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## Coconut growers' plea

Special Correspondent

PUDUKOTTAI: The Pudukottai District Coconut Growers Association has urged the Coconut Welfare Board to give due representation in the board as coconut is being produced in about 30,000 acres in the district.

The office bearers of the association led by its president M.Shanmugasundaram and secretary R.Subbiah recently met T.A.Krishnasamy Gounder, vice-president of the board and also the president of South India Coconut Growers Association at Pollachi and explained to him about the coconut production in the district.

They also requested Mr. Gounder to take steps to get all the benefits provided by the government through the board for the coconut growers in the district. Mr. Gounder assured them of help, a communication from M.Shanmugasundaram, said on Tuesday.

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## Northeast monsoon likely to set in by weekend

T. Ramakrishnan

*May not yield bountiful rainfall this time*

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*“Normal date of onset is October 20, with an allowance of seven days”*

*Since 2004, deviation of rainfall during northeast monsoon has been on positive side*

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CHENNAI: The onset of northeast monsoon is likely to take place by the end of this week. And, this time, the monsoon may not yield bountiful rainfall.

Pointing out that the normal date of onset is October 20 with an allowance of seven days, Deputy Director General of Meteorology Y.E. A. Raj says that as a prelude to the onset, the change in wind pattern – from westerlies to easterlies – was to take place by mid-October. But easterlies have not yet set in. Also, the southwest monsoon has not yet withdrawn from southern States.

However, the dynamical model developed by the Meteorological Department indicates that the arrival of the monsoon will happen on October 30 or 31.

Dr. Raj says that rainfall during the monsoon is likely to be “near normal.” According to meteorological standards, normal rainfall is regarded if the deviation from the anticipated rainfall is in the range of minus 19 per cent to plus 19 per cent.

He also refers to two factors – La Nina and Southern Oscillation – that may work against bountiful rainfall during the monsoon. The prevailing La Nina and the positive phase of Southern Oscillation (SO) point to the likely deficient rainfall during the monsoon this time.

(La Nina, the opposite of El Nino, pertains to the anomalous decline in the temperature of the central tropical Pacific Ocean while the southern oscillation refers to the air pressure difference between Tahiti in the Pacific and Darwin in the northern Australia).

The SO index should be negative for heavy rain in October and the first half of November. But, the index has remained positive.

Dr. Raj also says that though the parameters do not have a one-to-one relationship with the pattern of rainfall during the monsoon, they are among the factors that influence the behaviour

of the monsoon. "Our monsoon systems – southwest or northeast – are too complex to be dictated by one or two parameters," he adds.

For Tamil Nadu, the northeast monsoon is the main rainy season, accounting for about 43 cm of the annual rainfall of around 92 cm.

Since 2004, the deviation of rainfall during the northeast monsoon was always on the positive side. The figures of deviation were one per cent (in 2004); 79 per cent (2005); 15 per cent (2006); 21 per cent (2007) and 31 per cent (2008) and 13 per cent (2009).

Even though the State is witnessing isolated rainfall, the prolonged dry spell is causing concern among farmers and water managers alike.

As of now, the Mettur reservoir, the lifeline of farmers in the Cauvery basin of the State, has realised only 81 thousand million cubic feet (tmc ft) of water. The shortfall in realisation of Cauvery water from Karnataka is 82 tmc ft.

Tamil Nadu has been pressing Karnataka to make good the shortfall at least substantially, if not fully.

On Tuesday, the storage of Mettur was about 27 tmc ft, which is expected to last about three more weeks, given the present rate of inflow and discharge.

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## **Farmers urged to repay bank loans promptly**

Special Correspondent

CUDDALORE: Principal District Sessions Judge D.Ramabadhran 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, recently.

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. The borrowers should shed 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.

The automated teller machine facility put up in the branch had incorporated the bio-metric system which not many bank branches could boast of, the judge added.

M.Pandiyaraj, Assistant General Manager (Administration), SBI, Tiruchi, said that the branch established in 1980 was now given a facelift at a cost of Rs 13 lakh.

The branch started showing declining profits in the past three years as the farmers were hesitant to repay the loans with the hope that their loans would be written off. The defaulters mostly happened to be those who obtained loans for purchase of tractors, he said.

S.Jeyaram Moorthy, Regional Manager, SBI, Puducherry, said that if the farmers honour their repayment obligation their successors would benefit.

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## Registration of goat breeders under way

Staff Reporter

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*To enable them*

*to avail themselves of various*

*schemes and benefits offered*

*by the government*

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DINDIGUL: The Department of Animal Husbandry has started registering the names of sheep and goat breeders to make them members of Goat and Sheep Breeders Welfare Board to enable them to avail themselves of various schemes and benefits offered by the government, according to a release here on Tuesday.

Those who have been rearing goats for the past five years are eligible to become a member of the board.

He or she should have completed 18 years of age and should not exceed 65 years.

Moreover, the applicants should not be a member in any other welfare boards. Those interested may approach the officials at the Department of Veterinary Science in Dindigul for further details, the released added.

The State Government had established the Sheep and Goat Breeders Welfare Board recently for the welfare of the shepherds.

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**Depleting Mettur storage sends jitters to farmers**

S.Ganesan

*Uncertainty looms over the prospects of samba, thaladi crops*

— Photo: M.SRINATH



**great expectation: Farm women transplanting the Samba paddy in Needamangalam in Tiruvarur district on Monday.**

TIRUCHI: With the existing storage at the Mettur reservoir being expected to last just about 10 days, anxiety is writ large on the faces of farmers in the delta region over the prospects of the samba and thaladi crops.

On Tuesday, the storage at the Mettur dam stood at 26.85 thousand million cubic feet (tmcft) against its capacity of 93.47 tmcft. The poor inflow (3,269 cusecs on Tuesday) into the Mettur reservoir from Karnataka is a cause for worry. Both officials and farmers feel that the situation was critical and could turn worse unless the inflow into the Mettur improved quickly.

Agriculture Department officials were expecting near normal coverage this year. As per the department's projections, about 1.44 lakh hectares (ha) in Thanjavur were expected to be covered under samba and thaladi crops, 1.44 lakhs (ha) in Tiruvarur, 1.38 lakh (ha) in Nagapattinam and about 62,500 ha in Tiruchi district. So far, planting has been completed in about 72,000 ha in Thanjavur, 1.32 lakhs ha in Tiruvarur, 1.12 lakh ha (including direct sowing) in Nagapattinam and 26,420 ha in Tiruchi district.

Transplantation is expected to be completed by the end of this month in most places and by the first week of November in some other parts of the core delta districts. The Mettur storage is expected to be sufficient only till the completion of the transplantation. The crop would require water for another three months.

Farmers' representatives underline the urgency of the situation. "The situation is a cause for much anxiety and unfortunately the monsoon is playing truant. We do not know whether the

present greenery and pleasantness would continue for the next three months,” observed S.Ranganathan, general secretary, Cauvery Delta Farmers Welfare Association.

The only positive factor is that the dams in Karnataka are almost full. Chief Minister M.Karunanidhi should immediately intervene and take up the matter with the Karnataka government, at least at the official level, to get at least 30 to 40 tmcft of water from Karnataka immediately, if not the backlog in Tamil Nadu's share of water, said Mr.Ranganathan.

On Sunday, the Tamizhaga Vivasayigal Sangam, affiliated to the Communist Party of India (Marxist), took to the streets seeking water for the tail end areas in Nagapattinam district and demanding the implementation of the award of the Cauvery Water Disputes Tribunal.

Several other farmers' organisations have called upon the Tamil Nadu government to press for the implementation of the Tribunal award. Many fear that food security could be jeopardised if the current situation continued. “According to our information, the storage in Karnataka dams is good. The Chief Minister should take up the matter with Karnataka and the Centre to get Tamil Nadu's rightful share of water to save the crop. Otherwise, the crop will be left at the mercy of monsoon, which again has to be periodic and timely,” said Arupathi Kalyanam, general secretary of Federation of Farmers' Associations in Thanajvur, Tiruvarur and Nagapattinam districts.

Farmers say that the government should manage to get the water from Karnataka latest by Deepavali. The young crop cannot go without water for long, they said.

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## **2,880 tonnes of paddy procured: Collector**

Special Correspondent

TIRUCHI: A total of 2,880 tonnes of kuruvai had been procured so far and the district administration had taken steps for opening additional decentralised direct procurement centres in response to farmers' demand, said Mahesan Kasirajan, District Collector.

Addressing presspersons here on Monday, the Collector said that 16 decentralised direct procurement centres had been opened so far. Pointing out that 4,750 hectares had been brought under kuruvai this season, the Collector said harvest was brisk and had been completed on 3,435 hectares.

The per hectare maximum and minimum yield was 10,440 kg and 3,680 kg respectively. The average yield per hectare was 7,240 kg.

The Collector also said that an extent of 26,240 hectares had been brought under samba cultivation this year against the target of 62,500 hectares.

The Cooperative Banks attached priority for sanctioning farm loans and so far Rs.58.67 crore had been sanctioned to about 18,000 farmers.

Steps had been taken to execute the works on construction of houses under the 'Kalaingar Housing Scheme'. Work on at least 2,000 houses would be completed by the end of November.

Under the Dr. Kalaingar Insurance Scheme for Life saving treatments, a total of 15,144 persons had benefited so far in the district and a sum of Rs.34.81 crore had been sanctioned for surgery and life-saving treatments.

On the services being rendered by 108 Emergency Ambulances, he said that 14 ambulances in the district had come to the rescue of 35,465 persons, including 9,395 pregnant women.

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### **Clear irrigation canals of silt: Delta farmers**

Special Correspondent

TIRUCHI: The Tiruchi District Cauvery Delta Farmers Welfare Association has urged the government to take steps to clear of silt and widen all the 17 irrigation canals in the Tiruchi region so as to ensure that water for irrigation reached the tail-end areas.



The association also urged the government to take steps to build check-dams across the Cauvery River utilising the revenue generated through the sale of sand from the river beds in the State. This was essential to harness the available water and ensure adequate supply of water for irrigation in the lower delta region, said G.Kanagasabai, president of the association in a statement issued here.

Referring to the hardship faced by the farmers, Mr.Kanagasabai said the delay in the release of water from Mettur Reservoir had forced many farmers in Tiruchi district to skip the kuruvai crop. This could have been avoided if the government had taken steps to build check dams across the Cauvery River to conserve the available water.

The State government should also take steps to link all Southern rivers as a precursor to the linking of national rivers. If the water flow in Cauvery River came down, farmers in the delta region would face misery, he said.

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**India to grow at 8.25-8.75 p.c. in current fiscal: Pranab**



PTI Finance Minister Pranab Mukherjee during a press conference in New Delhi. Strong domestic demand and robust investment climate had led to surge in capital inflow, Mr. Mukherjee said. File photo

Economy will grow by 8.25-8.75 per cent this fiscal and will return to an average growth rate of 9 per cent soon, but food prices continue to drive inflation, Finance Minister Pranab Mukherjee said today.

Stating that gross tax revenue has grown at a robust pace so far in the current fiscal and proceeds from the spectrum sale as also disinvestment would help fill the fiscal deficit, Mr. Mukherjee said that economic growth would exceed 9 per cent in near future.

The auction of 3G and broadband spectrum and disinvestment proceed would help meet the fiscal deficit target, Mr. Mukherjee said at the annual Economic Editors Conference here.

The gross tax revenue grew by 27.3 per cent so far this fiscal as opposed to negative growth rate in the same period last fiscal, he added.

For the current fiscal, he pegged the economic growth at 8.25-8.75 per cent.

On inflation, the Finance Minister said that food prices were the main driver, while he also expressed concerns on rising rupee having implications on the country's exports.

He said that strong domestic demand and robust investment climate had led to surge in capital inflow.

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### **Growth versus inflation-control is big concern: Mukherjee**

With the country's annual food inflation still hovering around 15.5 per cent, Finance Minister Pranab Mukherjee on Tuesday said high prices remained a concern, as there was a limit to which money supply could be curbed to rein in demand.

"High inflation has affected family budgets. Prices of food items like vegetables, rice, wheat and pulses remain a big concern," the finance minister told the annual Economic Editors' Conference in New Delhi.

"The government has taken measures both from supply and demand sides to control high inflation. On the supply side, the Reserve Bank has taken measures to curtail excess liquidity," he said.

Yet, touching on a classical economist's dilemma of the need to strike a balance between inflation and growth, Mukherjee said that while the central bank can only curb liquidity to an extent, the government had tried to improve food supply through zero-duty imports.

He was alluding to policy measures of governments and the central bank in which curbs on the money supply have the potential to rein in inflation, but when the curbs are in excess, they can retard growth, since the economy is deprived of money for development projects.

"We can't create liquidity crisis," Mukherjee said. "Sometimes you can't control the prices, but mitigate the adverse impact on affected people. We are providing food at subsidies prices. The Reserve Bank has taken suitable measures."

At the same time, the finance minister said, the overall annual inflation, as opposed to price rise in food prices, had come down to 8.6 per cent in September after remaining in double-digits till June 2010.

"I do feel the annualised inflation will come down to 6 percent," he said, adding: "On the whole, notwithstanding continued concerns on inflation, macroeconomic environment, both domestic and external, is far more comforting at present than last year."

<http://www.hindustantimes.com/StoryPage/Print/618054.aspx>

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## Food security: Start now, improve later

Oct 27 2010

Whatever the nature of the debates that it may provoke, the National Advisory Council headed by Congress president Sonia Gandhi has — apparently after contentious deliberation — produced a fairly detailed conceptual scheme that is expected to provide the basic inputs for framing the Food Security Bill due to come up in Parliament shortly. The food security provision for the poor is UPA-2's big-ticket social sector project just as the NREGS had been the chief anti-poverty measure in UPA's first term in office. The NREGS had led to two broad discussions: who will foot the bill, and will it provide universal or cent per cent coverage to all the poor in the country? Fortunately, the country did not permit itself to be derailed by voices of concern on these points. Eventually, it turned out that NREGS — although it is implemented in a slipshod way and is shot through with corruption, especially in the poorly administered states of the country — actually put some money in the hands of the rural poor throughout India, and this went on to boost aggregate demand in the system and was a factor that saw the country out of a threatened economic trough in the wake of the worldwide recession that is still plaguing leading Western economies. In the end, NREGS came to be perceived as beneficial to our economic system, whatever the initial anxieties, although some continue to voice a few worries. The ideological maximalists too were harsh with their criticism of the NREGS proposal that had been first mooted. The scheme sought to cover only 100 districts in India to begin with, and those that spoke in the name of the poor suggested that this was too feeble and was tokenism by another name. Life has shown this not to be the case, although there are deficiencies galore in implementation. The criticism of those who desire the best straightaway has already begun to be attracted by the NAC's food security proposal. Prof. Jean Dreze, a leading light of the NAC who has done laudable theoretical and empirical work on the state of the country's poor, has distanced himself from this proposal, saying that he would have liked universal coverage. This conveys the idealist's dream, and is not the pragmatist's method. The latter believes that it is best to get started and try and improve in the light of experience. Thus the so-called "consensus" that the NAC has produced on food security is a watered down version of the "first

best” solution, and is probably not even the second best. And yet, it is hard to endorse the position that we must either have all or nothing. The way matters stand, the current proposal seeks to provide foodgrain cover to around 75 per cent of the very poor in the country, in both rural and urban areas. It is far from certain that even this will be attempted with sincerity and without corrupt elements having a field day. No less significantly, the public distribution network has been all but obliterated. To get it going in the right spirit calls for close supervision as well as expenditure, and will be among the key challenges before the government.

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**Source URL:**

<http://www.deccanchronicle.com/dc-comment/food-security-start-now-improve-later-950>

## THE ECONOMIC TIMES

Wed, Oct 27, 2010 | Updated 10.15AM IST

27 Oct, 2010, 02.20AM IST, PK Krishnakumar,ET Bureau

### **Coconut prices double despite a rich harvest as exports jump 145% y-o-y**

KOCHI: The price of a coconut, a must for all auspicious occasions, has doubled this Diwali as exports to neighbouring countries eat into India’s bumper harvest. A coconut that usually sells for Rs 5 is now traded near Rs 10.

Traders are more keen on exports because foreign buyers are willing to pay up to Rs17/kg for fresh nuts, triggering a 145% rise in fresh coconut exports over last year. That has also improved returns per hectare for coconut growers even though production has once again crossed 15,000 million nuts. Tamil Nadu, which is India’s leading coconut market, is catering to the needs of the domestic market as well as neighbouring countries including Pakistan, Bangladesh and Nepal.

According to Talat Mehmood, a leading coconut oil trader, a more expensive palm kernel oil, a close substitute, is also forcing the food and soap industries to turn to cheaper coconut oil.

The production is now pegged at 15,729 million nuts for 2008-09 as per the final figures released by the Coconut Development Board. This shows a over 6% rise over the previous year. The productivity has shot up to an all-time high of 8,303 nuts per hectare compared to 7,747 nuts per hectare in the previous year. In 2010, a 15% deficit in production is seen.

Productivity has gone up even as the extent of arable land for coconut cultivation has decreased. Thomas Mathew, chief coconut development officer, Coconut Development Board (CDB), told ET that good weather conditions have led to the lower incidence of Mite disease in the crop, resulting in higher production.

Though Kerala leads with 5,802 million nuts, the gap in coconut production between Kerala and Tamil Nadu has narrowed to 37 million nuts. Both Karnataka and Tamil Nadu have witnessed significant improvement in production. In terms of productivity among the major coconut producing states, Tamil Nadu leads with 13,771 nuts per hectare as 60% of the crop is grown in well-irrigated area. With the launch of a CDB initiative for re-plantation by removing diseased trees, the productivity is expected to go up further.

## **Business Standard**

Wednesday, Oct 27, 2010

**Cardamom surges 3%, hits upper circuit on better spot demand**

**Press Trust of India / New Delhi October 26, 2010, 16:28 IST**

Cardamom prices hits upper limit by surging Rs 26.20 to Rs 898.40 per kg in futures trade today, as traders enlarged their commitments, driven by pick up in strong export and domestic demand.

Lower arrivals from producing regions in the spot market too influenced cardamom prices at futures market here.

At the Multi Commodity Exchange platform, cardamom for the November contract was trading at three per cent (upper circuit) higher by Rs 26.20, to Rs 898.40 per kg, with a turnover of 1,069 lots.

The spice for the December delivery gained by Rs 25.60, or three per cent, to Rs 877.50 per kg, with a turnover of 494 lots, while January month contract surged by Rs 25.10, or 2.96 per cent, to Rs 871 per kg, with a business volume of 73 lots.

Market analysts attributed the rise in cardamom futures prices to strong demand in physical market amid low stocks.

### **Coffee planters want less levies, cheaper loans**

**Debasis Mohapatra / Bangalore October 27, 2010, 0:21 IST**

Coffee planters in major growing regions of the country have appealed to the government to slash the duty structure on the commodity. They also want low-interest loans.

Planters have demanded of the ministry of commerce and Coffee Board to get these measures into the next Union Budget. "As the majority of Indian coffee is exported to other countries, it should be considered a 'commodity deemed for export'. So, duties like excise, customs and sales tax should be reduced to increase the export competitiveness," said A Nanda Belliappa, a planter from Karnataka and member of the Coffee Board.

He said this should give a cost saving of around 10 per cent to planters. India produces around 280,000 tonnes to 300,000 tonnes of coffee per year, of which 70 per cent is exported to other countries. Planters are also demanding loans from commercial banks on low interest rates.

“When banks are refinanced by Nabard at 4-4.5 per cent interest, planters should get loans at 6-6.5 per cent than being charged higher rates,” he said. Under the priority sector lending guidelines, there should be cheaper loans for planters , he added. Planters also seek to have copper sulphate classified as a fungicide than as an industrial chemical.

“This will provide much-needed relief, as the cost of this fungicide is putting a burden on planters,” Beliappa said. Copper sulphate is used to restrict defoliation in Arabica coffee and costs around Rs 8,000 for per 50 kg. “As a planter has to use around 60 kg of copper sulphate per acre of coffee plantation, government should classify it as a fungicide, which will see a cost reduction of this chemical,” he added.

Another planter noted copper sulphate was used for this purpose in many other plantation crops.

Ramesh Rajah, president of the Coffee Exporters Association, said the government should also have a policy for stabilising the rupee. “With no restriction on capital inflows to the country, the rupee is set to appreciate, which has adverse impact on coffee exporters,” he said.

He said the sector should be provided with low interest loans at par with other agricultural advances for growth of this industry. "Indian exporters can't compete with other exporting countries where the interest rate charged is less," he added.

Jabir Ashgar, vice-chairman of the Coffee Board, said the demands of the planters would be considered at its next meeting, on November 4. "The commerce ministry is of the opinion that coffee prices are at an all-time high. So, they are less inclined to give concessions on interest rates," he said.

### **Peak season pains for cardamom farmers**

**George Joseph / Chennai/ Kochi October 27, 2010, 0:47 IST**

With the harvesting season at its peak now, cardamom prices have dropped sharply to the utter dismay of the small and medium grower community.



The arrival of cardamom to various auction centres was heavy, and prices nosedived. The current average price is Rs 710 a kg compared to Rs 1,350, three months back. The best quality cardamom now fetches Rs 770 a kg.

Market sources expect further southward movement in prices as plucking of ripe cardamom is in full swing in most parts of Idukki district of Kerala. October to December is the peak harvesting season. As the season progresses, market experts see the price line to touch Rs 600 a kg.

Around 100,000-plus small and medium farmers have no other way but to sell their crop as stocking facilities are limited. Because of its peculiar nature, cardamom cannot be stocked for long without degradation of quality.

During off-season, the price tag of best quality cardamom touched the level of Rs 1,700 a kg. According to farmers, only large-scale growers could take advantage of the off-season price increase as they had better storage facility.

After December, the market is expected to rise due to lower arrivals and low stock. But the current market is really a setback to the large contingent of small and medium growers of Kerala and Tamil Nadu.

## THE HINDU Business Line

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### Back North-East monsoon may break out by Friday

Vinson Kurian

Thiruvananthapuram, Oct 26

The launch window for north-east monsoon has been thrown open with India Meteorological Department (IMD) indicating that the seasonal rains may break out over

Tamil Nadu and adjoining peninsular India around Friday.

Coinciding with the launch phase, a weather system has been forecast to wash over along the Chennai coast Sunday/Monday to bring heavy rains over Chennai and the rest of the Tamil Nadu coast.

#### WESTERLIES OUT

Prevailing wind pattern suggested that the westerly winds may be entering the last lap over Peninsular India, if not entirely swept away by the north-easterlies turning easterlies more to the south.

The easterlies are shown to rapidly gather steam across the Bay of Bengal and adjoining Peninsular India to strike up a steady cruise by Friday when the onset of north-east monsoon is expected to happen.

The build-up to Friday as seen by the IMD indicated that fairly widespread rain or thundershowers would occur over coastal Tamil Nadu, coastal Andhra Pradesh, south coastal Orissa and the Andaman and Nicobar Islands.

Scattered rain or thundershowers has been forecast over Kerala and Interior Andhra Pradesh and Tamil Nadu.

#### 'LOW' BY NOV 5

International models did not indicate any major weather system (monsoon depressions or cyclones) materialising as part of the north-east monsoon entourage until during the first week of November.

The European Center for Medium-range Weather Forecasts (ECMWF), however, predicts the formation of a low-pressure area over South-east Bay of Bengal by November 5, up to which forecasts were available.

Significantly on Tuesday, the IMD saw the south-west monsoon exiting large parts of East, Central and Peninsular India in one fell swoop paving the way for the monsoon on retreat

or north-east monsoon.

#### WITHDRAWAL APACE

The system had withdrawn from Bihar, Jharkhand, Madhya Pradesh and Gujarat; most parts of West Bengal and Sikkim; parts of Orissa, more parts of Chhattisgarh, most of Vidarbha, parts of Marathwada, Madhya Maharashtra and Konkan; North Arabian Sea and parts of Central Arabian Sea.

Forecast until Sunday said that fairly widespread rainfall activity would occur over Orissa, Chhattisgarh, Andhra Pradesh, Tamil Nadu, Kerala and the Andaman and Nicobar Islands.

Meanwhile, minimum temperatures have fallen two to three deg Celsius below normal over some parts of Punjab, Haryana and Uttar Pradesh ahead of the onset of winter over north-west India.

Forecasts indicated that minimum temperatures would fall by one to two deg Celsius over Indo-Gangetic plains and East India during the next three days.

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**Back Organic coffee from Vizag finds demand in India and abroad**

*Araku Emerald grown in non-traditional areas.*

Ch. R.S. Sarma

Visakhapatnam, Oct. 26

Coffee cultivated in Araku and Anantagiri in Visakhapatnam district has earned the organic tag in the international market, said Dr M. Selva Kumar, the Deputy Director of the Regional Coffee Research Station at Narsipatnam.

The coffee, which is grown in the non-traditional areas, is being marketed as Araku Emerald, said Dr Kumar.

The research station is a part of the Coffee Board.

In an interview, Dr Kumar said it was a blessing in disguise that farmers in the areas concerned did not have access to chemical pesticides and fertilisers. "So the coffee grown in the area is free of chemical residues and is being marketed as organic coffee.

"Therefore, it is much sought after in the international market and in the domestic market. Arabica grown in the area is also very aromatic."

The Deputy Director said the Nandi Foundation was exporting 300-400 tonnes to some of European countries and trying to build a brand. The Coffee Board, the Integrated Tribal Development Agency of the State Government and the AP Forest Development Corporation are also engaged in promoting cultivation and marketing of the coffee.

He said coffee was being grown on 40,000 hectares in the Eastern Ghats in Visakhapatnam district and the annual output was 5,000 tonnes or so.

"Of course, coffee cultivation still has a long way to go in the area, both in terms of area and output. The output per acre at present is hardly 300 kg or so, whereas the potential is more than 1,000 kg. But we are sure productivity will increase as farmers gain expertise," he explained.

The Coffee Board was distributing baby pulpers to the farmers in the area and primary processing facilities have been set up, he said.

The board was offering several incentives to the growers.

They were being trained to grow pepper as an intercrop to boost income, the Deputy Director added.

Dr Kumar expressed hope that the area under cultivation and the coffee output will rise substantially in the years to come, and it will better the lives of the farmers.

"One acre of coffee cultivation means a lot to a (farmer) family. It can lift the family struggling for mere survival and subsistence to a degree of comparative economic comfort. That is why it is being promoted in earnest by the Government and the Coffee Board," he

added.

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### Back **Groundnut oil slips on poor demand**

Rajkot, Oct. 26

Heavy arrival and poor demand continued to put pressure on groundnut oil this week.

Prices have crashed over Rs 230 to Rs 1,215-1,220 for 15 kg in a week. Groundnut price also dropped Rs 50-60 for 20 kg.

In Gujarat, groundnut oil loose traded at Rs 700-705 for 10 kg, while 15-kg new tin price was quoted at Rs 1,215-1,220 .

Around 1.25-1.50 lakh bags groundnut arrived in the various mandis of Gujarat.

Price of groundnut G-20 is Rs 600-610 and G-2 is traded at Rs 690-700 for 20 kg.

Mixed trend in wheat

With trading being low in the market, prices of dara variety witnessed a downtrend and dropped by Rs 10 a quintal in the last two days.

On Tuesday, dara wheat ruled at Rs 1,240-1,250 a quintal against the levels of 1,250-1,260 quoted last weekend. The fine quality was quoted at Rs 1,270 a quintal. Only 100 quintals of dara variety arrived in the market.

Traders are hopeful that wheat prices will witness a rally of Rs 20-30 a quintal in the coming days as arrivals are low from Uttar Pradesh.

Turmeric inches up

Spot turmeric prices went up slightly, quite opposite to what happened on the futures

market.

At the Erode Turmeric Merchants' Association sales yard, the finger variety was sold at Rs 9,309-14,139 a quintal, and the root variety fetched Rs 9,606-13,961 a quintal. Out of 1,469 bags on sale, 413 were sold.

#### Sugar slides

Spot prices on the Vashi wholesale sugar market declined Rs 25-35 a quintal in the absence of fresh demand and selling pressure by stockists .

According to the Bombay Sugar Merchants Association, spot rates were: S-grade: Rs 2,700-2,741 (Rs 2,726-2,756) and M-grade Rs 2,720-2,796 (Rs 2,750-2,821).

Naka delivery rates were S-grade: Rs 2,650-2,680 (Rs 2,680-2,700) and M-grade was Rs 2,680-2,720 (Rs 2,720-2,760).

#### Pulses down

Prices of pulse and pulse seeds continued their downtrend in the mandis .

Pulses witnessed a fall between Rs 25 and Rs 150 a quintal as demand from retailers as well as mill owners slackened. Spot prices: Chana dal was at Rs 2,275; masoor at Rs 3,100; moong at Rs 5,100; urad dal at Rs 5,800-6,000 and tur dal (sawa no) at Rs 5,000.

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[Back](#) **Pepper futures rise on strong demand**

G.K. Nair

Kochi, Oct. 26

Strong domestic demand outweighing the supply coupled with reports of firmer markets in Vietnam, Brazil and Indonesia has pushed up the futures market on Tuesday with all the

contracts crossing the first ceiling levels.

Good quantities were covered by leading exporters from investors at Rs 2.5 a kg below the November delivery price and that had activated the futures market.

At the same time, there was no selling pressure in the primary markets where from inter-state dealers were covering directly, market sources told Business Line.

Meanwhile, more and more inquiries were also pouring into the terminal market where the dealers were unable to make any commitment as there were no arrivals from the primary markets.

The upcountry demand was being met directly via Tamil Nadu. Inter-State dealers from the neighbouring State were buying from the doorsteps of the primary market dealers high range pepper at Rs 190 and above a kg by issuing inter-state bill paying 2 per cent tax. No tax is levied on pepper in Tamil Nadu.

“They come with cash buy and take the material away paying two per cent tax to Tamil Nadu where from it is transported to north Indian destinations”, market sources told Business Line.

November contract on NCDEX shot up by Rs 711 to close at Rs 20,429 a quintal. December and January increased by Rs 716 and Rs 707 respectively to close at Rs 20,723 and Rs 20,921 a quintal.

Total turnover increased 6,460 tonnes to 19,955 tonnes. Total open interest moved up 6 tonnes to 12,782 tonnes.

November open interest dropped by 697 tonnes to 8,894 tonnes while that of December and January increased 585 tonnes and 73 tonnes respectively to 3,372 tonnes and 245 tonnes.

Spot prices on strong demand and limited supply also soared by Rs 500 a 100 kg to close at Rs 19,300 (ungarbled) and Rs 19,800 (MG 1) a quintal.

Indian parity has gone up to \$4,825 a tonne (c&f) and remained above other origins.

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### Back **Basmati output may be around 6.4 mt this year**

Our Bureau

Mangalore, Oct. 26

The production of Basmati paddy in the country is likely to be in the range of 6.4 million tonnes during the current year, according to Mr Gurnam Arora, Joint Managing Director of Kohinoor Foods Ltd.

Addressing presspersons here on Monday, Mr Arora said this year, the production of Basmati paddy will be in the range of 6.4 million tonnes.

This will be around 4 million tonnes of Basmati rice. This production includes both traditional and hybrid Basmati varieties.

He said that hybrid Basmati has got the productivity of non-Basmati and quality of Basmati. According to him, the production of traditional Basmati paddy stood at around 2.5 million tonnes a year prior to the introduction of hybrid Basmati in the country.

Mr Arora said that Kohinoor Foods has introduced three different Government-approved Basmati rice in the south Indian market.

Kohinoor brands

They are: Kohinoor Platinum, Kohinoor Gold, and Kohinoor Silver.

He said the Kohinoor Platinum is the traditional Basmati rice, and the other two are hybrid ones. Stating that Kohinoor Gold was introduced last year, Mr Arora said the grain 1121 for this is three-four years old.



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Back Cardamom prices drop on weak demand

G K Nair

Kochi, Oct. 26

Cardamom prices fell last week, at auctions held in Kerala and Tamil Nadu. Demand was low as upcountry dealers reduced buying after covering enough material for Diwali, while arrivals continued to remain at higher levels.

The market may pick up after dealers exhaust their cardamom purchases for Diwali. Prices are expected to move up slightly and stabilise at that level, traders in Bodinayakannur said.

Meanwhile, unconfirmed reports of increased arrivals from Guatemala this year, are also being attributed to the decline in the prices.

However, according to reliable sources, cardamom from Guatemala is expected to enter the markets only in 2011-12 as estates there have been replanted last year. Hence, their new crop will arrive only after three years, according to Dr Satheesh Babu, Head of the Kerala Agricultural University's Market Intelligence Cell.

Dr Babu told Business Line that the crop in Idukki will be relatively less this season, because of incessant rains in some of the major growing areas, where the plants were affected by stem disease.

The crops could not be sprayed on time due to the intermittent rains, he said. As a result, there may be a supply crunch in the coming weeks, which may push up the prices.

Some growers alleged that the current dip decline in the prices is the handiwork of some lobbies and, therefore, it is a temporary phenomenon. , some of the growers alleged.

The downward trend continued throughout last week, from Monday, onwards, trade

sources said. They added that buyers also usually stay away from the declining market. , trade sources said.

The individual auction average price dropped to Rs 760 a kg, after a long time.

Total arrivals at the KCPMC auction, as was the case like in the last previous Sunday, stood at 53 tonnes and some quantity was withdrawn, Mr P. C. Punnoose, General Manager, CPMC, told Business Line. The average price dropped to Rs 760 from Rs 894.52 the previous Sunday, he said.

Total arrivals during the current season from August 1 to October 24, 2010, stood at 2,826 tonnes. Of this, 2,765 tonnes of cardamom were sold.

Arrivals and sales in the same period during of the previous season were 2,638 tonnes and 2,476 tonnes respectively. Weighted average price as on October 24 , 2010 was Rs 1,046.27 a per kg, up from Rs 678.60 a per kg on the same day last year.

Prices for graded varieties in Rs/kg rupees/kg per kg on Monday were: AGEB: 980- 990; AGB: 830-840; AGS: 800-810; AGS1:750-760 and the prices in the local market in Bodinayakannur were AGEB: 960-970; AGB: 810- 820; AGS: 780-790; AGS 1: 730-740.

The weather conditions in the growing areas, at present, is ideal for the crop. and According to growers, the late crop is likely to be better but the overall output may not be more than what it was last season.

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**[Back](#) Coconut oil recovers**

C.J. Punnathara Kochi, Oct. 26

With the onset of the festival season, the demand for coconut oil has perked up from north Indian markets and price has firmed up.

There was good industrial demand for premium grade coconut oil and edible copra in the

south Indian markets.

The firm trend in demand and prices is likely to be sustained for the next 10 days, when the festivities commence, Mr Prakash B. Rao, Director of the Cochin Oil Merchants Association (COMA), said.

Coconut oil prices firmed up to Rs 6,900 a quintal while the premium grades bought by industrial buyers climbed to Rs 7,100 . As there has been some let up in the rains, there was sufficient amount of arrivals into the market.

Although this is the lean season, there has been fair amount of conversion to copra, sufficient to cater to the bulk demand from industrial buyers.

An industrial buyer is reported to have bought significant quantity of premium coconut oil from the Kerala market at Rs 7,000 a quintal last week. There is large-scale demand for copra at Rs 4,900 a quintal, while the sellers are demanding Rs 5,000. The arrivals in both copra and coconut oil continue to be good.

Although the consumption demand from Kerala has been low, the industrial demand in both Kerala and Tamil Nadu markets is likely to sustain the prices.

Market sources do not anticipate any major erosion in coconut oil prices even after the festival season since the bulk of the stocks would have been exhausted. Also, arrivals are expected to decline since this is the lean season.

More on the Web: [www.businessline.in /webextras](http://www.businessline.in/webextras)

Palm kernel oil prices fell marginally to Rs 6,800 a quintal, while palm oil moved up to Rs 4,950 a quintal. Since the harvest in Malaysia has commenced and there was good arrival into Indian ports, the price surge in palm oil was mainly on account of festival demand.

With the huge demand for Diwali sweets, prices of various kinds of edible oils have also risen in the Indian market. This is most visible in low-priced oils such as palm oil. The demand for palm oil has been quite high in Tamil Nadu and the North-West Indian markets, trade sources said.

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## Back Cluster method suggested to tackle challenges in coconut sector

Our Bureau

Mangalore, Oct. 26

There is a need to adopt cluster approach to tackle the problems and challenges in coconut sector, according to Dr S. Ayyappan, Director-General of Indian Council for Agriculture Research (ICAR).

Delivering the keynote address at the inauguration of the international conference on 'Coconut biodiversity for prosperity' at Kasaragod in Kerala, he said that the problems and challenges in the coconut sector are unique, and solutions also have to be specific and the delivery mechanism also has to be specific and tailor-made to meet the requirement.

Coconut growers, predominantly small scale and marginal farmers, are resource poor. It is ideal that the delivery mechanisms are not targeted at individual farmers, but a group or cluster approach is adopted.

"It is most important that we should do the 'packaging' or 'bundling of appropriate technologies' suitable for a given cropping environment or target group or cropping season and make it available at the doorstep of the farmer at the right time when he or she needs it the most," he said. The four-day conference is being organised by Central Plantation Crops Research Institute (CPCRI) in Kasaragod, in association with ICAR and Indian Society for Plantation Crops. He said that in the changing climate, coconut is considered to benefit and provide environmental services, and it is assuming more significance than before. Dr Ayyappan said that coconut has moved from rural confines to commercial production and productivity of coconut is highest in the world, although remuneration from coconut is lower. Senile orchards and fluctuating price has been one of the factors for declined farm income, he said.

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## Back Nabard's nature fest to promote eco-friendly products

Our Bureau

Kolkata, Oct. 26

Natural Resource Management Centre set up by the National Bank for Agriculture and Rural Development (Nabard) has organised Nature Fest to promote eco-friendly products including textile, jewellery and handicrafts in the city.

The exhibition which would be held from October 25 to November 3, was inaugurated by Dr Asim Kumar Dasgupta, West Bengal Finance Minister, in the presence of Mr U.C. Sarangi, Chairman, Nabard, here, according to a press statement issued by Nabard.

The event would showcase unique display of nature-based technologies which would help combat climate change and global warming. Range of eco-friendly products such as jute, sital pati, banana fibre, bamboo, Ahimsa Silk (ERI), lac, coir, coconut waste products would be on display and for sale, the release said.

“The natural products form the basis of livelihoods of thousands of rural people. So while we help in combating climate change by using these products, we are also providing livelihoods to rural people,” the release pointed out.

With a view to educate farmers visiting the fair regarding climate change, the fair premises would be lighted up by solar street lamps.

There would also be a display of electricity production through wind mills and biodiesel.

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Back 'Farmers Day' at Dharwad

Hubli, Oct 26

International Crops Research Institute for Semi-Arid Tropics (Icrisat) and the University of Agricultural Sciences (UAS), Dharwad, celebrated 'Farmers Day' Niralakatti in Dharwad district. Mr Suhas P Wani, Principal Scientist, Watershed, Icrisat, said the soil enrichment initiative for rain-fed areas in Karnataka titled 'Bhoo Chetana' has become a model for the country. Niralakatti is part of the nine projects selected in the country. Mr Seema Masuti, MLA, Dharwad Rural, stressed the need for legislators to spend their local area development funds for the schemes benefiting the farmers.

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