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Floriculture picking up in Sathyamangalam and Bhavanisagar

S. Ramesh

The total acreage is growing at the rate of 10 to 15 per cent every year

PHOTO: M.GOVARTHAN



Thrust area: Farmers in various parts of Sathyamangalam and Bhavanisagar blocks in Erode district have been encouraged to take up horticulture cultivation. —

ERODE: Floriculture is picking up in Sathyamangalam and Bhavanisagar blocks in the district with more farmers coming forward to cultivate flower plants.

The total acreage under floriculture in the district is growing at the rate of 10 to 15 per cent every year. Over 1,100 hectares are covered under floriculture in these two blocks this year so far. "The two blocks have good water sources and suitable conditions for planting flower bushes. Besides, farmers in these two blocks could easily access the two major flower markets – Coimbatore and Mysore. These factors have encouraged more farmers

to go for the cultivation of flower plants in these blocks,” horticulture officials point out.

Out of the total area under floriculture, jasmine bushes are grown in over 900 hectares, tuberose in 91 hectares and marigold in 50 hectares.

The Horticulture Department has taken up a series of efforts to promote flower cultivation as the Government had identified floriculture as one of the thrust areas under the National Horticulture Mission. “We are providing up to 50 per cent subsidy for taking up jasmine and tuberose cultivation. Subsidies are also being extended to the farmers under a few other programmes,” officials say.

Farmers, while pointing out the huge potential for floriculture in the district, have stressed the need for adequate marketing support. “The fluctuation in the prices affects us severely on several occasions. The middlemen at the market receives the maximum benefit. If proper marketing support is provided, more farmers will take up floriculture,” they pointed out.

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Tomato price plummets

R. Arivanantham

KRISHNAGIRI: Tomato price has plummeted to Rs. 4 a kg in the wholesale markets in Royakottai, Krishnagiri, Shoolagiri and Hosur because of a bumper crop this season. The price now ranges between Rs. 4 and Rs. 5 a kg. Because of the substantial drop in the price and increase in prices of inputs and seeds and workers' wages tomato farmers have incurred heavy loss.

Hosur is one of the prime agricultural belts in the State and tomato, cabbage and potato produced in this region get a premium price in all markets. Tomato is cultivated in more than 3,000 hectares in and around Hosur, Denkanikottai, Anchetti and Royakottai.

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Plan to promote vegetable cultivation in a big way

Special Correspondent

CHENNAI: The government is working on a scheme to promote vegetable cultivation in a big way to meet the demands of cities.

Initially, Kancheepuram, Tiruvallur and Tiruvannamalai districts are likely to be chosen for the scheme. Chennai city's demand is sought to be met.

The government intends to rope in small and marginal farmers and provide them help for setting up green house facility to cultivate vegetables, according to P. Rama Mohan Rao, Principal Secretary (Agriculture) and Agriculture Production Commissioner.

The farmers would be given better quality of seeds and fertilizers and encouraged to adopt precision farming.

Chief Minister M. Karunanidhi had instructed officials to chalk out such a scheme during a review meeting of the Agriculture Department last week, he said. A proposal was under preparation and would be submitted for approval once it was ready.

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Training on food safety and quality

Staff Reporter

COIMBATORE: Tamil Nadu Agricultural University will conduct a two-day training on 'Food Safety and Quality' on October 27 and 28.

A release said the training would cover nutritional qualities of fresh and processed food, food additives and adulterants, microbial food safety management and microbial hazards, identification and detection of insect contamination in food and food standards, national food control system and certification procedures. The release said those interested should pay Rs. 1,000 as fee through draft, drawn in favour of Dean, Agricultural Engineering and payable in Coimbatore. The same should be sent to the Professor and Head, Post Harvest Technology Centre, Tamil Nadu Agricultural University, Coimbatore 641 003. Participants should register their names before October 26. For details contact phone: 0422-6611268.

Competitions

Kathir College of Engineering and Kathir School of Management are conducting 'Kathir's Kala Kridhaa '10' for school students from Standards seven to Plus-Two.

A release said the competitions would be conducted on October 29 at 9 a.m. at the Kathir Auditorium. Details of the events: quiz, dance, song, science exhibition, elocution (Tamil and English) and essay writing (Tamil and English) and volley ball (boys and girls). For registration contact phone: 98947-12966 or 99655-23272. The winners would be honoured with cash prizes upto Rs. 1 lakh and certificates.

Recruitment

Coimbatore Institute of Engineering and Technology will host a campus recruitment drive, to be conducted by Magnus Solutions (India) Private Ltd. on October 26 and 27.

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Farmers urged to repay bank loans promptly

Special Correspondent

CUDDALORE: Principal District Sessions Judge D.Ramabhadran has called upon farmers to cooperate with banks and pay back loans promptly to avoid getting entangled with the money lenders who are charging usurious rates of interest. He was delivering a speech

after inaugurating the fully air-conditioned branch of State Bank of India at Palayamkottai in Sri Mushnam block, about 70 km from here, on Monday.

The bank branch would be helpful to the farmers. If the farmers promptly repaid the loans the bankers would deliver their services at their doorsteps. However, the judge said, it was a matter of concern that an opinion was gaining ground that the bank loans need not be repaid.

Lending

The loanees should get over such a notion, for, only the financially sound banks could continue with their lending activity. He congratulated the bankers for having created an ambience that rivalled even that of the urban branches.

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Plan to establish 70 agro-service centres

Farm equipment worth Rs. 42.86 lakh given



For farmers' benefit: I. Periyasamy, Minister for Revenue, driving a tractor during the inauguration of agro-service centres in Dindigul on Sunday.

DINDIGUL: The Department of Cooperatives has plans to establish 70 agro-service centres in the district with the help of primary agriculture cooperative banks in order to hire farm equipment and implements at nominal rates, said I. Periyasamy, Minister for Revenue.

He inaugurated new agro-service centres and distributed tractors and farm equipment to these centres at a function held here on Sunday.

Investment

He said that such a measure would scale down the capital investment of farmers.

Moreover, mechanisation would help farmers to overcome shortage of agricultural labourers. He pointed out that modern agricultural practices and advanced machineries would improve productivity.

The cooperatives has plans to buy power tillers, transplanting machines and tractor drawn rotavators, trailers, cage wheel, weed remover. Farm equipment worth Rs. 42.86 lakh were given to these centres.

Earlier, the Minister drove a tractor and checked its condition and inaugurated agro-service centres at Kunnuvarankottai, A. Vellode, Porulur, V. Mettupatti and Thoppampatti villages. These centres would function on the campus of primary agricultural cooperative banks. (The Department of Cooperatives had already set up such centres at Ramarajapuram, Kulipatti, Chatrapatti, K. Agraharam and I. Muthunaickenpatti in 2009-10.)

The Department of Cooperatives has also set up its cooperative pharmacy in Dindigul to supply quality medicines at affordable prices.

Pharmacy

Inaugurating the pharmacy at Amudham Cooperative Supermarket building, the Minister said that four more pharmacies would be opened in the district shortly. The pharmacy would offer 15 per cent discount on retail price. All essential medicines and life-saving

drugs would be available.

The cooperative supermarket in Batlagundu had been supplying quality goods at affordable prices to public for the past three decades.

District Revenue Officer K. Pechiammal and Joint Registrar of Cooperatives R. Vilvasekaran presided.

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Foodgrains yard inks pact

Staff Reporter

MADURAI: The Tamil Nadu Foodgrains Marketing Yard has entered into a memorandum of understanding with Thassim Beevi Abdul Kader College for Women at Keezhakarai, Ramanathapuram, to undertake collaborative research and development ventures. The MoU was inked by Mr. Rethinavelu and S. Sumayaa, the college principal, on Tuesday (October 19) on the college premises.

According to S. Rethinavelu, Chairman and Managing Director of the Yard, the MoU would result in efforts directed at uplifting the lives of producers, processors and exporters, and also facilitate exchange of knowledge and personnel between the two facilities. The tie-up would help the research students of Nutrition and Home Science departments who could come out with innovations in the field of food. The research results would benefit farmers, food processors, traders and consumers.

The Foodgrains Marketing Yard has a Cereals, Pulses and Staples (CPS) Milling Cluster established at a cost of Rs.40 crore in a 30-acre site at Sikkandarchavadi near here. It has a capacity of handling 30,000 tonnes besides cold storage facility, research and development laboratory. This project was taken up under 'Industrial Infrastructure Upgradation' scheme of the Union Ministry of Commerce and Industry, a press release said.

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Farmers to get compensation

Special Correspondent

CHANDIGARH: Haryana Chief Minister Bhupinder Singh Hooda said on Monday that farmers whose crops had been damaged due to the recent hailstorm would be given compensation.

Talking to media persons in Rohtak, he said the land acquired for the purpose of a Special Economic Zone, Technology City or Park, the private companies would have to pay Rs. 30,000 per year up to 33 years as royalty, besides the amount of compensation.

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VIJAYAWADA, October 25, 2010

Production needs to be increased in allied fields of agriculture: Minister



PHOTO: CH.VIJAYA BHASKAR Ministers for Animal Husbandry K. Parthasarathy (second from right) at a district level workshop on centrally sponsored schemes of Animal Husbandry sector in Vijayawada on Saturday.

There was a strong need to take steps to substantially increase the production in the allied fields of agriculture so that it will help meet the ever increasing demand for consumption and also enhance employment generation opportunities in rural areas, K. Parthasarathy, Minister for Animal Husbandry, Dairy Development and Fisheries, said here on Saturday.

He also underscored the need for encouraging farmers and animal rearers to make optimum utilisation of various schemes and loans made available to them by the State and Central governments for achieving better results.

Addressing the inaugural function of a district-level workshop on “Centrally sponsored schemes in animal husbandry sector”, Mr. Parthasarathy wanted focus to be placed on utilisation of schemes in the allied fields of agriculture like animal husbandry, dairy development, sheep rearing and so on. Banks should come forward to play a proactive role in meeting the requirements of farmers and beneficiaries by fulfilling their targets in providing loans.

Mr. Parthasarathy wanted the official machinery and the banks to identify effective ways to reach out to all prospective participants in the development of agricultural allied activities.

D. Venkateswarlu, managing director, AP Sheep and Goat Development Corporation Federation Ltd., said that groups of beneficiaries were being formed to extend the benefit of loans and insurance to all the stake holders in sheep and goat rearing.

NABARD Assistant General Manager N. Madhumurthy, Indian Bank Deputy General Manager G.G. Raghu, Additional Joint Collector Muralidhar Reddy and others were present.

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Inflation to moderate to 6 p.c. by Dec. end: Plan panel



The Hindu A man checks food grain at a market in Mumbai. File Photo

The Planning Commission on Monday exuded confidence that inflation would moderate to 6 per cent by December end from over 8 per cent currently, mainly on account of good farm output.

The agriculture sector growth output during 2010-11, according to Planning Commission member (agriculture) Abhijit Sen, is expected to be about 7 per cent, the highest in the Eleventh Plan.

“The Wholesale Price Inflation would come down to 6 per cent by December. Food inflation would also come down to 6 per cent level by December,” Mr. Sen said when asked about the impact of good Kharif this year on WPI and food inflation.

Food inflation has declined by 0.84 percentage point to 15.53 per cent for the week ended October 9 due softening of vegetable prices.

The overall WPI inflation for September rose to 8.62 per cent, from 8.5 per cent in the

previous month.

“The farm growth would be good this year because of (favourable) weather (conditions). It will be certainly over 5 per cent. It would be at least 6 per cent and it could be over 7 per cent,” Mr. Sen said on the sidelines of an ‘Evaluation Conclave 2010’

“The (farm growth) estimates are on the basis of good Kharif crop...we don’t know about the Rabi crop,” he added.

The farm growth is significant in the back drop of high food prices in the country. The performance of the farm sector was dismal in the previous fiscal as the growth was just 0.2 per cent against the annual average target of 4 per cent in the 11th Plan (2007-12), on account of widespread drought.

In the first year of the 11th Plan, the farm growth was 4.7 per cent and it slowed down to 1.6 per cent in 2008-09.

The annual average farm growth target of 4 per cent for the 10th Plan (2002-07) was also not achieved as it remained 2.13 per cent.

The deceleration in agriculture growth which began in the Ninth Plan (1997-02) period is a major area of concern as half of country’s population derives greater part of their income from agriculture.

The annual average farm growth which was 4.72 per cent in 8th Plan (1992-97), slowed down to 2.44 in 9th Plan and further to 2.13 per cent in 10th Plan period.

Business Standard

Tuesday, Oct 26, 2010

Vegetable prices soar due to mandi strike

Dilip Kumar Jha / Mumbai October 26, 2010, 0:31 IST

Vegetables and fruits prices skyrocketed in Mumbai and associated suburbs due to the strike of daily wage workers in Vashi Agricultural Produce Marketing Committee (APMC), the lone supplier of commodities to nearly 15 million residents of the financial capital of India.

Prices of green vegetables rose sharply by 40-50 per cent on Monday due to high festival demand and no supply from the mandi. For example, prices of limited supply of tomato rose to Rs 16-20 a kg on Monday from Rs 10-12 a kg on Saturday. The price of cauliflower increased to Rs 30-35 a kg on Monday from Rs 20-25 a kg on Saturday.

“Daily wage workers of all five segments of mandis including grain, vegetables, fruits etc. have gone on an indefinite strike beginning Monday. They wanted the state government to fulfill their 8-year old demand and over 4-year old commitment to provide shelter for 5,000 workers,” said Ashok Valunj, director of APMC, Vashi.

Over 20,000 daily wage workers had earlier threatened the state government to meet its commitment fulfilling their demand for poor workers. But, government gave them only assurances. Therefore, they did not have an option but to go on a strike, a participant said.

Meanwhile, representatives of all markets are meeting with the Maharashtra Chief Minister Ashok Chavan on Tuesday to discuss the issues. “A final decision on the duration of the strike will be taken after meeting the chief minister,” Valunj said. As a consequence to the strike, prices of fruits have risen sharply between 15 and 20 per cent with good quality apple quoted at Rs 50-55 a kg from Rs 40-45 a kg last week.

A grain merchant in Vashi said transaction worth crores of rupees take place everyday which would be at stake if strike was not called off immediately. This would also result into

unnecessary price hike for consumers who are already reeling under exorbitant inflationary pressure, he added.

Longer the strike, higher will be the revenue loss for the state government also in the form of mandi, sales tax and octroi. Perishable commodity prices have also increased. Grain prices are currently on hold. But, if the strike continues for a couple of days more, then grain prices will also surge proportionately, the merchant said.

Rain in Punjab, Haryana may affect paddy yield

BS Reporters / Chandigarh October 26, 2010, 0:18 IST

The sporadic showers in the northern region on Friday are likely to lower paddy output in Punjab and Haryana.



The western disturbances, which led to rain in a few places in the two states, could adversely impact the paddy yield. A total of 3.85 million hectares is expected to be under paddy, with a crop size of 18.2 million tonnes in Punjab and Haryana, and 40 per cent of the crop is still standing in the fields

The Food Corporation of India (FCI) has this year mandated strict moisture norms and will not buy crops with moisture beyond 17 per cent. This was due to surplus foodgrain with FCI, said a farmer in Ludhiana. If there is scarcity, paddy with 25-26 per cent moisture is also lifted.

Impact on Haryana

Scientists in Haryana said showers could adversely impact the yield. They said there was waterlogging in a few places in Haryana which were hit by intermittent rain and winds. Waterlogging will adversely impact the grain's formation, especially of the basmati variety,

resulting in lower output. Also, the shower could raise the moisture content in paddy, because of which even private millers might not buy the produce.

Jewel Singla, general secretary, Haryana Pradesh Rice Miller and Dealer Association, said rain could affect the basmati variety in a few districts of the state.

Paddy yield in Haryana this year has been under stress due to multiple reasons. Floods, followed by an extended monsoon, are likely to keep the productivity on the lower side. Haryana had set a target of 1.15 million hectares under paddy this year. Agriculture officials said it had touched 1.15 million hectares, short of last year's 1.20 million hectares.

Impact on Punjab

Punjab Chief Minister Parkash Singh Badal has ordered a special survey to assess the loss. According to sources in the government, Badal directed the financial commissioner (revenue) to issue detailed instructions to the deputy commissioners concerned for carrying out the survey in areas hit by rain and hailstorm and also ascertain the damage to paddy.

Adequate compensation, according to the government's norms, would be given to the affected farmers, added Badal.

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Back Inflation expectation rising steadily

Anil Sasi

Microscan.

The RBI inflation survey for June 2010 shows that a far greater number of people expect price levels to increase faster than current rates.



Inflation expectations influence people's behaviour in ways that have a long-term economic impact.

Despite repeated talking down of inflation concerns by policymakers at various levels, inflation expectation at the household level is evidently not assuaged and seems to be headed on a steady upward trajectory.

An RBI inflation survey for June 2010, which tracks and measures inflation expectations at the household level in 12 cities across the country, shows a surge in inflation expectation to 11.9 per cent by June next year, up from the 11.1 per cent this June.

The latest survey, which tracks and measures inflation expectations across the country based on consumption basket of 4,000 urban households and is distinct from the widely used WPI and CPI estimates, throws up some pertinent side-information. Bangalore residents, for instance, have a highest inflation expectation at 16 per cent for the next 12-months and Chennai the lowest at 7.7 per cent, with Delhi, Mumbai and eight other cities recording inflation expectation of between 11 per cent and 13 per cent.

Interestingly, the trend has been also seen in the previous quarterly surveys carried out by the RBI, Bangalore at the top of the inflation expectation chart and Chennai right at the bottom. Other insights include an age group break-up, which shows senior citizens

exhibiting higher inflation expectations, with those around 60 years reporting an inflation expectation of 11.6 per cent over a one year timeframe while people in the 25-year bracket peg it at a much lower 10.6 per cent.

Also, the proportion of people who think realty rates will rise faster than current trend has surged from 61 per cent in the previous survey in March 2010 to 72 per cent in the June survey. The latest survey also shows that inflation expectation among men (12 per cent for 12-months) is marginally higher than women (11.9 per cent). Among various category of respondents, daily-wage workers predictably envisage a higher inflation rate one year ahead (at 12.5 per cent), followed by housewives (12.3 per cent) and self-employed professionals (11.7 per cent).

All in all, its boils down to a far greater number of people expecting price levels to increase faster than current rates compared to the pervious survey of March 2010. While in March, around 62.8 per cent expected price to rise faster than the existing rate a year on, this figure has spiked to 70.8 per cent in the June survey. This, in large measure, could be indicative of an inherent distrust of the importunate government-speak on inflation, considering that the Prime Minister, the Finance Minister, the Planning Commission Deputy Chairman and the RBI top brass have been consistently fanning runaway inflation since the beginning of this year by way of repeated statements on how it will be brought under control “soon”.

Credibility question

| City-wise Inflation expectations for June 2010 | | | | |
|---|-----------------------|-------------------------------------|----------------------------|--|
| City | Current (mean) | Current (standard deviation) | 1 year ahead (mean) | 1 year ahead (standard deviation) |
| Bangalore | 15.6 | 1.95 | 16.0 | 1.47 |
| Jaipur | 13.6 | 2.86 | 15.0 | 2.91 |
| Hyderabad | 12.3 | 3.54 | 13.6 | 4.04 |
| Lucknow | 11.8 | 3.55 | 13.0 | 3.15 |
| Mumbai | 14.2 | 3.24 | 12.6 | 5.67 |
| Delhi | 10.8 | 4.05 | 12.3 | 4.39 |
| Chennai | 8.0 | 1.37 | 7.7 | 2.73 |

Source: RBI

How credible these surveys are, since there is a big element of subjectivity in the way respondents go about answering questions, could be a different debate altogether. However, what is of importance is similar household inflation expectation surveys are being extensively used by a number of central banks to portend the inflationary scenario. These include the Federal Reserve Bank of New York, Bank of England, the European Commission, Riksbank (Sweden) and the Bank of Japan.

While inflation impacts purchasing power, inflation expectations are what influence people's behaviour in ways that have a long-term economic impact. The RBI survey provides a sort of a personal touch to the otherwise abstruse inflation conundrum.

The Reserve Bank does caution on the coherence between the general price trend and the outcome of these surveys — that projections from these surveys represent the inflation expectations of 4000 urban households based on their individual consumption basket and, therefore, these are not to be regarded as predictors of any official measure of inflation. For the record, the official WPI inflation for June 2010 was 10.3 per cent.

The RBI has been conducting its quarterly Inflation Expectations Survey of Households since September 2005. The Survey seeks qualitative responses on price changes (general prices as well as prices of specific product groups) in the next three months and the next one year and quantitative responses on current, three-month ahead and one-year ahead inflation rates.

Global experience

On the global experience, different countries use a bevy of varied methodologies to conduct similar inflation expectation studies, such as mail surveys, telephonic surveys, Internet surveys and face-to-face interviews. Some central banks do independent surveys — Federal Reserve Bank of New York, Bank of England, Reserve Bank of New Zealand, South African Reserve bank, Czech National Bank — while some as a part of their consumer confidence survey — European Commission, Riksbank, Bank of Japan and Australia.

Varied designs, such as independent sample in each round, pure panel and repeat panel,

are used by different countries for such surveys. The RBI uses the quota-sampling, survey-based method to insightful effect.

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[Back](#) Fruits of farm research

RASHEEDA BHAGAT

Unlike in India, there is close co-operation between farmers and research institutions in the US. Researchers help American apple growers right from cultivation, post-harvest technology to packaging for optimum profits.

Most Indian farmers are left with a pittance after a year of toil and struggle to purchase agricultural inputs at exploding prices. It's tough to find Indian farmers' children who want to continue their father's vocation. At best they want to work for an Infosys or TCS, failing which they'd be happy pushing files in a government office.

On the other hand, we've always looked with envy at the farmers in the US or Europe and grumbled about how the West lectures us on ending farm subsidies while their farmers enjoy benefits galore from their government.

So, on a recent visit to Washington State in north-west US to look at apple and pear growers, one was curious to know how the US government treats its fruit-growing farmers. Mr Tod Fryhover, President of the Washington Apple Commission, a body funded by the apple growers of the State, said growers had come down from 5,000 about 10 years ago to 2,200. "Is it profitable to go grow apples here? Well, some years, yes, but not greatly; and other years it is not profitable at all. We've seen a severe consolidation in our industry. Economies of scale are very important; it is more efficient to grow fruit on 100 hectares

rather than five.”

Also, he added, as Washington State did not have a long-growing season like California, “orange or any kind of tropical fruit is out. This limitation leaves us with apples, pears, cherries.” The wine industry too, is beginning to grow in the State, where there are 600 wineries, second only to California.

ZERO SUBSIDY

On Government subsidy for apple growers, Mr Fryhover says: “It is zero, because we are a free market society and we think we can compete with anybody, anytime, anyplace.” But, he adds, the only relief available to tree fruit farmers is that if there was some kind of disaster the Government would step in and help.

There are also programmes in place where the US government pays farmers to rotate crops. For example, a wheat farmer with, say, 1,000 acres would be told not to plant wheat on a part of his land. “The government says we will give you 25 per cent of what that land would have produced. Those programmes exist but not in apples; here help is available only on the disaster side.” He adds that 20 years ago it was possible for people with financial resources to come together as a group and buy an orchard and they would get some write-offs. “But now those loopholes don't exist; and anyway that scheme was for people who had more financial resources than brains!”

But the real big difference between American and Indian farmers is in its support, co-operation and interface between growers in the field and agri researchers in labs/universities.

We met Mr Eugene M. Kupferman, Postharvest Specialist, Tree Fruit Quality, Washington State University, Wenatchee, who works closely with the fruit farmers of Washington State. He has an interesting description of his vocation: “People send me dead fruit and I try to tell them how they killed it. I do research!”

He works closely with the apple packing industry on issues related to minimisation or reduction in bruising and other post-harvest issues. Of course, his work on the marketing

side is only peripheral; “as an academic, I run away from money.”

He is an academician of 35 years' experience, and by his own admission, he has also been “a terrible farmer. I used to grow Fuji apples and after three or four years of losing money, I decided my cheque from the University was ok and took my orchard out”. He now has only 40-50 apple trees left “which my wife and I fight about whether to keep or let go”.

But while apple farmers may get “zero subsidy” from the US government, researchers like him can request for funds from the Federal Government. “The big change that has happened after (Barack) Obama became President is that formerly only research for the big four or five crops such as wheat, rice, soya and corn was funded by the Federal government. But now funds have been released for a minor crop such as apples as well.”

He adds that this money is “decent” considering the State is bankrupt, and has cut their funding by 25 per cent in the last two years. Economic recession has taken a toll on State funding of universities across the US, he adds.

SELF-FINANCED HELP

But, there is always a silver lining for the industry in developed countries. Mr Kupferman adds that as far back as 40 years ago the Washington apple, cherry, peach and pear industry realised their government would not be able to fund “all the research necessary to keep up with the rapidly expanding and technologically changing industry.

So they taxed themselves; for every box of apples, cherries or pears sold, a tax is kept aside for the Washington Tree Fruit Research Commission. This generates millions of dollars every year”.

This Commission is manned by both growers and professional managers “before whom we take our hats off and get on our knees to fund research projects for the fruit industry”.

Thus, the fruit industry has decided to help itself and be at the cutting edge of technological innovation that helps them harvest, store and market top quality fruit that results in better profits.

But this doesn't necessarily mean that young Americans are keen to join teams like Mr

Kupferman's, particularly since university fees have gone up. "Yes, you're right; they'd rather go to IT or any other field. It's all about money, money; they are not willingly to put themselves in debt for low paying jobs...to work in a greenhouse for \$10-15 an hour!"

HEALTH CAMPAIGN

He adds that economic downturn has affected American apple growers much less than other industries. "Consumers have to eat; though the amount of money people can pay for fruit has actually gone down." After the anti-smoking campaign, a huge campaign is on asking people to eat healthy and go in for fruit rather than candy, and the apple would get pride of place in any such drive.

"Having said that, when you can't afford it, you can't afford it. So the people who were making millions of dollars of profit are making fewer millions of dollars, but we are riding it out."

Well, that sums it up neatly enough!

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NCDEX may seek nod for non-delivery soyameal futures

Abhishek Law

Kolkata, Oct. 25

The National Commodities and Derivatives Exchange Ltd (NCDEX) may approach the Forward Markets Commission seeking permission to launch non-delivery backed (intention-matching) contract on export grade soyameal, used in manufacture of animal feed. If granted, this will be the second such contract after soya refined oil, which is already being traded on the commodity exchange.

Following the general norm for agri-commodity futures, NCDEX previously had a delivery-backed sellers option contract on soyameal. However, the contract failed to attract

volumes due to complications over payment or refund of five per cent VAT (value added tax), finally leading to withdrawal of the contract in June 2010.

“The existing complications over VAT proved to be a non-starter for the delivery backed contract on soya meals. In a bid to redesign the contract to suit investors' interest, we are now in discussion with the regulator on the possibility to launch an intention-matching contract where delivery is not compulsory,” an exchange source told Business Line.

India's output

India produced 9.3 million tonnes (mt) soyabean last year. About 4.2 mt of soyameal were exported in 2008-09.

“Considering the large size of the soyameal market, we are hopeful that the regulator would allow us to launch non-delivery backed contract,” the source added.

According to the erstwhile delivery-backed contract, a five per cent VAT was being charged on the seller who found the reimbursement and refund of the amount difficult, as the buyer was also not able to produce the requisite papers within the settlement deadline.

“It takes around six to eight months for a buyer to secure the necessary documents from the tax authorities. In such a circumstance there was a standoff between the buyers and sellers and no settlement was being made leading to a decline in trade,” the source added.

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Back Pepper futures rule steady

G K Nair

Kochi, Oct 25

Pepper futures ruled nearly steady on Monday with marginal rise in prices of all the contracts on buying support later in the day after falling on some selling pressure till

afternoon on bearish activities.

The volatility in October contract was of Rs 525 a quintal and there was an attempt to pull the market down but it did not succeed as there was some buying interest at lower levels, market sources told Business Line.

There was good switching over to December. Total turnover increased by about 80 per cent.

Availability of physical pepper in the market was limited and it was available only on the exchange platform.

In the primary markets, dealers were neither quoting nor showing any interest in the activities, they said.

November contract on NCDEX moved up by Rs 31 to close at Rs 19,720 a quintal. December and January contracts were up by Rs 40 and Rs 88 respectively to Rs 20,020 and Rs 20,235 a quintal.

Turnover up

Total turnover increased by 6,011 tonnes to 13,495 tonnes. Total open interest moved up by 103 tonnes to 12,776 tonnes.

November open interest dropped by 261 tonnes to 9,591 tonnes while that of December and January increased by 317 tonnes and 37 tonnes respectively.

Spot prices ruled steady at the previous level of Rs 18,800 (ungarbled) and Rs 19,300 (MG 1) a quintal.

Indian parity in the international market is at \$4,650 a tonne (c&f) and remained above other origins.

Overseas market

According to an overseas report from the US today, Brazil and Indonesia were seen active

with some trades being reported for B1 at \$4,050-\$4,100 a tonne (f.o.b.) and Lampong asta at around \$4,250 a tonne (f.o.b).

Prices quoted for different origins of black pepper per tonne in dollar (c&f) New York Sep/Oct shipments were: MG 1asta – 4,650-4,750; Vietnam asta -4,500 Feb/Mar; Llampong 500g/l -4,050-4,100 fob ; Lampong 550g/l – 4,150-4,200 fob; Lampong asta - 4,250-4,300 fob ; Ecuador asta – 4,225-4,250 fob (very limited quantity); Sri Lanka 500-525g/l - limited quantity – 4,300-4,350 fob ; Brazil B2 500g/l -4,050-4,100 fob ; Brazil B1 560g/l – 4,150-4,200 fob ; Brazil asta – 4,250-4,300 fob.

White pepper prices: Vietnam and Muntok \$6,450 a tonne c&f and \$6,300 a tonne (c&f) respectively.

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Back 'Bandh' shuts sugar markets



Our Correspondent

Mumbai, Oct 25

Vashi sugar market along with other commodity markets were affected by a “bandh” following a strike called by Mathadi Kamdar Union.

Traders are of the opinion that the strike will be over by Tuesday evening or Wednesday

morning if the State Government solves the demands of Mathadi Kamdar.

Sugar prices were quoted steady. Mills tenders were open and Naka delivery rates were quoted but there was no trade. Mr Ashok Jain, President of Bombay Sugar Merchants Association, said "There were neither any fresh trade in spot nor naka / mill tender delivery nor delivery from market.

"Traders were expecting a solution at a meeting to be held on Tuesday evening between Mathadi Union and the State Government. Seeing the usual month-end weak demand from retailers, stockists are not in a mood for fresh buying. Neighbouring States buying was negligent. "There is no rake trade recorded during last 3-4 days. New Month's - November - quota is also due. Cane crushing started in Maharashtra's mills and also in Uttar Pradesh will weigh the market sentiment", he added. On Monday, mill tenders were open due to absence of buyers. They were quoting S-grade at Rs 2,580-2,600 and M-grade Rs 2,610-2,640. Absence of active buying from upcountry/neighbouring States turned mills to offer to local markets. Spot rates for S-grade were: Rs 2,710-2,750 (Rs 2,726-2,756) and for M-grade Rs 2,730-2,810 (Rs 2,750-2,821). Naka delivery rates were: S-grade – Rs 2,670-2,690 (Rs 2,680-2,700) and M-grade – Rs 2,700-2,740 (Rs 2,720-2,760).

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Back Reduced inflow lifts rice



Our Correspondent

Karnal, Oct. 25

Low arrivals of new non-basmati rice in the market lifted the prices of the non-basmati varieties by Rs 15-20 a quintal.

Whereas with the trading being low, prices of aromatic rice ruled flat.

On Monday, prices of Pusa-1121 (steam) ruled around Rs 5,100 a quintal, Pusa-1121 (sela) ruled around Rs 4,100 and Pusa-1121 (raw) was at Rs 5,050-5,100 a quintal. Pusa (sela) quoted at Rs 3,100-3,150 a quintal and Pusa (raw) at Rs 4,000-4,050.

Basmati sela ruled at Rs 5,900-6,000 a quintal, while basmati raw was around Rs 6,900-7,000. Prices of non-basmati varieties rose from their previous levels.

Prices of PR (old) ruled between Rs 2,000 and Rs 2,200, while the PR (new) ruled between Rs 1,900 and Rs 2,000 a quintal.

Sharbati sela (old) ruled between Rs 2,500 and 2,700 and Sharbati steam (new) at Rs 2,600-2,780.

The Permal sela (new) variety ruled at Rs 2,000-2,150 a quintal.

Brokens such as Tibar ruled around Rs 3,500 a quintal, Dubar at Rs 2,500 and Mongra around Rs 1,800.

Mr Amit Kumar, Proprietor, Hanuman Rice Trading Company, told Business Line that due to sluggish demand, arrivals of new rice has dropped in the market. Due to this situation, the market increased on Monday, he said.

High arrivals of different paddy varieties were witnessed in the market. Over 2.5 lakh bags of paddy varieties arrived at the Karnal grain market terminal.

Around 30,000 bags of PR-13 arrived and the variety ruled between Rs 900 and Rs 980 a

quintal.

Grade-A variety arrived with a stock of 1.5 lakh bags and ruled between Rs 1,000 and Rs 1,050.

Around 30,000 bags of PR-14 were quoted at Rs 1,025-1,070 a quintal.

About 5,000 bags of Sharbati also arrived and the variety ruled between Rs 1,350 and Rs 1,500 a quintal. Sugandha-999, with around 5,000 bags, was quoted at Rs 1,550-1,600.

Only 1,000 bags of the RS-10 variety were available. They were quoted at Rs 1,300-1,350 a quintal.

High arrivals of the paddy of aromatic rice have also started. There were 15,000 bags of Pusa (duplicate basmati) quoting at Rs 2,000-2,200. Around 15,000 bags of Pusa-1121 were quoted at Rs 2,000-Rs 2,300 a quintal. The entire stock was lifted by agencies and rice millers.

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Back Edible oils flare up



Our Correspondent

Mumbai, Oct. 25

Prices of imported edible oils continued to rise on Monday, taking cues from a firm trend and higher closing in overseas markets and expectations of higher demand for cheap oils for the upcoming Diwalifestival.

Palmolein increased by Rs 8, soya refined oil Rs 11 and cotton refined oil Rs 6 for 10 kg, respectively. Sunflower oil and rapeseed oil were steady in the absence of demand. In the spot market, the volume was thin as there was no fresh demand.

Indigenous groundnut oil declined sharply by Rs 20 in Mumbai on weakening markets of Saurashtra, where arrivals of new crop was over 1.25 lakh bags a day. According to the Bombay Commodity Exchange, at Rajkot, groundnut Telia tin rate was Rs 1,100 (Rs 1,130) and loose declined to Rs 710 (Rs 730) for 10kg.

Cloudy weather condition / showers in Maharashtra, Gujarat and Madhya Pradesh weighed on market sentiment. Malaysia's crude palm oil November futures closed higher by 63 ringgits (MYR) and December up 62 MYR.

A Mumbai-based wholesaler said that in the spot market in the absence of fresh retail demand, volume in resale for palmolein was limited to 200/250 tonnes and traded in the range of Rs 484-492.

Ruchi was quoting palmolein Rs 490 and Liberty at Rs 494. There was no direct trade with refineries.

Malaysia's BMD and NBOT futures: Malaysia CPO November futures closed at , 3075 (3012) MYR and December at 3067 (3005) MYR. Indore NBOT soya oil futures November-10 rose to Rs 537 (Rs 531.70).

Mumbai commodity exchange spot rate (Rs/10kg):Groundnut oil 760 (780), soya refined oil 515 (504), sunflower expeller refined 580 (580), sunflower refined 640 (640), rapeseed refined 575 (575), rapeseed expeller refined 545 (545), cotton refined 516 (510) and palmolein was 492 (484).

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Back Sluggish sales pound turmeric



Our Correspondent

Erode, Oct. 25

Turmeric prices dropped by Rs 300 a quintal on Monday due to lack of demand that resulted in poor sales.

At the Erode Turmeric Merchants' Association sales yard, the finger variety was sold at Rs 9,811-14,121 a quintal, the root variety was sold at Rs 9,306-14,037. Out of 2,021 bags that arrived, only 601 were sold.

At the Gobichettipalayam Agricultural Cooperative Marketing Society, the finger variety was sold at Rs 13,738-14,406 a quintal, the root variety was sold at Rs 13,084-14,169. Out of 416 bags that arrived, 351 were sold.

At the Erode Cooperative Marketing Society, the finger variety was sold at Rs 13,669-14,196 a quintal, the root variety was sold at Rs 13,619-14,096. Only 625 bags, out of 1,017 bags that arrived, were sold.

At the Regulated Market, the finger variety was sold at Rs 13,769-14,169 a quintal, the

root variety was sold at Rs 13,697-14,029.

“There was absolutely no demand for turmeric from other States. Demand in the local markets was also poor. So prices dropped. These prices will remain till Diwali and after that, there may be a further slump,” said Mr R.V. Ravishankar, President, Erode Turmeric Merchants' Association. Prices in futures had no impact on the spot market, on Monday.

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Back Festival demand perks up soya



Our Correspondent

Indore, Oct 25

Notwithstanding increased arrival in State mandis which was recorded at 7 lakh bags on Monday (in Indore mandi, arrival was 15,000 bags), soyabean traded higher both in the spot and at plant-level on strong global cues and increased festival demand.

In the spot, soyabean was quoted Rs 40-50 up at Rs 2,070-2,140 a quintal, while soya of lower quality was quoted Rs 1,900 a quintal. Similarly, plant deliveries of soyabean also perked up by Rs 50 at Rs 2,150-2,200. Taking cues from strong overseas market, soya oil gained here with prices of soya refined in the spot quoting Rs 5 up at Rs 498-502 for 10 kg, while soya solvent quoted Rs 4-6 up at Rs 471-474.

Traders, however, hope that rise in soya oil prices would not continue for long, given

decline in imports of palm oil by India which has dropped as much as 36 per cent to 942,257 tonnes in September this year in the wake of rising international prices. Indian imports from Malaysia have also fallen 21 per cent during the past fortnight against September. Traders say decline in import of palm oil, will make a dent in the international prices of palm oil. Soya DOC (Kandla delivery) also traded positive at Rs 18,800. The soya oil at NBOT on Monday opened at Rs 536.20 and closed a little lower at Rs 535.90.

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Back Mounds of melon

— P V Sivakumar



Cooler winter:Water melons are heaped at the Kothapet Fruit Market at Gaddiannaram on the outskirts of Hyderabad. Despite the onset of winter, farmers in Kalwakurthy and Jadcherla in the nearby Mahbubnagar district are extensively growing melons to cater to the growing demand from the health-conscious. Fancily named “Namdhari,” “Pakheeza,” “Madhubala” and “Apoorva,” these melons are sold at Rs 1,600 a heap (160 kg) and easily

fit into a shopping bag or a refrigerator.

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Back Cashew export market active on good demand

G.K. Nair

Kochi, Oct. 25

The cashew market witnessed reasonable activity last week with prices moving up slightly. By the end of the week, prices from medium packers moved up to \$3.25 (f.o.b) for W320, while large packers were also able to sell few cents higher.

There were some trades in W240 at around \$3.60 and W450 at around \$3.10 (f.o.b). Most of the sales were to the US and Europe importers for October-December and some for January-March 11. India and Chinese buyers were quiet but they are expected to start buying again in November, market sources said.

The raw cashew nut (RCN) market continues to be firm. West African RCN in India traded in the range of \$1,200 to \$1,350 depending on quality. Indonesia RCN is steady around \$1,500 despite lower quality. Tanzania continued to get surprisingly high prices in their auctions.

Brazil reports of crop shortage ranging from 15-30 per cent. This means that almost all origins have had short crops in 2010, Mr Pankaj N. Sampat, a leading Mumbai-based trader told Business Line.

Lower offers

Last fortnight's lower offers for 2011 deliveries from the importers did not induce any significant business. "If RCN market continues to be firm, we feel that the lower offers will dry up soon. We expect some roasters – in the US as well as Europe – will start to buy some quantities if they see firmness continuing for the next few weeks.

Most of them are very lightly covered for 2011 and may not be able to postpone buying for too long and they will soon have to cover at least the first quarter, if not the first half," he said.

Most buyers have been restricting volume and period of buying because of the wide difference between prices from small/medium processors for nearbys and large processors for forwards.

This has meant that they need to buy something every few weeks and each time after a dip, prices have moved up a few cents.

"So far, the market has not pierced the 2008 ceiling but it cannot be said with certainty that this will not happen sometime during the year," he said.

The outlook for mid/late 2011 continues to be cloudy – demand trends are uncertain and it is impossible to judge what 2011 crops will be. So, it would be unreasonable to predict long-term price movement. But in view of supply tightness, which is likely to continue till April/May 2011, it is more or less certain that prices will continue to be firm for the rest of 2010 and even early 2011. There is some chance of a further increase in prices if kernel activity picks up and/or RCN prices continue to be firm.

If there is a big drop in usage in FH 2011 coupled with good or normal crops from March/April 2011, "we could see prices softening," the trade said. Absence of one or both could mean the opposite. In the meantime, it is reasonable to expect that prices will continue to be firm and will be determined by spot/nearby demand (or interest to sell) till there is a significant change (or a reasonable expectation of a change) in one or both fundamental factors.

"This cannot happen before March. A change in sentiment could also prove to be the tipping point. External factors – economic news, currency movements, etc – also need to be watched," they added.

For the time being, as indicated earlier "everyone in the chain (RCN traders — processors – traders – roasters) should cover some portion of their need (to buy or sell) for a few months to avoid being caught on the wrong foot as any change in trend could be quite

sharp," Mr Pankaj said.

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Back Tea prices rule weak at Kochi auction

Our Bureau

Kochi, Oct. 25

Low arrivals and weak price trends were major features at the Kochi Tea Auction last week. There were 9,24,000 kg of dust and 2,91,500 kg of leaf tea on offer at the auction. The CTC dust market opened weak and fell further as the auction progressed.

Some select grades were able to maintain last week's price levels. The fall in prices was more moderate for medium and plainer teas. AVT and Tata Global were fairly active in the CTC dust market.

Hindustan Unilever and Vimal Tea were selective, while Kerala State Civil Supplies Corporation and loose tea traders lent fair amount of support.

Upcountry buyers and exporters remained subdued. Weak trends were prevalent at the orthodox dust auction, and there were good number of withdrawals.

Nilgiri whole leaf grades, broken, and fannings were irregular and quoted lower at the orthodox leaf auction. Medium bolder broken and whole leaf grades were strong features of the market. Most of the other grades were barely steady and often eased as the auction progressed. Exporters to Tunisia and Russia lent fair amount of support. HUL remained active on medium bolder broken grades. Tata Global was selective. Fannings were firm to dealer at the CTC leaf auction, where most other grades quoted lower. Domestic buyers lent fair amount of support, while HUL and Tata Global remained selective.