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Farmers find it difficult to meet FCI norms

G. Nagaraja

ELURU: The paddy growers seem finding it difficult to overcome the after-effects of rain and floods over their produce. Farmers drying and sifting the produce in open places, including the busy State and national highways, has now been a common sight in the paddy-rich West Godavari district. The harsh fair average quality (FAQ) norms framed by the Food Corporation of India (FCI) for paddy procurement make it near-impossible for farmers to dispose the produce which was subjected to discolouring and germination because of high moisture levels caused by inundation of farm fields for days together. Even as the district administration has expressed its inability to ensure procurement without relaxing the FAQ norms for which a Central team is scheduled to arrive in the district in the first week of December, harvesting and threshing operations are in full swing across the rural parts. Huge quantities keep flooding the market in some places, bringing little cheers to farmers. The space crunch in godowns has led the farmers to keep their produce in the farm fields itself. Even the Rajahmundry-Eluru State highway, the Kolkatta-Chennai National Highway and the interior roads like Eluru-Potunuru and Eluru-Pedapadu are not spared.

Damage control

The farmers are into damage control measures. Dryers are seen engaged here and there to keep the produce dried. Salt water is getting sprayed on it with the help of sprayers to check discolouring. The meagre 4-5 dryers available right now in the district are not sufficient to meet the requirement.

According to Mantena Suryanarayana Raju of the Andhra Pradesh Rytu Karyacharana Samithi, all the 17 agricultural market yards in the district need to be equipped with the dryers each costing around Rs 25 lakh.

According to estimates, the district is expected to register a drop in yield by 3 lakh tons in Swarna variety alone due to the damage caused by rains.

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'Enquire into emu farming'

Staff Reporter





For development: Collector T. Soundiah speaking at the farmers grievances redressal day meeting in Erode on Friday. -

ERODE: Collector T. Soundiah has instructed the officials of Animal Husbandry department to conduct an enquiry about the Emu farming and bring out the facts about the business.

The Collector, while responding to a question raised at the farmers grievances redressal day meeting held here on Friday, said that people should be made aware of the Emu farming and its profitability.

Thadapalli – Arakkankottai Pasana Sabhai president Thalapathi said that a few private firms in Perundurai were collecting deposits from the public to rear Emu birds on a contact basis. A

large number of people had deposited crores of rupees with these firms.

"We are not really aware of the benefits of commercial Emu farming and its profitability. The

district administration should conduct an enquiry and bring out the facts about Emu farming," he

demanded.

The farmer, pointing out a scam related to teak growing, said that the Emu farming business

was being carried out on a similar business model.

The Collector, while stressing the need to protect the interests of the people, said that the

department would conduct an enquiry and inform the farmers about the facts in Emu farming.

Farmers have appealed to the district administration to construct more check dam and adopt

water conservation measures.

Huge amount of water released from the Bhavanisagar reservoir and other water bodies in the

district was going waste. A majority of the parts in the district received heavy rains during the

last few weeks.

"If more check dams are constructed, it would help recharge the groundwater and save the

precious resource," farmers said.

The level of awareness on water conservation among people should also be increased, they

stressed

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Farmers to join Bangalore protest

Correspondent

Chamarajanagar: Members of the Karnataka Farmers and Agriculture Tractor Owners Welfare

Association will take out a procession on November 29 from Bangalore City Railway Station to

Banappa Park urging the Government to fulfil their demands. Addressing presspersons here on

Fridar, K. Siddaraju, district president of association, has said the farmers and tractor owners

from all districts would participate in the protest march.

Demands

He said their demands included an inquiry into the large-scale corruption done by a bank in Mysore by getting signatures on blank cheques; waiving off tractor loans; sanctioning Rs. 1 lakh as subsidy to all tractors purchased ten years ago; providing compensation of at least Rs. 20,000 to farmers for crop loss and fixing a fair price for crops.

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Title deeds to be issued to Idukki farmers in January

A Correspondent

Legal hurdles for issuing title deeds being removed

With the title-deeds, farmers will be eligible for getting loans from banks

Farmers living in KSEB abandoned project area to get title deeds on December 18

KATTAPPANA: Minister for Revenue K. P. Rajendran has said that legal clearance for issuing title deeds to 40,000 farmers in the district is being completed and on January 10 next year, the condition-free title deeds will be issued to them in the first phase.

Addressing press persons at the collectorate in Painavu on Friday evening, after a meeting with the senior officials of the Revenue department, the minister said that about 8,000 farmers have submitted the old title deed, which has a condition that the validity of the title deed is subject to the order of the High Court of Kerala, for getting the condition free title deed. Those who have not surrendered the old title deed will be allowed do so at the respective village offices from December 1 to 7, he said.

The minister said that the government was committed to issuing condition-free title deed to all

deserving settlers and it will be done in a time-bound manner.

He said that the official level work for clearing the bottleneck for issuing the condition-free title deed is in progress and with the new title deed, farmers will be eligible for getting financial

assistance from banks.

The minister said that the farmers living in the abandoned hydro electric project area of the

Kerala State Electricity Board will be issued title deeds on December 18. About 3,000 families

in Perinjamkutty, Kuthumkal and Erattayar will be given the title deed in the first phase, he said

and added that all the farmers in the abandoned project area will be given the title deeds. It will

be done as per the completion of the official work, the minister said.

He said that by January next year all the farmers will get the benefit. Farmers in the seven

villages of Rajakkad, Kanthipara, Bisonvalley, Kalkoonthal, Udumpanchola, Kunjithanny and

Vathikudy will benefit from the government's decision to issue title deeds.

The possession certificate under the Forest Rights Act will be issued at a function in

Peerumade on December 9 and 1,156 families will benefit from it, he said.

The Revenue Minister's visit to the collectorate was to personally look in to the work on the

issuing of title deeds to the settlers.

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Imported parasites to save crops

K.S. Sudhi

KOCHI: Three parasitoids imported from Puerto Rico will be released in the State shortly for

biologically controlling papaya mealybug infestation. In biological control, natural enemies of

pests are introduced to destroy them.

The mealybug infestation has destroyed a wide variety of agriculture and horticulture crops in

the country including tapioca, pigeon pea, cotton, okra, tomato, brinjal, teak, silk cotton,

jatropha, mulberry and guava. It had also affected rubber and teak plantations in the State.

Last year, the widespread invasion had resulted in huge financial loss.

The infestation subsided this year due to the heavy rain in the State. Once there is a let-up in the rain, agriculture scientists expect a massive outbreak again, said P.V. Balachandran, Director Extension, of the Kerala Agriculture University.

How they thrive

The spread of the mealybug has been reported from Karnataka, Maharashtra and Tripura, presumably due to the movement of infested fruits. "Initially the mealybugs colonise along the veins on the lower side of the papaya leaves and later cover the fruits rendering them unmarketable. Due to the explosive growth of the mealybug populations and the toxins produced, the younger plants are killed outright," according to a publication from the National Bureau of Agriculturally Important Insects, Bangalore.

The Bureau imported three species with the help of the United States Department of Agriculture-Animal and Plant Health Inspection Services.

The parasitoids were also found to be safe to honeybees, silk worms and a host of other predators. Once released and conserved, they will establish naturally and control the papaya mealybug on crops on a long-term basis. They are expected to significantly suppress the papaya mealybug populations within six months to one year.

The Kerala Agriculture University is in the process of multiplying the parasitoids, which will be released in infested sites when rain subsides. The possible areas of high influx are being identified by the experts.

Farmers and general public can also communicate the instances of infestation to the University, said Mr. Balachandran.

T.V. Sajeev, entomologist of the Kerala Forest research Institute, Thrissur, said that chemical pesticides should not be applied on plants to which the parasitoids are released since they will destroy them. The mealybugs have a wax coating which prevents the pesticide from coming

into direct contact with its body. But that is not the case with parasitoids, Dr. Sajeev said.

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'Farmers not benefitting from escalated prices'

Staff Reporter

Protest against Centre's economic policies

Peasants urged to unite for fight against American companies

LF has not succeeded in establishing 'Socialist State'

KOLKATA: Criticising the Centre's policies on agriculture particularly the Seeds Bill and removal of subsidies, Left peasant organisations urged farmers here on Friday to unite in the fight against American companies that threaten to take over the system.

Raising issues affecting farmers across the country including the introduction of genetically modified crops, reductions in fertilizer subsidies and land being wrested from them, Benoy Konar, vice-president of the All India Kisan Sabha said that the Centre is "hypocritical" in its policies towards farmers.

"They claim that the rise in prices of essential commodities is because of the rise in the prices of food grains and fuel, but the farmers have not received any benefit of escalated prices," said Mr. Konar, who is also a member of the Central Committee of the CPI(M).

He was speaking at a sit-in demonstration which was part of the Left Front's week-long programme that began on Wednesday in protest against the Centre's economic policies and the anarchy being spread in the State by the Trinamool Congress.

Training his guns on Prime Minister Manmohan Singh, Finance Minister Pranab Mukherjee as well as Trinamool Congress chief Mamata Banerjee, Mr. Konar said they have said that the

food productivity has declined, but none of them said a word about a reduction in fertilizer subsidy.

Mr. Konar admitted that the Left Front Government had not been successful in establishing a "Socialist State" in West Bengal as it is a part of India. Stating that the Congress was looking after the interests of American companies such as Monsanto instead of those of the farmers, he said all sections of peasants must unite.

"The big fish always eats the small. It may be so that farmers with small land holdings take advantage of those who work on their land. But at a time like this all farmers must unite against these huge sharks of American Capitalism," he said.

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District panchayat to take up farming in a big way

Staff Reporter

To develop four agricultural farms and an animal farm

PHOTO: C. Suresh Kumar



Proactive: The tissue culture laboratory of the Kottukkal Farm in Kollam.

KOLLAM: As part of the measures to become an active contributor to the food security programme, the Kollam district panchayat has finalised plans to develop all the four agricultural farms and one animal husbandry farm under its management.

The agricultural farms are at Kottukkal, Kadakkal, Karunagapally and Kottarakara and the animal husbandry farm at Kuriyottumala.

Talking to presspersons from the Kuriyottumala farm near Anchal on Friday, district panchayat president R. Gopalakrishna Pillai said the entire area of these farms would be put under production in association with the Agriculture Department. The prime thrust would be to promote food cultivation in the district through the development of these farms, he said.

The farms at Karunagapally and Kottarakara are promoting coconut cultivation and the one at Kadakkal is promoting paddy cultivation. At the 330 acre Kottukal farm, various fruits and vegetable farming are promoted. The biotechnology unit of this farm produces tissue culture banana saplings, high-yielding vegetable seeds, pepper shoots and cashew and mango grafts to be distributed to farmers at prices that are much lower than the open market rates.

The farm produces the much-needed pseudomonas bacteria which is an effective bio control for crops.

The product produced in association with the Indian Council for Agricultural Research (ICAR) is sold to farmers at prices much below the market rates. The product is highly effective against quick wild fungal disease in black pepper.

As part of the steps to develop the farm, a check dam will be constructed across the Ithikara River at its Kottukkal course and the water will be used to irrigate the farm during summer.

Mr. Pillai said there were some encroachments in the farm and these would be evicted.

Entry into the farm property would also be restricted. He said the Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS) would be extended to the operations of the farm to overcome the labour shortage. Though the farms had an approved strength of 140 labourers, at present there were only 70 labourers. Effective steps would be taken to prevent

the frequent outbreak of fire inside the farm during peak summer, he said.

Chairman of the district panchayat's development standing committee S. Jayamohan said the Kottukkal farm would give training to farmers for growing tissue culture crops. Mango crops would be revived in the district. Farmers turned apathetic to mango farming because of diseases during flowering and harvest seasons. The farm was developing techniques to overcome these problems, he said.

S. Mohanachandran, principal agricultural officer, Kollam, said every year the Kottukkal farm produced and distributed about five-lakh tissue culture banana saplings, 50,000 coconut saplings, more than 30,000 cashew grafts, an equal number of mango and jackfruit grafts and a huge quantity of high yielding vegetable seeds to the farmers. The mango grafts were mainly from 27 different species of mango trees growing inside the farm.

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Promoting medicinal plant farming

Staff Reporter

MALAPPURAM: State Horticulture Mission (SHM) has launched a pilot scheme to expand medicinal plants cultivation to more than 50,000 households across the State. The households of 10 panchayats have been selected as part of the programme mooted by the Ayush, a Central government department.

All houses in the 10 select panchayats are being given seedlings of four medicinal plants. More than 60,000 seedlings of medicinal plants such as Vepu, Nelli, Asokam and Venga are being distributed freely as part of the scheme titled 'Dhanwantaram Gramam.'

The panchayats chosen were Kuttichal (Thiruvananthapuram), Kadakkal (Kollam), Seethathodu (Pathanamthitta), Punnapra North (Alappuzha), Uzhavoor (Kottayam), Udumbannur (Idukki), Athavanad (Malappuram), Kakkoor (Kozhikode), Mullamkolli (Wayanad) and Aralam (Kannur). Minister for Agriculture Mullakkara Ratnakaran had launched the project at a low-key function held at Kadakkal recently. The distribution of medicinal plants in Athavanad panchayat was

inaugurated at Athavanad Krishi Bhavan in Malappuram district on Friday. As many as 9,000 seedlings were being distributed in Athavanad panchayat alone, said P.V. Vijayan, deputy director of SHM, describing the scheme.

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Farmers seek inquiry

Special Correspondent

PERAMBALUR: Representatives of various farmers' associations have urged the State government to order an inquiry into the acquisition of land for setting up a tyre factory in the district.

They alleged that the land had been acquired under duress conditions, forcing the farmers and land-owners to surrender their property. They wanted higher compensation to be paid to the land owners.

Memorandum

Farmers in a memorandum to Collector M. Vijayakumar, said the compensation had been paid off according to the whims and fancies of a broker, without adhering to government's guidelines.

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'Avail of subsidy for oil palm cultivation'

Special Correspondent

PERAMBALUR: Farmers should prevent stagnation of rain water and drain their fields regularly to protect their crops, said Collector M.Vijayakumar here on Friday.

Speaking at a farmers' grievances day meeting, Mr.Vijayakumar said cultivation was on

following rain.

Mr.Vijayakumar said maize has been raised in 31,363 hectares, cotton in 27,451 hectares and paddy in 2,280 hectares, including paddy under the Rajarajan 1000 method in 725 hectares.

The Collector appealed to farmers to avail themselves of the subsidy of Rs.23,000 a year for four years given for oil palm cultivation. S.Palanisamy, District Revenue Officer, participated.

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Farmers in dire straits after paddy prices fall

Staff Correspondent

Government has set up paddy procurement centres, but is yet to begin buying the crop

Minimum support price of Rs. 1,000 to Rs. 1,300 for a quintal has been announced

However, at APMC the prices range from Rs. 960 to Rs. 1,000 a quintal of paddy



Fresh crop: About 12,000 to 15,000 quintals of paddy is being brought to the Agricultural Produce Marketing Committee yard in Raichur.

Raichur: A fortnight ago, marketing of paddy began at the Agricultural Produce Marketing Committee (APMC) yard in Raichur district. On an average, each day 12,000 to 15,000 quintals of paddy is being brought to the APMC. But, the fall in prices has affected the interests of the farmers.

With an expected production of over five lakh tonnes of paddy in Raichur district during this kharif season, the APMC is likely to receive about six lakh quintals of paddy by December-end. In the corresponding period last year, APMC had received 5.90 lakh quintals of the crop.

With increased yield this kharif, the prices have plummeted thus causing unhappiness among the farmers. Paddy, mostly of sona masuri variety, fetches the farmer anywhere between Rs. 960 to Rs. 1,000 a quintal as against Rs. 1,250 to Rs. 1,300 a quintal last year.

In fact, the State Government has announced a minimum support price (MSP) of Rs. 1,030 per quintal of sona masuri and Rs. 1,000 a quintal of other varieties of paddy. The Government had also announced that paddy would be bought from the farmers at the paddy procurement centres. The farmers would not only be paid the MSP but also Rs. 100 a quintal. And, for farmers with small farmland, an additional Rs. 100 was promised. But till date procurement of paddy has not begun though paddy procurement centres have been established in all the five taluks of Raichur district.

What has added to the problem of the farmers is the ban imposed on the export of paddy and open policy on import of paddy by the Centre. As the policy of the State and the Centre has affected the marketing of paddy, many traders have been left with huge stock of paddy stacked at godowns since last kharif season. The situation has forced farmers to agitate against the State and the Centre. Their main demand is for the change in policy with regard to import and export of paddy. In addition to that, they want the minimum support price to be fixed anywhere between Rs. 1,800 and Rs. 1,500 a quintal of paddy.

Meanwhile, the State Government has decided to take a delegation of farmers led by Chief Minister B.S. Yeddyurappa to the Centre by November-end. The decision was taken at a recent State-level meeting in Bangalore in which Agriculture Minister Umesh Katti and farmers participated.

The Karnataka Rajya Raitha Sangha (KRRS) president K.S. Puttanaiah and vice-president Chamarasa Malipatil told The Hindu that they had attended the meeting and were told that the State Government is not in a position to meet the demands of the farmers till the Centre changed its policy and fixed the MSP for procurement of paddy.

Mr. Puttanaiah and Mr. Malipatil added that the State Government has not yet started buying paddy from farmers though it established procurement centres in some parts of the State in the second week of November.

According to them, the Agriculture Minister said in the meeting that though it was decided to pay an additional Rs. 100 along with the minimum support price to small farmers, it will be extended to all farmers irrespective of their land size. But Mr. Katti expressed his inability to increase the MSP

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Over 100 hectares of paddy lie under water

Special Correspondent

Farmers instructed to take steps to prevent pest attack

— Photo: L. Balachandar



Submerged:Paddy crop inundated at Karugudi near Ramanathapuram.

RAMANATHAPURAM: More than 100 hectares of paddy crops have been inundated in and

around Ramanathapuram due to continuous rainfall.

Paddy crop raised in R.S. Madai, Vannivayal, Kavanur, Karugudi, Palkarai and a few more villages were all affected. The flood in the Vaigai and the torrential rain were said to be main reasons for the inundation.

There are reports that several acres of standing crop were also affected in R.S. Mangalam, Thiruvadanai, Paramakudi and other areas. It had caused concern among the farmers.

"We were desperate to get good rain till a week ago. But the continuous and heavy rain for the last one week has inundated the crop. The efforts to drain out the excess water have all failed. We desperately need a dry weather at least for a few days," says V. Manickavel of Muthuvayal.

Inundation had been reported mainly in the paddy fields, which were situated in and around waterways, kanmois and tanks.

According to the statistics with the agricultural department, the district had already exceeded the normal average rainfall for a year.

As against 827 mm, the average rainfall of the district in a year, it had so far received 903.7 mm, 76 mm more than the average, with one month and 5 days left in the year.

N. Sathiamoorthy, Joint Director of Agriculture, told 'The Hindu' that though water inundation had been reported here and there, there were no reports of damage to the standing crop.

If the rain let up for two or three days, the standing crops could be saved without any damage. The focus should be to prevent pest attack. Field level staff had been asked to instruct the farmers to take preventive steps to control pests.

The overnight rain had worsened the situation in the waterlogged areas of the Ramanathapuram town. The residents living in Nehru Nagar, Vasantha Nagar, Kidavetti Oorani, Thangappa Nagar, Fathima Nagar, Om Sakthi Nagar, Naganathapruam and other areas were the worst affected.

As many as 80 huts were damaged in different parts of the district.

S. Thangavelan, Minister for Slum Clearance, J.K. Rithish Kumar, Member of Parliament, K. Balasubramaniam, T. Anand, Assistant Collector visited the affected areas.Mr. Thangavelan instructed the officials to expedite the process of draining out the water.

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Women SHGs take to dairy farming

Special Correspondent

Objectives: poverty alleviation, food security

311 SHGs selected for the project

Project cost put at Rs.6.99 crore

Thiruvananthapuram: As many as 311 women self-help groups across the State have been selected for an experimental cluster project in dairy farming launched by the Department of Animal Husbandry.

The project Gramarasmi has been designed to promote dairy farming as a group activity for poverty alleviation, food security and women's self employment. Each cluster to be set up under the project comprises five women entrepreneurs.

The 1,555 entrepreneurs will be given one cow and two goats each. They will be provided a subsidy of Rs.22,500 and a matching bank loan to cover the cost of the animals, their insurance and construction of sheds. The project will be implemented at a cost of Rs.6.99 crore. It will also enhance the livestock population in the State by 1,555 cows and 3,110 goats.

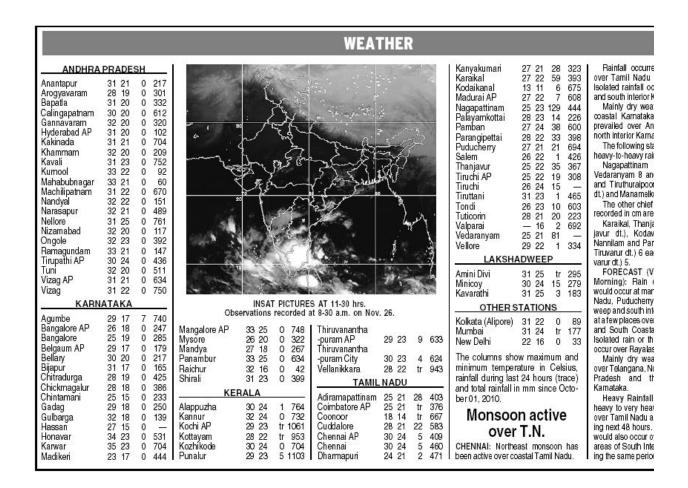
As many as 25 cluster units each have been sanctioned for Thiruvananthapuram, Kollam, Idukki, Ernakulam, Palakkad and Kozhikode districts while Alappuzha, Kottayam, Malappuram, Wayanad, Kannur and Kasaragod districts get 20 clusters each. There will be 15 Gramarasmi

units in Pathanamthitta and 26 in Thrissur.

The project will be monitored by a committee comprising a veterinary surgeon, panchayat president and a representative of the bank extending assistance. Minister for Food and Animal Husbandry C.Divakaran inaugurated the project at a function here on Friday.

Mayor K. Chandrika inaugurated a Rs.100-crore mastitis control project on the occasion while district panchayat president Ramani P. Nair inaugurated the second stage of 'Jeevarekha', an integrated project for dairy and poultry farming.

Minister for Ports V. Surendran Pillai presided over the function. R. Vijayakumar, Director, Animal Husbandry, was present



THE ECONOMIC TIMES
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27 Nov. 2010, 01.44PM IST,PTI

Sugar closes quiet on little doings

NEW DELHI: Sugar prices closed on a flat note in the national capital today following restricted arrivals against sporadic demand.

Marketmen said scattered buying support against reduced arrivals from mills, largely kept the sugar prices unchanged.

Following are today's rates in Rs per quintal: Sugar ready M-30 3,050-3,200 and S-30 3,025-3,175. Mill delivery M-30 2,875-3,125 and S-30 2,850-3,100. Sugar mill gate prices (excluding duty): Kinonni 3,125, Asmoli 3,115, Mawana 2,940, Titabi 2,970, Thanabhavan 2,930, Budhana 2920, and Dorala 2,960.

27 Nov, 2010, 12.46PM IST,PTI

Turmeric rises on tight supply

NEW DELHI: Turmeric prices rose by Rs 100 per quintal in the national capital today, largely on the back of tight supplies amid pick up in local and export demand.

Restricted supplies from producing regions and a firm trend in futures market also supported the rise in prices.

Turmeric prices rose by Rs 100 to settle at Rs 18,500-21,500 per quintal.

Marketmen said increased buying by stockists following a pick up in domestic and export demand against tight supplies from producing belts, mainly pushed up turmeric prices on the

wholesale kirana market here.

Following are today's quotations (per quintal): Ajwain 16,000-19,500, black pepper common 22,300-22,400 betelnut (kg) 98-120, cardamom brown-Jhundiwali (kg) 900-950 and cardamom brown-Kanchicut (kg) 900-1050.

Cardamom small (kg): Chitridar 1,050-1,150, cardamom (colour robin) 1,000-1,100, cardamom bold 1,000--1,050, cardamom extra (bold) 1,150-1,180 and cloves (kg) 310-380.

27 Nov, 2010, 06.34AM IST, Shramana Ganguly Mehta, ET Bureau

Rains wash away salt pans; 10-15 % price hike soon

AHMEDABAD: Don't take this with a pinch of salt. Unseasonal rains in Gujarat and Rajasthan, which account for over 90% of India's salt production, have washed away 40% of salt pans, thereby raising prospects of a 10-15 % rise in price soon.

A Kolkata-headquartered salt manufacturer catering to the likes of <u>Tata Chemicals</u> and HUL is set to hike prices by 10-15 % in a fortnight. "Our salt pans in Gujarat and Rajasthan have been washed away. We would see a 20% drop in production," said an official requesting anonymity.

Paras Nahata of Chirai Salt India, who has been supplying edible salt to HUL and Tata at Rs 1,500 per tonne until now, says a 13-20 % price hike is imminent after December. Even the price of his own brand, SunGold salt, would go up from Rs 3 per kilo to Rs 3.30 per kilo.

Saffola Salt Plus marketing head Sugato Gupta refused to comment, adding that his brand contributes less than half per cent to the company's turnover. Likewise, Nirma (Nirma Sudh) and HUL (Annapurna) refused to comment on price hike.

Meanwhile, value retailer Big Bazaar has already got feelers from various salt brands about an imminent price hike. The retailer stocks Tata Salt, Ashirwad Salt, Saffola Salt, Captain Cook,

Annapurna Salt, Catch Salt and Akar Salt, and all may raise price up to Rs 2.

"As a value retailer, we would not like to burden the consumer with price hike and absorb the hike, provided it is only Re 1. But if the price hike is substantial, say Rs 5, we would have no option but to pass it on to our consumers," the company spokesperson said.

Indian Salt Manufacturers Association secretary BC Raval says that unseasonal rains would also hit the export. "Gujarat, which produces 140 lakh tonnes of salt, is severely hit by unseasonal rains. Major salt producing pockets across Kutch, Jamnagar, Amreli, Junagadh, Bhavnagar and South Gujarat are suffering from heavy dilution of brine in salt fields. We do not expect new harvest until late January 2011, which would automatically put pressure on the supply side thereby, forcing everyone to hike prices," he said.



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Back Fertiliser industry hails Govt decision to cut nutrient-based subsidy rates

'Gives enough time to negotiate with overseas suppliers'.



File photo of farmers applying fertiliser in a field in Ramanathapuram district of Tamil Nadu.

Our Bureau

New Delhi, Nov 26

The fertiliser industry believes it is still early to say whether product prices charged to farmers will be sharply raised in response to the Centre's decision to slash nutrient based subsidy (NBS) rates with effect from April 1.

"We welcome the announcement of the new rates well in advance. Since we will start contracting our imports in end-January or early-February, it gives us sufficient time to work out the prices that we can afford to pay global suppliers", said the Chairman of Coromandel International Ltd and Fertiliser Association of India (FAI), Mr A. Vellayan.

Raw materials

In the event of companies receiving less Government concession on the fertilisers sold by them, they are left mainly with the option of raising farmgate prices. The alternative is to be able to source the products or raw materials at lower prices. As of now, the second option seems difficult, as global prices are on the boil

However, according to Mr Vellayan, today's prices may not give the right picture. Sulphur prices, for example, are now \$180 a tonne, having ruled at \$50 a tonne only last year. Moreover, the market could ease by end-January, when the peak demand in the US and Brazil would be over.

to leverage purchasing power

"Basically, we need to leverage our purchasing power. This is even more so, given that most economies are in financial trouble and there are not too many buyers who can cut large cheques", he told presspersons here on Friday.

Making a similar point, the Director-General of FAI, Mr Satish Chander, said that global suppliers cannot afford to charge prices that will lead to "demand destruction" from a country that annually imports 18 million tonnes of fertilisers and 10 mt raw materials. "If the prices are not right, we can always approach the Government again in February", he added.

The Department of Fertilisers, on November 19, slashed the per-kg NBS rates on nitrogen, phosphorus, potassium and sulphur to Rs 20.111, Rs 20.304, Rs 21.386 and Rs 1.175 respectively, from their existing corresponding levels of Rs 23.227, Rs 26.276, Rs 24.497 and Rs 1.784. The new rates would effectively reduce the subsidy payable to companies on di-ammonium phosphate from Rs 16,268 to Rs 12,960 a tonne and from Rs 14,692 to Rs 12,831 a tonne on murtiate of potash.

Other things being the same, this would require a corresponding increase in the maximum retail prices of these two fertilisers, from their respective current levels of Rs 9,950 and Rs 5,055 a tonne.

Mr Chander noted that during 2008-09, the subsidy component accounted for 82 per cent of the industry's revenues, with only the balance 18 per cent coming from sales to farmers. Since then, the subsidy-to-market price ratio has fallen to a more manageable 40:60 level.

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Back Maize prices may rise further on supply worries

La Nina likely to hit Argentina crop, leading to mid-term shortages.

G. Chandrashekhar

Mumbai, Nov. 26

After the worsening production prospects in the US and China last month which catapulted world corn/maize prices higher, comes the news that dry weather in Argentina, world's second largest exporter, is likely to affect corn yields and exports.

Argentina holds close to a fifth of the world export market. Its production averages about 22 million tonnes and exports about 15 million tonnes.

However, production prospects this year are threatened by La Nina, sparking mediumterm supply concerns. Worse, the situation comes on top of an already lower US corn production forecast, further aggravated by an anticipated 5 per cent decline in Chinese domestic output.

As China's corn consumption is forecast to rise by about 5 per cent, the deficit is stark. For the first time in five years, the Asian major is facing a deficit situation and may be forced to import.

The authorities have been repeatedly claiming ample internal stocks and undertook weekly auctions to cool the market through intervention.

Chinese sops

It is reported that now, for the first time, China's Banking Regulatory Commission has called on banks to urgently offer special financial support to the agriculture sector in the face of severe shortage of corn, cotton and sugar, among other crops.

The call is set to further create a bullish sentiment in the global grains market simply

because China's deficit comes at a time when major producers and exporters themselves are facing production downgrades.

Corn production

Last month, International Grains Council downgraded world corn production by 10 million tonnes to 814 million tonnes for 2010-11 (last year 811 million tonnes), while consumption was projected at 840 million tonnes (813 million tonnes).

It is apprehended that the next report, due this week, may further reduce the output number.

Though a marginal player, India's domestic maize prices, which are currently ruling at around Rs 9,000 a tonne, will be impacted by these developments.

Exports are brisk because of excellent price parity.

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Back Vegetable prices rise



A street vendorsells vegetables near Kochi on Friday. Heavy rain and consequent crop losses in certain parts of Karnataka and Tamil Nadu, coupled with increasing demand in

the South Indian markets, have pushed up vegetable prices by 40 to 60 per cent over the last few months in the Kerala market. Market sources said the price is not expected to come down until the second half of January.

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Back Edible oils fall in line with global trend



Our Correspondent

Mumbai, Nov 26

In edible oil markets, spot prices of imported oil such as soya and palmolein declined in line with foreign markets on Friday erasing the previous day's sharp rise. Other oils were steady as clear weather condition appeared at producing centres after witnessing continuous heavy rain during the last few days.

Palmolein was down by Rs 2 and soya oil rates came down by Rs 10 for 10 kg. Spot volume declined sharply on lack of month-end poor demand. In Saurashtra, groundnut oil prices were steady at Rs 1,165 a tin and Rs 755 a 10 kg. At Rajkot Mandi, moral was steady.

In the world market, soya oil weakness during Asian hours weighed on BMD CPO futures. BMD CPO futures closed lower by 12 ringgits in sluggish post-Thanksgiving trade and lower e-CBOT soya oil. Taking cues from foreign markets Indore NBOT soya oil futures

came down sharply as speculators squared off their long position.

Crude palm oil inventory levels in Malaysia may fall in the coming months as the higher production cycle tapers off and as monsoon rain threatens to disrupt oil palm harvesting and transporting activities, a leading analyst said on Friday. In the local market, in the absence of fresh demand only 200-250 tonnes of palmolein were traded. In groundnut and cotton oil, brand makers were active buyers but due to higher rates and poor demand only 30-40 tonnes of these oils were traded. In soya oil, heavy selling by producers and weak reports from Madhya Pradesh weighed on the sentiment. Traders are expecting heavy arrivals of oilseeds in coming days.

Malaysia's BMD and NBOT futures:

Malaysia's BMD CPO futures closed at December -10, MYR 3360 (3272), January-11 closed at 3306 (3306) MYR. Indore NBOT soya oil futures December -10 closed Rs.567.00 (Rs.573), January – 11 was Rs.578.30 (Rs.582.50)

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

Groundnut oil 770 (770), Soya refined oil 550 (560), Sunflower exp. ref. 675 (675), Sunflower ref. 720 (720), Rapeseed ref. oil 610 (608), Rapeseed expeller ref. 580 (578), Cotton ref. oil 550 (550) and Palmolein was 522 (524).

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Back Chana slips on weak demand



Our Correspondent

Indore, Nov. 26

Pulses saw a decline in demand at higher rate. Rise in futures and spot rates perked up chana dal by Rs 35-Rs 40. At close of trading, chana dal (bold) in the spot quoted at Rs 3,321 a quintal, while chana dal (medium) quoted at Rs 3,150 and chana dal (average) quoted at Rs 3,050 a quintal.

On the back of bullish futures in the morning, chana spot prices had soared up to Rs 2,425 a quintal. However, with decline in demand at higher rate, chana prices in the spot quoted at Rs 2,410-Rs 2,415 a quintal at the closure of trading. At the NCEDX also chana prices saw a decline with traders going away from the trading at higher rate. Chana December contract which had gone up to Rs 2,546, finally closed at Rs 2532 a quintal (up Rs 24) with decline in demand. On Thursday, chana prices had declined to Rs 2,370-Rs 2,375 a quintal in absence of both local and outside demand.

Other pulses

Masoor dal and moong dal also saw a gain of Rs 50 on improved demand and weak arrival of pulse seeds. Masoor dal (bold) quoted at Rs 3,950, while masoor dal (medium) quoted at Rs 3,650 a quintal.

On the other hand moong dal (bold) quoted at Rs 5,250, moong dal (chilkewali) quoted at Rs 4,600, moong quoted at Rs 5,700, while moong mongar (super quality) quoted at Rs 7,300 a quintal respectively.

Tur and urad dal remained steady with subdued demand at higher rate.

In the spot tur dal (Maharashtra line) quoted at Rs 5,070, tur dal (Indore line) quoted at Rs 5,080, tur dal (full) quoted at Rs 5,900, while tur dal (markewali) quoted at Rs 6,400 a quintal.

Urad dal (chilkewali) quoted at Rs 4,400-Rs 5,250 a quintal, while urad mongar quoted at

Rs 5,800-Rs 7,200 a quintal.

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Back Pepper futures decline on selling pressure

G K Nair

Kochi, Nov. 26

Pepper futures fell sharply on Friday on selling pressure on bearish reports, with all the contracts ending much below the previous close.

Sell calls by "new generation analysts," who also spread rumours that foreign investors were withdrawing their money from India due to recent scams and consequently the rupee had weakened, resulted in a selling pressure on the futures market pulling both the spot and futures down, market sources told Business Line.

Added to this were reports that harvesting in Brazil's Victoria region has started and good quantities of pepper would be available in the coming days and hence Brazil has reduced its prices, which also aided the price fall, they said.

Bearish sentiments

Meanwhile, on the domestic front Karnataka was offering "low bulk density" pepper at lower rates and at Rs 207 a kg delivered anywhere in India. But, there were no buyers as its processing would be difficult for small and medium processors in the present unfavourable weather conditions. Also, such material sieved out from earlier imports from Vietnam is available in some upcountry markets, they alleged.

Spot prices in tandem with the futures market fell without any selling pressure either in the primary or in the terminal market.

December contract on NCDEX closed at Rs 21,923 down by Rs 472 a guintal.

January and February fell by Rs 446 and Rs 446 respectively to close at Rs 22,146 and Rs 22,336 a quintal.

Total turnover dropped by 2,263 tonnes to close at 8,877 tonnes.

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Back Futures lend support to turmeric



Our Correspondent

Erode, Nov. 26

Due to sudden demand for spot turmeric, the sales have increased and the increased price in futures reflected in the spot turmeric price. The prices increased by Rs 250 to Rs 300 a quintal, according to traders.

In the futures, it was quoted at Rs 14,900 a quintal on Friday morning, which is more than Rs 1,500 higher than last week's futures price.

Traders in Erode has received good orders from other places, they quoted increased price for the commodity and also purchased heavily.

"The present price may remain till the end of November and after that there a fall may happen as the season concludes in the middle of December," said Mr R.K. Viswanathan, a turmeric trader of Erode. He also said the supply and demand are very high on Friday and

competition was evident among the buyers.

In the Erode Turmeric Merchants Association salesyard, finger variety was sold at Rs 10,004 to Rs 15,255 a quintal, root variety Rs 8,906 to Rs 15,269. Of the 2,476 bags that arrived, 1,033 were sold. There was no major increase in the price, but sales increased.

In the Gobichettipalayam Agricultural Cooperative Marketing Society, finger variety was sold at Rs 14,697 to Rs 15,476, root variety Rs 14,699 to Rs 15,269.

Of the 463 bags that arrived, 436 bags were sold. The prices of both varieties of the turmeric were increased by Rs 150 a quintal.

In the Erode Cooperative Marketing Society, finger variety was sold at Rs 14,817 to Rs 15,411 a quintal, root variety Rs 14,989 to Rs 15,344. 965 bags were sold against the arrival of 983 bags. The prices increased by Rs 300 a quintal.

In the Regulated Marketing Committee, finger variety was sold at Rs 15,106 to Rs 15,466, root variety Rs 15,109 to Rs 15,429.

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