THE HINDU

Online edition of India's National Newspaper

Tuesday, November 16, 2010

Date:16/11/2010 URL:
http://www.thehindu.com/2010/11/16/stories/2010111651970300.htm

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## Crop loan disbursed

Staff Reporter

KRISHNAGIRI: The 57th Cooperative Week celebrations began in Krishnagiri on Sunday, said A. Krishnamoorthy, Joint Registrar, here on Monday.

He told reporters here that of the targeted disbursal of Rs. 25 crore, Rs. 14.57 crore was disbursed till October. The target will be achieved before the end of March 2011.

Cooperative societies were asked to achieve the target to disburse loans to farmers. An amount of Rs. 1.36 crore was disbursed as medium term loan to purchase various equipment for agriculture activities.

As directed by the government, 286 Joint Liability Groups were established. A total of Rs. 3.76 crore was distributed as loans to these groups apart from Rs. 3.92 crore as crop loans.

The Office of the Joint Registrar for Krishnagiri district is functioning from June 7.

As many as 120 Primary Agricultural Cooperative Credit Societies, 20 branches of the Dharmapuri District Central Cooperative Banks, three Primary Agriculture and Rural Development Banks, 36 Employees Credit Societies, four Agriculture Producers Cooperative Marketing Societies, two Urban Cooperative Banks, one Irrigation Cooperative Society, three Industrial Cooperative Societies, three Employees Cooperative

Societies and 76 Students Cooperative Societies are functioning under the control of Krishnagiri district office.

The Food Minister, E.V. Velu, will participate at the valedictory function of the Cooperative Week to be held on November 20.

Handheld billing machines will be provided to all the ration shops in the district from December 1. It will ensure transparency in Public Distribution System.

The food grains inventory will be monitored by the control room.

Date:16/11/2010 URL:
http://www.thehindu.com/2010/11/16/stories/2010111652490300.htm

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Rs. 14.57 crore disbursed as crop loan

Staff Reporter

*Cooperative Week celebrations to conclude on Saturday*

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*Handheld billing machines to all ration shops from December 1*

*Functioning of shops to be monitored from control room*

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KRISHNAGIRI: The 57th Cooperative Week celebrations began in Krishnagiri on Sunday, said A. Krishnamoorthy, Joint Registrar, here on Monday.

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The Food Minister, E.V. Velu, will participate at the valedictory function of the Cooperative Week to be held on November 20.

This is the first Cooperative Week function after the district Joint Registrar office was bifurcated from Dharmapuri district in June this year, Mr. Krishnamoorthy adds.

Handheld billing machines will be provided to all the ration shops in the district from December 1. After week training to the salesmen, it will be implemented from December 1.It will ensure transparency in Public Distribution System.

It will completely eliminate malpractices, as the machines will work from 9 a.m. to 6 p.m. and will be connected to the state control room at Chennai and at the four regional control rooms to be set up in the district.

The food grains inventory will be monitored by the control room, Mr. Krishnamoorthy said.

Date:16/11/2010 URL:
http://www.thehindu.com/2010/11/16/stories/2010111654650500.htm

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Farmers urged to buy four-star rated pumpsets

M. Soundariya Preetha

COIMBATORE: The Tamil Nadu Generation and Distribution Corporation has said that there is adequate availability of four-star rated, energy efficient pumpsets in the market and urged farmers to buy pumpsets with four-star or above rating for the “one pole scheme”.

A. Thangavelu, Chief Engineer (Distribution), Coimbatore Region, of the Corporation, said in a release here on Monday that the corporation was implementing a scheme to provide two lakh agricultural pumpset service connections for which agricultural applications were registered till March 31, 2000. Farmers were requested to register their readiness with four star and above rated energy efficient motors and pumpsets as this would result in 20 per cent energy saving.

However, it was reported that farmers were unable to register as four-star and above rated motors and pumpsets were not available in the market.

Mr. Thangavelu said these were available in the market and manufacturers had adequate stock of these also. Hence, farmers should contact these manufacturers and buy these motors and pumpsets.

V. Krishna Kumar, former President of the Indian Pump Manufacturers' Association, explained to The Hindu that submersible pumpsets used in Coimbatore region were available with four-star rating. However, it was difficult to achieve four-star rating for the type of motors and pumpsets used in the Southern Districts as the Bureau of Energy Efficiency had fixed higher minimum efficiency standards for these models. In mono block pumpsets too (used mostly in the Thanjavur area) it was difficult to achieve four-star rating. Only three manufacturers here had four-star rating for mono block pumpsets and it was limited to select models, he said.

Hence, the Southern India Engineering Manufacturers' Association, which has several leading pumpset manufacturers as its members, has appealed to the State Government to accept three-star rating pumpsets for the scheme. President of the association R.R. Ranghanathen said more number of small-scale pumpset manufacturers would benefit if the minimum star rating requirement was brought down from four to three.

Further, since the announcement of the free pumpset scheme in August, farmers in the State were waiting for the free pumpsets and demand in the market had dropped. Hence, manufacturers had slowed down production during the last two months. Only recently, the manufacturers had accelerated production and by the end of this month, more number of star rated pumpsets would be available in the market, he said.

The Tamil Nadu Pumps and Spares Manufacturers' Association has said that the manufacturers had to test every star-rated pumpset and this involved huge cost. Further, the testing procedure took about a couple of months.

The Kovai Power Driven Pumps and Spares Manufacturers' Association has said that its members would organise a fast urging Government to relax the norms for supply of pumpsets under different Government schemes.

Date:16/11/2010 URL:
http://www.thehindu.com/2010/11/16/stories/2010111654300400.htm

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**State Farm Guide favours use of Endosulfan**

Dennis Marcus Mathew

*Guide provided to agriculture officers and Krishi Bhavans*

ALAPPUZHA: Even as the Left Democratic Front (LDF) government puts pressure on the Centre to ban the use of Endosulfan in the country, the State government's Farm Information Bureau's Farm Guide advocates the use of the pesticide for paddy and coconut, two of the State's most widely cultivated crops.

The Farm Guide is provided to agriculture officers and Krishi Bhavans across the State.

The FIB claims that the ‘prestigious annual publication' is an ‘authentic and ready reference to the agriculture scenario in the State.' This year also, Endosulfan does not find a place on the list of pesticides withdrawn in the State.

On paddy

The guide, which details control measures for crop pests, particularly the rice-swarming caterpillar (army worm), advises application of Endosulfan among other pesticides as soon as the caterpillar is noticed in paddy. The insecticide control section for coconut farmers endorses the use of Endosulfan for tackling the ‘coreid bug'.

For the coreid bug, only two options are suggested, Carbaryl and Endosulfan. Farmers have been asked to “apply Endosulfan suspension on the newly opened inflorescence after the receptive phase of the female flower and spray the entire crown excluding the leaves and older bunches.”Interestingly, Agriculture Minister Mullakkara Ratnakaran had issued orders on Sunday to suspend an agriculture officer in Ramankary, near here, after it was brought to light by a television channel that the officer had knowingly or unknowingly pasted posters of integrated pest management which propagates the use of Endosulfan, in the Krishi Bhavan.However, awareness boards put up at the Krishi Bhavan carry the same message on use of Endosulfan.

**Date:16/11/2010 URL:**
**http://www.thehindu.com/2010/11/16/stories/2010111652030300.htm**

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**Vegetable prices go up again in Bangalore**

Staff Reporter

BANGALORE: Cyclone Jal that caused untimely rainfall in the State, leading to extensive crop damage, has also sent the prices of some vegetables, particularly the most commonly-used onions, sky-rocketing.

A kg of onion is now sold at nearly Rs. 50, while its ranged between Rs. 22 and Rs. 25 a kg a fortnight ago. Onion was sold at Rs. 46 a kg at HOPCOMS outlets on Saturday, while in the neighbourhood shops the price ranged between Rs. 45 and Rs. 50 a kg.

Strangely, the price of capsicum, which had touched Rs. 60 a kg, dipped to Rs. 16 to Rs. 20 a kg this week. Also, the price of beans, which had shot up to Rs. 40 a kg two months ago, has remained at about Rs. 18 a kg. Apart from onion, the prices of lady's finger and carrot (Ooty) have also gone up substantially, up to Rs. 32 and 44 a kg, respectively.

Mohammed Idrees Choudhury, general secretary of Fruits and English Flower Merchants' Association, Russel Market, told The Hindu that the prices of commodities in Russel Market are the cheapest as no middleman is involved. While prices of fruits fell after the Deepavali and Ramzan festivals, those of vegetables have gone up as arrivals have taken a hit because of heavy rain in the last few days.

G.M. Venkatesh, a senior executive with a vegetable retail chain, noted that the untimely rain in North Karnataka and Maharashtra has devastated standing onion crops sending the prices up. Whatever produce is arriving in the markets is of inferior quality and it cannot be stored for long time and hence the heavy price, he said. Mr. Venkatesh noted that the price has increased by Rs. 10 in the past one week.

He said that in normal days, the prices should have come down as the festival season was over. The prices of some of the locally grown vegetables, including beans and cauliflower, have not increased much and in some cases, the prices have come down, Mr. Venkatesh pointed out.

On the other hand, the prices of fruits have witnessed a decline after the festival season. Apple (Kashmir), which was sold at about Rs. 90 to Rs. 100 a kg during the festival season, is now sold at Rs. 60 to Rs. 70 a kg. Similarly, Musambi is now being sold at Rs. 35 a kg instead of Rs. 40 a kg. The prices of “Yelakki” Banana as well as Sapota have also come down to about Rs. 35 a kg from Rs. 40 a kg.

Date:16/11/2010 URL:
http://www.thehindu.com/2010/11/16/stories/2010111659960300.htm

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Bengal gram crop hit by heavy rain in Bellary taluk

Staff Correspondent

*It is the major crop of rabi season in the region*

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*Dampness caused by incessant rain has resulted in rotting of roots, say farmers*

*Agriculture Department plans to assess the loss and suggest alternative crops*

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BELLARY: The farmers of Chellagurki, Joladarashi, K. Veerapur, Sidiginamola, Karekallu and surrounding villages in Bellary taluk, who had cultivated Bengal gram, are a worried lot because their hopes of getting a good yield have been dashed, thanks to the continuous rain for the last fortnight.

The standing 40-day rabi crop of Bengal gram cultivated in about 8,000 to 10,000 hectares in the Rupanagudi hobli limits has been severely affected by the dampness caused by incessant rain.

“Following good rain at the beginning of the rabi season and in anticipation of good yield, we sowed quality seeds and used quality pesticides. But the crop has now started wilting and the roots have begun rotting due to dampness caused by the continuous and untimely rain,” said K. Sanna Yarranna from Chellagurki village. “With the loss of this year's crop, our future is uncertain. Forty days in the current rabi season have elapsed and in the remaining 50 to 60 days, we cannot cultivate any alternative crop that can make up for the loss incurred so far,” said Koti Reddy of K. Veerapur village.

Bengal gram is a major crop of the rabi season in Bellary taluk. Of the 62,000 hectares of land targeted for cultivation during this season in the taluk, the area under bengal gram alone accounts for around 40,000 to 45,000 hectares. So far, the coverage of Bengal gram was around 15,500 hectares. The average yield expected from one acre of land is eight to 10 quintals and the cost of production works out to around Rs. 10,000.

Sources in the Department of Agriculture told The Hindu on Monday that a detailed assessment of the loss of crop would be taken up besides suggesting alternative crop to farmers.

Sowing of maize, coriander and Bengal gram was still on in some parts of the taluk, even as there was scope for re-sowing Bengal gram in some areas and get good yield, utilising the moisture in the soil, sources said.

Date:16/11/2010 URL:
http://www.thehindu.com/2010/11/16/stories/2010111657081600.htm

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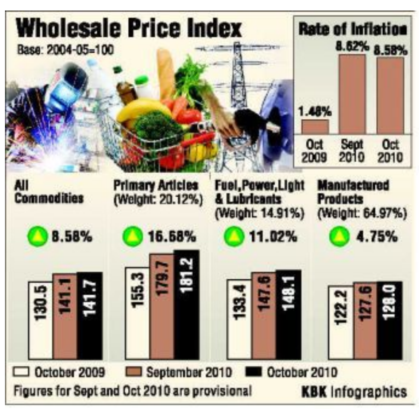
## Overall inflation eases to 8.58 % in Oct

Special Correspondent




NEW DELHI: The Wholesale Price Index-based headline inflation eased marginally to 8.58 per cent in October from 8.62 per cent in the previous month giving rise to expectations that the Reserve Bank of India (RBI) may halt its tight-money stance in view of the sharp deceleration in industrial growth.

Going by the official data on WPI released here on Monday, it is evident that the steps taken by the apex bank is having an impact on prices. Although the fall in overall inflation by four basis points in October appears marginal, the fact remains that the decline from 8.62 per cent in September is over a low base of a mere 1.48 per cent in the same month last year.

On the flip side, it may be argued that the declining trend in overall inflation being witnessed in the provisional figures over the last two months may be short-lived as the final numbers are invariably revised upwards. For instance, for August, the headline inflation stands revised to 8.82 per cent from the provisional estimate of 8.51 per cent announced earlier.

Commenting on the WPI data, Finance Minister Pranab Mukherjee pointed out that while the RBI's monetary actions had helped in containing the price spiral, the supply-side constraints were still exerting pressure. “From April 2009 to September 16, 2010, we have increased CRR [the cash reserve ratio] by one percentage point. We have increased the repo rate by 1.5 per cent. We have increased the reverse repo by 1.75 per cent. That has [had] some effects,” he said.

A major contributor to the overall inflation has been the rising prices of food items. In October, in particular, onion prices inched up again while protein-rich items continued to exert maximum inflationary pressure.

The apex bank has sought to explain the rise in prices of protein-based items to increased demand as they now form a major chunk of the population's food consumption basket in keeping with the rise in income.

On the other hand, onions turned costlier by over 24 per cent during the month following large-scale crop damage in parts of Maharashtra owing to torrential rains. Alongside, fruits were 4.71 per cent dearer on a month-on-month basis and remained more expensive by 15.84 per cent on a yearly basis. Likewise, milk prices also went up by 0.68 per cent on a monthly basis, having remained 21.65 per cent costlier on an annual basis.

Pointing to the need for a faster decline in food inflation, Planning Commission Deputy Chairman Montek Singh Ahluwalia said: “Inflation has declined, but food inflation is high.

Further decline is necessary. Inflation is coming down slowly."

The WPI data reveals that during October, food inflation stood pegged at a high of 14.13 per cent, though lower than 15.71 per cent in the previous month.

On the contrary, the inflation on manufactured items inched up to 4.75 per cent during the month from 4.59 per cent in September, thus revealing a trend of rising prices of manufactured items even as food inflation is showing a downward trend.

As per the official data, petrol prices in October went up by 1.07 per cent while other fuel items remained unchanged. Prices of metals also rose by 0.38 per cent, while iron turned dearer by 1.46 per cent. Alongside, the quantitative easing by the U.S. Fed is also likely to impact commodity prices in the global market.

Date:16/11/2010 URL:
http://www.thehindu.com/2010/11/16/stories/2010111660030300.htm

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## Farm innovators from State honoured

Special Correspondent

KANNUR: Nine innovative farmers from the State were honoured at the National Farm Innovators' Meet – 2010 in Mysore recently.

The innovative farmers, who were also described as farmer scientists, were honoured at the national-level Farmers' Science Congress held at Nanjangud in Mysore on November 12 and 13, according to K. Abdul Kareem, Professor and Head of the Krishi Vigyan Kendra (KVK) at Panniyur under the Kerala Agricultural University.

The first farmers' science congress had been hosted by the KVK in 2008.

Dr. Kareem, who had mobilised the farmers to make their presentations at the meet in Mysore, said the innovative farmers from the State honoured at the meet included M.J. Joseph who had invented a coconut climbing device. The others honoured at the function included Simon George from Kannur (polybag filling device), N. Vasavan, Kannur (biocontrol against tea mosquito in cashew garden), and Gopalakrisha Sharma, Kasaragod (black pepper thresher).

Dr. Kareem said the meet had been attended by nearly 200 farm innovators from 25 States.

Date:16/11/2010 URL:
http://www.thehindu.com/2010/11/16/stories/2010111653250300.htm

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Check-dam breached, crops damaged

Correspondent

Karwar: The main gate of Bheemakol check-dam in the Hankon-Gotegali area was breached on Monday evening, destroying about 200 acres of paddy crop.

According to sources in the Irrigation Department, the Bheemakol lake was overflowing owing to incessant rain in the area in the last two days.

On Monday, the gate of the check-dam was beached and water entered the agricultural land.

While the rain caused some damage to the paddy crops, the breach completely destroyed the crop that was in the process of being harvested, the people of the area said. They urged the district administration to release compensation to the families affected.

Date:16/11/2010 URL:
http://www.thehindu.com/2010/11/16/stories/2010111664220600.htm

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State not to privatise sericulture farms

Special Correspondent

Bangalore: The State Government has taken a policy decision to retain all the 95 sericulture farms and refrain from privatising or selling them for any given purpose.

Minister for Labour B.N. Bache Gowda, who on Monday took charge of the sericulture portfolio, conducted a review of the sericulture department with senior officials. He was briefed on the salient features of the sericulture sector particularly in the context of the growing sericulture market and farmers giving up sericulture in favour of other commercial crops.

Briefing presspersons after the meeting, Mr. Gowda said of the 98 sericulture farms in the State, three had been sold in the recent past to various government agencies.

A 45-acre farm at Devanahalli was sold to ISRO for Rs 48 crore, a 12-acre farm at Hassan to the Agriculture university campus there and a six-acre farm at Hoskote near Bangalore to a Government college.

“Henceforth we will keep all the farms and develop them in the interest of sericulture,” he said.

Date:16/11/2010 URL:
http://www.thehindu.com/2010/11/16/stories/2010111659710300.htm

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Farmers to get Rs.1.25 more for a litre of milk

Staff Reporter

Kozhikode: The Malabar Regional Cooperative Milk Producers' Union has decided to give an additional Rs.1.25 for a litre of milk procured from dairy farmers of milk societies.

The societies will be provided a working grant of 25 paise and another 25 paise for being converted into their share capital in Milma for every litre of milk procured. The decisions came into effect on November 11, said Milma chairman P.P. Gopinatha Pillai and managing director in charge K.T. Thomas at a press meet here on Monday.

As of now, the milk procured by Milma from societies is given Rs.19.50 paise a litre. Farmers are given Milma cattle feed at Rs.2 a kg at a subsidised rate. However, this rate has been increased to Rs.3 since October 11. Around 50 lakh kg of cattle feed is sold in the Malabar region, they said.

An investment meet for starting new dairy farms and fodder farms will be held in the district on November 20. Such events will be held in all other districts of the region, Mr. Gopinatha Pillai said.

The Milma Malabar regional union has spent nearly Rs.2.33 crore on subsidy this fiscal. Benefits of Rs.20 crore will be given to milk farmers this year.

Date:16/11/2010 URL:
http://www.thehindu.com/2010/11/16/stories/2010111659770300.htm

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## Statewide agitation by farmers on November 18

Special Correspondent

*Roads leading to highways to be blocked for seven hours*

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*Introduction of SAP will enable Government to*

*fix sugarcane price annually*

*In the absence of SAP, sugar mills are fixing prices arbitrarily*

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MYSORE: Farmers across the State will block all roads leading to highways for seven hours on November 18 to protest against the apathy of the State Government towards fulfilling their long-pending demands, including introduction of the State Advisory Price (SAP).

Disclosing this to presspersons here on Monday, president of the Karnataka State Sugarcane Growers' Association (KSSGA), Kuruburu Shanthakumar, said that a decision in this regard had been taken at the State Executive of Association held in Dharwad recently.

The agitation aims to draw the attention of both the State and Union governments on issues such as the delay in fixing the scientific price for sugarcane for the year 2010-11, introduction of SAP, withdrawing ban on export of sugar and paddy, hike in support price for paddy, supply of qualitative power to pump-sets and leasing of government farms to private agencies.

They threaten to intensify their agitation if the government fails to address their demands. He said the introduction of SAP would enable the State Government to fix cane price annually. In the absence of SAP, sugar mills were fixing prices arbitrarily, he alleged.

The SAP system is being followed in Punjab, Haryana, Gujarat, Uttar Pradesh and Tamil Nadu. “Despite several reminders, the Government has failed to conduct a meeting of the committee to arrive at a conclusion on SAP,” he regretted. He said that sugarcane growers from across the State took out a procession in Bangalore on January 19 seeking scientific price for their produce. Yielding to the pressure, the Government announced formation of an expert committee and subsequently a ten-member committee, headed by Vice-Chancellor of Dharwar Agricultural University S.A. Patil was constituted. The committee's responsibility was to study the model adopted by other States while fixing the price and guide the Government on formulating the SAP for sugarcane in January, he said.

Accusing the Government of protecting the interest of owners-cum-political leaders of sugar mills, Mr. Shanthakumar alleged that leaders of all political parties, especially of Bharatiya Janata Party (BJP), own sugar mills in the State. He said the Chief Minister was under pressure from the political lobby.

**Date:16/11/2010 URL:**
**http://www.thehindu.com/2010/11/16/stories/2010111654100400.htm**

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**Free soil, seeds testing facility at Agriculture Ministry pavilion**

Special Correspondent

NEW DELHI: As part of its “Progressive Farmer, Prosperous Nation” theme, the Union Agriculture Ministry has set up a state-of-the-art seeds and soil testing facility at its pavilion at the India International Trade Fair at Pragati Maidan here.

The technology for DNA fingerprinting of seeds is being demonstrated for the first time. Farmers and visitors can submit the seeds and soil samples to avail of the free testing facility. The pavilion will be open to the public from 9-30 a.m. to 7-30 p.m., while samples will be collected till 12 noon.

Test reports on germination potential and purity of the seeds would be given the same day, whereas DNA fingerprinting report would be sent to the visitor by post in two to three days.

Seeds samples will be tested for validation of identification through DNA fingerprinting, germination potential, physical purity (to check for impurity or inferior quality of seeds).

Soil samples will be tested not only for availability of nitrogen, phosphorous and potash (N, P and K) but also micronutrients. Farmers and visitors should submit a 500-gm sample of the soil. The sample has to be a mixture of 500 gm of soil collected from a depth of 9” to 10” from each of the four corners as well as the middle of the land/field.

Date:16/11/2010 URL:
http://www.thehindu.com/2010/11/16/stories/2010111660620700.htm

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## Hooda asks Centre for better foodgrain support price

Special Correspondent

CHANDIGARH: Haryana Chief Minister Bhupinder Singh Hooda on Monday urged the Centre that the Minimum Support Price for foodgrains be pegged 50 per cent higher than the actual cost of cultivation.

Addressing the India Economic Summit organised by the World Economic Forum and the Confederation of Indian Industry (CII) in Delhi, Mr. Hooda said post-harvest crop losses which were ruling at an alarmingly high level of Rs.55,000 crore a year must be cut down.

Steps necessary

Also, “conscious and consistent measures must be adopted to step up both public and private investment in agriculture, especially research and development, which has been stagnating for years," he added.

All these steps were necessary if the growth in agricultural production was to match the growth in population, he stated.

Hoping that the summit would offer market-based solutions to the problems faced by the farmers, he pleaded for setting up a National Mission for Sustainable Agriculture under the National Action Plan on Climate Change to address the impact of climate change on agriculture. The research institutions should pay attention on R&D to minimise the impact of erratic behaviour of the monsoon and weather patterns on agriculture.

Mr. Hooda called for a massive national effort to set up modern silos to reduce the post-harvest crop losses. Immediate action was needed to build infrastructure for storage through public and private sector interventions, he said, adding, “I would exhort the industry to come forward to supplement the efforts of the government.”

Pointing out that since the mid-1990s private investment in agriculture had been stagnating and public investment was on the decline, the Chief Minister said a strong commitment was required on the part of the Centre to improve the R & D scenario in agriculture. Industry could play an important role in funding the agricultural research, he added.

Report soon

Mr. Hooda, who heads the Working Group on Agricultural Production set up by the Prime Minister with Chief Ministers of Punjab, Bihar and West Bengal as members, disclosed that the group had finalised its report which would be submitted to the Prime Minister shortly.Emphasizing the need for a second green revolution, he said: “To feed our ever-increasing population, the foodgrain production has to be doubled by 2040 with consistent

2.5 per cent annual growth".The flow of resources to the agricultural sector is declining and indebtedness of small and marginal farm families rising. Input costs are increasing, while productivity is declining. A technology fatigue of sorts has further aggravated farmers' problems, he added.



hindustantimes
Tue,16 Nov 2010

## Weather

Chennai - INDIA

| Today's Weather | | Tomorrow's Forecast | |
|---|---|---|---|
| Partly Cloudy | **Tuesday, Nov 16**<br>Max Min<br>31.4° \| 25° | Rainy | **Wednesday, Nov 17**<br>Max Min<br>31° \| 25° |
| Rain: 03 mm in 24hrs | Sunrise: 6:06 | | |
| Humidity: 94% | Sunset: 17:39 | | |
| Wind: Normal | Barometer: 1012.0 | | |

Extended Forecast for a week

| Thursday | Friday | Saturday | Sunday | Monday |
|---|---|---|---|---|
| **Nov 18** | **Nov 19** | **Nov 20** | **Nov 21** | **Nov 22** |
| 26° \| 25° | 26° \| 25° | 27° \| 25° | 27° \| 25° | 27° \| 25° |
| Rainy | Rainy | Rainy | Rainy | Rainy |

Business Standard

Tuesday, Nov 16, 2010

## Low paddy output may hit farmers' assured income

Vikas Sharma / New Delhi/ Chandigarh November 16, 2010, 0:36 IST

The assured income to farmers in Haryana through government agencies is likely to be affected due to inclement weather conditions which prevailed in the state this year.

Floods followed by extended monsoon resulted in damage to 270,000 hectares cropped area. Even as the re-transplantation was done in washed away areas, scientists feel output and yield could suffer to some extent.

This could possibly impact the assured income to farmers through Minimum Support Price (MSP). Out of the total 2.8 million tonnes leviable variety of paddy procured last year the government agencies had procured 2.6 million tonnes offering farmers MSP of Rs 1,000 per quintal for common paddy and Rs 1,030 per quintal for superfine variety(Grade A).

Assuming Rs 1,000 per quintal, farmers in the state earned Rs 263 crore income through assured returns last year. However this year, paddy figures both for common and superfine variety have been on lower side compared to last year.

The six government procuring agencies have so far purchased over 2.2 million tonnes of paddy in Haryana at a minimum support price out of the total 3 million tonnes of paddy which have arrived at the various mandis of the state. Last year 2.5 million tonnes was purchased by government agencies from total arrival of 3.66 million tonnes.

Government officials maintain the figures of procurement by government agencies would remain less compared to previous year. As against 2.63 million tonnes procured by government agencies last year, this year the figure would remain 2.4 million tonnes.

With change in MSP of paddy in comparison to last year this year the farmers in Haryana are expected to garner Rs 240 crore.

Haryana is the fifth largest contributor of paddy to the central pool after Punjab, Andhra Pradesh, Chhattisgarh and UP.

## Oilseeds output likely to rise 12.5%

BS Reporter / November 16, 2010, 0:15 IST

Oilseeds output is estimated to rise 12.5 per cent this kharif season on a phenomenal increase in yield due to favourable climate. Higher production of oilseeds will also be supported by an overall increase in acreage.

The apex trade body the Central Organisation for Oil Industry & Trade estimates total oilseed output at a staggering 15.41 million tonnes during the current kharif harvesting season as compared to 13.69 million tonnes in the same season last year.

Total acreage during the season is estimated at 17.55 million hectares, a marginal increase from 17.49 million hectares covered under major oilseeds during last kharif season. COOIT estimates an average yield to rise to 878 kg per ha this year, a rise of 12.13 per cent from an average 783 kg last year.

## Should India export at risk of fuelling sugar prices at home?

Kunal Bose / November 16, 2010, 0:12 IST

It takes two to tango. This for a much welcome change is happening in the country’s sugar economy. The industry, represented by Indian Sugar Mills Association (Isma) and National Federation of Cooperative Sugar Factories is showing much better appreciation than ever before, of the caution the government must exercise before making any policy changes for sugar, an oversensitive commodity. The recent good vibes between the government and industry may largely be because of the emerging new leadership in Isma, ready to see the official point of view.

Both the government and sugar producers came for upbraiding earlier this year when sugar became unaffordable for the common man. The traumatic experience for the major part of 2009-10 sugar season, which opened with low stock of 4.4 million tonnes and with forecast of another bad sugar production of around 15 million tonnes laid the ground for the food and agriculture ministry and the industry to give up trading charges and start working in unison. In a fine gesture, Sharad Pawar recently praised the industry for giving 20 per cent of sugar production as levy during 2009-10 against official requirement of 10 per cent.

When this arrangement was agreed upon to enable the government to push greater volume of sugar through the public distribution system, the assumed sugar production for last season was considerably less than the final tally of 18.9 million tonnes. The cost to the industry for this gesture was not insignificant since levy sugar price is worked out on the basis of fair and remunerative price (FRP) for cane and not what mills actually pay to farmers on advice of states.

As supply concerns have eased, the government will be collecting 10 per cent of the industry's production as levy in the season which began on October 1. Not only has this transition happened smoothly, a welcome change from the past, but it did not take Isma much time in convincing the government that the departmental proposal to peg levy load at 12.5 per cent is not justified in the present circumstances.

Food price inflation caused largely by truant behaviour of weather has remained a major embarrassment for the government and sugar because of the unjustifiably large weightage of 3.6 per cent in the wholesale price index (WPI) imposed on it in a bureaucratic misjudgement unwittingly became a target of public wrath. No doubt Pawar, who knows his sugar as well as anybody, has a hand in bringing down weightage of sugar to 1.74 per cent in the revised WPI, in operation since September 2010.

In the complex sugar economy, the biggest stakeholder is the farmer community. Farmers have their price expectation and in the fulfilment of the reasonable part of that the country has the key to bringing in more land under cane, raising crop productivity and finally increasing sugar supply. No doubt this was the message Pawar gave when recently speaking at a farmers' gathering at Ahmednagar in Maharashtra he espoused the cause of exports dismissing the "urban concern" about its fallout on domestic sugar prices. He also didn't fail to remind us of the uncomfortable truth that we get our sugar at the world's lowest prices. Didn't Pawar suggest that farmers getting a fair deal depended on India selling surplus sugar in the world market? At the same time, our state level politicians will do well to realise that forcing mills to pay unreasonable prices for cane could only harm the sugar economy. And why should there be an occasion for a state level association of mills to go to the court for redressal of grievance against arbitrarily fixed state advised price?

World sugar prices for both raws and white have climbed to their highest since early 1980s on expected supply shortfall in the face of Brazilian harvest tailing off sharply as many other major growing countries have suffered crop setback. According to the Brazilian sugar industry association Unica, the country's production was down 30 per cent in the first half of October on a year-on-year basis. Since Brazil alone accounts for nearly half of world sugar exports, a shortfall there becomes difficult to be made good by supplies from other sources. Besides the Brazilian factor and expectations of possible shipments from India going down, the tide of liquidity sweeping into the commodity has pushed prices at ICE and Liffe to the current level.

It is not anybody's case that India should export sugar at the risk of fuelling domestic prices to a level that may cause public anger. But to the extent we sell sugar in foreign markets early this season, our mills will benefit from handsome premiums that world prices are commanding over local prices.

Exports no doubt will empower mills to pay "actual fair" prices for cane, but certainly not to the extent that farmers in some growing centres are pitching for. Ideally, there should be a formula for sharing of revenue from sale of sugar and its principal byproducts like molasses and bagasse between mills and cane growers. Hopefully, C Rangarajan committee will come up with an equitable formula.

Cotton exporters run into trouble

Rajesh Bhayani / Mumbai November 16, 2010, 0:11 IST

Procurement too low, prices too high, for time-bound commitments.

Cotton exporters, who were expecting bumper profits, with a good crop and high prices abroad, are finding themselves unable to procure the quantity they need at the price they were supposed to get.

A serious issue, since they have scheduled export commitments.

IN A FIX

- Anticipating bumper crop, exporters had signed forward deals with ginners
- They then signed export deals, getting govt nod to ship 5.2 million bales by mid-December
- Trade calculations went awry; supply wasn't enough and prices surged. So, ginners began defaulting
- Late arrivals, and at high prices, stoke the handling problem at ports; they have a limited capacity in a month
- So, the December 15 deadline may not see much of the export commitment

The problem is that after mid-October, when cotton started coming into the market, prices have risen sharply — they're up over 50 per cent in the past three months. Ginners, who convert raw cotton into consumable bales, and who had earlier signed forward deals with the exporters, were unable to procure at a price which made it viable for them.

Result: They've been defaulting on commitments. The trapped exporters, who have commitments to waiting importers abroad, have started buying from the open market. Which further strengthens the price. Along with exporters, textile mills are chasing the same cotton.

A source in the Cotton Association of India said a number of default complaints had come and were being arbitrated. An option, he said, was for exporters and ginners to renegotiate the prices.

### Cut-off limit

There is a time problem: permission (the government has to okay all exports) for exporting 5.2 million bales (a bale is 170 kg) were given between October 1 and 10, and the shipments have to be made within a given period. The last such date is December 15.

Price apart, exporters fear the full quota of 5.2 million bales might not be exported by then, as enough cotton would not have been arrived in market till that time.

"Also, the ports can handle only 2.5 million bales per month and in November would see many holidays," said Shirish Shah, partner, Bhaidas Cursondas & Company, a leading cotton trader and exporter.

So far, 3.75 million bales have arrived in various mandis. The Cotton Corporation of India estimates that with the daily arrivals of 200,000-225,000 bales, arrivals could be 7.5-8 million bales by November-end.

Textile mills will take 2-2.2 million bales each month, and exporters need about a week for making shipments. Given these figures, and the ports' capacities mentioned earlier, only 3.5-4 million bales are likely to have gone by the December 15 date, said an exporter, instead of the 5.2 million that should have left.

As for the rising crescendo from the textile industry on high prices and the way exports would multiply the problem and, so, should be stopped, exporters say they are not making big money.

At the current domestic and international price difference, the margin in exports is just five to eight per cent, they contend.

### Options

An option with the government, around or before December 15, is to extend the time given for shipments or allow the incomplete quota. Or, as the textile industry insists, suspend all exports till the demand-supply situation gets clearer.

There is some cheer for exporters in the past two days, in that prices of cotton have come down from Rs 47,000 to Rs 42,500 per candy (356 kg) and if it continues to fall further, ginners might honour their commitments. The forward deals ginners had signed with exporters were at rates between Rs 25,000 and Rs 40,000 per candy.

THE HINDU Business Line

Business Daily from THE HINDU group of publications

Tuesday, November 16, 2010

Date:16/11/2010 URL: http://www.thehindubusinessline.com/2010/11/16/stories/2010111651082000.htm

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Back **Kharif vegoil output projected to rise 10%**

*Groundnut and soyabean oils expected to increase.*

**Vegetable oils trend**

(in lakh tonnes)

| Source | Oilseeds crop | | Marketable surplus | | Oil availability | |
|---|---|---|---|---|---|---|
| | 2010-2011 | 2009-10 | 2010-2011 | 2009-10 | 2010-2011 | 2009-10 |
| Groundnut | 41 | 32.9 | 8.70 | 4.4 | 3.48 | 1.8 |
| Soyabean | 93.50 | 85.0 | 85.50 | 75.0 | 14.54 | 12.8 |
| Toria | 1.0 | 1.0 | 1.10 | 1.0 | 0.36 | 0.3 |
| SUnflower | 1.35 | 3.2 | 1.35 | 3.1 | 0.47 | 1.1 |
| Sesame | 4.4 | 4.3 | 1.40 | 1.8 | 0.63 | 0.8 |
| Castor | 11.80 | 9.7 | 11.80 | 9.7 | 5.31 | 4.4 |
| Niger | 1.0 | 0.8 | 0.7 | 0.5 | 0.21 | 0.2 |
| Cotton | 102.30 | 91.5 | 97.30 | 86.5 | 11.68 | 10.8 |
| Copra | 6.5 | 6.6 | 6.5 | 6.6 | 4.23 | 4.3 |
| Other sources* | - | - | - | - | 13.53 | 13.3 |
| Total | 262.85 | 235 | 214.35 | 188.6 | 54.46 | 49.8 |

*Other sources include rice bran, oilmeals and local palm oil

Source: COOIT

Our Bureau

Chennai, Nov. 15

Vegetable oils production from kharif oilseeds is estimated nearly 10 per cent higher this year at 54.46 lakh tonnes (lt).

According to projections made at the 48th All-India convention on kharif oilseeds organised by the Central Organisation for Oilseeds and Oil Trade, the estimate has been arrived at based on the projection that oilseeds availability for crushing will be 214.35 lt from a total crop of 262.85 lt. Last year, oilseeds availability was 235 lt from a production of 235 lt leading to edible oils production of 49.8 lt.

While groundnut-in-shell production is expected to increase to 41 lt (32.9 lt), that of soyabean is seen at 93.50 lt (85 lt).

Gains in groundnut have come in from almost all growing States with Gujarat leading the way with 18.70 lt production.

In soyabean, Madhya Pradesh is expected to produce 55 lt, the same as last year, while Maharashtra is seen contributing to the rise (26.50 lt against 20 lt). Rajasthan, Karnataka and Chhattisgarh are also expected to contribute to the higher production.However, sunflower production is seen down by more than half to 1.35 lt (3.1 lt) mainly on sharp fall in acreage in Karnataka, Andhra Pradesh, Maharashtra. Sesame output is projected to be higher at 4.40 lt (4.30 lt) but seeds available for crushing is seen lower since 3 lt are expected to be retained for sowing, direct consumption and exports.

Castorseed production is expected to rebound this year to 11.80 lt (9.7 lt) with Gujarat again showing the way. The production in the western State is projected at 8.70 lt (7.6 lt), while Andhra Pradesh output is seen trebling to 1.20 lt (0.40 lt).Hope of record production in cotton is seen coming handy for a higher cottonseed availability. This is expected to result in 97.30 lt of seeds available for crushing into oils, leading to 11.68 lt production of washed cottonseed oil. Copra availability and coconut oil production are projected marginally lower.

Date:16/11/2010 URL:

http://www.thehindubusinessline.com/2010/11/16/stories/2010111651431900.htm

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Back Mixed trend in rice; buying lifts aromatic varieties

Our Correspondent

Karnal, Nov. 15

The rice market witnessed a mixed trend on Monday. Due to some buying, aromatic rice varieties witnessed an uptrend whereas with low trading, non- basmati varieties witnessed a steady trend.

Mr Amit Kumar, proprietor, Hanuman Rice Trading Company, told Business Line that the rice market witnessed a good trading session in aromatic rice varieties. The upward trend may not sustain for long and the market will witness a steady trend soon, he said.

Prices of Pusa-1121 steam (new) ruled between Rs 5,100-5,200 a quintal, while the old variety ruled between Rs 5,200-5,300. Pusa-1121 sela (new) ruled between Rs 4,100-4,170, whereas the old variety was at Rs 4,250-4,320.

Pusa-1121 raw (new) ruled at Rs 5,100-5,200, while the old variety quoted at Rs 5,250. Pusa (sela) ruled between Rs 3,250-3,300 and Pusa (raw) at Rs 4,100-4,200. Basmati sela ruled at Rs 6,100-6,200, while basmati raw was at Rs 7,100-7,150.

Prices of PR (old) ruled between Rs 2,000-2,200, while the PR (new) ruled between Rs 1,950-2,000 a quintal. Sharbati sela (old) ruled between Rs 2,500- 2,700; Sharbati steam (new) at Rs 2,600-2,800; Permal sela (new) at Rs 2,000-2,170 a quintal.

Brokens such as Tibar ruled around Rs 3,510, Dubar at Rs 2,500 and Mongra around Rs 1,790-1,820.

Around 1.9 lakh bags of paddy arrived at the Karnal grain market terminal.

Around 5,000 bags of PR-13 arrived and ruled between Rs 1,000-1,020. Around one lakh bags of Grade-A variety arrived, and ruled between Rs 1,020-1,050.

PR14 arrived with a stock of 10,000 bags and ruled at Rs 1,100-1,120. Around 5,000 bags of RS-10 were quoted at Rs 1,400-1,450.

Around 10,000 bags of Sharbati also arrived, and ruled between Rs 1,500-1,550. Sugandha-999 arrived in about 10,000 bags and quoted at Rs 1,600-1,675.

Around 15,000 bags of Pusa (duplicate basmati) arrived and quoted at Rs 1,800-2,200. Around 20,000 bags of Pusa-1121 quoted at Rs 2,000-2,400.

About 15,000 bags of the paddy of pure basmati rice arrived here and quoted at Rs 2,000-2,900. The entire stock was lifted by agencies and rice millers.

Date:16/11/2010 URL: http://www.thehindubusinessline.com/2010/11/16/stories/2010111651062000.htm

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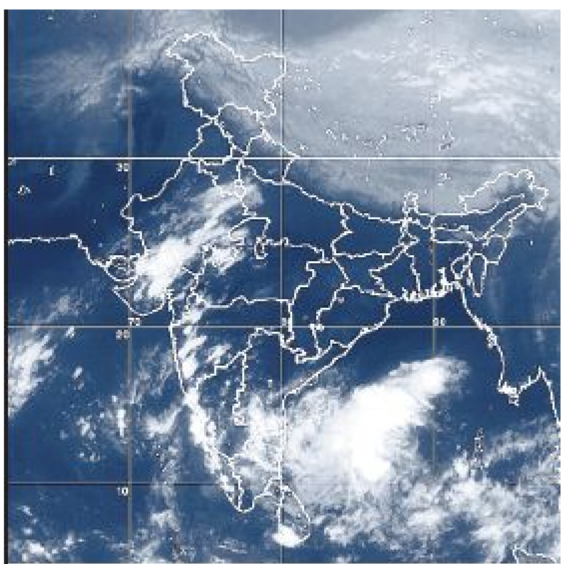
Back **Rains may continue in west, central parts**



India Meteorological Dept satellite picture at 16-30 hrs

Vinson Kurian

Thiruvananthapuram, Nov. 15

Seasonal rains could continue to stray as much into Western Peninsular India as they would spread thin over the rest of adjoining Central India during this week and the next, say international weather models.

In fact, the moisture incursion from the sea has prompted minimum temperatures to rise by 6-8 degree Celsius over the plains of northwest India, Gujarat and central India, an update by India Meteorological Department on Monday said.

Residual moisture

The Southern Peninsula, including Kerala and Tamil Nadu, would need to make do with the residual moisture for sustaining a minimal wet cover over the region.

The International Research Institute (IRI) for Climate and Society at Columbia University has gone on to predict a deficit anomaly in rainfall along the Tamil Nadu coast. This is despite the gains resulting from an approaching easterly wave towards the coast, as predicted by India Meteorological Department (IMD).

It has also picked a well-marked low-pressure area over Southeast Bay of Bengal, which is expected to move west-northwest.

A weather warning issued by IMD on Monday said isolated heavy rainfall would occur over Andaman and Nicobar Islands on Tuesday.

Isolated to scattered heavy to very heavy rainfall would occur over coastal Andhra Pradesh, Rayalaseema and north Tamil Nadu from Tuesday, the IMD outlook added.

Widespread rain

An extended outlook valid until November 20 said that fairly widespread rainfall activity would occur over northeast and south Peninsular India.

But night temperatures are expected to fall by 3-4 degree Celsius C over Northwest and adjoining Central India with skies getting cleared up over this region.

Close on the heels of the easterly wave impact along the coast, winds are seen once again seen blowing southeasterly from the Bay of Bengal into the northwest of the peninsula.

This would bring rains into coastal Karnataka and western Maharashtra, as is happening right now from the influence of a remnant from erstwhile Bay cyclone, ‘Jal.'

According to the US National Centres for Environmental Prediction (NCEP), the week ending November 22 is like to see rains linger over Coastal Karnataka, Gujarat, West Madhya Pradesh, Central and West Madhya Pradesh, parts of Telangana, apart from North Tamil Nadu and south coastal Andhra Pradesh.

The following week, November 23 to December 1, may witness a spurt in rainfall along the southeast Tamil Nadu coast and adjoining Sri Lanka from a likely favourable turn in the Madden-Julian Oscillation (MJO) wave pattern.

The periodical MJO wave travels from west to east over the Indian Ocean and sets up cloud over the area under its influence, with implications for ground-level weather.

A dry phase of the MJO is operational over large parts of the Indian Ocean, including the equatorial stretches and the adjoining Peninsular Indian seas.

The IRI has forecast a wetter than normal weather for the six days ending November 19 for the West Coast and the adjoining three-fourth of Peninsular India and adjoining Central India except Tamil Nadu.

Meanwhile, an IMD update of weather during the 24 hours ending Monday morning said that widespread rainfall occurred over Andaman and Nicobar Islands.

It was fairly widespread over Konkan, Goa, madhya Maharashtra, Rayalaseema and coastal Karnataka and scattered over Kerala and east Rajasthan.

Insat cloud imagery showed the presence of convective (rain-bearing) clouds over parts of central and south Bay of Bengal, South Andaman Sea, east-central Arabian Sea, Gujarat, south Andhra Pradesh, coastal Karnataka, north Kerala and Tamil Nadu.

**Date:16/11/2010 URL: http://www.thehindubusinessline.com/2010/11/16/stories/2010111652102100.htm**

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Back **Karnataka expects record 368 lt sugarcane crop**

A. Srinivas

Bangalore, Nov. 15

Karnataka, the third largest cane producer in the country, is expecting a record sugarcane crop in 2010-11, of 368 lakh tonnes. This is 25 per cent up from the 2009-10 cane output in the State, of 295 lakh tonnes. The targeted output is 315 lakh tonnes for this kharif.

Last month, sugar cooperatives in northern Karnataka have reportedly agreed to pay a first advance of Rs 1,300-1,400 a tonne.

Harvesting and transportation will be borne by factory, of Rs 300-400 a tonne. But an official announcement of the first advance is expected only later this month, despite the fact that crushing activity has begun.

“We are being asked to declare the sugar price, but this is a politically sensitive issue,” a sugar industry representative said.

Rain in the State has delayed harvesting and crushing activities in the northern districts, industry representatives said.

Therefore, the crushing season can extend till April. This can affect cane recovery, they said.

According to official estimates, of the 63 sugar factories in the State, 52 are running. The crushing capacity is 1.9-2 lakh tonnes a day and the duration of the crushing season is 150-180 days.

Crushing activity began in the southern districts of Mandya, Mysore and Chamrajnagar more than two months ago, with government and mills agreeing to a first advance of Rs

1,800 a tonne.

The sugarcane crushed in 2009-10 was 239.77 lakh tonnes and the sugar output was 25.77 lakh tonnes.

According to industry estimates, in 2010-11 the cane expected to be crushed is 320 lakh tonnes and the sugar output from Karnataka 32-35 lakh tonnes. With an annual sugar demand of 23 million tonnes (all-India), and 10 per cent of that for Karnataka, or 23 lakh tonnes, there is a situation of surplus building up, industry spokespersons said.

After December and January, sugar prices are expected to come down, cooperative sector spokespersons said. There is unlikely to be the usual diversion of 10-15 lakh tonnes to Maharashtra, as sugarcane production there is high as well, they said.

Area planted

According to state department officials, the area planted (including ratoons) between April and October this year is 4.53 lakh hectares, against the harvested area of 3.32 lakh hectares in 2009-10.

Cane recovery in north-west Karnataka was 11.03 per cent in 2009-10 crushing season and 10.63 per cent in 2008-09.

**Date:16/11/2010 URL: http://www.thehindubusinessline.com/2010/11/16/stories/2010111651072000.htm**

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Back **New retting technology for jute**

*SAVING WATER.*

Ch. R.S. Sarma

Vizianagaram, Nov. 15

A new retting technology for jute, which requires much less water and entails mechanisation, is being introduced on a pilot basis in the two districts of Vizianagaram and Srikakulam in Andhra Pradesh, according to Dr S.K. Bhaduri, principal scientist, the

National Institute of Research on Jute and Allied Fibre Technology, Kolkata.

In an interview, Dr Bhaduri said that the new technology, known as the ribbon retting technology, had already been tried out in West Bengal. It is now being introduced on a pilot basis in the two districts of AP, which grow mesta (known as Gogunaara in Telugu), which is mixed with jute and used in jute mills.

Water scarcity

“Water scarcity is a major problem in jute cultivation and conventional retting requires a lot of water — as much as 2,500 litres for a quintal of jute or mesta. It can be reduced to about 120 litres in ribbon retting,” he said.

He said that a ribboner machine was being used to take out the jute/mesta bark and then a microbial growth promoter, christened ‘Sonali Sakti,' is mixed with water in powder form. “Not only does it improve the fibre quality, but the time for retting is also considerably reduced. The farmer can save on water and labour as well,” he said.

Dr Bhaduri said that in a demonstration held recently, farmers from Vizianagaram and Srikakulam districts were introduced to the microbial growth promoter as well as the ribboner machines, and the response was very encouraging.

The ribboner machines can be operated on power. The machines cost around Rs 40,000 but there would be a subsidy component of Rs 15,000, he said.

‘Will reduce pollution'

He said the new retting process will also help reduce pollution, and help the farmers get a better price, as the fibre quality and strength would be much better than before.

Mr A.G. Prasad, the Regional Manager of the Jute Corporation of India (JCI), said that such technical advancements were necessary to make jute cultivation feasible and remunerative, and that the JCI would make efforts to popularise the new retting technology.

Date:16/11/2010 URL:
http://www.thehindubusinessline.com/2010/11/16/stories/2010111651032000.htm

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Back **AP seeks autonomy over seed price, royalty**

K.V. Kurmanath

Hyderabad, Nov. 15

Even as the Union Cabinet approved amendments to the Seed Bill, the Andhra Pradesh Government, farmers' organisations and non-governmental organisations have decided to make one last attempt to retain powers to control seed prices and royalty fee.

Mr N. Raghuveera Reddy, the Andhra Pradesh Minister for Agriculture, will lead a delegation to New Delhi to meet Mr Sharad Pawar, the Union Minister for Agriculture, on Tuesday to put forth the demands.

“We have written letters to at least 15 Agriculture Ministers of major States asking them to back the demand,” a senior State Government official said. “We have not heard from them yet. But we expect some kind of support from them.”

The Minister had already approached the MPs from the State. “We are not disheartened that our attempts to bring changes in the Bill failed. We are going to tell him (Mr Pawar) that it is very important for states to have such controlling powers in order to rein in seed companies,” he said.

Representatives of NGOs and farmers organisations have already arrived in New Delhi to bring pressure on the Government on the issues.

“We met both Opposition and ruling party leaders and explained to them on the need for regulations at State level.

We also told them import of commercial seed directly would harm the country,” Mr G.V. Ramanjaneyulu, Chief Executive Officer of Centre for Sustainable Agriculture (CSA), told Business Line from Delhi.

He said the changes in amendments to the Bill were not adequate.

“In fact, there were hardly any important changes but for the one on compensation. Compensation (to farmers when crop failed due to poor quality seeds) is enhanced from Rs 5,000 to Rs 5 lakh,” he added.

**Date:16/11/2010 URL: http://www.thehindubusinessline.com/2010/11/16/stories/2010111652142100.htm**

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Back **Pepper futures witness high volatility**

G.K. Nair

Kochi, Nov. 15

Pepper futures witnessed high volatility on Monday and November contract ended below the previous close while December and January moved up slightly.

As November is nearing maturity there has been a big propaganda that validity of 1,400 and odd tonnes of pepper would expire on December 5 and there would not be any takers for it.

Meanwhile, small and weak operators who cannot afford to pay additional margin money of 3 per cent were liquidating. Thus, 372 tonnes of pepper of November were liquidated today, pushing the market down, market sources told Business Line. Since the Indian parity is in line with other origins at $4,950 a tonne (c&f) Europe and $5,050 a tonne (c&f) USA it is anticipated that the exporters may come forward for delivery of November pepper. In fact, November delivery available at Rs 212 a kg would be cheaper than the farm grade pepper as after processing it would cost Rs 214 a kg, they said. The moisture content in the exchange pepper is also expected to be lower than that in the farm grade pepper.

As there was pepper available cheaper on the exchange platform, activities in the terminal and primary markets were very little, they said. November contract on NCDEX dropped by Rs 62 to close at Rs 21,136 a quintal. December and January moved up by Rs 46 and Rs

62 respectively to close at Rs 21,634 and Rs 21,893 a quintal.

Total turnover fell by 2,413 tonnes to 8,968 tonnes. Total open interest fell by 372 tonnes to close at 13,687 tonnes showing liquidation. November open interest dropped by 567 tonnes to 2,906 tonnes while that of December and January moved up by 136 tonnes and 56 tonnes respectively to 9,455 tonnes and 757 tonnes.

**Date:16/11/2010 URL: http://www.thehindubusinessline.com/2010/11/16/stories/2010111651451900.htm**

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Back **Global cues help soyabean oil gain**

Our Correspondent

Indore, Nov. 15

Taking cues from strong overseas market, soya oil prices gained. On the spot, soya refined that opened in the morning at Rs 532/10 kg following weak foreign market gained Rs 8 at Rs 542 as the market turned bullish in the afternoon session. Soya solvent prices gained Rs 5 at Rs 505-510. On the National Board of Trade, soya oil prices ended up with rise in foreign market. After opening at Rs 569, it ended Rs 9 up at Rs 578.5.

Prices steady

Soya seeds prices ruled steady both in the spot as well as the plant-level. Local mandis witnessed arrival of 7,000 bags on Monday against 4.50 lakh bags at the State-level. On the spot, soyabean prices ruled steady at Rs 2,080-2,170 a quintal, while plant deliveries were quoted at Rs 2,225-2,250 a quintal.

According to a soyabean trader, Mr Mukesh Purohit, with prices fluctuating, plant operators are maintaining a wait-and-watch situation and are keen on purchasing soya seeds at a lower rate.

Soyabean futures on the National Commodities and Derivative Exchanges ended up with November and December contracts closing Rs 8 higher at Rs 2,260 and Rs 2,213 a quintal respectively. Soya seeds futures on the National Commodity and Derivatives exchange dropped following the sell-off that came across all commodities following the news that China may hike interest rates. Worries that the rate hike could cool off demand from the largest soyabean importer sent ripples sparking a selloff in the oilseed complex.

Though the acreage under soya cultivation was marginally lower, improved yield level on favourable weather condition is resulting into bumper crop this year.

**Date:16/11/2010 URL: http://www.thehindubusinessline.com/2010/11/16/stories/2010111651551900.htm**

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Back **Bulk demand, rain boost spot turmeric**

Our Correspondent

Erode, Nov. 15

Fears that the new turmeric crop could be delayed due to incessant rain in growing areas pushed up turmeric prices on Monday. In view of this, bulk buyers view with one another, leading sharp rise in prices.

“Due to rain in cultivated areas in Erode district, the arrival of the new crop may be delayed and we are expecting the crop to arrive in the market only in the first or second week of January,” said Mr R.V. Ravishankar, President, Erode Turmeric Merchants Association, on Monday. He said they had earlier expected arrival of fresh crop in mid-December.

In the Erode Turmeric Merchants Sales Yard, the finger variety fetched Rs 9,206-14,189 a quintal and the root variety Rs 8,609-14,030. In the Regulated Marketing Committee, the finger variety was sold at Rs 14,159-14,377, root variety Rs 14,188-14,368.“Traders have received good orders, which was seen in the quoted tenders. Prices on futures market moved up Rs 300 a quintal, which reflected in spot prices. On Monday, both the varieties increased from Rs 200-400Prices with fluctuations of Rs 100-200 a quintal will remain till new crop's arrival ,” Mr Ravishankar added.

Date:16/11/2010 URL:
http://www.thehindubusinessline.com/2010/11/16/stories/2010111651441900.htm

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Back **Bad weather in Gujarat threatens cotton**

Rajkot, Nov. 15

Export and local demand has led to stable price in cotton at Rs 43,000 a candy (356 kg) in Gujarat.

Moreover, industry fears that cloudy weather in Gujarat may damage the quality of the natural fibre.

The price for Sankar-6 was on Monday quoted at Rs 42,500-43,000 a candy. About 70,000 bales arrive in Gujarat and 2.35 lakh bales arrive across the country. (1 bales = 170 kg).

The Kalyan variety was quoted at Rs 27,000 a bale. Raw cotton was traded at Rs 900-920 a 20-kg in Rajkot.

Price for Sankar-6 in Maharashtra was quoted at Rs 41,500-42,000 a candy.

A Rajkot-based trader said: “Cotton price is now stable and it will attract fresh buying in coming days. The drop in price that had touched Rs 47,000level will support buying.”

An Ahmedabad-based trader said: “Exports of cotton should be allowed but only after satisfying the needs of domestic textile industry and other users.”Textile manufacturers in China that consumes 40 per cent of world cotton output are facing huge shortage, propelling the global prices to new highs.

Date:16/11/2010 URL:
http://www.thehindubusinessline.com/2010/11/16/stories/2010111652512100.htm

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Back **Dry fish**

— K.K. Mustafah

Rain havoc:Workers drying fish at a beach near Thrissur in Kerala. Heavy winds and incessant rains in the coastal areas of the State has dealt a heavy blow to the dry fish industry, estimating a loss of half a crore in Thrissur district alone. Dry fish is mainly moved to Tamil Nadu for use in chicken feed.

Date:16/11/2010 URL:
http://www.thehindubusinessline.com/2010/11/16/stories/2010111651102000.htm

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Back **Global cues drag spot rubber prices**

Aravindan

Kottayam, Nov. 15

Spot rubber turned weak on Monday. The prices slipped following the declines in the domestic and international futures. According to sources, moderate selling from dealers and growers continued to put pressure on the market though widespread rains were still reported from the plantation areas.

Sheet rubber moved down to Rs 198 (200) a kg both at Kottayam and Kochi according to Rubber Board and Dealers. The volumes were comparatively better.

Futures decline

In futures, the November series expired at Rs 197.50 (198.67) a kg, while the December series slipped to Rs 200.70 (201.50), January to Rs 202.95 (203.50) and February to Rs 205.85 (206.28) a kg for RSS 4 on the National Multi Commodity Exchange.

RSS 3 weakened further at its November futures to ¥351 (Rs 191.47) from ¥360 a kg during the day session and then to ¥346.5 (Rs 189) in the night session on the Tokyo Commodity Exchange (TOCOM). The grade (spot) closed weak at Rs 196.49 (197.92) a kg at Bangkok.

Spot rates were (Rs/kg): RSS-4: 198 (200); RSS-5: 187 (189); Ungraded: 183 (185); ISNR 20: 195 (197) and latex 60 per cent: 130 (131).

**Date:16/11/2010 URL: http://www.thehindubusinessline.com/2010/11/16/stories/2010111651902100.htm**

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Back **'Improve efficiency of water use in farming'**

Our Bureau

Hyderabad, Nov. 16

There is a compelling need to focus on improving efficiency of water use in agriculture, according to Ms Sunitha Laxma Reddy, Minister of Minor Irrigation, Government of Andhra Pradesh.

Speaking at a business development meet of water resources department of the National Bank of Agriculture and Rural Development (Nabard) here on Monday, she said the State Government was also insisting on the use of sprinkler and drip irrigation units in the villages where water usage was over-exploited.

There was a need to deliberate on various important issues in the water sector and chalk out an action plan for future development of the sector, the Minister added.

Mr A K Bandopadhyaya, Executive Director, Nabard, Mr P. Mohanaiah, Chief General Manager of Nabard (AP) and others also participated, according to a release.

**Date:16/11/2010 URL: http://www.thehindubusinessline.com/2010/11/16/stories/2010111651012000.htm**

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Back **Assam tea rules steady at N. India auctions**

Our Bureau

Kolkata, Nov. 15

Last week, the offerings (packages) at Sale 45 at three North Indian auction centres of Kolkata, Guwahati and Siliguri were 4,60,038 as against 4,23,456 in the same sale last year, according to J Thomas & Company Private Ltd, the tea auctioneers.Of this, the share of Kolkata auction was 1,97,821 (168,210) comprising 138,925 (128,3610 of CTC/Dust, 52,825 (34,888) of Orthodox and 6071 (4961) of Darjeeling. The share of Guwahati auction was 149,974 (145,246) and of Siliguri 112,243 (110,000).

Last week, Assam CTCs were barely steady and irregularly lower following quality, except the plainer sorts which were around last levels. Well made Dooars were steady while the remainder sold irregularly in line with quality. There was good enquiry from Tata Global and reduced support from Hindustan Unilever. Western India operated actively on better liquoring teas.  Exporters operated on larger brokens.  Fair support came from local dealers and other internal sections.Clean, well made orthodox grades sold around last levels while the remainder was irregularly lower following quality. West Asia was the mainstay of the market. North India operated on the bolder whole leaf. Hindustan Unilever supported the fannings and larger brokens. Fair support was provided by local dealers.

THE ECONOMIC TIMES
Tue, Nov 16, 2010 | Updated 11.03AM IST

16 Nov, 2010, 03.07AM IST,AGENCIES

# Oil prices stabilize after drop

NEW YORK: Oil prices were mixed on Monday following last week's sell off as the dollar gained strength. New York's main contract, light sweet crude for delivery in December, slipped two cents to 84.86 dollars a barrel.Brent North Sea crude for December rose 36 cents to 86.70 dollars a barrel in London trade. Crude futures slumped on Friday, after hitting two-year highs the previous day, as traders took their cue from a stronger dollar and speculation over a Chinese interest rate rise.

On Monday, the dollar continued to rise against key currencies after a stronger than expected rise in US retail sales in October. A stronger dollar makes it more expensive for investors holding other currencies to buy dollar-denominated commodities like crude oil. In recent weeks, the energy market has been buoyed by a weaker dollar and the prospect of a stronger-than-expected global economic recovery. "After taking a tumble on Friday, the price of oil is stabilizing," Commerzbank analyst Carsten Fritsch noted on Monday. "Speculation about further tightening of monetary policy in China and concerns that this could dampen oil demand there is still weighing on prices," he added. Major oil producer and exporter Iran said on Sunday that the world economy was in a position to absorb a price of even 100 dollars a barrel. "Oil prices increasing to 100 dollars would not hurt the global economy," Mohammad Ali Khatibi, Iran's representative at the Organization of Petroleum Exporting Countries (OPEC), told the oil ministry news agency SHANA.
His remarks come days after OPEC revised upward its world oil demand growth estimates for 2010 and 2011.