordinary price rise".

Onion prices have touched up to Rs. 70 a kg across many cities from just half the level till recently, possibly due to supply disruption, but authorities have blamed it on hoarding.

"PM desires that all necessary steps to effectively deal with the extraordinary price rise of onions and bring the prices down to an affordable level," a source said.

Dr. Singh wanted that steps should be taken expeditiously and the impact should be monitored on a day-to-day basis, sources said, adding that the PM's letter also made references to the wholesale and retail prices.

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One-day workshop on animal breeds conservation

A one-day workshop on conserving native breeds was held at the Veterinary College campus, Chennai, recently.

The programme was organized by Sustainable Agriculture and Environmental Voluntary Action (SEVA), Madurai, in association with LIFE Network.

About 65 members comprising farmers maintaining different breeds, scientists and NGOs from different states took part in the meeting.

Vechur conservation

Dr. Sosamma of Vechur Cattle Breed Conservation, Kerala presented her experience of conserving vechur cows in Kerala and the steps she undertook to save them from a mere 43 animals to present number of 2,000 animals.

She gave a detailed report on the various measures including starting a germplasm centre for collection of semen from vechur bulls and introducing artificial insemination.

Group discussion

A group discussion, “in-situ conservation of livestock biodiversity” discussed various problems, issues related with breed conservation, up keeping and also suggested strategies to address the issues. Then one representative from each group was invited to present the outcome of the discussion.

There was an exhibition on herbal medicine for animals and different animal breeds.

Photo exhibition

A photo exhibition on Kangayam cattle, Deoni cattle, Red khandari cattle and Bargur hill cattle breeders association was displayed by Senapathy Kangayam Cattle Research Centre and Deoni cattle breeders association.

The Vice Chancellor, Tamil Nadu Veterinary and Animal Sciences University, Chennai, Dr. Prabakaran highlighted the need for grading of animal products and standards.

Market trend

He stressed the need for capitalizing on the market trend which is favourable for organic livestock products of native breeds.

Cash awards of Rs.10,000 and certificates were distributed to 20 livestock keepers for their efforts in conserving native livestock breeds in the respective breeding tracts in different states.

This is the second year that the ‘Breed Saviour' award is being conferred to individuals or famers involved in conserving native breeds of animals.

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FARMER'S NOTEBOOK

A new innovation to tackle rodent menace

M.J. PRABU

ICAR, New Delhi, recently released a book called Farm Innovations 2010

— Photo: ICAR

Low cost:Arun Kumar in Tumkur district with his rat trap.

Rats pose a major challenge to agriculture, especially after the monsoon season.

"The rodents are a major problem during crop growth in the fields and during post-harvest storage, as they consume and contaminate stored food. They also infect livestock feed, kill poultry and consume their eggs," says Mr. Arun Kumar from Tumkur district, Karnataka, who has designed an eco-friendly trap for the pest.

Good response

Mr. Kumar recently attended the Farm Innovators meet held at Mysore, organised by the Indian Council of Agricultural Research (ICAR), New Delhi, to exhibit his device and it evoked a satisfactory response from visitors.

According to him, a binding wire is tied to the four corners of an old bamboo basket and connected to a single plastic thread.

The plastic thread is attached to a coconut frond that can be pulled up or down.

A snap trap is placed inside the bamboo basket and a chopped coconut kernel piece attached to it.

Manually removed

The rats get attracted to the coconut piece and get killed inside the trap. The dead rats are manually removed and buried in the soil.

According to Dr. S Prabhukumar, Zonal Project Director, Hebbal, Bangalore, usually farmers try common methods such as placing rat cages/traps in the fields, storage rooms and in gardens.

By this method about 3-4 rats can be trapped and killed. But it does not provide a permanent solution, because the dead rats release certain pheromones from their body which serve as an alarm for others not to enter the area again, and move away to other areas.

Another method

In another method some farmers mix rodenticide and millet flour inside a plastic cover and throw it on the tree top. The rats die after eating this mixture.

But during monsoon the poison bait does not prove effective. Still others mix a powder of fried groundnut, sesamum, coriander seeds and a rodenticide in a cloth bundle and keep it on the tree tops.

But this method proved dangerous as birds that consumed the poisoned rats also died. Engaging professional trappers proved costly as the persons charged between Rs.25-30 to catch one rodent.

The trap designed by Mr. Kumar promises to tackle the rodent menace in trees effectively.

More important, it is low cost technology that promises to provide a good result. Grassroot level technologies and methodologies developed by Mr. Kumar benefits several farmers and has been accepted across the region.

Low cost

“Such low cost innovative technologies and methods are largely confined to specific locations. Valuable ideas and techniques generated by them largely go unnoticed owing to lack of proper documentation and opportunities for wider dissemination,” says Prabhukumar.

“Benefits accrued from such innovative ideas need to be widely shared across the country and the brain behind such innovations needs to be encouraged and recognized. An initial and pioneering attempt has been made by the Division of Agricultural Extension, ICAR, for the first time, to document such innovations developed across the country in the form of a book called ‘Farm Innovators – 2010' for the benefit of others” he adds.

Cost factor

“Till date about 1,000 rat traps have been sold at the recently held Krishi Mela at Gandhi Krishi Vigya Kendra (GKVK), Bangalore priced at Rs. 30-35 per trap,” says Mr. Kumar.

For more details contact Mr. S.R. Arun Kumar Shettikere, Chikkanaikanahalli,Tumkur district-572226, Phone: 08133 – 269564, mobile: 09900824420 and Dr. S.Prabhu Kumar, Zonal Project Director, Indian Council of Agricultural Research, Hebbal, Bangalore: 560 024, email: prabhukumar@gmail.com, Phone: 080-23510616 and 23410614, extn- 30.

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Farm Query

Agri- business opportunities

Is there any place near Chennai that imparts training in agriculture business?

Sudha Jayasankar

Chennai

You can contact eFarm, an innovative young start up working on agri supply chain domain , is now conducting regular sessions in Chennai, to share and guide people to be more successful in any agri based ventures.

For details you can contact Mrs. Srivalli, CEO, eFarm, website www.efarm.in, Corporate office, No 11 Loganathan colony, Mylapore, Chennai: 600004, 044-43577236 (landline) or 99860-65946 (mobile), near Chennai City centre on Dr. Radhakrishnan salai.

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Higher relief granted to farmers for rain-hit paddy crop

Staff Reporter

New building for Kariapatti taluk office inaugurated

— Photo: K. Ganesan.

FACILITY:Revenue Minister I Periasamy handing over welfare assistance to a beneficiary at

Kariapatti on Wednesday. Ministers K.K.S.S.R. Ramachandran and Thangam Thennarasu are seen.

VIRUDHUNAGAR: The relief of Rs.10,000 a hectare for paddy crop affected in the recent flood announced by the State Government was two and a half times higher than that of the Centre, the Revenue Minister, I. Periyasamy, said.

Inaugurating a new building for the Kariyapatti taluk office here on Wednesday, Mr. Periyasamy said that while the Centre was giving Rs.4,000 a hectare, the State Government first declared a compensation of Rs.7,500 a hectare.

The farmers were demanding higher compensation. Even as the officials were discussing to increase the relief to Rs.8,000 or Rs.9,000, the Chief Minster, M. Karunanidhi, had declared that the compensation would be Rs.10,000 a hectare.

“It is because the Chief Minister always wants to help the affected and uplift the poor,” Mr. Periyasamy said.

Taking a dig at the Left Parties who were demanding higher relief for the affected crops, the Minister said that the farmers of the State cannot be misguided now. “There is nothing more left for the Left parties to demand,” he said.

Housing for all

The State Government had relaxed the eligibility rules for people seeking old age pension. “It is only in Tamil Nadu that aged people who have children can also get old age pension, when the children fail to take care of them,” he said.

Similarly, at a time when group houses were given only to the people belonging to the Scheduled Castes and Scheduled Tribes, it was only in Tamil Nadu that housing scheme has been extended to poor people immaterial of their caste.

The Kalaignar Housing Scheme had benefited 21 lakh people so far, he added.

The Minister for Backward Classes, K.K.S.S.R. Ramachandran, and the Minister for School Education, Thangam Thennarasu, thanked the Revenue Minister for giving a new building to the taluk office.

Mr. Periyasamy inaugurated the two-storey taluk office built at a cost of Rs.1.40 crore. He also opened new buildings at the Government High School at Kalkurichi at a cost of Rs.88 lakh. The Ministers gave away benefits worth Rs.28 lakh.

The Collector, V.K. Shanmugam, the District Revenue Officer, B. Ganesan, and Aruppukottai Revenue Divisional Officer, Mohammed Arif Sahib, were among those who were present.

Date:23/12/2010 URL:
http://www.thehindu.com/2010/12/23/stories/2010122366861700.htm

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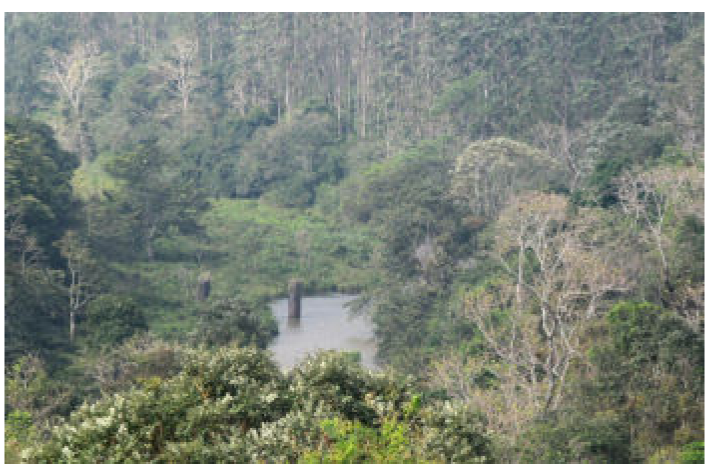
Periyar dam: Kerala Irrigation Dept. seeks nod for transfer of land

K.S. Sudhi

Forest Department in a fix over land allocation fearing ecological imbalances in the Tiger Reserve

— Photo: H. Vibhu



The proposed site for the Periyar dam, seen from the Mullaperiyar dam in Kerala. The proposed dam is 366 metres away from the existing dam.

KOCHI: The Kerala Irrigation Department has sought permission for the transfer of forest land for constructing the Periyar dam.

The executive engineer of the Minor Irrigation Department (MID), Kumily, has approached the Kerala Forest Department (KFD) with a request for allotting 50 hectares for the project. The KFD, however, is in a fix over the allocation of the land as it fears widespread environment and ecological imbalances in the Periyar Tiger Reserve, which is one of the 38 reserves dedicated to the big cats, and an elephant reserve, where the dam has been proposed. The new site is 366 metres away from the Mullaperiyar dam.

The MID has stated that the site identified for the new dam, which is “inside the national park sanctuary area, is the only feasible site approved after joint inspection by Kerala and Tamil Nadu.”

The new dam is considered as an alternative to the 115-year-old one. The area of submergence will be 50 hectares. Of this, 24.37 hectares will be submerged on construction of the dam and the rest will come under the area that will be additionally submerged. The Rs. 600-crore project will have no biodiversity impact and there will be no displacement of people, the Irrigation Department has stated.

Obtaining clearance for the construction of the dam will be a cumbersome process as the permission from a number of State and national agencies and officials have to be sought. The final clearance for the allocation of land should come from the National Board for Wildlife, which is chaired by the Prime Minister.

DFO clearance

As per the procedure laid down for allotting forest land for non-forest purposes, a report from the Divisional Forest Officer of the area will have to be obtained. The field reports from the Forest Range Officer of the region will also be considered for the preparation of this report. It will also have to be considered by the Field Director of the Periyar Tiger Reserve.

The views of the Chief Wildlife Warden and the Principal Chief Conservator of Forest of the State will follow and the reports by these officials will be placed before the State Wildlife Advisory Board. The Board, on its part, will forward the report to the National Board. The clearance of the National Tiger Conservation Authority will have to be sought in this case as the proposed site is the core critical tiger habitat of the Periyar Tiger Reserve.

The State Forest Department has not formed its opinion on the proposal and the department, whose mandate is to protect the forest and its ecology, is concerned about the implications of the project, said a senior official of the department. Incidentally, the Kerala government had been campaigning for a new dam highlighting the safety issue of the ageing Mullaperiyar dam.

Besides the impact of massive constructions on the fragile ecosystem and biodiversity-rich area of the tiger reserve, conservationists are worried about the possible fallout of the de-commissioning of the existing dam on completion of the new dam. The decommissioning will also leave widespread impact on the forest reserve and aquatic habitats, which evolved over a century, pointed out a forest official.

hindustantimes

HT Correspondents, Hindustan Times
Email Author

New Delhi, December 23, 2010
First Published: 00:01 IST(23/12/2010)
Last Updated: 01:40 IST(23/12/2010)

Most vegetables go the onion way, prices zoom

It's not just onions that sting these days. A survey of local markets in the Capital on Wednesday showed that almost everything the neighbourhood greengrocer sells - except potatoes - has started pinching the pocket of the middle class Delhiite.

Retail prices of vegetables, such as beans, brinjal, cauliflower, cabbage, tomato and carrot, have shot up by 25 to 60% compared to prices around this time last year.

Although onion prices are showing signs of cooling in the wholesale market, consumers in localities across Delhi continued to pay Rs 65-70 a kg in the retail market.

Jayashree Raghuraman, secretary in the food and supplies department of the Delhi government, said: "There are costs involved in transportation. Diesel, besides handling and labour charges, has become dearer. No wonder, prices are higher this year."

But traders mainly blamed unseasonal rains for the scarcity.

Manoj Kumar, a retailer near Mandi House in central Delhi, said: "We have hardly received any supply from western Uttar Pradesh, which saw large-scale vegetable crop-loss due to the rains."

Kumar was selling carrot at Rs 18-20 a kg, way above the Rs 10-12 a kg level during December last year.

Brinjal, cauliflower and cabbage also saw price increases in the same range.

Prices of tomato, too, rose to Rs 40 a kg in retail on Wednesday from Rs 15-20 a kg about 10 days back. The reasons for the price spurt were lower arrivals and large-scale exports to Pakistan.

Till Wednesday, onion prices in the retail market refused to stabilise.

As compared to the wholesale rate of Rs 37.5 a kg on Wednesday - down from Rs 50 a day earlier - retail prices ruled between Rs 65 and Rs 70. Even Mother Dairy outlets charged Rs 65-67.

The government allowed duty-free imports of onions, imposing at the same time an indefinite export ban. Earlier, new onion export permits were also suspended.

http://www.hindustantimes.com/StoryPage/Print/641714.aspx

New Delhi, December 22, 2010
First Published: 19:54 IST(22/12/2010)
Last Updated: 20:32 IST(22/12/2010)

Food inflation will be at comfortable level by March: Montek

Even as people grapple with sky high onion prices and rising petrol costs, the Plan panel on Wednesday said that general as well as food inflation rate will be at comfortable level by the end of the current fiscal.

"The good news (is) that inflation is coming down. It is not to the level that we would be comfortable with... By the end of March, inflation rate and food inflation rate will be in comfortable level," said Planning Commission Deputy Chairman Montek Singh Ahluwalia on the sidelines of an ADB event in New Delhi.

Overall inflation, also know as core inflation, declined to 7.48 per cent in November from 8.58 per cent in the previous month.

However, food inflation rose to 9.46 per cent for the week ended December 4, compared to 8.69 per cent in the previous week.

In the past few weeks, there has been a spike in vegetable prices -- most prominently of onion, which touched as high as Rs 80 per kg in retail markets in Delhi and other cities from Rs 35-40 a few days ago.

Meanwhile, speaking on impact of the petrol price hike on general inflation, Finance Secretary Ashok Chawla said, "not immediately there is always a lag."

Oil marketing companies including Indian Oil Corporation and Bharat Petroleum Corp (BPCL) hiked petrol prices by about Rs 2.95 a litre last week.

BPCL, the second largest fuel retailer in the country, took the lead to raise petrol prices by Rs 2.95 a litre to Rs 55.86 per litre in Delhi.

The Reserve Bank has projected wholesale price inflation to fall to 5.5 per cent by the end of March 2011.

"Though inflation has moderated, inflationary pressures persist both from domestic demand and higher global commodity prices," RBI said in mid-quarterly review last week.It said the pace of decline in food price inflation has been slower than expected due largely to structural factors. There is a risk that rising international commodity prices will spill over into domestic inflation.Going forward, rising domestic input costs for the manufacturing sector combined with aggregate demand pressures could weigh on domestic inflation, it said.

http://www.hindustantimes.com/StoryPage/Print/641618.aspx

Weather

Chennai - INDIA

Today's Weather

Clear

Thursday, Dec 23

Max | Min

29.5º | 18.6º

Rain: 1.0 mm in 24hrs

Humidity: 83%

Wind: Normal

Sunrise: 6:26

Sunset: 17:48

Barometer: 1010.0

Tomorrow's Forecast

Rainy

Friday, Dec 24

Max | Min

29º | 22º

Extended Forecast for a week

Saturday	Sunday	Monday	Tuesday	Wednesday
Dec 25	**Dec 26**	**Dec 27**	**Dec 28**	**Dec 29**
25º | 20º	26º | 22º	27º | 22º	27º | 23º	27º | 22º
Cloudy	Rainy	Cloudy	Cloudy	Rainy

By Express News Service
23 Dec 2010 03:31:58 AM IST

Shallots price too shoots up

ERODE: Increased demand for shallot due to the steep hike in onion price has caused it to turn costly too.

Onions are being sold at Rs 60 per kg in the uzhavar sandhai here.
With such prohibitive cost forcing many to buy shallot instead of onion, the former's price increased from Rs 20 to 26 in just a few days.
Sources said that mostly onions from other states are brought to the uzhavar sandhai.
"Due to heavy rain and consequent crop loss in Bellary, onion arrival from Karnataka has almost stopped. Faced with insufficient quantities of the long-lasting Bellary onions, traders are preferring the red colour onion produced in Ottanchathram," they noted.
"Till some months back, the uzhavar sandhai used to receive nearly two tons of the locally produced shallots per day but now the daily arrivals are below 700 kg," they said, adding that prices of almost all vegetables increased this month.

By IANS
22 Dec 2010 06:46:21 PM IST

Onions cheaper after raids: Minister

NEW DELHI: A crackdown on hoarders and black marketeers of onions was launched at the Azadpur wholesale market here Wednesday, resulting in instant rise in availability and fall in price to Rs.37.50 per kg, a Delhi minister said.

"Raids were conducted at 123 points in Azadpur Mandi, resulting in a substantial increase in the availability of onions. Also, onion growers were persuaded to sell the commodity in open auction at a reasonable price. This has brought the price down to Rs.37.5 per kg," Delhi Food and Supplies Minister Haroon Yusuf told reporters.

Yusuf said the traders have been warned against profiteering. "The city government will ensure that there is no scarcity of onions in the city," he said.

He said the availability of onions in Azadpur market has substantially increased from 1,144 tonnes Tuesday to about 2,000 tonnes Wednesday. Only 740 tonnes of onions were supplied at Azadpur Mandi Sunday.

The minister said a control room has also been activated in the department of food and supplies to monitor the rates of onions in wholesale and retail markets of the national capital. The toll free number of control room is 1800-11-0841.

To deal with a sharp spike in onion prices, the central government Monday banned export of the vegetable till Jan 15.

THE ECONOMIC TIMES

Thu, Dec 23, 2010 | Updated 07.50AM IST

23 Dec, 2010, 07.19AM IST, Subodh Varma,TNN

Onion robbery: 135% mark-up from mandi to retail

NEW DELHI: Speculative traders are making super-profits by fixing prices in the onion trade while the government is playing around with ad hoc fixes. On Tuesday alone, wholesale traders in Delhi bought onions at about Rs 34 per kg while it was sold in retail at Rs 80 per kg. That's a margin of Rs 46 per kg or 135%!

About 11,445 quintals of onion were bought in the Delhi wholesale markets on that day. So, the total difference between what wholesale traders paid and what Delhi households paid would be over Rs 4 crore.

Of course, between the wholesaler buying the onion and the retailer getting it to the local market, there are transport costs, wastage and so on. But this can at best be a fraction of the 135% margin, particularly for a commodity like onion that is not easily perishable.

Wholesale price data are collected daily by the National Horticultural Research & Development Foundation (NHRDF) set up by Nafed, the farmers' cooperative federation run by the government.

This story is not confined to Delhi. In 44 major onion markets across the country, profit margins for just one day were of similar orders ranging between Rs 1,500 per quintal in Pune and Rs 5,500 in Udaipur. Multiply these with daily arrivals (and sale) in each and you get the gigantic amounts fleeced from consumers every day — over Rs 10.5 crore in Bangalore , Rs 81.4 lakh in Mumbai , Rs 1.3 crore in Kolkata and so on.

Agriculture minister Sharad Pawar has said it may take two-three weeks for prices to come down. At the rate at which hard earned money is being transferred from people to traders, that is enough time for hundreds of crores of rupees to be thus redistributed.

So, who is cornering the mega-profits? There is a fog of contradictory claims and half-truths that surround this key issue. Kewal Kapoor, an onion commission agent in Delhi's Azadpur mandi, said that onions were sold to wholesale traders at not more than Rs 50 per kg in the whole of December.

The commission agents charge a 6% commission for putting the seller together with the buyer. That will make the price Rs 53 per kg. All subsequent hikes are mark-ups by chains of traders, apart from the minor incidental costs mentioned earlier.

But another agent in the same mandi, Mohit Kumar said that wholesale prices itself were Rs 70-80 per kg. "Retailers can't act together. They are just individuals. They take a small profit," he said. According to him, rains have curtailed supply and hence prices have gone up. He had no explanation for the fact that the official rate at the wholesale market was Rs 34.90 per kg and not Rs 70-80 as he claimed.

Bhure Lal, a vegetable vendor in East Delhi, said that he bought onions at Rs 72 per kg from the wholesaler in Shahadra mandi. "In Azadpur, it must have sold at Rs 60," he said. Kapil Chawla, another trader , blamed the huge surge in exports for the depletion of stocks causing a supply constraint and hence high prices. "It's all a matter of supply-demand!" he said.

The whole supply constraint argument is itself under a cloud. In December, Delhi received 2.57 lakh quintals of onion compared to about 3.8 lakh quintals in 2009 and just 1.5 lakh quintals in 2008. But the modal price (the most frequently settled price) in December was Rs 34 this year, Rs 14 in 2009 and Rs 11 in 2008.

So, over a two-year period, onion supply has increased almost 66% since 2008, but wholesale prices have jumped over 300% in the period. Clearly, there is more to it than simple demand-supply equations.

Exports are definitely restricting domestic supply. India's exports have increased from about 7.8 lakh metric tonnes in 2005-06 to over 18.7 lakh MT in 2009-10. Onion production has also increased, but at a slower rate, from 86 lakh MT in 2005-06 to over 121 lakh MT in 2009-10.

23 Dec, 2010, 02.51AM IST, S Sujatha,ET Bureau

India's buffalo meat export to surge on cost advantage

COIMBATORE: India, the fourth largest buffalo meat exporter in the world, is looking to cash in on its price advantage to compete in the global market. The Rs 7,000-crore industry has already set its sights on newer markets like CIS countries this year by strengthening infrastructure facilities and quality standards.

Indian buffalo meat is currently exported to 64 countries. Apart from its traditional markets like Egypt, Malaysia, Syria and Jordan, the country also exports huge quantities to Turkey, Kuwait, Oman and Saudi Arabia. “We have opened new markets at Algeria and we expect to enter CIS countries soon,” said a leading buffalo meat exporter.

According to him, despite increasing cost, Indian buffalo meat is cheaper in the world market. A tonne of Indian buffalo meat is available for $3,000 to $3,500 in Egypt, $2,900 in Malaysia and $2,700 to $2,800 in the Middle East. “The buffalo meat from Brazil is costlier by $800 to $1,000 a tonne compared to the Indian product,” he added.

India’s export has increased from Rs 3,549.78 crore in 2007-08 to Rs 4,839.71 crore in 2008-09. The large volume of beef being exported from India makes it an important factor in considering the global protein situation, said Rabobank Food & Agribusiness Research and Advisory (FAR) general manager for Australia and New Zealand, Justin Sherrard. “The low cost of this product makes it especially attractive in the Middle Eastern and Asian markets, where the product competes on price with chicken,” he added in a Rabobank FAR report.

Rashid Kadimi, president of all India meat and livestock exporters association, and the CEO of processed food division at India’s biggest meat export house, Allanasons, said that the country has recovered from recessionary phase and is expecting a marginal growth in the coming season. Allanasons holds a 40% market share in buffalo meat exports from India. Currently, global demand for the meat is rising in such a pace that it will outstrip supply soon. Factors like a possible demand surge in Europe, and fall in Australian meat production make the prospects of Indian meat exporters very bright.

“The competition will ultimately boil down between India and Brazil,” he said. “However, India, which is exporting nearly five lakh tonne buffalo meat a year, shouldn’t make any compromise on quality," he added. The country today has 25 most modern integrated slaughter houses-cum-meat processing units. This apart, it also has 60 to 70 separate meat processing units. "The government has already started upgrading the existing slaughter houses to a state-of-the-art infrastructure under public-private partnership," said an official at APEDA.

23 Dec, 2010, 02.41AM IST, Bhargav Trivedi,ET Bureau

Domestic cotton prices surge 8% on export hopes

AHMEDABAD: Cotton prices soared 8% in four days in domestic market after a government statement revived hopes for exporters. Prices rose by Rs 3,500 to touch Rs 43,000 per candy (256 kg) in Gujarat. International prices too hit a new peak of 159.12 cents per lb on Tuesday.

The Centre on Thursday allowed registration of unexported quantity out of the 55 lakh bales (170 kg) quota that was to be shipped by December 15. The country could export only 30 lakh bales by the deadline and the commerce ministry's statement permitting fresh registrations with the Directorate General of Foreign Trade (DGFT) brought new hopes for the exporters.

Internationally, prices increased 112.27% on year-to-date basis rising from 74.96 cents per lb on December 21, 2009. In the domestic market, cotton made its all-time high of Rs 47,000 in early November and then fell to Rs 39,500 per candy last Tuesday.

The rise in the cotton prices owing to intense speculations has surprised the market. "We have not seen such a sharp rise in our lifetime. It is very difficult to predict the trends as funds are flush with liquidity," said Samir Shah of Bhaidas Karasandas, a leading Mumbai-based exporter.

He agrees that fundamentals of the commodity are strong and there is no need of panic. "We will come to know about the shortage of supply only at the end of the season," he said.

The latest notification has seen hectic buying by exporters. Ginners who had to rush to cover their short positions contributed to the sharp rise. Ginners, who process raw cotton, sold their goods at Rs 39,200-39,500 per candy last Wednesday after the export deadline ended and sentiment turned weak.

“Sentiment was very weak last Tuesday and people went for selling at a discounted rate fearing a price fall further to Rs 37,000 levels. But the government’s announcement changed the situation and prices rose sharply,” said Bharat Vala, a Rajkot-based ginner.
Markets opened firm on Monday and now the prices will stabilise, added Mr Vala who is also the president of Saurashtra ginners association. Traders don’t expect any sharp correction in the near future as international market remains firm at a new high. Cotton arrivals are stable at 2.25 lakh bales and traders do not foresee any shortage. The only factor that can throw markets off the gear is government policy.

23 Dec, 2010, 02.34AM IST,ET Bureau

Soaring onion prices: Centre scraps import duty, asks states to check hoarding

NEW DELHI: Stung by criticism for its failure to cool onion prices that touched Rs 80 a kg, the government on Wednesday scrapped import duty on the vegetable, took steps to speed up imports, and asked states to take stern action against hoarding. The measures had an immediate impact in key markets such as New Delhi and Nashik with wholesale prices falling

considerably. Retail prices, however, did not show any signs of easing.
To counter the unexpected rise in the price of onion, the department of revenue has cut import duty on the vegetable to zero, Finance Secretary Ashok Chawla told reporters on Wednesday, adding the move will lead to an increase in supplies. Onion imports were subject to a 5% duty.

The government has also directed state-owned trading companies such as STC, MMTC and PEC to examine the availability of onions in the global market and look at the possibility of short-term contracts.

“We are interested in imports that can reach us in the next 10 days. If onions are available in Canada that can be shipped in six months, it is of no use to us,” Commerce Secretary Rahul Khullar said.

The issue of pricing and whether imports could happen at a profit or loss will be discussed later, he added.

The developments came as Maharashtra Agriculture Minister Radhakrishna Vikhe-Patil said on Wednesday that over 1.5 lakh tonne of onion will reach Mumbai port from Pakistan this week. It will be distributed across Maharashtra and some northern markets.

Retail prices of onion in key cities had soared to Rs 70-80 a kg and the government responded by banning exports till January 15. Later, it banned exports indefinitely.

Wholesale prices in Nashik, the country’s largest trading centre, eased by 42% after the announcements. Prices at Azadpur Mandi in Delhi, Asia’s largest fruit and vegetable market, fell by up to 29%. At Lasalgaon onion market in Nashik, wholesale prices plunged to Rs 3,702 per quintal on Wednesday from Rs 5,200 per quintal on Tuesday.

Cabinet Secretary KM Chandrasekhar, who is keeping a close watch on the prices, asked states to check hoarding and take stern action against the guilty. He also asked the Railway Board to provide more rakes for movement of onions from producing regions to different parts of the country.

Chandrasekhar will review the situation on Thursday with the secretaries of agriculture and consumer affairs.

Agriculture Minister Sharad Pawar said on Tuesday that onion prices could cool in 2-3 weeks after the arrival of fresh crop.

Planning Commission Deputy Chairman Montek Singh Ahluwalia said the spike in onion prices was a temporary phenomenon due to unseasonal rains.

23 Dec, 2010, 02.32AM IST, Jayashree Bhosale & S Sujatha,ET Bureau

Onion prices starting to fall

PUNE | COIMBATORE: As a result of the Centre’s various measures, the wholesale onion prices have started cooling off across the country. However, consumers in south India will have to spend more for the commodity till February as importing it from Pakistan is not feasible for these markets.

The export ban, import from Pakistan, and the market intervention by government agency Nafed are helping north Indian consumers. In fact farmers in the Alwar market in Rajasthan forced to stop trading on Wednesday as onion prices were continuously going down.

“The Delhi government wants us to send 10 trucks of onions every day from Nashik to Delhi,” said Nafed vice chairman CB Holkar. A leading trader at Yeshwantpur, Karnataka, said that the wholesale prices have come down by Rs 10 to Rs 15 per kg since Tuesday as more trucks have started coming in.

South Indian food is also dependent on onions. The onion demand will stay firm due to X’mas, New Year and festivals like Pongal and Makara Sankaranti in January. “We are not importing from Pakistan as the domestic prices will soon come down to a level at which we will not get good profit from the imported onions. The cost of importing via sea route is more. Also, the Pakistan variety is usually not of very good quality, which results in 20% damage,” said Danish Shah, partner of the Pune-based Sanghar Exports, one of the leading onion exporter of the country.

National Horticulture Research and Development Foundation’s (NHRDF) Dr RP Gupta said: “About 25 to 30 containers may reach Mumbai port by early next week.” A large container can carry 30 tonne onion. Thus, 30 containers will carry maximum 900 tonne while the daily consumption of Mumbai city alone is 1,000 tonne. It means that the imported onion will mostly be sold in Mumbai.

“The onions from Pakistan can reach Coimbatore albeit through Pune market. But it will take a longer time and higher cost due to transport expenses. So, it will take atleast February first week to reach normal price levels in the South,” said CL Vincent, an onion trader in Coimbatore. “Only two out of ten vehicles, each carrying 10-15 tonne onion, were reaching Coimbatore markets till on Tuesday. But now, the arrivals are slowly picking up and we expect the supply to meet demand. However, on the price front, we expect it to remain steady for next 10 to 20 days," said Mr Vincent.

The average wholesale price in Lasalgaon, Asia's biggest onion market, came down from Rs 3,800 per quintal on Monday to Rs 2,500 on Tuesday. Traders believe that the wholesale prices will settle in the range of Rs 20-30 per kg till mid-January, while the retail prices will continue to be Rs 40-45 per kg.

Onion arrivals from Rajasthan are affected by the Gurjar agitation while the Gujarat onion arrivals will begin only after a fortnight. The current winter is useful for the late kharif crop in Maharashtra which will hit the markets from the last week of January. But the onion prices are expected to stay at higher levels till March as compared to the previous year.

Business Standard

Thursday, Dec 23, 2010

Govt to rework formula for pricing palm oil

Anindita Dey / Mumbai December 23, 2010, 0:45 IST

The ministry of agriculture has embarked upon a comprehensive exercise to rework the domestic pricing formula, the import duty and market intervention scheme for palm oil. Even if palm oil production is done on a low scale currently, it has wider implications for the government's efforts to build domestic edible oil capacities.

This exercise will be completed before March 2011, officials said. This is significant since India is the fourth-largest edible oil economy of the world and half of the total edible oil requirement is met through imports.

“These are short-term measures to encourage palm oil production which incidentally forms part of the government strategy to increase edible oil production in the country. Under the chairmanship of the agriculture secretary, some short and long-term measures have been decided to step up palm cultivation and palm oil production in the country. These measures and their outcome will serve as a background for the proposed launch of Mission on Oilseeds in the twelfth five year plan period,” official sources added.

Explaining the move, ministry sources said it will be difficult to cater to the increasing oil consumption through imports alone if oil exporting countries decide to divert considerable production for biofuel production.

Besides, the rising import bill is a dent in inflation. The review of import duty for palm oil will form part of the overall suggestion of the food ministry to raise import duty on edible oil to encourage domestic production.

Currently with a zero import duty on crude palm oil, the domestic pricing of oil is directly exposed to price fluctuations in palm and soybean in the global markets.

In order to incentivise domestic palm cultivators, the Directorate of Oilseeds, Hyderabad has been asked to rework the pricing formula for the domestic cultivators based on fresh fruit bunches per hectare and the kernel value ministry proposes to arrive at a uniform price fixing formula while industry bodies have suggested revising FFB from existing 12 per cent of crude palm oil (CPO) output plus one third of kernel value to 16 per cent of CPO plus half value of oil byproducts.

While in the long term, a price stabilisation fund is proposed to be created, the present market intervention scheme (MIS), run collectively by state and central government, will also be revised.

MIS is an adhoc scheme that fixes price for horticultural and other agricultural commodities which are perishable in nature and are not covered under minimum support price. MIS is implemented to protect the grower from making distress sale in the event of peak arrival period. Sources said MIS will be made more lucrative to support palm cultivators, both for acreage and yield.

FMC may allow sugar futures today

Dilip Kumar Jha / Mumbai December 23, 2010, 0:43 IST

Regulator not to allow contracts for seasonal commodities to stretch for too long.

The Forward Markets Commission (FMC), the commodity derivatives market regulator, is likely to allow re-launch of sugar futures tomorrow.

“We have already taken a final decision in this regard,which will be officially announced on Thursday,” said an FMC official,wishing to be identified. He said three-month contracts would be launched initially.

The government had banned sugar futures in May last year to control rising prices. Last week, the regulator had convened a meeting with various stakeholders to take a final decision. According to sources, the domestic sugar industry is very enthusiastic to see trading of the sweetener on the derivatives exchanges. Nearly two months earlier, Union agriculture minister Sharad Pawar had asked the FMC to take stock after studying various options and decide.

Last week, FMC chairman B C Khatua had hinted sugar futures would be allowed, possibly this week, with the first contract available for settlement in January.

But FMC is categorical on not allowing contracts to stretch too many months in seasonal commodities such as sugar. Anything over four to five months’ contract in such seasonal commodities opens room for entrepreneurs to play with malafide intent, it believes. Hence, those limited period contracts which attract fair liquidity will be allowed.

“Domestic prices are much lower than overseas prices. Allowing sugar futures will not only bring us a level playing field but also provide an opportunity for domestic traders for a fair price discovery,” said B J Maheshwari, Director of Dwarikesh Sugar Industries.

Spot sugar prices in the Vashi Agricultural Produce Market Committee closed range-bound today, with M-30 and S-30 traded between Rs 3,100-3,250 and Rs 3,075-3,225 a quintal, respectively. For mill delivery, however, M-30 and S-30 sugar was traded between Rs 2,850-3,050 and Rs 2,840-3,040 a qunital, respectively.

Household budgets shoot up on high food prices

Dilip Kumar Jha / Mumbai December 23, 2010, 0:13 IST

Premila Mathur, a housewife living in a western Mumbai suburb, is desperately hunting for a job in the private sector. The mother of two school-going children had never imagined in her 13 years of married life that she will have to look for a job for survival.

Premila is not alone. There are many like her who are seeking an opportunity to earn a few extra bucks by taking up vocations like stitching, and working on plastic machine moulded items, or even private tuition that suits their time and educational qualification to support their household income. “Our household budget have more than doubled in the last three months due to the massive rise in food prices,” said Premila.

Her husband Raman Mathur, a computer operator in a private firm in Fort, earns a monthly salary of Rs 12,500. The recent increase in prices of essential commodities, including foodgrain and vegetables, have made life difficult for people like him.

“Till two months ago, these commodities were quoted at one-third of the current market price. But now, they have become almost unaffordable,” said Premila.

Garlic prices in Vashi mandi is currently quoted at Rs 260-280 per kg, while onion is sold in Lasangaon, Nasik, mandi between Rs 25-30 a kg. In retail markets, however, onion continued to trade between Rs 55-60 a kg. Most importantly, tomato which stood at Rs 6-7 a kg in the retail markets a month ago has gone up to Rs 45-50 per kg.

The new garlic crop, which also has medicinal values, will start hitting the market by the January-end. Until then, consumers will have to cope with the rising prices. Agriculture minister Sharad Pawar has already hinted that there will be no reprieve from high onion prices for another three weeks.

The ministry of petroleum is considering to raise cooking gas prices by Rs 100 per cylinder by the New Year. This is going to hit the average Indian family hard. The increase in diesel and petrol prices have also indirectly affected the middle class.

In the last 10-days the prices of foodgrain have started gradually moving up. The prices of fair average quality (FAQ) of rice and wheat have surged by Rs 50 each per quintal to sell between Rs 28-34 per kg and Rs 19-22 per kg respectively in the Vasai retail market.

Vegetables prices have also seen an increase with lady finger and cauliflower touching the Rs 60 per kg mark in the retail markets, while brinjal and pumpkin are sold between Rs 40-48 per kg.

“This is an unusual price rise. Generally, prices of green vegetables fall in December due to the arrival of the new season crop,” said Navina Bendre, another housewife from the same locality. She blamed the government for it.

Traders, however, said unseasonal rainfall has contributed to the rise in commodity prices. They said the rains had disrupted supply and spoiled large amount of agri commodities.

“Onion price was raised by Rs 20 per kg in one day because of artificial shortage which was never seen in the past. Traders apply the logic of double the prices in consuming centre from buying prices in main production centre. In this case also, traders continued selling onion at double the buying price.But, consumers will get a reprieve in the next 10 days as supply of good quality material has started,” said Ajit Shah, president of the Mumbai-based Indo Agro Produce Exports Chambers of Commerce.

Futures turnover up 30%

Newswire18 / Mumbai December 23, 2010, 0:12 IST

The turnover of the five national and 16 regional exchanges in the country during December 1-15 rose 29.69 per cent on year to Rs 5.76 lakh crore, according to an official of the Forward Markets Commission.

During April 1-December 15, the turnover cumulatively rose 51.37 per cent on year to Rs 78.32 lakh crore, the official said.

MCX, National Commodity and Derivatives Exchange, National Multi-Commodity Exchange of India, Indian Commodity Exchange, and ACE Derivatives and Commodity Exchange are the national exchanges.MCX recorded a turnover of Rs 4.72 lakh crore during December 1-15, up 35 per cent on year, accounting for nearly 82 per cent of the total market turnover during the period under review.

NCDEX posted a 31 per cent year-on-year rise in turnover at Rs 74,028 crore during the fortnight under review. ICEX's turnover declined 16 per cent on year to Rs 17,983 crore in the period under review.

The slide in the turnover of NMCE since for the past seven months continued this quarter as well. The exchange registered a turnover of Rs 5,693 crore, which was down 55 per cent on year.

ACE, which launched operations on October 27, registered a turnover of Rs 2,708 crore during the fortnight. Among regional exchanges, the Indore-based National Board of Trade maintained its top position in terms of turnover. NBOT's turnover rose 12 per cent on year to Rs 2,731 crore compared with Rs 2,438 crore a year ago.

Cardamom prices rise 15% in a week

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

Cardamom prices shot up this week on reports of low production and stock in the market. The average price of the commodity rose to Rs 1,336 a kg, up Rs 200 from last week. The best quality cardamom is currently quoted at Rs 1,475-1,500 a kg.

Growers and traders believe the prices would cross Rs 2,000 a kg next year. The maximum price so far recorded was Rs 1,750 last year.

As the production was in full swing, average price of the spice dropped to Rs 850-900 last month, but picked up swiftly by the middle of this month since arrival to auction centres slowed down.

As the main harvesting season is ending now, the flow of fresh cardamom has been curtailed for the last couple of weeks, hence the abrupt increase in prices.

Markets sources estimate a 25-30 per cent decline in output this season due to various reasons. The demand from overseas market is expected to rise next year as Guatemala, the world's largest producer, is facing problems due to unfavourable climate. Growers foresee a rise in demand for Indian cardamom, locally and globally in the new year and this would obviously affect the price line.

The on-going harvesting will come to a halt by the end of this month and the market has to run on the available stock for the next seven-eight months. Anticipating better earnings in the new year, large plantation owners are stocking cardamom for the new year. This has affected the supply at present.

Production had been low due to untimely rain in Idukki district, which accounts for 55 per cent of the total production. Rain caused fungal infection in the plants in various estates that caused further damage. The average annual output of cardamom is 13,000 tonnes and this time the total production might be around 10,000 tonnes according to the latest estimates by growers.

Fresh registration for cotton exports to begin in January

BS Reporter / Mumbai December 23, 2010, 0:09 IST

The registration for exports of the remaining 2.5 million bales (1 billion = 170 kgs) of cotton – the total allocation was for 5.5 million bales – is likely to start in the first week of January.

According to industry insiders, exporters had already gone through the registration process for exporting the 2.5 million bales of cotton but failed to meet the December 15 deadline due to various reasons. The Ministry of Textiles on Wednesday decided not to extend the deadline and subsequently cancelled the registrations.

Earlier this week, the Ministry of Commerce had hinted that fresh registrations had to be done with the directorate general of foreign trade (DGFT), instead of the Textile Commissioner. DGFT is also working on revised guidelines for export registrations and execution of shipment. The traders believe the new norms will be favourable for the industry.

The industry had come up with three suggestions to facilitate export of cotton: (i) Exports should be registered only when a valid letter of credit (LC) is issued by a bank. (At present, exports can also be executed against cash and industry insiders feel that it opens room for trade manipulation.)

(ii) The shipment period should be reduced from 45 days to 30 days to ensure that only genuine traders will enter the buying agreement and execute deals. (The 45-day period allowed traders to negotiate with buyers with the wrong intention.)

(iii) To ensure that traders cannot hoard huge quantities of cotton in neighbouring countries like Bangladesh by opening up subsidiary offices and transport to other destinations when prices rise or buyers agree to pay a premium. (The process would delay delivery of goods for months behind the actual shipment from India.)

“Over and above, we had urged the government to take punitive actions against such traders who have malafied intentions or ban them from exports in the future,” said M B Lal former CMD of Cotton Corporation of India (CCI) and MD of a Mumbai- based cotton traders and exporter Shail Exports.

In September, the textile ministry had opened registration for 5.5 million bales of cotton exports. But, within ten days between October 1-15 the registered quantity surpassed the quota. The government, therefore, did not allow fresh registrations.

Cotton importers suddenly shifted to India when huge quantities of the crop was damaged in floods in Pakistan and China witnessed a surge in domestic use resulting into a dramatic rise in global prices. The prices of the benchmark variety of cotton Shankar 6 shot up sharply in the last three months to Rs 11,838 a quintal on Wednesday as against Rs 9,617 a quintal on September 1.

Traders, however, are divided over the quantity of cotton production in India. Lal said the country’s total cotton output should be around 35 million bales, but an industry veteran, requesting anonymity, said the total output should be at 33.5 million bales because huge quantity of crop was damaged in Andhra Pradesh.

Owing to unseasonal rainfall, around 30 per cent of cotton crop was damaged in Andhra Pradesh. Total cotton output in the state was reported at 5.4 million bales.

However, according to Cotton Association of India (CAI) estimates, the total output will remain at 34.7 million bales this season, against 30.75 million bales in the previous season. The Cotton Advisory Board (CAB), under the supervision of the Textile Ministry, had estimated the total output at 32.5 million bales.

Business Line

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Back **Onion exports banned to curb price spiral**

Imports go duty-free; efforts on to reach tuber country-wide.

Our Bureau

New Delhi, Dec. 22

The Centre has banned "with immediate effect" the export of "all varieties" of onions as part of its fire-fighting measures to control spiralling prices of the tuber.. Further, import of onions has been made duty-free against the earlier 5 per cent basic Customs duty and 4 per cent special countervailing duty applicable on the product.

Blanket ban

The blanket ban on onion exports follows an earlier directive, on Monday, to the National Agricultural Cooperative Marketing Federation (Nafed) to suspend issue of fresh no-objection certificates (NOC) for exports till January 15. Even on shipments for which the nodal agency had already issued NOCs, the minimum export price (MEP) was raised from $525 to $1,200 a tonne.

But in the latest notification, issued on Wednesday, the Directorate-General of Foreign Trade (DGFT) has imposed a total ban on exports "until further orders". That would rule out exports even against existing NOCs at a higher MEP.

Meanwhile, the Commerce Secretary, Mr Rahul Khullar, told reporters here that public sector entities such as MMTC, PEC and State Trading Corporation have been asked to find out the availability of the commodity in the global market and look into the possibility of entering into short-term contracts for imports. .

Domestic availability

The Cabinet Secretary, Mr K. M.Chandrasekhar, had asked Mr Khullar to ensure that onion imports are expedited to increase domestic availability. Railways have also been instructed to deploy more rakes for fast movement of onions across India.

Earlier in the day, the Finance Secretary, Mr Ashok Chawla, confirmed the Revenue Department move to reduce the basic customs duty to ‘zero' per cent from 5 per cent.

“The Revenue Department had, last night, brought down the import duty to zero per cent until further orders. This move has come to counter the sudden and unexpected increase in price of onions. It will provide a window for onions to be imported,” Mr Chawla told reporters on the sidelines of a conclave here.

He, however, declined to comment on the countries from where imports could happen and by what timeframe will availability of onions get enhanced in the market.

The Agriculture Secretary, Mr P.K. Basu, said here that onion prices are likely to fall in the next 7-10 days with the arrival of new crops.

“The steps the Government has taken have helped in drastic reduction in onion prices. New arrival will come, prices will come down in next 7-10 days”, Mr Basu told reporters on the sidelines of a CII event on cold chain management.

Mr Basu claimed that easing of onion prices had already started and that prices had come down already in all markets including Delhi. On whether the Government plans to import onions, Mr Basu said that private sector was planning to import and that Government had on its part not taken any decision.

Onion prices had soared to Rs 70-85 a kg in Delhi and other major cities from Rs 35-40 a kg last week on account of damage in onion crops because of rains in southern and western States. Large-scale hoarding of this vegetable was also a crucial reason for the spurt in prices.

Consequent to the Government measures, the prices of onions in terminal markets of the country had eased to Rs 4,000 a quintal on Wednesday.

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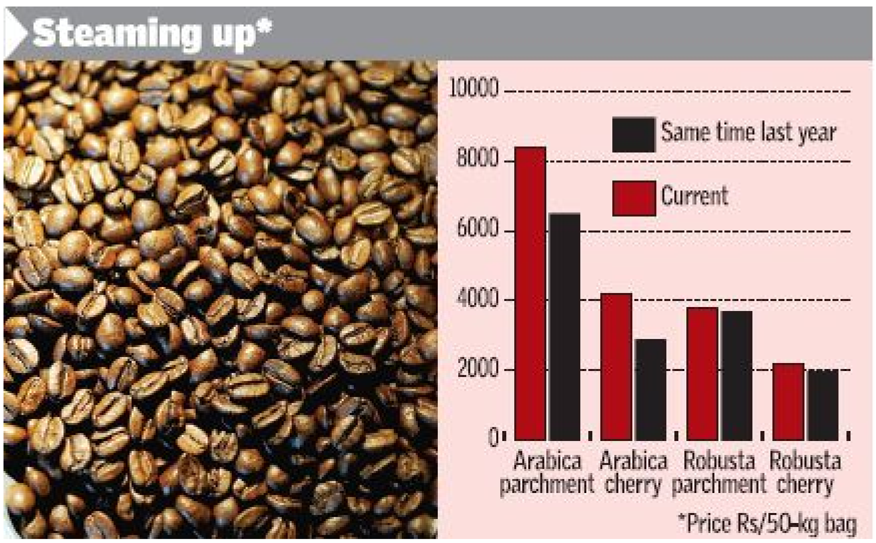
Back **Farmgate coffee prices on boil on supply concerns**



Anil Urs

Hubli, Dec. 22

Farmgate coffee prices in the key growing regions of Karnataka have shot up on supply concerns.

Prices of arabica parchment are up 29.23 per cent at Rs 8,400 a 50-kg bag compared with last year's level of Rs 6,500. Similarly, arabica cherry prices are up 44.82 per cent at Rs 4,200 compared to Rs 2,900 last year.

Supply concern

A senior Coffee Board official attributed this sudden spurt in prices is due to supply concern in the international market and domestic market is just following the trend. Export houses such as

Allanasons, Amalgamated Bean Coffee Trading Company (ABCL), Madhu Jayanti, Ecom and ITC are active at the farmgate, sourcing on behalf on their clients abroad.

Prices of robust varieties have not seen any variations in the last one year.

Robusta parchment is up 2.70 per cent at Rs 3,800 compared with last year's level of Rs 3,700. Robusta cherry is up 5 per cent at Rs 2,200 from Rs 2,000.

Output seen lower

Mr B.L. Harish, proprietor of Blan Coffee, a farmgate trader based at Somwarpet and operating in all the coffee-growing regions, said: “The production is expected to be down 30 per cent this coffee year due to adverse climatic conditions. Planters are holding on to their produce for want of better price, which has resulted in slow and poor flow of coffee into the market.”

Export houses such as Allanasons, Amalgamated Bean Coffee Trading Company (ABCL), Madhu Jayanti, Ecom and ITC are active at the farmgate, sourcing on behalf on their clients abroad.

Prices

Raw coffee price monitored by Coffee Board in Karnataka's growing regions as on December 18 is (Rs/50kg bag): Arabica parchment 8,400- 8,450; arabica cherry is trading between 4,000-4,100;robusta parchment 3,500-3,575 and robusta cherry 2,150-2,250.

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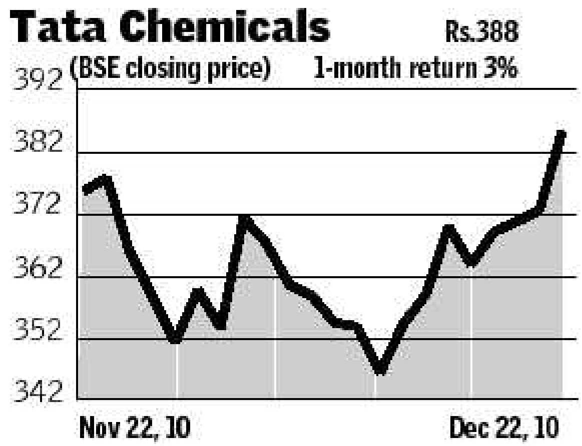

Aarati Krishnan

BL Research Bureau

Though Tata Chemicals' foray into the branded pulses market may seem a surprising move for a company largely seen as the maker of industrial goods such as chemicals and fertilisers, the foray does have a strategic fit with its existing businesses.

For one, Tata Chemicals already has a sizeable presence in the FMCG business through Tata Salt, a dominant brand of iodised salt in India, which has variants such as i-Shakti and Tata Salt Lite. The company also has other ‘consumer' brands straddling cooking soda (Samunder) and Swach water purifiers. The distribution network for salt (which includes kirana stores, modern retail and Tata Kisan Sansar outlets in rural India) can easily be used to also sell other branded staples such as pulses both in and outside urban India. That Tata Chemicals has managed to hold on to a dominant share of the branded salt market despite competitors such as Hindustan Unilever and ITC entering the space, suggests that it does have distribution strengths that can be leveraged for other products.

Two, while several FMCG players have tried out forays into the branded staples market, a huge opportunity in India, only those (such as ITC) with a strong procurement/supply chain in the rural areas to source inputs have actually managed to steadily gain market share.

Tata Chemicals, through its extensive rural distribution network already supplies farm inputs such as fertilisers and pesticides to farmers and does have access to such a supply chain. It can tap into this chain to source pulses to feed its i-Shakti business.

Profit margins from this business may also be reasonably healthy, given that the branded pulses market currently does not feature nay national players (unlike branded atta). Procurement of inputs at farm gate prices may cut out the massive intermediation costs involved in reaching agri-produce to the final consumer and help the profitability of this foray.

Three, given that both of Tata Chemicals key businesses — soda ash and fertilisers are subject to agricultural or commodity cycles, a ‘consumer' or FMCG leg to its business may provide stability to revenues and margins.

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Back **Pesticide makers oppose endosulfan ban moves**

European agrochem interests at work, says industry body.

Profile of the chemical

- India is the world's No. 1 producer and exporter of endosulfan.
- India supplies 28 million litres (70 per cent) of the total global endosulfan market of 40 million litres.
- The 28 million litres includes 12 million litres for domestic market (worth Rs 270 crore or $ 60 million) and 16 million litres of exports (worth Rs 180 crore or $ 40 million).
- Major endosulfan manufacturers include Excel Crop Care, Coramandel International and Hindustan Insecticides Ltd.

Our Bureau

New Delhi, Dec. 22

The Indian pesticide industry has opposed listing of endosulfan as a ‘Persistent Organic Pollutant' (POP) under the Stockholm Convention, suggesting that the proposal is inspired by European agrochemical interests.

“Endosulfan has been manufactured and exported out of Europe for over 55 years. There were no issues over its use until 2001, when the sole European manufacturer (Bayer CropScience) also decided to phase out the product from its portfolio,” said Mr R. Hariharan, Chairman of the International Stewardship Centre, a New York-based body representing generic pesticide makers around the world.

Following the particular manufacturer's move, the European Union (EU), in 2005, withdrew all authorisations for use of plant protection products containing endosulfan. Two years later, the same multinational stopped manufacturing endosulfan, even while continuing with its sales. The same year, the EU sought listing of endosulfan as a POP before the Stockholm Convention.

coincidental

“All these actions may be coincidental. But there are, no doubt, strong business interests which wouldn't mind if farmers are forced to replace endosulfan, which is an affordable and generic insecticide, with costlier proprietary molecules. It is purely about patented-versus-generic pesticides,” Mr Hariharan told presspersons here on Wednesday.

Endosulfan is the world's third largest-selling generic insecticide, with a 40-million litre-plus market valued at over $300 million. India is the world's No. 1 producer and exporter of endosulfan, which accounts for about Rs 450 crore of its Rs 5,200-crore pesticide industry (see graphic).

The Stockholm Convention, to which India is a signatory, requires parties to eliminate or reduce the release of POPs into the environment. While a POP Review Committee of the Convention, in October, agreed on categorising endosulfan as a POP, a final decision would, however, be in the hands of a Conference of Parties in April 2011.

Favouring bar

In the meantime, some 60 countries, including the 27 EU members States and 21 in Africa, have favoured banning the agrochemical.

“These economies account for hardly 12 per cent of the total global endosulfan consumption. Some of them, especially in Africa, have no choice, as they export cocoa and other farm products to the EU,” Mr Hariharan added.

On the other hand, India, China and Argentina have come out strongly against the proposed ban.

“Endosulfan costs just Rs 240-250 a litre, whereas farmers will have to pay 3-4 times more for substitutes. Moreover, it is soft on pollinators such as honey bees, while being beneficial for lady bird beetle, chrysoperla, trichograma and other friendly insects,” said Mr Anil Kakkar, Vice-President of Excel Crop Care Ltd – a major endosulfan producer along with Coromandel International and the public sector Hindustan Insecticides Ltd.

Mr S. Ganesan of the Indian Chemical Council dismissed reports of adverse human health in Kerala's Kasargod district linked to endosulfan poisoning.

“Endosulfan has been in use in India for over 40 years. We consume around 12 million litres annually, of which more than a third is by Andhra Pradesh, Maharashtra and West Bengal. When no such harmful effects have been reported from these and other major consuming States, how can endosulfan cause problems in Kerala, which, even at its peak, was consuming a few kilolitres,” he said.

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Back Free power for farmers to continue, says AP CM

Mr N. Kiran Kumar Reddy

Our Bureau

Hyderabad, Dec. 22

The Andhra Pradesh Chief Minister, Mr N. Kiran Kumar Reddy, said on Wednesday that the State Government has provided free supply of power to the farm sector for the past six years and assured that it will ensure this is extended over the next four years during the remaining part of the current regime.

He said that his Government was steadfast on supply of free power to the farm sector in spite of some sections of the society questioning the Government's decision in extending such a facility very vital for survival of agriculture.

In a direct pointer to industrialists who had questioned as to how the Congress Government would provide free power to the farm sector when the State itself was faced with shortages, the Chief Minister said that the Government in the last six years has showed that this is possible provided there is determination to do so and ensuring that this is a priority issue.

He said even the Confederation of Indian Industry (CII) representatives had questioned late Chief Minister Y.S. Rajasekhara Reddy as to how he would go about ensuring free power.

Help to industry

Speaking at a conference on natural gas, Mr Reddy assured that his Government would ensure that industrialists get all necessary help in ensuring their projects are grounded and function in a smooth manner. However, as a custodian of the State's interests, he cautioned them that they have to give back to the Government its due share as they progress.

He said "gas supply pipelines are being laid in some of the cities which have already been awarded to companies. It won't be long before gas supply will be provided to homes in these cities through a pipeline grid."

MAY TAKE STAKE

The Chief Minister also hinted that the Government may pick up stake in the Bhagaynagar Gas Ltd., a joint venture of GAIL, HPCL and Andhra Pradesh Government, for supply of gas and to facilitate infrastructure.

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Back **Cold chain industry yet to attract FDI**

Call to invest in building infrastructure with a long-term view.

Mr Venkatesh Valluri

Divya Trivedi

New Delhi, Dec. 22

At a time when vegetable prices are overheated, the cold chain industry, voicing its frustration at Budget 2011 promises not being met, pointed out how the sector could help curb rising food inflation.

Making a case for preventing the wastage of fruits and vegetables that ensues from a gap in cold chain infrastructure, Mr Venkatesh Valluri, Chairman, India Region, Ingersoll Rand, said: "One must invest in building infrastructure with a long term view. The argument that with a cold chain infrastructure in place, the consumers will have to pay more and players along the supply chain will be able to lower their costs, is taking a simplistic view of the matter. At present, with no cold chain, are consumers paying less than what they would otherwise?” he told Business Line on the sidelines of a Confederation of Indian Industry event on the Indian cold chain industry.

Against a production of 180 million mt a year of fruits, vegetables and perishables, India has a capacity of storing only 23.6 million mt in 5,386 cold storages across the country, of which, 80 per cent is used only for potatoes, according to the latest DIPP paper on Foreign Direct Investment (FDI) in retail.

Industry estimates

According to industry estimates, 25 to 30 per cent of fruits and vegetables and five to seven per cent of food grains in India get wasted.

Mr Valluri rued that till now FDI in cold chain infrastructure in India has been nil. The DIPP paper says that though 100 per cent FDI is permitted in cold-chain through the automatic route in the absence of FDI in retail, FDI flow to the sector has been insignificant.

According to some reports, Indian farmers realise only one-third of the total price paid by the final consumer, as against two-third by farmers in nations with a higher share of organised retail, according to the DIPP paper. In addition to that, they have to bear heavy losses due to the lack of adequate storage facilities. The post-harvest loss of perishables in India has been estimated to be close to Rs 1 trillion a year . As much as 57 per cent of it is avoidable by eliminating wastage. Commissions and avoidable costs of storage make up the remaining 43 per cent of the loss.

Mr Valluri also expressed the industry's frustrations at slow implementation of Budget promises. “The promises made by the Finance Minister during the last Budget are not moving as fast as they ought to, he said.

Union Budget

The 2010-11 Union Budget had announced that external commercial borrowings would be made available for cold storage facilities. It had also promised project import status at a concessional customs duty of five per cent with full exemption from service tax for the initial setting up and expansion of cold storage, cold room (including farm pre-coolers for preservation or storage of agriculture and related sectors produce) and processing units.

In addition to that, full exemption from customs duty to refrigeration units required for the manufacture of refrigerated vans or trucks had also been promised.

A matter of time

"How much is organised retail in the country? Only two per cent and all this noise is for that. For cold chain to attract substantial FDI it will take time and some promised returns before we see serious investment into it," said Mr B S Subramanyam, Director, Shanders Real Assets (P) Ltd.

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Back **Turmeric breaches Rs 17,000/quintal mark**

Our Bureau

Erode, Dec. 22

Turmeric prices in the regulated market committee here touched a record Rs 17,029 a quintal, up Rs 500 over Tuesday's price. In the futures market, prices hit the upper ceiling of two per cent for active April contract on speculation over arrivals and crop.

Within a month's time the commodity has gone up by Rs 1,000. Turmeric touched Rs 16,000 a quintal in end-November.

In the other markets in Erode, price were just short of Rs 17, 000 a quintal. Similarly the Salem variety turmeric, which arrives less than 50 bags a day, touched Rs 17,300.

Up country demand

“The upcountry demand has increased suddenly for turmeric, the spot market prices increased by Rs 450 to Rs 550 a quintal on Wednesday, said Mr R.V. Ravishankar, President, Erode Turmeric Merchants' Association.

He said: “Everybody is hoping that the same price will prevail for another 10 days at least”. He added that in the North, there was no turmeric stock available, so everyone's eye is on Erode market.

The merchants in North India received some orders, so they placed orders immediately with the Erode traders. In turn, bulk buyers purchased the goods at increased price. Added to this, the price in the futures were quoted Rs 500 a quintal more on Wednesday, so this has reflected in the spot market also.

Mr Ravishankar said the arrival on Wednesday was low of about 2,400 bags, so the prices shot up. With the increase in prices, more farmers will bring their turmeric to the market for sale on Thursday and Friday.

In the Regulated Market Committee, the finger variety sold at Rs 16,631-17,029 a quintal. The root variety at Rs 16,699-16,999. Out of arrival of 541 bags, 535 were sold.

In the Erode Turmeric Merchants Association, the finger variety fetched Rs 9,159-16,669, the root variety Rs 9,129-16,606. Out of arrival of 1,423 bags, 715 were sold.

In the Gobichettipalayam Agricultural Cooperative Marketing Society, the finger variety was sold at Rs 16,166-16,679. The root variety at Rs 16,029-16,488. All the 128 bags kept for sale were sold.

In the Erode Cooperative Marketing Society, the finger variety sold at Rs 16,356-16,888, the root variety at Rs 16,479-16,879. Out of 343 bag arrivals, 324 were sold.

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Back **Global cues boost palmolein, soya oil**

Our Correspondent

Mumbai, Dec. 22

A mixed trend was witnessed on Wednesday. In line with the firm Malaysian and CBOT markets, palmolein and soya oil rose by Rs 2. Rapeseed oil increased by Rs 4/10 kg. Indigenous oils, groundnut, cotton and sunflower oil, were steady. In Saurashtra, groundnut oil fell by Rs 10 a tin and Rs 5 for 10 kg in the absence of demand and higher arrivals of seeds.

In the Mumbai market, fresh spot trades were very thin as most of the stockists covered their requirements early. The volume of trade for next month delivery is witnessing a more active participation of traders. About 100/150 tonnes of oils were resale traded on higher gap between refineries and resale rates. For January 2011, about 350/400 tonnes of palmolein was traded with refineries, estimate traders. The undertone of the market was firm on Malaysian market. At Rajkot, groundnut oil prices was down by Rs 10 at Rs 1,130 a tin, and Rs 5 to Rs 730 for (10 kg) loose.

Global markets

In the foreign markets, Bursa Malaysia Derivatives crude palm oil (CPO) futures prices ended higher for the third consecutive day by 57 and 46 ringgits, as traders anticipated tight supply and stocks position as a result of heavy rains. Futures rise on fresh buying interest, amid speculation that the lean CPO output period from December through April could tighten global vegetable oil supplies. Taking cues of the foreign markets, Indore NBOT soya futures also settled higher.

Malaysia's CPO futures closed higher with January contracts closing at MYR 3668 (3611) and February closed at MYR 3646 (3600). Indore NBOT soya oil futures January contracts closed at Rs 595.70 (Rs 591.80) and February at Rs 613.60 (Rs 610).

Mumbai commodity exchange spot rate (Rs/10kg): Groundnut oil 760 (760); Soya refined oil 572 (570); Sunflower exp. ref., 655 (655); Sunflower ref. 715 (715); Rapeseed ref. oil 619 (615); Rapeseed expeller ref. 589 (585); Cotton ref. oil 565 (565); and Palmolein 562 (560).

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Back **Fresh registration for cotton exports to start next week**

Our Bureau

New Delhi, Dec. 22

The Government will commence fresh registration next week for cotton exports to meet the current ceiling and the situation will be reviewed again on January 15 to see if there is any need to raise the limit, the Commerce Secretary, Dr Rahul Khullar, said on Wednesday.

This is because though the overall ceiling for cotton exports stood at 55 lakh bales, only around 30 lakh bales were shipped out before the expiry of the earlier deadline of December 15. This is due to rains and the consequent delay in the commodity arriving in the market. Therefore, registrations have to be done afresh for the remaining quantity of 25 lakh bales. Actual exports had begun from November 1. Cotton production for the 2010-11 season is estimated at 325 lakh bales. (of 170 kg)

Last week the Government had decided to make the Directorate General of Foreign Trade in charge of registrations instead of the Textiles Commissioner. On yarn, the export cap stands at 720 million kg, but exporters managed to ship out only about 530 million kg.

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Back **Sugar turns bitter on re-sale pressure**

Our Correspondent

Mumbai, Dec. 22

Sugar prices continued to decline for the second day on the back of re-sale pressure from stockiest for their outstanding purchases of December 25 maturity from mills along with month-end poor local demand.

On Wednesday, sugar prices came down further by Rs 10 at spot and Rs 20-25 a quintal at the naka and mill delivery levels. Loading and unloading were badly affected because of the “road blockage” by traders in the afternoon. The sentiment was weak and volumes were at usual levels.

The Bombay Sugar Merchants Association President, Mr Ashok Jain, told Business Line that at the Vashi market, traders, especially of Mudibazar (kariyana, sugar, spices, tea, masala, ands so on), staged a road blockage against the harassment by some Cess Department officials of Navi Mumbai Municipal Corporation in the name of checking, disturbed the loading and unloading of goods in the wholesale market.”

No dispatch possible

The Association's Joint Secretary, Mr Jagdish Rawal, said that due to the blockade fresh retail trade also got affected as no dispatch was possible.

Sugar arrivals in the market were about 48-50 truckloads (100 kg each), but could not get unloaded because of the sudden strike. Dispatches to local shopkeepers were also affected. “Early in the morning some trucks were unloaded in the go-down, but after 11.30 a.m. all work was disturbed,” he added.

On Tuesday evening, 15-17 mills came forward with a tender offer and sold 1-1.10 bags at Rs 2,860-2,920 for S–grade and Rs 2,920-2,990 a quintal for M–grade, including two rail rakes. Mills are not keen to sell at lower rates and continue to keep tender rates at a higher level.

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http://www.thehindubusinessline.com/2010/12/23/stories/2010122351131700.htm

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Back **Retailer offtake perks up chana**

Our Correspondent

Indore, Dec. 22

A rise in chana futures and improved demand from the retailers and millers keeping in view the ensuing festival of Makar Sankranti next month, chana spot prices at the Indore mandi perked up by Rs 30 to Rs 2,390-2,400 a quintal. Chana prices remained volatile on the National Commodities and Derivatives Exchange with the January contract closing Rs 34 higher at Rs 2,583 a quintal. Australia chana on the Mumbai port also quoted Rs 25 up at Rs 2,525 a quintal.

Hoarding

According to traders, with existing stocks of chana across the country fast depleting and stockists engaged in hoarding of available stocks and creating the artificial supply crunch to sell at higher prices, chana prices both on the NCDEX and the spot are likely to remain volatile for the next couple of months. Under the existing scenario, sluggishness in chana seems quiet unlikely at least for a month or two, said a chana trader told Business Line adding that irrespective of chana's availability and demand and supply gap, it is the speculators who have completely monopolised chana prices both on the futures as well as in the physical market.

According to report, damage to chana crops in Australia and lower imports from Canada and Australia have created a supply-demand mismatch and it may add supportive cushion to the bulls.

Dollar chana remained steady with continuing slack demand both in the domestic and export market. In the spot, dollar chana quoted at Rs 4,400-4,600 a quintal, while the container rate of dollar chana 42/44 count quoted at Rs 5,025, 44/46 count quoted at Rs 4,950, while 58/60 count quoted at Rs 4,400 a quintal respectively. Local mandis witnessed arrival of 1,500 bags of dollar chana on Wednesday.

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Back **Profit-booking drags castor futures**

Our Correspondent

Rajkot, Dec. 22 Drop in demand from industry and increasing availability brought castorseed price down in futures market, while on the spot market it increased. Profit-booking by speculators aided the trend.

On the Rajkot Commodity Exchange (RCX) castorseed Mach contract T decreased by Rs 25 to Rs 3,478 a quintal from Tuesday's close of Rs 3,503. Spot castor price increased from Rs 3,815 to Rs 3,840, up by Rs 25 a quintal.

On the National Commodity and Derivatives Exchange (NCDEX) castorseed for delivery in January fell by Rs 26.50, or 0.68 per cent, to Rs 3,875 a quintal, with an open interest of 9,000 lots. February delivery came down by Rs 40.50 to Rs 3,665 with an open interest of 3,600 lots.

Lower demand

Market analysts said fall in industrial demand along with increased supply in physical markets at higher levels, pulled down the futures prices of castorseed.

About 18,000 bags of 55-kg castor arrived on Wednesday in Gujarat and priced at Rs 770-Rs 795 r a 20-kg. In the Saurashtra region, around 600 bags arrive and priced at Rs 730-Rs 776.

According to a RCX trader, limited arrival in spot market will not support price to go down further. Compared with the same period last year, arrival is 50 per cent down in Gujarat.

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Back **Lukewarm trade keeps rice flat**

Our Bureau

Karnal, Dec 22

Rice market continued to rule flat as trading was lukewarm. Prices of aromatic and non-basmati rice have remained unchanged since December 10.

Mr Amit Chandna, Proprietor, Hanuman Rice Trading Co, told Business Line that the market has not seen any alteration in prices of aromatic and non-basmati rice in the last two weeks. It's unlikely to see any changes in the prices in upcoming days too.

Pusa-1121 steam (new) ruled at around Rs 5,250 a quintal, while the old variety sold at Rs 5,300. Pusa-1121 sela (new) was at Rs 4,150-4,200; old variety Rs 4,300-4,350.

Pusa-1121 raw (new) ruled between Rs 5,050 and Rs 5,150, while the old variety was quoted around Rs 5,250.

Pusa (sela) ruled at Rs 3,200-3,250 and Pusa (raw) around Rs 4,200. Basmati sela quoted at Rs 6,000-6,100, basmati raw at Rs 7,000-7,100.

Brokens such as Tibar was at Rs 3,100-3,200, Dubar Rs 2,300 and Mongra Rs 2,000-2,100.

Permal sela ruled at Rs 2,000-2,200, while Permal steam ruled around 2,200 a quintal. Sharbati sela sold around 2,750 and Sharbati steam at Rs 3,000 a quintal.

Around 5,000 bags of PR-13 were sold between Rs 920 and Rs 955. The Grade-A variety arrived in 8,000 bags and quoted between Rs 1,010 and Rs 1,040.

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Back **Onion brought down**

— Kamal Narang

Govt moves:A worker fills a plastic bag with onions at a retail outlet in New Delhi. Onion prices fell to around Rs 4,000 a quintal in terminal markets after the government banned exports and scrapped import duty on the tuber.

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Back **Pepper continues to fall on selling pressure**

G.K. Nair

Kochi, Dec. 22

Pepper futures continued its fall on Wednesday on bearish activities and the consequent selling pressure.

Lack of support from overseas markets, which are already on a holiday mood besides being in the grip of a severe cold wave in the Europe, was attributed to the bearish sentiments.

Domestic demand

Domestic demand also remained low as the North Indian markets are said to be flooded with pepper from Karnataka, market sources told Business Line. Demand from the North also is expected only after stocks are exhausted.

Arrivals of new crop have started in Pathanamthitta and Kollam districts in a small way. The crop is down by 30 to 50 per cent in certain parts of the district.

Spikes carry very few berries while in many cases spikes had fallen in incessant untimely rains, growers in these regions said. A consistent fall in the futures market for the past few days resulted in dealers resorting to panic selling. It has created selling pressure.

They were selling even high range pepper at Rs 205 to Rs 208 a kg, trade sources said.

Futures

January contract on NCDEX dropped by Rs 242 to close at Rs 21,509 a quintal. February and March fell by Rs 218 and Rs 217, respectively, to close at Rs 21,774 and Rs 22,001 a quintal.

Volume moved up by 646 tonnes to 9,431 tonnes.

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Back **Weak futures sap spot rubber**

Our Correspondent

Kottayam, Dec. 22

Spot rubber prices turned weak on Wednesday. Declines in the domestic futures and a favourable change in weather giving a late welcome to the peak production season kept the market under pressure during the day.

Moderate gains in Bangkok spot prices failed to make any visible impact on sheet rubber but ISNR 20 and latex ruled firm on better demand. There was no improvement in arrivals and the volumes were comparatively dull.

Sheet rubber slipped to Rs 207 (Rs 207.50) a kg, according to dealers. The grade finished unchanged at Rs 207.50 a kg both at Kottayam and Kochi, as quoted by the Rubber Board.

RSS 4 weakened further at its January series to Rs 209 (Rs 209.96), February to Rs. 213.50 (Rs 214.74), March to Rs 218.49 (Rs 219.57) and April to Rs 223.50 (Rs 224.25) a kg on the National Multi-Commodity Exchange.

RSS 3 (spot) increased to Rs 222.46 (Rs 220.60) a kg at Bangkok. The January futures for the grade weakened to ¥ 403.7 (Rs 218.03) from ¥ 404.9 during the day session and then to ¥ 402.4 (Rs 217.30) a kg in the night session on Tokyo Commodity Exchange (TOCOM).

Spot rubber rates (Rs/kg): RSS-4: 207 (207.50); RSS-5: 201 (201.50); Ungraded: 195.50 (197.50); ISNR 20: 204.50 (202.50) and Latex 60%: 137 (134).

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Back **Volume at Coonoor tea sale slips to 8-week low**

P.S. Sundar

Coonoor, Dec. 22

A volume of 11.64 lakh kg will be offered for Sale No: 51 at the Coonoor Tea Trade Association's auctions to be conducted on Thursday, reveals an analysis of brokers' listing.

This is the lowest volume in the past eight weeks except Sale No: 46 held on November 18 when volume was only 9.88 lakh kg. It is 1.39 lakh kg less than last week's offer and as much as 2.95 lakh kg less than the offer this time last year.

This is the final sale for this year and both leaf and dust auctions will be held on a single day, instead of the usual two-day auctions. Thereafter, the market will remain closed for Christmas and New Year . The auctions for next year will commence on January 6.

Of the 11.64-lakh kg on offer, 8.32 lakh kg belongs to the leaf grades and 3.32 lakh kg to the dust grades. As much as 10.68 lakh kg belongs to CTC variety and only 0.96 lakh kg, orthodox variety. The proportion of orthodox teas continues to be low in both the leaf and dust grades. In the leaf counter, only 0.54 lakh kg belongs to orthodox, while 7.78 lakh kg to CTC. Among the dusts, only 0.42 lakh kg belongs to orthodox, while 2.90 lakh kg, CTC.

In the 11.64-lakh kg, fresh tea accounts for 10.26 lakh kg. As much as 1.38 lakh kg comprises teas remaining unsold in previous auctions. Exporters lent useful support last week, despite increased availability in world market. “World black tea production so far this calendar has risen to 1740.98 million kg (mkg) from 1619.94 mkg,” Mr Rajesh Gupta, Director, Global Tea Brokers, told Business Line.

This shows as much as 121.04 mkg or 7.47 per cent more production. Of this, the biggest increase of 81.39 mkg has come from Kenya whose production has soared to 323.61 mkg.