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# THE HINDU

## Beat prices, the cooperative way

The government is tying up with more farmers to source vegetables for Farm Fresh outlets



*Minister Sellur K. Raju discussed various issues related to procurement, production and prices with farmers in Krishnagiri —Photo: Special Arrangement*

As vegetable prices soar, the cooperative department is tying up with more farmers to source vegetables for Farm Fresh outlets. The move, which is likely to benefit both customers and farmers, comes at a time when onions cost nearly Rs. 60-Rs. 65 a kg in the open market. The 30 farm fresh consumer outlets run by societies however offer it for Rs. 40 per kg.

Farmers in various places, including Krishnagiri, who are supplying vegetables through cooperative societies, said they have been able to save upto Rs. 1 per kilo due to direct procurement. V. Srinivasan of Bagalur village in Hosur, who cultivates cabbages, tomato, beans and nool kol said that selling through the cooperative was more profitable. “I don’t have to spend on transport, packaging or pay commission if I supply the cooperative department. They pay cash on the spot when they weigh and take vegetables,” he said.

K. Ramanji, a farmer of Mel Soodapuram in Krishnagiri district, a member of the Bagalur Cooperative Society, said vegetables were grown in 100 acres in his area. “We were forced to bring down the acreage of vegetable farming due to the lack of enough hands. We have requested the government to send labourers under the Mahatma Gandhi National Rural Employment Guarantee Scheme to vegetable farms throughout the State,” he said.

On Thursday, minister for cooperation Sellur K.Raju visited vegetable procurement centres for Farm Fresh consumer shops in Krishnagiri district and interacted with farmers regarding the quality, production, price and varieties of vegetables.

The cooperative department has also tied up with the horticulture department of Andhra Pradesh to source onions from Kurnool. Officials said that about 20 tonnes were also being sourced from Lasalgaon, Nashik and 10 tonnes from Surandai in Tirunelveli district. “We are also approaching farmers in Tirupur. Fresh stock should arrive in a day or two,” an official said.

About Rs.28.68 crore has been disbursed as loans to nearly 2,900 farmers in Nilgiris, Dindigul and Dharmapuri districts for vegetable cultivation. “We are serving nearly 6,000 consumers daily,” said the official.

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### Rupee supports exporters to benefit cotton industry

**They are able to quote competitive prices to the international buyers**



*Work came to a standstill in the wake of the spiralling cotton prices and accumulation of yarn stock.–*

*PHOTO S. SIVA SARAVANAN*

Depreciation of rupee against the dollar is expected to benefit several industries in this region though it will have an impact on investments in imported machinery for capacity addition or expansion.

Coimbatore region has several industries that are into exports – textile mills, garment units, foundries, coir and tea sectors. These exporters are able to quote competitive prices to the international buyers because of the rupee depreciation.

The situation is likely to lead to higher cotton and yarn exports. The total yarn exports from the country in July were nearly 140 million kg. Mills that have cotton stocks and are exporting yarn will benefit from the current situation. The international demand is good for home textiles. Export of fabric also has huge potential. However, factors such as high interest rate and tax on fabric procured by exporters from the manufacturers add to the cost, says M. Senthil Kumar, former chairman of the Powerloom Development and Export Promotion Council. The garment exporters usually have forward contract and hence, they may not get the real benefit. However, it is expected to benefit the exporters in their future orders, says an exporter in Tirupur.

The weaving industry imports looms, especially second hand ones to add production capacities. The high duty on imports and rupee depreciation has made it difficult for the weaving sector to invest in machinery, Mr. Senthil Kumar added.

According to Jayakumar Ramdass, president of Institute of Indian Foundrymen, Coimbatore, several foundries here export grey iron, steel and aluminium castings to the tune of Rs. 750 crore to Rs. 1,000 crore annually. The export orders are low now. Customers also know that the rupee is depreciating against the dollar and hence, ask for lower prices.

Those who have long-term contracts are doing well. Orders are expected to pick-up in a couple of months and the exporters will benefit then. However, many units import scrap and they will not do so now because it will be expensive.

S. Mahesh Kumar, president of Coir Pith and Allied Products Manufacturers' and Exporters' Association, said that export of coir fibre and coir pith has started picking up. The export orders were low for nearly eight months and during the last one month, it was reviving. Annual export of coir products from Pollachi is more than Rs. 500 crore. The contracts were usually signed three months before shipment. While those exporting to the U.S. will benefit from the rupee depreciation, those exporting to neighbouring countries may see the buyers negotiating the prices.

The main competition comes from Sri Lanka and the exporters here will be able to quote competitive prices. "We will be able to match Sri Lanka's prices," he said.

Tea exporter N. Anand said that the tea exporters stand to benefit in a significant way from the current trend. "We are able to quote lesser prices and the buyers are also motivated to purchase from us," he said. The internal demand for tea is also good.

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## Exports jack up onion prices in Dindigul market

**Eighty per cent of the arrival is sent to Thailand, Malaysia and Singapore**



*Workers segregating shallots at the wholesale market in Dindigul. PHOTO: G. KARTHIKEYAN*

Bellary onions and shallots have shot up in price in the wholesale onion market because of a mix of factors such as a spurt in exports, poor arrivals and a slump in production.

Growing export demand is driving onion prices. Eighty per cent of the produce in the Dindigul market is exported to Thailand, Malaysia and Singapore, market sources say.

The wholesale price of shallots (small onion), which was selling at Rs.25 a kg two months ago, has increased to Rs.65. The retail prices hover between Rs.70 to Rs.75. Prices of Bellary onion (large variety) swing between the Rs.45 to Rs.55 range, says wholesale onion trader M. Marimuthu. The wholesale price of shallots is expected to touch Rs.80 a kg.

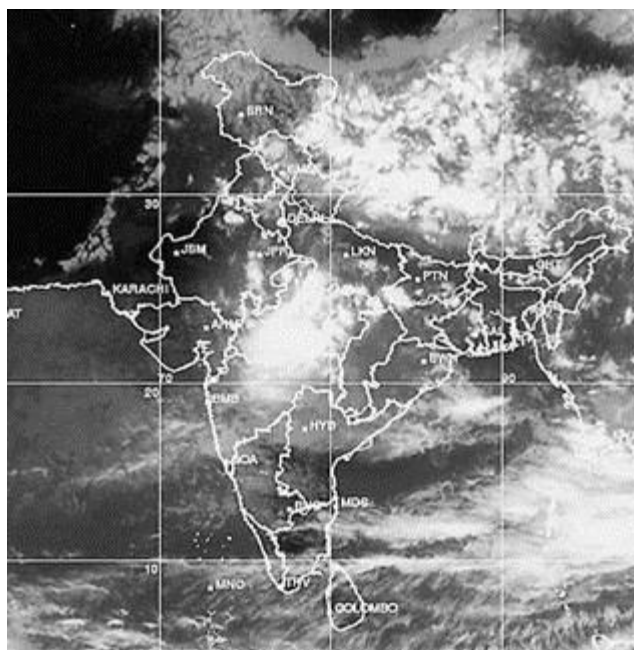
Onions come in from Andipatti and Cumbum in Theni district, Sengurichi, Gujiliamparai, Vedasandur and Ayyalur in Dindigul district, Udumalpet in Tirupur district, Tiruchi and Karnataka. Arrivals from Mysore were over by July-end. Low output is also a factor, with a 30 per cent dip in supply. Many farmers have switched crops this season owing to monsoon failure. Currently, Theni and Tirupur districts are the only supply source for onions.

As a result, the inflow into the Dindigul market has dropped from 5,000 to 8,000 sacks (each weighing 80 kg) to 2,000.

Exporters snap up arrivals, leaving nothing to local retailers. Low production of big onions from Bellary and other areas in Maharashtra has also led to the high prices in the market, say traders. Poor arrivals have pushed up prices. But traders expect a fresh fillip to arrivals of Bellary onions starting two weeks from now. In which case, prices will stabilise, they hope.

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## Weather



*INSAT PICTURE AT 14.00 hrs. Observations recorded at 8.30 a.m. on August 22nd.*

	Max	Min	R	TR
New Delhi (Plm)	34	26	tr	507
New Delhi (Sfd)	34	25	4	749
Chandigarh	35	25	1	717
Hissar	33	25	0	507
Bhuntar	33	19	tr	391
Shimla	24	16	3	744
Jammu	34	25	0	1040
Srinagar	29	19	0	209
Amritsar	35	27	0	741
Patiala	35	24	39	680
Jaipur	30	25	tr	615
Udaipur	30	25	0	617
Allahabad	33	26	10	882
Lucknow	33	23	3	645
Varanasi	32	26	7	598
Dehradun	34	23	1	2447
Agartala	33	25	0	676
Ahmedabad	31	24	0	739
Bangalore	28	19	0	384
Bhubaneshwar	32	26	0	613
Bhopal	25	22	19	1067
Chennai	35	24	11	439

Guwahati	34	25	2	629
Hyderabad	31	22	0	512
Kolkata	29	25	41	1299
Mumbai	31	26	tr	2019
Nagpur	37	22	30	1276
Patna	32	26	7	297
Pune	30	22	0	532
Thiruvananthapuram	31	24	0	870
Imphal	30	22	1	758
Shillong	25	18	tr	708

*The columns show maximum and minimum temperature in Celsius, rainfall during last 24 hours (tr-trace) and total rainfall in mm since 1st June.*

## RAINFALL

Southwest Monsoon has been active over west Uttar Pradesh.

RAINFALL: Rain/thundershowers have occurred at many places over west Uttar Pradesh, at a few places over Haryana, Himachal Pradesh, east Rajasthan and Uttarakhand and at isolated places over rest of the region. The chief amounts of rainfall in cm are: (3 cm and above) HARYANA: Farukhanagar and Sonipat 5 each, Naraingarh and Hodal 4 each and Karnal, Nuh, Chhachhrauli and Sadhaura 3 each, HIMACHAL PRADESH: Paonta 7, Dharamsala 5, Sundernagar, Shimla Airport, Pandoh, Rajgarh and Kasauli 4 each and Arki 3, PUNJAB: Patiala 4 and Ludhiana and Phangoat 3 each, EAST RAJASTHAN: Sarmathura 9, Thanagazi 8, Dholpur tehsil 7, Behror and Sapau 6 each, Shahabad, bayana, Beir, Deeg, Hindoli, bari and Baseri 5 each, Atru, Nadbai, Aklera and Karauli 4 each and Chabra, Chipabarod, Kisanganj, Kaman, Pahari, Jahajpur, Pirawa and Piplu 3 each, WEST RAJASTHAN: Ladnoo 3, EAST UTTAR PRADESH: Nighasan 8, Kayamganj, Mirzapur, Karwi and Bhinga 4 each and Lakhimpur Kheri, Lalganj, Fatehgarh and Chhibramau 3 each, WEST UTTAR PRADESH: Moradabad and Auraiya 7 each, Meerut 5, Dhampur and Moth 4 each and Jhansi, Aliganj, Chhata, Khair, Nagina, Ghaziabad, Mathura and Nakur 3 each and UTTARAKHAND: Bambasa 6, Haridwar 4 and Nanital 3.

FORECAST VALID UNTIL THE MORNING OF 24th August 2013 : Rain/thundershowers would occur at many places over Jammu division of Jammu and Kashmir, Himachal Pradesh, Uttarakhand and east Rajasthan. Rain/thundershowers may occur at many places over Uttar Pradesh during next 24 hrs and decrease thereafter. Rain/thundershowers may occur at a few places over rest of the region.

FORECAST FOR DELHI AND NEIGHBOURHOOD VALID UNTIL THE MORNING OF 24th August 2013: Generally cloudy sky. Rain/thundershowers would occur in some areas.

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### Farmers to grow chilli by organic farming

The Bangalore-based International Competence Centre for Organic Agriculture (ICCOA) has signed a Memorandum of Understanding (MoU) with Commissioner of Horticulture to cultivate chillies by organic farming on 250 hectares of land in the district.

Disclosing this to reporters during a field visit on Thursday, B. Ilangoan, Deputy Director of Horticulture and C.R. Kesavaraman, Horticulture Officer, said chilli would be cultivated by organic farming for the first time in the district and the department has identified about 500 farmers to cultivate high yielding varieties of K1 and K2. ICCOA, the knowledge and learning centre for all aspects of organic agriculture, is expected to depute experts next week to educate and motivate the farmers on the organic farming methods for chilli cultivation, they said.

Farmers cultivating native “Ramnad Mundu” would be encouraged to go for new varieties in organic farming.

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### Farmers' grievances day

Farmers' grievances day meeting will be held on August 29 at the collectorate here according to a press release issued by K. Baskaran, collector, here on Thursday. Farmers can discuss issues relating to agriculture, agricultural engineering, horticulture, and PWD the release added.

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### SSI sweetens the deal for sugarcane growers

'Farmers can achieve a yield of 80 tonnes an acre against the normal average of 40 to 45 tonnes'



*HI-TECH: A sugarcane farmer explaining the features of the automated drip irrigation system at his field at Koodapalli near Manachanallur in Tiruchi. — PHOTO: A. Muralitharan*

After achieving significant success in promoting System of Rice Intensification in paddy, the Agriculture Department is seeking to popularise the Sustainable Sugarcane Initiative (SSI) method of cultivation in sugarcane.

Sugarcane growers, officials of the department say, can almost double their yield by adopting SSI method of cultivation, which requires less seeds and water in comparison to the conventional method. Farmers can easily achieve a yield of 80 tonnes an acre against the normal average of 40 to 45 tonnes, they say.

The department, which has taken up the promotion of the SSI in the district in a big way for the first time this year, hopes to cover at least 1,125 acres under the method. (Sugarcane is expected to be raised in about 13,750 acres in the district this year.) To achieve this objective, the department is offering subsidy to farmers for installing sub-surface drip irrigation systems and providing them Rs.10,000 worth of water-soluble fertilizers and other critical inputs free of cost an acre.

Explaining the salient features of the method of cultivation, Gururaj Singh, Joint Director of Agriculture, said SSI method of cultivation requires substantially lesser seedlings as single budded seedlings are used instead of the two/three budded sets used in conventional method. "Thirty-day old seedlings are planted in rows at a gap of five feet making it easier for farm mechanisation including the use of harvestors, which helps in bringing down the labour cost drastically," he said.

Farmers are given a subsidy of Rs.44, 000 an acre for installing the sub-surface drip irrigation systems under the National Agriculture Development Programme.

"The system substantially brings down the consumption of water as the crop is irrigated through minute pores through the pipes that run under the soil. More importantly, water soluble fertilizers are delivered directly to the roots through the drip irrigation system," said R.Chandrasekaran, Deputy Director (Central Schemes), Agriculture.

SSI provides the ideal solution for sugarcane growers who are faced within increasing cost of seeds and labour and other issues of soil fertility, officials said.

Subbiah, one of the three farmers who have taken to the SSI method of cultivation in about 30 acres at Koodapalli near Manachanallur, said he could operate the fully automated drip irrigation system remotely using his mobile to ensure proper irrigation of his 12-acre field.

"The motors of the borewells and the valves can be operated remotely. The exact time of the water supply would be set through the automated system so that wastage prevented," he said.



More importantly, he could use harvestors as soon as getting the cutting order from the sugar factory.

“Otherwise, I will have to go in search of labourers. Not many farm hands are available these days and even if we are prepared to pay higher wages not many are willing to come for agricultural work,” he said.

A drip irrigation system for a five-acre field would cost about Rs.3.50 lakhs, according to a technician of a private company which has installed the system at Mr.Subbiah’s field.

However, it would be a long-term investment as the sub-surface system can be used for several years for successive crops, he added.

*Farmers are given subsidy of Rs. 44,000 an acre for installing drip irrigation systems under National Agriculture Development Programme.R.Chandrasekaran,Deputy Director (Central Schemes), Agriculture*

*Black and white*

*SSI method of cultivation requires lesser seedlings*

*Around 1,125 acre to be covered under the method*

*Water soluble fertilizers directly delivered to roots using drip irrigation*

*Drip irrigation for a five-acre field could cost Rs. 3.50 lakh*

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## Water level

Water level in the Papanasam dam on Thursday stood at 120.60 feet (maximum level is 143 feet). The dam had an inflow of 671.11 cusecs and 1,421.11 cusecs of water was discharged from the dam.

The level of the Manimuthar dam stood at 64.15 feet (118 feet). The dam had an inflow of 16 cusecs and 255 cusecs was discharged.

## Nagercoil

The level in the Pechipparai dam stood at 26.05 feet, while it was 64.15 feet in Perunchani, 10.86 feet in Chittar I, 11.95 feet in Chittar II and 30.51 feet in the Mambazathuraiyaru dam.

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### Submit specific petitions on relief, Collector tells farmers



*Collector M. Ravikumar addressing the farmers' grievance day meeting in Tuticorin on Thursday.—*

*Photo: N. Rajesh*

Ravichandran, a farmer of Ottapidaram, said that drought relief assistance was not being extended to actual farmers and but on the contrary it was extended to 17 persons, owning fallow lands, at a farmers grievances redressal meeting convened here on Thursday.

Presiding over the meeting, Collector M. Ravikumar sought explanation from the official concerned and he replied that relief of Rs.30,26,470 had been extended to more than 200 farmers of Ottapidaram and efforts were on to provide it based on genuine claims.

The Collector asked the farmers to come out with petitions specifically on the provision of drought relief and told them not to generalise complaints about the issuance of relief assistance. Some farmers from Pillayarnatham also raised the similar issue of delay in extending the relief. Mr. Ravikumar appealed to the revenue officials to expedite disbursal of the relief after assessing the ground reality.

#### **'No restriction'**

Responding to a query raised by a farmer from Ottapidaram, the Collector said the removed silt from water tanks could well be utilised for agriculture purpose and he ruled out restriction for collecting it.

He instructed officials not to restrict those come to collect the silted material from tanks.

A total of 150 petitions was submitted at the meeting.

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## Medicinal Plants Park

The Medicinal Plants Park of the Horticulture Research Station (HRS) at Wood House near here would be thrown open to the public soon, said the State Agriculture Minister S.Damodaran after a visit to the spot on Thursday. Mr.Damodaran, who was accompanied by the Commissioner of Horticulture Satyabrata Sahoo, The Nilgiris Collector Archana Patnaik and others was taken round the facility by the head HRS N.Selvaraj. The Minister evinced keen interest in the functioning of the park and opined that it should become an attraction for tourists. Necessary orders will be passed soon. The park had come into being last year.

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## Ensure regular water supply to standing crops: farmers

### Growers in tail-end areas in several villages of Koppa hobli stage protest

Farmers in tail-end areas in several villages of Koppa hobli in Maddur taluk staged a protest outside the Cauvery Neeravari Nigam Ltd. (CNNL) here on Thursday against the Irrigation Department's failure to ensure regular water supply to standing crops.

Around 100 farmers from S. Koppalu, K.S. Koppalu, G.V. Koppalu and other villages participated in the protest.

The Krishnaraja Sagar reservoir (KRS) had adequate storage and the authorities had been releasing a large quantum of water into the Cauvery. But, farmers in the tail-end regions in Koppa hobli had not been getting proper water supply to their fields, the protesters said. They said that farmers in these villages had sown paddy, sugarcane and other crops on hundreds of hectares.

As farmers in the upper reaches had been illegally drawing excess water from the distributaries of the Visvesvaraya canal, the standing crops in the lower areas had been affected, they said.

Raising slogans against the CNNL authorities, the farmers alleged that CNNL officials had failed to supply water to the tail-end region on rotation system.

"The officials have not initiated any action to maintain proper gauges in the upper reaches of the Visvesvaraya canal," Beerappa, a farmer, said.

### Memorandum

The farmers submitted a memorandum to CNNL Engineer Basavaraju, who assured them of solving the issue by Tuesday. They requested Mr. Basavaraju to inspect the distributaries in the

tail-end areas to understand their problems and threatened to intensify their protest if the CNNL did not solve the problem by Tuesday.

***Growers in tail-end areas in several villages of Koppa hobli stage protest***

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**Areca growers' meet**

A conference of areca growers will be held at Shimoga on August 25 to discuss various issues faced by them due to 'kole roga' (fruit rot disease), according to B. Nagaraja Shetty, a BJP leader and former minister.

Addressing presspersons here on Wednesday he said that farmers from Dakshina Kannada, Udupi, Uttara Kannada, Shimoga, Chikmagalur and Kodagu would attend the meet, which would discuss the issue of seeking a special package for areca growers whose plantations have been affected by diseases like fruit rot, yellow leaf and bud rot.

He said the former Chief Minister D. V. Sadananda Gowda, BJP State president Prahlad Joshi, party leader K. S. Eshwarappa would attend the meet.

Mr. Shetty said that farmers affiliated to political and apolitical organisations would participate.

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**Subsidy for coconut cultivation increased**



Deputy Director of Coconut Development Board Vijaykumar Hallikeri has said the subsidy for coconut cultivation has been enhanced from Rs. 8,000 to Rs. 30,000 a hectare. Speaking at Banuli Krishi Belagu, a programme on Akashvani Mysore, he said farmers wishing to develop

coconut nursery would get assistance of Rs. 2 lakh. Applications can be submitted through the taluk or district officials of the Horticulture Department, he said. He advised the farmers to constitute coconut growers' cooperative societies so that they could get better prices for their produce.

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### Deficit rainfall hits paddy sowing in Vizianagaram

Deficit rainfall has badly hit sowing operations. The scenario is disturbing, particularly in 20 out of 34 mandals in the district. The situation is grimmer in Vizianagaram division than in Parvathipuram division. Though kharif season began on an optimistic note due to excess rainfall of 39 per cent (178 mm against the normal of 128.4mm) in June, in the key months of July and up to August 14, the average rainfall was minus 7 per cent and minus 65 per cent respectively. The successive low-pressure trough during this month did not help farmers begin sowing operations.

The normal area of all crops put together is 2.19 lakh hectares. Sowing was completed in a mere 42,000 hectares (35 per cent) against the normal paddy area of 1.20 lakh ha. Even the progress on other crops is no different. The area covered by other crops was 60,000 hectares (48 per cent). This was because the average rainfall in May this year was 30.9 mm against the normal of 114.7 mm, i.e. a deficit of 73 per cent. "Adequate rainfall during this month would have helped farmers raise dry crops such as mesta, groundnut and sesamum," said Joint Director (Agriculture) Leelavati on Thursday. The area covered by groundnut was 8,410 ha (37 per cent) against 22,644 ha, Sesamum 6,994 ha (59 per cent) out of 11,956 ha, and mesta 4,680 ha (25 per cent) against the normal area of 18,965 ha.

The Joint Director (A) said that the area of mesta (jute) that is the predominant crop in this part of the State is gradually dwindling from about 35,000 hectares over the past four or five years. The main reason is inadequate rainfall during May that affects the retting process and unremunerative price. Owing to these problems, mesta growers are showing interest in commercial crops like maize and cotton. The normal crop area of maize is 8,805 ha but the area covered so far was 10,961 ha, i.e., an increase of 124 per cent and the area of cotton increased from 10,691 ha to 13,508 ha i.e. an increase of 126 per cent.

In spite of the disturbing situation, Ms. Leelavati feels that heavy rains by this month-end would fill the 9,000 minor irrigation tanks and help farmers cover the entire normal crop area of 1.20

lakh acres as sowing operations continue till the first week of September. If water is inadequate for adopting traditional method, they still could opt for drum seed and direct sowing technologies. With regard to fertilisers, she said that adequate stock was kept at all the 93 outlets for distribution through MARKFED. However, she suggested farmers to adopt integrated nutrient management instead of using urea, DAP etc. On crop loans to farmers, she said that bankers had disbursed Rs. 243crore up to July against the target of Rs.750 crore for kharif-2013.

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### Govt. to provide additional foodgrains to States at APL price



*woman stand amidst various foodgrains at a wholesale market in Hyderabad. Giving in to the demand of political parties, the Centre on Friday decided to provide the additional quantum of foodgrains to States under the National Food Security Bill (NFSB) at the current Targetted Public Distribution System (TPDS) price for the above poverty line (APL) population. File photo*

### **This will entail an additional subsidy of Rs.5,094 crore**

Giving in to the demand of political parties, the Centre on Friday decided to provide the additional quantum of foodgrains to States under the National Food Security Bill (NFSB) at the

current Targetted Public Distribution System (TPDS) price for the above poverty line (APL) population.

This will entail an additional subsidy of Rs.5,094 crore and hike the total subsidy bill under the NFSB to Rs. 1.27 lakh crore. The Cabinet Committee for Economic Affairs discussed the issue for nearly an hour before it took the decision on a proposal moved by the Food Ministry.

Informed sources said Prime Minister Manmohan Singh overruled a suggestion made by Finance Minister P. Chidambaram to link the additional allocation of foodgrains to the Minimum Support Price paid to farmers for the produce. Home Minister Sushilkumar Shinde and Agriculture Minister Sharad Pawar too backed linking the price of the extra outgo of grains to the MSP.

Parliamentary Affairs Minister Kamal Nath, who is struggling in Parliament to get the Food Bill passed, and Food Minister of State (Independent) K.V. Thomas pointed out that protecting additional allocation was an assurance given to States and it must be made available at the current APL price.

In fact, one of the ten amendments moved by the UPA to the Food Bill in the Lok Sabha is on the protection of the “average annual off-take of foodgrains [by States] for last three years under TPDS at prices determined by the Central government as specified in Schedule IV.” Earlier, the government proposed to protect the allocation through an executive order.

Under the TPDS, the APL price for wheat is Rs. 6.10 per kg and for rice it is Rs. 8.30 per kg. As against this, the MSP for wheat is Rs. 13.50 per kg and for the common variety of rice it is Rs. 12.50 per kg and for Grade A it is Rs. 12.80 per kg.

About 18 States stand to lose a part of their current TPDS allocation of foodgrains under the NFSB after the Planning Commission came out with the share of each State based on new calculations for a coverage of 75 per cent rural and 50 per cent urban population under the NFSB after it is passed.

But the government has now decided to protect the additional allocation which totals 31.3 lakh tonnes. With this, the total outgo of foodgrains under the NFSB will be around 61 million tonnes per year. The State-wise allocation shall be 54.9 million tonnes minus the quantum required for welfare schemes.

### **Activists seek amendments**

The Right to Food Campaign activists on Thursday staged a protest outside Parliament against the exclusion of entitlements for destitute and provision for community kitchens under the National Food Security Bill. They were detained for violating Section 144 of Cr. P.C.

Most of the elderly participants were from Rajasthan. They came to press the point that they had a right to food as much as any other section of the society and that they were being ignored.

They were later distributed food as part of a community kitchen by the activists, led by Harsh Mander, Dipa Sinha, Ashish, Aditya Srivastava, Dheeraj, Arundhati Dhuru, Richa, Biraj Patnaik and Kavita Srivastava. All of them were arrested and later released after Rajya Sabha member and CPI leader D. Raja intervened.

Vowing to continue its public protest till a comprehensive food security law was attained, the activists charged the Congress with reneging on its election promise to include community kitchens in the food security legislation.

### **Feeding programme**

The feeding programme was organised to remind Parliamentarians that a Bill that does not address the situation of hunger and food insecurity of 'the last person' was not a 'food security' law. "It would be unjust to leave out the most-needy persons," said Ms. Srivastava adding that Parliament must debate the Bill and make government accountable for its actions.

Several Opposition parties, including the CPI (M), BJP, Biju Janata Dal and individual MPs have moved amendments on this aspect on the Food Bill in the Lok Sabha. "It was important to debate and adopt these and other important amendments related to universalising PDS, including pulses and oils in PDS, income guarantee for farmers," said Ms. Dipa Sinha.

In Parliament CPI MPs A. Sampath, S.K. Saidul Haque and P. Karunakaran moved an amendment for the Centre to fund a scheme to provide a free meal to destitute every day. S.K. Saidul Haque (CPI). Sanjay Dhotre (BJP) and Bhartruhari Mahtab (BJD) have sought two free meal daily to destitute. Harin Pathak (BJP) and M.B. Rajesh of the CPI (M) moved amendments for one free meal daily for destitute and community kitchens for urban homeless and migratory population.

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 **The Indian EXPRESS**

On paper, the acres defy change



Punjab's changing figures for the area under various crops, their production and their yield are not reflecting properly on paper, says the agriculture department.

It has written to the revenue department about it this year, stressing serious repercussions of "improper" girdawaris (field-to-field survey done by patwaris of the revenue department) on crop projections. The revenue department has cited a shortage on patwaris, but written to all deputy commissioners to ensure that girdawaris are done after actual field visits by patwaris.

The agriculture department's concern comes at a time when it is looking at an ambitious diversification programme from water-guzzling paddy. The department has tied up with the Punjab Remote Sensing Centre for satellite mapping of crops this kharif season to find out what

area has moved from paddy to maize, sugarcane, cotton, pulses, oilseeds and other kharif crops.

"At a time when the state is trying to diversify from the wheat-paddy cycle, every little change needs to be counted. We wrote to the revenue department citing serious implications on the diversification efforts and crop predictions if girdawaris are done randomly without visiting every field," says agriculture director Mangal Singh Sandhu.

He cites the example of wheat. "The revenue records showed 35.28 lakh hectares under wheat in 2011-12. The area fell to 35.12 lakh hectares the next year. The actual fall could be higher and will be reflected after a proper girdawari is carried out through field visits in rabi season 2013-14," Sandhu says. "Farmers are switching to other rabi crops such as gram and oilseeds. Agriculture department officers during field visits have reported the trend but it was not reflecting in the records of the revenue department."

Agriculture commissioner Balwinder Singh Sidhu says the system of conducting girdawaris has undergone a major change in Punjab since the abolition of abhiana, or irrigation tax. "Earlier, field-to-field girdawaris were done by two patwaris, one of the revenue department and the other of the irrigation department, which collected the canal irrigation user tax called abhiana. The two parallel girdawaris also helped cross-check the authenticity of the figures. However, after abhiana was abolished, it is only the revenue department patwari who is undertaking the exercise," Sidhu says.

### Orange problem tackled at the roots

The famous Nagpur orange, going slowly on the decline over the past decade, has been promised a new lease of life under a new protocol developed by the National Research Centre for Citrus in collaboration with the Indian Institute for Horticulture Research.

Called root stock identification protocol, it identifies which root stocks are disease-free and can be recommended to farmers and nursery owners to help develop a healthy repository.

Root stock is a mother plant of wild citrus origin, resistant to major diseases and on which the regular orange or sweet orange (mosambi) plant is indexed for early growth.

"The Nagpur mandarin (orange) faced a major crisis during the first half of the last decade, mainly due to depletion of ground water resulting in drying of orchards across central India," says NRCC director V J Shivankar. "When Prime Minister Manmohan Singh and Agriculture Minister Sharad Pawar visited Vidarbha in 2005, the setback to oranges was identified as a

major problem affecting Vidarbha farmers, along with poor cotton productivity. We were asked to develop something substantial that would help orange farmers. The root stock identification protocol is one of the major initiatives after that."

Shivankar quotes a Marathi saying "Shuddha beejapoti phale rasaal gomati (pure seeds alone beget juicy fruits)" to explain the concept. "Farmers get their root stocks from local nurseries, which in turn buy them from Himachal Pradesh and Punjab. There is no guarantee of their being pure, so it ultimately affects the crop. What we have done is we developed biological and chemical (serological) protocols that would help identify impure the diseased ones. It involves molecular tests to give various bands of gene patterns, which we also call DNA fingerprinting, for different root stocks. The undesirable ones, called Galgal, can be identified from the desirable ones, such as Rangpur lime and rough lemon, from the distinct bands they throw up," he says.

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## Weather

Chennai

▼

Chennai - INDIA

**Today's Weather**

**Friday, Aug 23**

Max | Min

34° | 26°

Sunny

Rain: 0  
Humidity: 59  
Wind: normal

Sunrise: 05:57  
Sunset: 06:25  
Barometer: 1006

**Tomorrow's Forecast**

**Saturday, Aug 24**

Max | Min

33° | 25°

Cloudy

**Extended Forecast for a week**

Sunday Aug 25	Monday Aug 26	Tuesday Aug 27	Wednesday Aug 28	Thursday Aug 29
33°   26°	33°   27°	33°   27°	33°   27°	34°   27°
Cloudy	Overcast	Overcast	Overcast	Overcast

**Airport Weather**

Chennai

▼

Chennai

Rain: 0      Sunrise: 05:57

Humidity: 59      Sunset: 06:25

Wind: normal      Barometer: 1006

## Heavy rainfall damages kharif crop in east MP

Subsequent spells of heavy rainfall in eastern parts of the state have damaged the oilseeds, paddy and pulse crops.

The reports reaching the Jawaharlal Nehru Krishi Vishwavidyalaya ( JNKVV) here from various places in revenue divisions including Rewa, Sagar, Hoshangabad and Jabalpur indicates loss of 45-55% oilseed, pulse and paddy crops due to intense rainfall.

Paddy crop sown early has been damaged.

Farmers are unable to apply micronutrient supplements and fertilisers to the crop sown late due to water logging in the fields.

These are necessary for plant growth and better yield.

The soyabean crop that is less affected is facing threat from the yellow mosaic diseases, semi looper, girdle beetle and pod borer insects.

Other oilseed crops affected due to heavy rainfall include groundnut sown on 0.50 lakh hectares in Chhindwara and Ramtil and Til crops sown on 1.5 lakh hectares in various places.

In current Kharif season oilseeds crops is sown in the State on 58 lakh hectares, whereas soybean contributes maximum percentage in it.

The pulse crop, including moong, urad and arhar, is sown on 10 lakh hectares.

Paddy is sown on 17 lakh hectares with over 14 lakh hectares in places falling in eastern parts of MP including Balaghat.

The agriculture fields falling in the plains are the worst affected due to heavy rainfall while those on slopes are least affected.

The oilseeds and pulses crops is mostly sown in plains with black soil and water logging in black soils cause damage to the plants than in other kind of soils.

Rakesh Patel, a farmer from village Shahpura some 40 kilometres far from Jabalpur, sowed soybean two months back on ten acres land. The entire crop is damaged due to heavy rainfall.

The soybean crop covers some 200 acre agriculture land in Shahpura village.

JNKVV director (research) Dr SS Tomar said the varsity was receiving regular information from the farmers about damage to the crops.

The oilseed, pulses and paddy crops are damaged to the extent of 45-55% sown in revenue divisions including Hoshangabad, Sagar, Jabalpur and Rewa due to heavy rainfall, he said.

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# THE ECONOMIC TIMES

India Inc upbeat on Bharat; 700 mn rural Indians ready & willing to spend



*Bharat offers a painkiller to suffering India as bumper monsoon loosens purse strings of farmers*

NEW DELHI/MUMBAI/KOLKATA: The economy and company bottom lines aren't a complete washout - excellent monsoons have set the stage for bumper harvests in October and that, in turn, will lead to higher rural incomes and spending. India Inc majors are saying it is rural India - home to roughly 700 million people - to the rescue as urban India feels too gloomy to spend more.

Consumer goods makers LG and Videocon, mobile services providers Vodafone, Bharti, Idea and Uninor and automakers such as Suzuki, Honda and Mahindra & Mahindra are among the host of companies firming up rural marketing strategies.

Some companies have already seen rural sales grow at a healthy clip.

"The rural market is still growing at 10-14% whereas the urban markets are either marginally de-growing or are flat. Our estimates of markets such as Punjab and Uttar Pradesh show consumers are ready to buy products," said Videocon's Chief Operating Officer CM Singh.

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# DECCAN Chronicle

Vegetable prices remain unstable



**Bengaluru:** Vegetable prices, especially that of onions which shot up to Rs 80 per kilo recently, have been greatly fluctuating over the past week. Experts attribute this instability to erratic supply.

On Thursday, onions were sold for Rs 70 per kilo, Rs 5 more than the previous day. In fact Wednesday had recorded a fall of Rs 10 per kilo, bringing the price down from Rs 75 to Rs 65 per kilo.

Interestingly, HOPCOMS has remained immune to price fluctuations; they even marginally decreased their prices between August 13 and 22.

Vegetable vendors blame the soaring prices on supply concerns. Yashvant N Gowda, a vegetable vendor from Yashvantpur, told this newspaper, "When we received onions from Chitradurga and parts of North Karnataka region, prices came down by Rs 10 per kilo. However, rates have again increased now. The market is very unstable."

Explaining HOPCOMS apparent immunity to fluctuating rates, he said the chain is able to make it through times of uncertainty and continue to sell at cheap rates because they have committed suppliers. "We have no direct access to farmers. We either have to depend on middlemen or buy our produce from those who are able to transport it to our places," he said.

On the bright side, many vendors feel vegetable prices may fall in the coming weeks. Dhananjay Naik, a wholesale vegetable dealer, is expecting a bumper harvest as the state received plenty of rainfall this year.

"Unfortunately, Chikkaballapur and Kolar, the major suppliers of vegetables to the city, didn't receive good rainfall. This may have an adverse effect. If the Central Government allows onions to be imported, the prices may come down to Rs 35-Rs 40 range," he added.

**States:**

Karnataka

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## Business Standard

[Cotton yarn export registration increases on Chinese demand](#)

**Enquiries have started after four years from Europe, exports to set new record this year if the current trend continues**



The registration for cotton yarn exports has jumped 55 per cent in the first four months of the current financial year due to a resurgence in Chinese demand. If the trend continues, cotton yarn export will likely hit a new record this year.

Data compiled by the Directorate General of Foreign Trade showed traders and exporters had registered for a shipment of 488.15 million kg between April and July 2013, compared with 314.19 million kg in the corresponding period last year. Export registration for cotton yarn almost doubled from 245.84 million kg in the April-July 2011 period.



“If the trend continues, cotton yarn exports would beat all previous expectations to set an all time record this year,” said D K Nair, secretary general, Confederation of Indian Textile Industry.

According to reports, the Cotton Yarn Advisory Board has projected a marginal 14.2 per cent increase to 1,150 million kg in cotton yarn exports from India this financial year. But actual exports could be even higher. Total cotton yarn production this year is estimated at 4,000 million kg.

“The substantial increase in exports, however, has not affected domestic supply to mills at all. Domestic mills are operating smoothly with adequate capacity,” said Nair.

The exponential growth in cotton yarn shipment has lowered the prospects of cotton exports as Chinese importers find purchase of fibre cost effective.

According to Arun Sakseria, a Mumbai-based cotton trader and exporter, the government of China has levied around 40 per cent accumulative import taxes and local levies to encourage local power loom and textile sectors. In contrast, import duty on cotton yarn works out to seven-eight per cent. Hence, importing cotton does not make sense for Chinese textile mills, he added.

China produces around 6.7-7 million tonnes (mt) of cotton annually against the country’s consumption of 9.5 mt. China has framed a policy under which the shortfall should be bridged through “zero” import, while the additional purchase from overseas would attract huge duty.

## COTTON YARN EXPORTS

Financial year	Quantity (mn kg)	Value (\$ mn)	
2008-09	556	1,503	■
2009-10	589	1,610	■
2010-11	696	2,700	■
2011-12	752	2,996	■
2012-13	970	4,400	■

Source: CITI

“The same policy should be adopted by India also. The government should levy high export duty on cotton yarn to discourage shipment of the textile raw material overseas. Instead, local textile mills should be encouraged by making available of surplus quantity to produce cheaper garments,” said Sakseria.

Meanwhile, the benchmark 40’s count combed cotton yarn price moved up by four-five per cent in the last one month to trade between Rs 250-255 a kg in Mumbai.

Bharat Malkan, proprietor of IB Yarn Agency, a trader and exporter of cotton yarn, said: "While demand from China, Brazil and Turkey is on full swing, enquiries have started floating in from Europe and Italy also after four years of uninterrupted halt."

Another factor which helped exports is the record depreciation in the rupee against the dollar. Exporters have rushed to sign a pact with importers at the current exchange rate and lock in till exports are executed. Also, cotton price jumped 11.79 per cent to trade at Rs 13,329 a quintal on August 19 against Rs 11,923 a quintal a month ago.

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### Shrimp prices up 60% on low supply

**Due to the short supply of shrimps, sea food exporters have been unable to avail of the fall in the rupee**



Owing to rising demand from exporters and a fall in production, shrimp farmers in the state have raised prices about 60 per cent.

"The cost of shrimps has jumped to Rs 470 a kg from Rs 300 in about 20 days," said Manoranjan Panda, vice-president, Odisha Shrimp Farmers Association. Farmers in the state had low stocks, after huge losses last season due to restrictions on shrimp imports by Japan. This led to a fall in the supply of cultured shrimps this season.

Earlier, Japan had insisted on compulsory testing for ethoxyquin for shrimp consignments from India, citing the level of the anti-oxidant was higher than the standard 0.01 ppm.

Due to the short supply of shrimps, sea food exporters have been unable to avail of the fall in

the rupee. "Exporters are unable to honour contracts due to low stocking. The prices have doubled compared to last year," said Gorachand Mohanty, president, Seafood Exporters Association of India (Odisha region).

Incessant rains in Bhadrak and Balasore districts, major shrimp-producing hubs, had added to woes, Mohanty added.

Exporters in the state are losing about Rs 100 a kg as export rates had surpassed raw material prices. The supply crunch is also precipitated by low production due to early mortality syndrome disease in aquaculture farms. The drop in production has led to under-utilisation of processing plant capacities. On an average, processing units in the state were operating at about 15 per cent capacity, Mohanty said.

"We are unable to take advantage of high international prices due to crop failure in Vietnam, Thailand, etc, because of short supplies," said Ramesh Mohapatra, president, Utkal Chamber of Commerce and Industry and a sea-food exporter.

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### [Soya cake exporters not gaining from rupee depreciation](#)

#### **High prices of raw material also diminish chances of gains for exporters**



Soya de-oiled cake (DoC) exporters have said they have no gain from rupee depreciation against the common notion that exporters gain from rupee fall. India exports nearly four million tonne of DoC of which Madhya Pradesh contributes 50 per cent.

High prices of raw material also diminish chances of gains for exporters. Exporters have also

demanded that increased interest subvention rate should also reach the soyabean exports and exemption from income tax on DoC exports gains.

"DoC exporters face double whammy; at one hand they have to buy costly raw material on the other the international buyers correct its prices when you are economy is exposed," Rajesh Agrawal, spokesperson Soyabean Processors Association (Sopa) of India said.

DoC prices are hovering between \$440- 480 per metric tonne for November contract. The state soya prices are also higher this year and are ranged between Rs 3300-3500 per quintal. "Even a prudent businessman can't make profit in this highly volatile market," Agrawal said.

The Assocham and PHDCCI also said the exporters have not much gained from the falling rupee as they have no additional benefit. "When it comes to Madhya Pradesh it is a landlocked state and an exporter has to shell out more on transport. Why should an international buyer buy from India if it is costlier, they can buy it from other countries like Argentina," Anil Agrawal, chairman of Madhya Pradesh Council for both chambers said.

He demanded increased interest subvention rates should also be applicable to soybean sector if the government wants to boost exports. Many sectors are offered interest subvention scheme on exports.

"Further they should offer income tax exemptions on export gains. If they have to boost exports they have to offer sops and proper polices," Agrawal said.

However, industry feels no gain from present market conditions. "Even if there is any gain it is not more than 5 per cent and a continuous spell of falling rupee gives no weight to your gains," said O P Goel, past chairman of Sopa.

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## Coffee output may miss target on rains, pests

### Cherry dropping in robusta has been an issue because of excessive rains



India, Asia's third-largest coffee exporter, may miss the forecast for a record crop next year after the highest monsoon rainfall in almost two decades damaged beans and increased pest attacks.

Production may total about 317,000 tonnes next season, 30,000 tonnes less than the all-time high of 347,000 tons forecast by the Coffee Board of India in July, said Anil Kumar Bhandari, a member of the state-run agency. The harvest was 318,200 tons in the year that began on Oct. 1, 2012, board data showed.

Reduced supplies from India, where robusta accounts for 70 per cent of the output, may help stem a decline in prices of the bitter-tasting beans used by Nestle SA (NESN) in instant drinks. Global production including arabica variety will exceed demand for a fourth straight year and inventories will climb to the highest since 2009, the U.S. Department of Agriculture estimates.

"Cherry dropping in robusta has been an issue because of excessive rains," Bhandari said by phone from Bangalore yesterday. "There have been heavy pest attacks of the white stem borer on arabica crop. The white stem borer has been there for three to four years, and each year, about 5 percent of the crop gets destroyed."

The main growing areas in Karnataka, which produces about 70 percent of India's output, received as much as 29 percent more monsoon rains between June 1 and August 20, according to the India Meteorological Department. Rainfall in the first two months of the July-September

monsoon season, the main source of irrigation for India's 235 million farmers, was the highest since 1994, according to the bureau.

"Firstly, in April, the showers failed miserably and high temperatures affected the crop," said Nishant Gurjer, chairman of the Karnataka Planters' Association. "From June onward, we have received more rains than in the last 20 years."

The association expects production to decline to 280,000 tons as excessive soil moisture has led to wet foot disease damaging many plants, he said.

Robusta for delivery in November fell 1 percent to \$1,811 a ton on NYSE Liffe in London at 3:36 p.m. in Mumbai, while the arabica contract for December gained 0.4 percent to \$1.1765 a pound in New York.

Robusta has fallen 5.9 percent this year, while arabica futures have retreated 18 percent.

The robusta variety is grown in Asia and parts of Africa. Arabica is produced mainly in Latin America and brewed by specialty companies including Starbucks.

Exports from India will pick up from September as buyers in North America, Japan and Eastern Europe start purchases and shipments this year may equal sales in 2012, Bhandari said.

Exports fell 4.1 percent to 217,492 tons in the seven months through July from a year earlier, according to the board. Exports included 116,732 tons of robusta and 43,206 tons of arabica, board data showed.

"There may be a small spurt in exports in the next three months because the dollar strength will enable exporters to offer a good price to buyers," said Gurjer. "For the full year, exports will be flat."

India's rupee plunged to a record today after minutes from a United States Federal Reserve meeting showed that the central bank is getting closer to reducing stimulus that has fueled demand for emerging-market assets.

The currency has slumped 16 percent in the past six months, benefiting exports.

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### Potato up 0.1% on rising demand, tight supply

**Speculators enlarged their positions following upsurge in demand in the spot market amid lower arrivals from producing region**



Potato prices moved up by Rs 1.10 to Rs 840 per quintal in futures trade today as speculators enlarged their positions following upsurge in demand in the spot market amid lower arrivals from producing region.

At the Multi Commodity Exchange, potato for delivery in September month rose by Rs 1.40, or 0.13% to Rs 544.90 per quintal in business turnover of 761 lots. Market analysts said speculators enlarged their positions on upsurge in demand in the spot market against restricted arrivals from producing region mainly pushed up potato prices at futures trade.

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**Crude palm oil marginally up by 0.2% on better spot demand**

**Crude palm oil for delivery in September edged up by 0.06%**



Crude palm oil prices were marginally up by Rs 1.40 to Rs 544.90 per 10 kg in futures market today after speculators built up fresh positions, tracking a firm trend at spot market on better demand.

At the Multi Commodity Exchange, crude palm oil for delivery in August month traded higher by Rs 1.40, or 0.26%, to Rs 544.90 per 10 kg in business turnover of 761 lots.

Likewise, the oil for delivery in September edged up by 30 paise, or 0.06% to Rs 540.10 per 10 kg in 640 lots.

Market analysts said fresh positions created by speculators supported by a firm trend at spot market on better demand mainly helped crude palm oil prices to trade marginally higher at futures trade.

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# THE HINDU Business Line

## Upswing in global shrimp prices may end next year



Kochi, Aug. 22:

Though India has benefited from the Early Mortality Syndrome that has decimated shrimp farms in Thailand – the world’s largest shrimp exporter – it is not going to be a smooth ride for India’s vannamei farmers and exporters for long. A study by the Netherlands-based Rabobank says that the current upswing in global shrimp prices might not last for long.

An early solution to the syndrome, trade cycles and an upsurge in production might depress prices soon, starting next year, the study says.

The syndrome has drastically reduced farmed shrimp production in Thailand, China and Vietnam. Production in Thailand, which supplies nearly a third of the developed world’s shrimp requirements, has halved this year.

This has increased demand for shrimp from India, Bangladesh, Myanmar and Ecuador and thus jacked up prices. India is a major benefactor of the shrinking of production in Thailand.

Combined with the increase in the global prices following the supply bottlenecks in Thailand and other countries, the depreciation of the rupee helped the farmed shrimp industry in India to increase its earnings. Though the US, the major consumer of Indian vannamei (white shrimp), imposed a countervailing duty and anti-dumping duty (together totalling roughly 10 per cent of the value), Indian farmers and exporters made huge benefits this year because of the global price rise. Andhra Pradesh, which switched to vannamei aquaculture a few years ago, has emerged as the hub of farmed shrimp industry.

As a wave of farmers took to vannamei farming, production has jumped in Andhra Pradesh as well as in Tamil Nadu and other East Coast States.

### Supply glut

However, the Rabobank study forecasts that the global shrimp shortage will cease in 2014 and prices would drop. Its rationale: Thailand, the most technologically advanced shrimp producer, will find a solution to the syndrome soon and the production would become normal.

The study also points out that following the current high prices, many other Asian and Latin American countries have taken to extensive shrimp farming and that this would tremendously increase output next year. While the global demand would not increase, there would be an upswing in supply leading to fall in prices, even below the cost of production.

However, the study says that India can still take advantage of the global scenario as its cost of production, particularly of labour, is low. In the short-and-mid-term, India's shrimp farming industry will grow and gain, but prices would not be as attractive as of now.

basheer.kpm@thehindu.co.in

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*Pink passion: Beaumont Guava with pink fleshed cultivars is now popularly sold in Hyderabad. It is grown in Ibrahimpatnam and Chilkur farms in Ranga Reddy district on the outskirts of Hyderabad and is priced at Rs 50-60 a kg. — P.V. Sivakumar*

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### Cotton prices gain as arrivals peter out

Erode, Aug 22:

Cotton prices increased at Erode's Bhoodapady Regulated Market Committee sales following poor arrivals.

Arrivals were only 58.3 tonnes on Wednesday evening, resulting in Surabi and Bt cotton prices rising.

The low arrival is due to lower production resulting from lower acreage, according to the market officials.

Buyers have pressed the panic button, picking up all that is being offered. However, farmers are a bit unhappy as they feel they should get a little more.

Buyers from Annur, Mettupalayam, Tirupur, Coimbatore and from other southern districts said that they are in need of huge stocks but the availability was a problem.

Arrivals could drop further next week as farmers have exhausted their stocks.

The RMC officials said next week. Spinners said that they have huge orders from various textile units but are unable to meet the huge yarn orders.

At the sale, Surabi cotton sold at Rs 6,050-6,390 a quintal, Bt cotton at Rs 5,400-6,150.

A similar rise in prices was seen at Anthiyur and Sathyamangalam sales due to limited arrivals.

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### Nilgiri tea heading for higher output this year

Coonoor, Aug. 22:

The Nilgiris, the largest tea growing district in South India, is heading for a higher production this calendar over last year.

This arises from the tea companies reporting a 12.37 per cent higher production till last month.

July was an exceptionally good month for production as tea companies have reported to Tea Board an output of 1.18 million kg (mkg) against a mere 0.78 mkg in July 2012.

This meant an increase of 0.40 mkg on month-over-month analysis which works out to a 51.28 per cent increase. It was also more than the five-year average production for the month of 1.04 mkg.

Collectively, in the seven months, the Nilgiris tea companies have reported a production of 8.63 mkg against 7.68 mkg in Jan-July 2012. This marks an increase of 0.95 mkg or 12.37 per cent.

The cumulative production is more than the five-year average for Jan-July period of 8.49 mkg.

The tea companies in the Nilgiris have reported an average yield of 181 kg/hectare in July against 119 kg/hectare in July 2012. Almost every estate has reported a higher yield this year. Till July in the current fiscal, the cumulative average yield in the Nilgiris was 874 kg/hectare (759 kg/hectare). This marked a growth of 15.2 per cent. If this trend continues, the district will yield a higher crop in the current year.

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### **Turmeric arrivals likely to increase**

Erode, Aug. 22:

With other markets remaining closed, turmeric offerings at the regulated market committee met with a good response.

Some 96 per cent of the produce put up for sale was picked up.

Prices of both root and finger varieties increased by over Rs 100 a quintal.

“Such increase in price was due to arrival of medium quality turmeric,” said an official of the marketing committee.

About 20 farmers brought their produce and the buyers included three stockists.

Of the 514 bags on offer, 504 were sold.

With buyers looking out for more stocks, arrivals are likely to increase on Friday. Meanwhile, traders said that they are yet to receive bulk orders from upcountry traders.

In Thursday's trading, the finger variety fetched Rs 4,998-5,848 a quintal, the root variety Rs 4,618-5,606.

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### **Latex skids below Rs 160/kg**

Kottayam, Aug. 22:

Spot rubber finished almost steady on Thursday. The market appeared to be in a holiday mood owing to 'Sree Narayana Guru Jayanthi'. Meanwhile, ISNR 20 and latex lost ground amidst scattered transactions. The volumes were extremely low.

Sheet rubber was quoted steady at Rs 184 a kg both at Kottayam and Kochi, according to traders and the Rubber Board.

September futures improved to Rs 180.48 (Rs 177.51), October to Rs 175.97 (Rs 172.64), November to Rs 172 (Rs 169.38) and December to Rs 172.50 (Rs 169.98) for RSS 4 on the National Multi Commodity Exchange.

RSS 3 (spot) closed firm at Rs 165.76 (Rs 163.69) at Bangkok.

August futures closed at ¥ 256.3 (Rs 168.29) on the Tokyo Commodity Exchange.

Spot rubber rates Rs/kg: RSS-4: 184 (184); RSS-5: 182 (182); Ungraded: 173 (173); ISNR 20: 169 (170) and Latex 60 per cent: 159 (161).

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### Rice gathers steam on overseas demand



Karnal, Aug. 22:

Prices of aromatic rice varieties ruled firm, while fresh buying by the neighbouring States kept non-basmati and brokens rice unchanged this week.

Praveen Kumar, a rice miller, told *Business Line* that demand for brokens from the Uttar Pradesh and the Sela rice from Rajasthan kept non-basmati and brokens firm.

On the exports front, overseas demand especially from Iran may help India to export about 3.8 tonnes of aromatic rice in 2013-14, while 7.5 tonnes non-basmati rice are also likely to be exported.

In the physical market, Pusa-1121 (steam) sold at Rs 8,000 a quintal, while Pusa-1121 (sela) quoted at Rs 7,650-7,700.

Pure basmati (raw) was Rs 8,650. Duplicate basmati (steam) sold at Rs 6,550.

For the brokens of Pusa-1121, Dubar quoted at Rs 3,600, Tibar sold at Rs 4,250 while Mongra was at Rs 2,900.

In the non-basmati section, Sharbati (Steam) sold at Rs 4,500-4,600 while Sharbati (Sela) quoted at Rs 4,300.

Permal (raw) sold at Rs 2,300-2,350 while Permal (sela) went for Rs 2,300 . PR-11 (sela) sold at Rs 2,900 while PR-11 (Raw) quoted at Rs 2,750 . PR14 (steam) sold at Rs 3,100 a quintal.

Paddy arrivals

Around 5,000 bags of different paddy varieties arrived from the Uttar Pradesh. About 500 bags of Pusa-1121 arrived and quoted at Rs 3,250 . Around 4.500 bags of PR arrived and quoted at Rs 1,220 a quintal.

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### Stockists stay away from sugar market



Mumbai, Aug. 22:

Sugar prices on the Vashi wholesale spot market increased by Rs 6 a quintal for bold variety M-grade, while S-grade ruled unchanged on Thursday. Naka and mill tender rates ruled steady on routine demand. Continuous supply from mills kept stockists away from fresh bulk buying. Jagdish Rawal of B. Bhogilal and Co, told *Business Line* that as the market carries more than sufficient stock and local demand remains need-based, no one wants to take a risk.

The only supporting factor for the market barring local demand is emerging chances of exports when world sugar prices crossed \$500 a tonne last week and weak Indian currency.

But thereafter sharp drop in world prices (\$475-480) has erased that hope. Producers are still carrying huge surplus stock and they will continue selling at every stage.

Arrivals were 64-65 truck loads (of 100 bags each) while local dispatches were also 62-63 truck loads.

On Wednesday, 14-15 mills offered tenders and sold 58,000-60,000 bags at steady level at Rs 2,910-3,000 for S-grade and Rs 3,010-3,110 for M-grade.

Bombay Sugar Merchants Association's spot rates were: S-grade Rs 3,042-3,142 (Rs 3,042-3,136) and M-grade Rs 3,162-3,372 (Rs 3,162-3,372). *Naka* delivery rates were: S-grade Rs 3,005-3,060 (Rs 3,005-3,060) and M-grade Rs 3,120-3,210 (Rs 3,120-3,210).

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### Groundnut oil extends bearish run



Mumbai, Aug 22:

High volatility in the currency market limited activities in the edible oils market on Thursday.

Refineries in Mumbai raised rates by over Rs 10 for 10 kg at the start of the day.

Palmolein prices were up Rs 18, soyabean refined oil was raised by Rs 2 and rapeseed oil by Rs 5 on the Bombay Commodity Exchange.

During the day, 150-200 tonnes palmolein were resale traded Rs 582-585.

Demand for other edible oils were lacking as stockists have covered enough in advance.

Expectation of early arrivals of kharif crops also weighed on the moral.

Mustard seed arrivals were 50,000 bags at the national level and were Rs 3,360-3,675.

At the end of the day, Liberty quoted palmolein Rs 598, super palmolein Rs 628 and super deluxe Rs 645, soyabean refined oil Rs 683 and sunflower refined oil Rs 830.

Ruchi quoted palmolein Rs 610, soyabean refined oil Rs 680 and sunflower refined oil Rs 825.

Allana quoted palmolein Rs 595, super palmolein Rs 620, soyabean refined oil Rs 680 and sunflower refined oil Rs 820.

In Rajkot, groundnut oil declined by Rs 25 to Rs 1,410 (Rs 1,435) for *telia* tin and loose 10 kg by Rs 25 to Rs 900 (Rs 925).

On National Commodities and Derivatives Exchange, soyabean refined oil September futures dropped by Rs 3.90 to Rs 688.00 (Rs 691.90), October declined by Rs 6.40 to Rs 659.20 (Rs 665.60) and November down by Rs 5.25 to Rs 652.00 (Rs 657.25).

Malaysia BMD crude palm oil September contracts settled at MYR 2,402 (MYR 2,393), October at MYR 2,366 (MYR 2,351) and November at MYR 2,356 (MYR 2,335).

The Bombay Commodity Exchange spot rates (Rs/10 kg) were: Groundnut oil 950 (970), soya refined oil 677 (675), sunflower exp. ref. 730 (730), sunflower ref. 820 (820), rapeseed ref. oil 722 (717), rapeseed expeller ref. 692(687) cottonseed ref. oil 665 (665) and palmolein 588 (570).

Vikram Global Commodities (P) Ltd has quoted Rs 630 for 10 kg for Malaysia super palmolein for September delivery.

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### Short supply could keep jeera firm in short term



Rajkot, Aug 22:

Jeera prices increased in the spot market on export and domestic demand. However, prices in the futures market dropped towards the end.

Rajkot-based jeera traders said that export demand is very good. Prices are expected to rule firm in the short term because supplies from other leading producers are negligible.

Prices in the futures market dropped after reports of raids by the Income Tax Department on some warehouses belonging to an export house.



At the Unjha mandi in Gujarat, jeera increased by Rs 15-20 to Rs 2,325-2,550 for a *maund* of 20 k g.

About 5,000 bags of jeera arrived and 10,000-12,000 bags were traded. Similarly at Rajkot *mandi*, jeera increased by Rs 15-20 to Rs 2,300-2,500. On National Commodity and Derivatives Exchange, jeera September contracts declined by Rs 127.50 to Rs 13,312.50 a quintal, with an open interest of 10,941 lots.

NCDEX October contracts dropped by Rs 135 to Rs 13,440, with an open interest of 4,167 lots.

Jeera exports increased by 76 per cent to 79,900 tonnes in 2012-13 from 45,500 tonnes a year ago.

According to analysts, prices are expected to hold amid overseas demand and falling arrivals.

Demand is moderating in local markets but prices will continue to rule around four-month highs.

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### Currency movements heat up mustard oil



Indore, Aug 22:

Notwithstanding subdued demand, bullish trend continued in mustard oil and seeds on rise in dollar.

In Indore mandis, mustard oil on Thursday rose to Rs 656 for 10 kg (up Rs 10), while it ruled Rs 10 higher in Morena at Rs 660.

Strong global cues lifted mustard oil prices in Indore mandis in the past one week by Rs 16. With rupee showing no sign of recovery against dollar, the rise in soya oil and other imported oil primarily contributed to uptrend in mustard oil and seeds. In this scenario, bearish sentiment in mustard oil appears unlikely in the coming days, said Vinod Agrawal, a local mustard seeds

broker, adding that festival demand ahead will further strengthen the bullish sentiment in mustard oil.

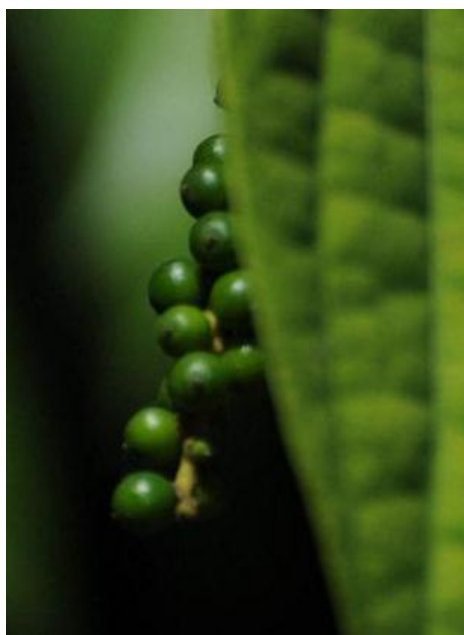
Mustard seeds on the other hand ruled firm at Rs 4,100-Rs 4,250 a quintal (up Rs 50 from last week), while raida ruled at Rs 3,050-3,100. Mustard seeds futures traded lower on weak buying support with its September and October contracts on the NCDEX closing at Rs 3,403 (down Rs 36) and Rs 3,435 (down Rs 35).

Plant deliveries in mustard seeds for Jaipur line also ruled higher at Rs 3,600-3,620 on improved demand from crushers.

Arrival of mustard seeds across the country on Thursday was recorded at 45,000 bags. Rajasthan lead the arrivals with 30,000 bags, followed by Punjab-Haryana and Uttar Pradesh with 4,000 bags each, Madhya Pradesh and Gujarat with 2,000 bags each, while 3,000 bags were offloaded elsewhere in the country.

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### Pepper rebounds on lack of selling pressure



Kochi, Aug 22:

Pepper spot and futures rebounded on Thursday after a marginal decline on tight supply situation amid strong demand.

Reports of possible destruction of an estimated 850 tonnes of black pepper, which were found to be adulterated by the Food Safety and Standards Authority of India authorities, have created a bullish sentiment in the market.

Lack of selling pressure coupled aided the price rise.

On the spot, 23 tonnes pepper arrived and 25 tonnes were traded at Rs 404 and Rs 405.

Much of the material was from the plains and some from Wayanad. The trade claimed that the material arrived had high moisture content and was fungus-infested. European buyers are on holidays, while the US buyers are said to be waiting for the competition between the two producers, who have started offering to the international market their produce, to pick up so that they could get at cheaper rates.

September and October contracts on the NMCE soared by Rs 620 and Rs 162 a quintal respectively to Rs 44,550 and Rs 44,650.

Total turnover increased by 11 tonnes to 21 tonnes. Total open interest moved up by nine tonnes to 47 tonnes.

Spot prices moved up by Rs 100 on good demand amid limited supply to Rs 40,400 (ungarbled) and Rs 42,400 (garbled) on limited activities.

Indian parity in the international market moved up marginally to \$6,975-7,000 a tonne (c&f) Europe at \$7,225-7,250 a tonne (c&f) US.

It remained nearly competitive with Indonesian L Asta which is being offered at \$6,985 a tonne.

“A difference of \$200-250 is acceptable to selected buyers who prefer Malabar”, a trader claimed.

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