Date : 05.11.2013

THE HINDU

Cotton production expected to be higher this year

COIMBATORE

Cotton production this year (October 2013-September 2014) is expected to be 375 lakh bales, 10 lakh bales more than last year.

At its first meeting for the season in Mumbai on Friday, the Cotton Advisory Board (CAB) estimated that heavy rain might have damaged nearly 10 lakh bales of cotton in Andhra Pradesh, Madhya Pradesh, Maharashtra and Gujarat this year. However, this would be known only later when the arrivals increase. With 35 lakh bales of stock available from last year (opening stock) and 17 lakh bales of import, the total supply this year was likely to be 427 lakh bales.

Consumption by textile mills this year was likely to be 282 lakh bales (including demand by small-scale textile mills). Cotton exports from the country were likely to be 90 lakh bales as against nearly 102 lakh bales in 2012-13.

Price of Shanker-6 variety of cotton, which is widely used by the textile industry, was Rs. 41,500 a candy on Friday. It was nearly Rs. 47,000 a month ago.

Southern India Mills' Association chairman T. Rajkumar said that consumption of cotton by textile mills could be higher than estimated. Export demand for yarn and fabric is increasing and with power cut coming down in Tamil Nadu, operation of textile mills has improved. Hence, the demand for cotton will be more. The association expects consumption by textile mills to exceed 300 lakh bales this year.

SIMA seeks assistance for mills to buy cotton

COIMBATORE

A detailed proposal to be submitted to the Union Ministry of Textiles

The Southern India Mills' Association (SIMA) will soon submit a detailed proposal to the Union Ministry of Textiles on interest subvention for loans taken by textile mills to buy cotton.

Association chairman T. Rajkumar told *The Hindu* that it has already submitted a proposal and will give more details to the Ministry. The cotton season starts in October every year and cotton arrivals to the market start picking up by November. The mills pay 13 per cent or 14 per cent interest on working capital to buy cotton, which is the main raw material for the units. The association has proposed five per cent interest subvention for four months.

A 25,000-spindle textile mill will purchase approximately 20,000 bales of cotton a year. For four months, a mill needs about 6,600 bales of cotton. “We need this assistance only during the peak season (November to February).” If the mill gets interest subvention for four months, it will be able to buy cotton for eight months and ensure availability of raw material (cotton) for almost the entire year.

Textile mill sources said that the best quality of cotton comes in during the peak months. The prices start moving up by the end of the season as availability reduces. The mills should have financial resources to buy cotton stocks during the initial months of the season.

There is tremendous export potential for Indian cotton yarn, fabric and made-ups. With purchase from countries such as Pakistan becoming expensive, international buyers are looking at India. Availability of support to the textile mills will give a boost to production of cotton textile products, the sources said.

The mills pay
13 per cent or
14 per cent interest on working capital
to buy cotton

Coir roadshow

THIRUVANANTHAPURAM

The Indian Coir Roadshow being organised as part of the diamond jubilee of the Coir Board will be flagged off from Kanyakumari on November 5.

It will reach the capital at 10 a.m. on November 6.

Attack on Indian-owned farm in Ethiopia turns spotlight on land policy

ADDIS ABABA

A violent attack on a tea plantation leased by Indian-owned Verdanta Harvest Plc, a subsidiary of the Noida-based Lucky Group, has renewed concerns over Ethiopia's policy of leasing out large tracts of land to international investors.

On October 20, unidentified individuals destroyed buildings and machinery worth approximately $140,000, according to Verdanta officials.

Media reported that locals set the plantation on fire "on account of destroying the rich forest resources", a claim denied by the company.

Community leaders in Gambella did not comment on the attack, but rights groups have warned that a policy of leasing out 42 per cent of Gambella's land and resettling over 30,000 agro-pastoral communities is the likely cause of the unrest.

In 2011, for instance, armed gunmen killed five workers on a farm developed by a Saudi Arabian company.

All land in Ethiopia belongs to the state, giving the government unusual leverage in its dealings with local communities.

Rights groups like the Oakland Institute claim Indian companies have acquired 6,28,000 hectares of agricultural land under a government programme to lease 3.6 million hectares for export-oriented agriculture.

Disagreements

More than half the land deals, worth an estimated 3,65,000 hectares, have since fallen through due to disagreements among investors, communities and the various levels of government.

Verdanta said its land was acquired by the government in the 1980s. The attack comes after nearly three years of discord with local officials and some sections of the community.

In 2010, Verdanta signed an agreement for 3,012 hectares in the hope of harvesting 500 hectares of tea by 2015. Thus far only 169 hectares have been cleared and 70 hectares planted.

"We met the local officials and found their expectations were a little too high. So we asked for another piece of land," said Manojeet Barkataky, General Manager for Verdanta Harvests, explaining the community had demanded roads, electrification, schools and a hospital before the company began its project. “We said we will implement our CSR [corporate social responsibility] once the project begins.”

Nine months later, Mr. Barkataky said, the government claimed to have consulted the local community and urged the company to start work.

In February 2011, Ethiopian President Girma Woldegiorgis wrote to the Ministry of Agriculture, expressing concern that Verdanta had been allotted forestland, a claim denied by the government and the company.

When the federal government in Addis Ababa demarcated a plot for the company, its counterparts in Gambella issued a different map, reducing the plot by 327 hectares. An additional 80 hectares was earmarked for a cultural site revered by the community, but the federal government dismissed their claim. These competing claims over the size and scope of the project exacerbated the tension in the region.

“It is a total incompetence, inefficiency, and neglect on the part of the local government up to the federal government,” said Mr. Barkataky. “Why couldn’t the government finalise the boundary in the last three years?”

Displeasure

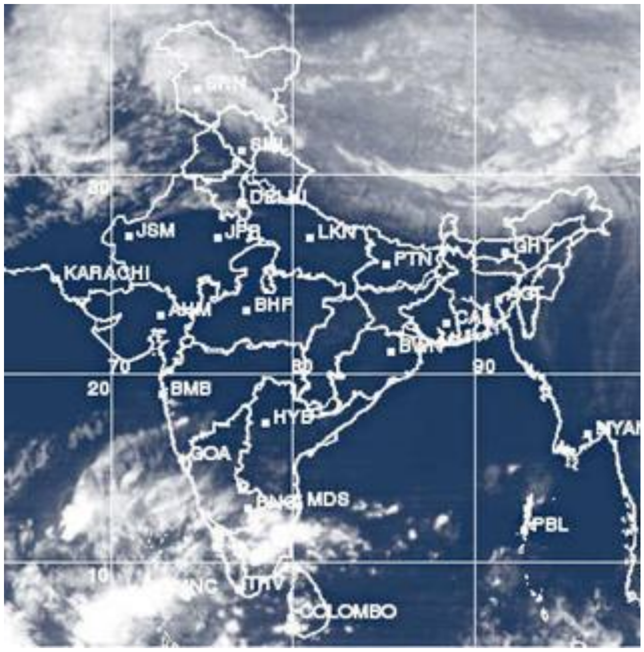
At a press conference last month, Prime Minister Hailemariam Desalegn indicated his displeasure with the development of the agriculture sector. “Until now the progress is very slow,” he said. “It is not a problem with the investors, the problem is infrastructure. Our future plan is to engage heavily in infrastructure development.”

Verdanta has halted all work on its project until the government guarantees security for its operations.

All land in Ethiopia belongs to the state, giving the government unusual leverage in its dealings with local communities

weather

NEW DELHI



	Max	Min	R	TR
New Delhi (Plm)	30	14	0	52
New Delhi (Sfd)	28	13	0	73
Chandigarh	27	11	0	43
Hissar	30	11	0	4
Bhuntar	25	5	0	9
Shimla	18	7	0	72
Jammu	27	12	0	124
Srinagar	18	1	0	20
Amritsar	28	11	0	77
Patiala	28	12	0	11
Jaipur	30	14	0	2
Udaipur	30	15	0	55
Allahabad	31	14	0	301
Lucknow	28	10	0	42
Varanasi	31	16	0	141
Dehradun	27	12	0	35
Agartala	31	19	0	190
Ahmedabad	33	20	0	63
Bangalore	29	20	1	104
Bhubaneshwar	33	17	0	674
Bhopal	31	17	0	26
Chennai	32	24	18	209

Guwahati	26	16	0	215
Hyderabad	30	22	0	239
Kolkata	32	22	0	530
Mumbai	35	26	0	66
Nagpur	32	19	0	168
Patna	30	20	0	194
Pune	32	20	0	25
Thiruvananthapuram	31	23	3	240
Imphal	27	12	0	69
Shillong	19	9	0	77

The columns show maximum and minimum temperature in Celsius, rainfall during last 24 hours (tr-trace)

MAINLY DRY WEATHER

Rainfall: Weather was dry over the region.

MINIMUM TEMPERTURE The minimum temperatures fell appreciably in east Uttar Pradesh, fell in west Uttar Pradesh and changed little elsewhere. They were below normal in Haryana and Uttar Pradesh and normal over rest of the region. The lowest minimum temperature in the plains was 08.3ºC recorded at Adampur (Punjab).

FORECAST FOR REGION VALID UNTIL THE MORNING OF 6th NOVEMBER 2013: Rain/snow may occur at one or two places over Jammu and Kashmir during next 24 hours and increase thereafter. Rain/snow may occur at one or two places over Himachal Pradesh and Uttarakhand from 05th onwards. Rain/thundershowers may occur at one or two places Over Punjab, Haryana, Delhi and Rajasthan from 06th onwards. Weather would be mainly dry over rest of the region.

HEAVY RAIN/SNOWFALL WARNING: Heavy rain/snow may occur at one or two places over Jammu and Kashmir on 05th and 06th.

FORECAST FOR DELHI AND NEIGHBOURHOOD VALID UNTIL THE MORNING OF 6th NOVEMBER 2013: Partly cloudy sky. Mist/Shallow fog in the morning.

A soil testing lab on wheels in Karur

KARUR

District Collector S. Jayandhi inspecting the new mobile soil testing laboratory launched in Karur.

A new mobile soil test laboratory has been inducted into service in Karur district. The Rs.40 lakh facility that incorporates a range of advanced soil testing equipment will be a boon to farmers.

This assumes significance as the district administration is preparing a farmers' handbook for better agricultural practices.

The aim of the exercise is to breathe life into the State government's avowed desire of doubling agricultural productivity and trebling rural income through better farm practices adopting recent agricultural techniques and findings, District Collector S.Jayandhi said after inspecting the facility here. The advanced mobile laboratory is equipped with EC meter to gauge the saline content in soil, pH meter to measure the alkaline content, spectrophotometer, flame photometer, and computer controlled atomic absorption spectrometer.

The facility would hugely help prepare farmers' handbook that could be a guide to farmers in choosing the crop, deciding the cropping pattern, season of agriculture, and all specific data required to make farming a rewarding practice, officials said. Joint Director of Agriculture M.Deivendran, Deputy Director P.Sivanandam, and Assistant Director Lakshmanasamy were present during the inspection of the mobile soil testing laboratory.

- **Rs.40-lakh facility introduced for the benefit of farmers**
- **Equipped with EC meter to gauge soil's saline content**

Karur district administration has introduced the Rs.40-lakh facility for farmers

Less rain, more pests land farmers in double jeopardy

THANJAVUR

Two lakh hectares of samba crop come under mite and mealy bug attack

Less than normal rainfall during October under northeast monsoon has become a matter of concern for farmers of Thanjavur and Tiruvarur districts who have taken up samba cultivation on a large scale.

The rain god has been playing hide and seek with an overcast sky most of the time but no rainfall.

Farmers are worried over pest attack which gets exacerbated by this intermittent sunshine and drizzle.

According to agriculture department officials, while normal rainfall for Tiruvarur district during October is 205.66 mm, the district had received only 66.06 mm till October 30.Less than average

With respect to Thanjavur district, only 71 mm of rainfall has been received in October. This is 135 mm less than the average 206 mm.

Less than normal rainfall and humid weather have contributed to the increase in mite and mealy bug attacks in crops at many places.

Agriculture department officials and scientists from Needamangalam Krishi Vigyan Kendra visited Thiruthuraipoondi and Kottur areas over the past two days and suggested measures for controlling pest attack.

“On Monday we visited Perugavazhndan and other villages and educated farmers on controlling pest attack,” Mayilvahanan, Deputy Director of Agriculture, Tiruvarur district, said.

Pest control

Farmers have been advised to spray Thiamethoxam at the rate of 50 gram in 200 litres of water per acre using hand-operated sprayers.

They can also spray a mixture of Dimethoxane 400 ml and Azadirachtin 200 ml with 400 grams of Wettable Sulphur for an acre. Bio-remedies suggested by officials include spraying of garlic and neem extracts. Copious rainfall, however, could wash away these pests, the officials said. Farmers of Thanjavur district has taken up samba cultivation so far on 70,000 hectares against a target of 1,20,000 hectares.

In Tiruvarur district the crop has been raised on 1,27,000 hectares of which nearly 70,000 hectares was through direct sowing.

"While we are worried over less than normal rainfall in October, we hope to get a good rain during November and December. There is no need for panic as there was good rain on Monday in some areas in Tiruvarur district," said S.Ranganathan, secretary, Cauvery Delta Farmers' Welfare Association.

- **Against a normal rainfall of 205.66 mm in October, Tiruvarur received only 66.06 mm**
- **Bio-remedies suggested by officials include spraying of garlic and neem extracts**

Mettur level

TIRUCHI

The water level in the Mettur Dam stood at 79.05 feet on Monday, against its full level of 120 feet. The inflow was 6,083 cusecs and the discharge, 5,000 cusecs.

Water level

TIRUNELVELI

Water level in the Papanasam dam on Monday stood at 77.35 feet (maximum level is 143 feet). The dam had an inflow of 2,261.57 cusecs following 102 mm rainfall and 429.75 cusecs of water was discharged from the dam.

The water level in Manimuthar dam stood at 56.90 feet (118 feet). The dam had an inflow of 1,444 cusecs after 10.80 mm rainfall and 10 cusecs of water was discharged.

Kanyakumari

The water level in Pechipparai dam stood at 20.60 feet with the inflow of 750 cusecs, 58.85 feet in Perunchani with the inflow of 381 cusecs, 8.62 feet in Chittar 1, 8.72 feet in Chittar 11 and 37.40 feet in Mambazathuriyaru dam.

Rain brings cheers to farmers in Tuticorin

TUTICORIN

Several low-lying areas inundated, traffic thrown out of gear in the town

Rain lashed Tuticorin district on Monday morning, bringing cheers to the people, especially farmers. The rainwater, however, inundated several low-lying areas in the town, and threw vehicular movement out of gear.

Joint Director of Agriculture N.K. Dhakshinamoorthy, when contacted, said various crops had been sown on 70 to 75 per cent of rainfed areas across the district. Pre-monsoon sowing was done for germination.

“Tuticorin is largely dependent on Northeast Monsoon that begins in the middle of October and ends mostly by December 15 with seasonal showers. Northeast monsoon rainfall accounts for two-thirds of the district’s average annual rainfall of 661.2 mm.

In the first four days of November, 41.2 mm rainfall was recorded against the month’s average rainfall of 184 mm.

However, the 66 mm rainfall recorded in October was much below the average rainfall of 150.7 mm for the month,” Mr.Dhakshinamoorthy pointed out.

A good amount of rainfall was expected throughout November. Dry land farmers had sown hybrid crop varieties of millets, pulses and oilseeds.

Millets were expected to cover about 59, 000 hectares and pulses, including black gram and green gram, to cover 68,000 to 70,000 ha this year. Oilseeds such as gingili, sunflower and groundnut would be raised on about 3,000 ha, and cotton cultivation would cover 4,000 ha, he noted.

The Joint Director said 19,000 ha were expected to be covered under paddy cultivation by March end. During the pishanam season, paddy plantation would be carried out on 15,000 ha until December end.

Already, 2,500 ha had been covered during the kar season, he said.

Kayatar received the maximum rainfall of 44 mm, followed by Sathankulam (27 mm), Srivaikuntam (21), Kadambur (18), Kovilpatti and Vedanatham (15 mm each), Kulasekarapatnam (14), Tiruchendur (12), Surangudi and Kadalkudi (10 each), Tuticorin (9), Keela Arasadi (8.2), Kayalpatnam (7), Vaipar (6), Ottapidaram and Vilathikulam (4.1 each), Maniyachi (3), and Ettayapuram (1).

High prices bring cheers to coconut farmers

KOCHI

A steady increase in coconut prices has given a new twist to the coconut sector which had been marked by low profitability for long. The retail price of coconuts has gone up to Rs.17-20 per nut. Fresh dehusked coconut is sold at Rs.27 per kg in wholesale market. Coconut oil prices are ruling above Rs.100 per kg.

A variety of reasons have contributed to the present phase of the coconut sector. The forthcoming Sabarimala season, when coconuts will be high in demand, is set to add further glitter to the sector. The prices of coconut may go up in the next two to three months, during the Sabarimala Mandalam-Makaravilakku season. The new phase presents a drastic change in the fortunes of the sector within 9 months.

Around March this year, the coconuts were being sold at less than Rs.10 a nut in the retail market when Nafed suspended its procurement over issues of reimbursement of subsidy allotted to the procurement agencies in Kerala. Copra was being procured at Rs.4,440 per quintal and coconut oil ruled at Rs.65 per kg then.

The present phase is temporary, says Coconut Development Board chairman, T.K.Jose. Production loss in the three southern States of Karnataka, Tamil Nadu and Andhra Pradesh is the main reason behind it, according to him.

The production was also less in certain districts of Kerala such as Kasargode, Kannur, Kozhikode and Malappuram.

Yet another prominent reason is the large scale buying of coconuts by Tumkur-based coconut processors. But, the situation will return to normal soon as Karnataka has had good rains and the production will bounce back.

The intermediaries and not the producers are the beneficiaries of the present hike, he says. Mr.Jose is confident that coconut will not go the onion way. “The CDB has been watching the situation. The board had predicted the price scenario a few months ago.

“It is in the process of making arrangements to set up outlets for direct sale of coconuts by producers to consumers to counter any artificial spurt in prices.”

The prices of coconut oil had been going up in the post-Onam season, observes PGK Koshy, president of Cochin Oil Merchants’ Association.

He attributes the phenomenon to lower production, coupled with higher consumption. “Almost all edible oils are ruling high. Baking sector is using coconut oil in considerable quantities as the oil gives longer shelf life. Exports of coconut oil have gone up.

‘Indiramma Pachcha Thoranam’ to uplift small, marginal farmers

GUNTUR

Vacant government lands are being converted into green spaces under an ambitious programme called, ‘Indiramma Pachcha Thoranam,’ being taken up by the State Government in convergence with the Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS).

With the programme guaranteeing sustainable livelihood opportunities to the beneficiaries, most of them small and marginal farmers belonging to SC/ST communities, many of them are keen on enrolling for the programme.

Under the scheme, each beneficiary would be provided with ‘Chettu Patta,’ a hereditary, inalienable and usufruct rights to raise and reap the produce of trees.

With the programme, vast tracts of land lying on road margins, irrigation tanks, drain/canal bunds etc could be put to good use and provide a sustainable livelihood to the marginalised and landless sections.

“We have completed pitting activity in 11 mandals covering 56 beneficiaries and we now have 7,353 pits under the programme in the district,” said Project Director of the District Water Management Agency, Guntur, S. Dilli Rao.

Planting activity

Minister for Rural Development Dokka Manikya Vara Prasada Rao on Saturday inaugurated the planting activity at Munagapadu Grama Panchayat in Phirangipuram mandal by presenting a ‘Chettu Patta’ to Yarraguntla Martamma.

After the pitting is completed, the beneficiary will be paid to maintain the plantation, protect it by growing brushwood fencing and cost of watering the plant apart from contingency grant.

“The scheme gives assured monthly income to the beneficiaries. For instance, man growing 200 plants (100 Mango and 100 Sapota plants) could get more than Rs.8,000 as assured monthly income,” says Mr. Rao.

Under the scheme, each beneficiary would be paid Rs.36,000 as annual maintenance charge, Rs.25,000 for bush wood fencing, Rs.10,000 for application of fertilizer in addition to Rs.33,200 or watering the plants. A contingency grant of Rs.5,000 per year would be paid in the first year.

- **Under the scheme, each beneficiary will be provided with ‘Chettu Patta’**
- **It will give hereditary rights to raise and reap the produce of trees**

Under the scheme, each beneficiary will be provided with ‘Chettu Patta,’ a hereditary, inalienable and usufruct rights to raise and reap the produce of trees.

World Agricultural Forum meet from today

HYDERABAD

The three-day World Agricultural Forum Congress 2013 and Agri-Tech Trade Fair will take off here on Tuesday after formal inauguration by Chief Minister N. Kiran Kumar Reddy. The theme of the event is “Reshaping agriculture for a sustainable future: focus on small farm holders”.

Minister for Agriculture Kanna Lakshminarayana reviewed the arrangements being made for the event by visiting the venue at Hitex here on Monday along with State government officials from the Agriculture Department and officials from WAF.

The event being organised by the WAF in association with the State government is likely to deliberate upon the action plans that are required to meet the world’s growing need for food, fibre, fuel and water as there is increased demand on global food supplies impacting prices and availabilities.

The Minister said about 400 foreign and Indian delegates would attend the congress and the State government was sponsoring 50 progressive farmers and 25 representatives of farmers’ associations to participate by paying the delegate fee. Meanwhile, farmers staged a protest outside the Hitex convention centre entrance opposing the high delegate fee of Rs. 5,600 per head and demanded free participation. The Minister told them that they could visit the trade fair without any fee but participation in the event was not free.

Sugarcane producers federation demands tripartite meeting

VIJAYAWADA

The Federation of Sugarcane Producers Associations (Andhra Pradesh) has demanded that the State government conduct a tripartite meeting with sugarcane producers and the sugar factories to enable them to ventilate their grievances.

Secretary of the federation N.V.S. Sharma told *The Hindu* that the support price being paid to the sugarcane growers was far from remunerative. On top of this some factories were claiming that they were paying more than the support price announced by the government.

Mr. Sharma said that incentives paid to farmers to encourage them to continue cultivation of sugarcane should not be used for calculating support price. The growers had to spend between Rs.1.25 lakh and Rs.1.5 lakh an acre to raise sugarcane. Mr. Sharma said that earlier sugar was considered the main product and Molasses, bagasse and filter cake as by-products.

By-products

The earnings of sugar factories and the government from the so-called by-products were more than that of what they were earning from the sugar, Mr. Sharma said. Molasses that was earlier released as waste was now being used for alcohol production.

The demand for alcohol and the profits are known to all, he said. The filter cake was being sold at a very high rate as fertilizer for potted plants in cities with fancy packing. Consumers who have good purchasing power were buying these packets without second thought.

The sugarcane growers were not being given a share in these profits, Mr. Sharma added.

He said that sugar factories tend to boast about payment of subsidy for mechanisation, but the experience of the growers with mechanisation was bad. One farmer had to give away half the support price for harvesting when a factory failed to provide a machine for harvesting the crop. The cost of labour was growing day by day.

Factories were still in production even though the production of sugarcane was down by 50 per cent. If they were making losses why were they continuing even in these adverse conditions, Mr. Sharma asked.

The factories were not aware of the danger they were facing.

The day farmers find that sugarcane cultivation was no more remunerative, they would shift to other crops and the factories would have to shut down, he observed.

Federation secretary Sharma says the support price being paid to growers is hardly remunerative

Farming goes hi-tech in Kerala

THIRUVANANTHAPURAM

The model Hi-tech Green Village project will promote renewable energy and eco-friendly options for environment conservation. File photo.

Assistance t be provided to selected villages to set up rooftop solar panels, rainwater harvesting structures and waste management units

Farmers in 14 villages across the State will soon be equipped with hi- tech and precision farming methods to boost the production of banana and vegetables.

The government has accorded administrative sanction for a flagship project mooted by the Agriculture department to establish poly houses and popularise precision farming techniques.

The model Hi-tech Green Village project will also promote renewable energy and eco-friendly options for environment conservation. All the households in the selected villages will be provided with assistance to set up rooftop solar panels, rainwater harvesting structures and waste management units.

Apart from the Departments of Agriculture, Animal Husbandry, Fisheries, Dairy Development and Soil Conservation and Soil Survey, the Rs.42 crore project also involves the Kerala

Agricultural University, Vegetable and Fruit Promotion Council Keralam, Horticorp, Agency for Non conventional Energy and Rural Technology (ANERT), Suchitwa Mission, Jalanidhi and local bodies.

Director of Agriculture R. Ajithkumar told *The Hindu* that the project was aimed at popularising hi- tech methods of farming while ensuring the integrated development of villages.

“It is the largest multi-institutional project taken up by the department. Each of the participating agencies has been chosen to implement a component in its area of specialisation”. He said the project would be extended to more villages in due course.

The Indian EXPRESS

Onion prices could go up again: Survey

Days after Chief Minister Prithviraj Chavan announced that onion crisis was over, a recent survey by the Department of Agriculture has indicated that its prices may soar again. The recent survey found that around 40 per cent of the monsoon onions, which were to hit the market in the first week of November, was washed away in the exceptionally heavy rainfall that hit various parts of the country last month.

Maharashtra, Gujarat, Karnataka, Bihar and Andhra Pradesh are the major producers of Kharif onion that hits the markets early November. The failure of the summer crop had seen the prices of onions hitting the roof, with the retail rate touching the Rs 100-a-kg mark at some places. Shortage of onions in the markets was cited as the reason for the price rise, with Union Agriculture Minister Sharad Pawar claiming that good November crop would help bring down the prices. Subsequently, a survey was commissioned by the agriculture and allied departments to study the state of the monsoon onion crop.

Nashik, Pune, Solapur and Ahmednagar are the main onion producing districts of the state, while Dharwad, Chitradurga, Gadag, Haveri, Bagalkot and Davengere are the zones that produce most onions in Karnataka. The districts of Surendranagar and Bhavnagar are the onion zones of Gujarat, while Nalanda and Patna are the onion producing districts of Bihar. In Andhra Pradesh, Kurnool and four other districts are the onion belt.

As per the survey, around 25-30 per cent of the onion crop was washed away in Gujarat, Bihar and the districts in North Karnataka. In Maharashtra, the survey said, a majority of the crops got washed away at the storage points due to unseasonal rains. In Dharwad, the November crop was destroyed because of lack of rains. The onion crop in Andhra Pradesh would be the only one hitting the market on time.

hindustantimes

Weather

Chennai

Chennai - INDIA

Today's Weather

Tuesday, Nov 5

Cloudy

Max	Min
30°	25°

Rain: 0	Sunrise: 06:03
Humidity: 94	Sunset: 05:41
Wind: normal	Barometer: 1010

Tomorrow's Forecast

Wednesday, Nov 6

Partly Cloudy

Max	Min
32°	25°

Extended Forecast for a week

Thursday **Nov 7**	Friday **Nov 8**	Saturday **Nov 9**	Sunday **Nov 10**	Monday **Nov 11**
32° | 26°	32° | 26°	31° | 25°	27° | 25°	27° | 25°
Sunny	Cloudy	Cloudy	Overcast	Overcast

Airport Weather

Chennai Delhi

Rain: 0	Sunrise: 06:34
Humidity: 60	Sunset: 05:35
Wind: normal	Barometer: 1014

THE ECONOMIC TIMES

Govt hikes onion minimum export price to $1,150/tonne to check prices

Onion exports in August had come down substantially to 29,000 tonne after a minimum floor price was imposed on shipping them in the overseas markets.

NEW DELHI: The Centre has hiked the minimum export price of (MEP) of onions to USD 1,150 per tonne for boosting domestic supplies and controlling prices which have been ruling at very high levels for about three months. On September 19, the government had raised the MEP to USD 900 per tonne, from USD 650 per tonne imposed on August 14. Onions can't be exported below the MEP. This is the third hike in recent months aimed at discouraging exports. Although export volumes have come down, the domestic retail prices still remain at unaffordable level of Rs 60-70 per kilo in most parts of the country.

"Export of all varieties of onions...will be subject to a MEP of USD 1,150 per tonne," Director General of Foreign Trade (DGFT) said in a notification. Traders said however that the latest MEP hike may only create some "psychological impact" because overseas shipments, in any case, are not happening as market players are getting better rates in the domestic market.

Onion exports in August had come down substantially to 29,000 tonne after a minimum floor price was imposed on shipping them in the overseas markets. The government has been keeping a close watch on the price situation and has taken several measures to improve supplies including more imports.

The Centre has also directed all state governments to crack down on hoarders and speculators who are keeping onion prices artificially high. There is short supply of onions as much of the stored crop from last year exhausted. New crop from South India is yet to arrive in huge quantities in consuming states. Maharashtra, Karnataka and Gujarat are some of the main onion producing states.

Onion prices down significantly: Delhi government

PWD Minister Raj Kumar Chouhan, who looks after the functioning of the wholesale fruit and vegetable markets, said that wholesale prices of onions ranged between Rs 10-45/kg

NEW DELHI: The Congress government in Delhi today said prices of onions had come down significantly due to an initiative taken by it in the last couple of weeks and asserted that the rates would plunge further due to improved supply. PWD Minister Raj Kumar Chouhan, who looks after the functioning of the wholesale fruit and vegetable markets, said that wholesale prices of onions today ranged between Rs 10-45/kg, resulting in a significant drop in retail rates.

"Onion prices have come down due to intervention by the government. Retail prices of onions witnessed a sharp drop over the last few days. It will come down further in the coming days," he said.

Concerned over the possible impact of high prices of the bulb during the upcoming state Assembly elections, the ruling Congress had taken a number of initiatives to stabilise rates, including directly procuring onions from Maharashtra and Rajasthan. Congress had come to power in Delhi in 1998 riding on high onion prices which had been prevailing then.

The government had last week started selling onions at Rs 55/kg across the city through 125 mobile vans. Prices of onions at retail markets in the city has now come down to Rs 60-70/kg after having touched Rs 100/kg a few days back.

Andhra Pradesh government to re-schedule crop loan facility

The government would also extend fresh loans to farmers whose loans have been rescheduled by PACs or banks, in order to enable them take up agricultural activities, an official release said.

HYDERABAD: The Andhra Pradesh government plans to re-schedule crop loan facility for the benefit of farmers hit by recent heavy rains with regard to loans availed by them from banks and Primary Agriculture Co-operative Societies (PACS).

The government would also extend fresh loans to farmers whose loans have been rescheduled by PACs or banks, in order to enable them take up agricultural activities, an official release said.

These decisions were taken at a review meeting held by AP Co-operation Minister Kasu Krishna Reddy with senior officials.

Against a target of Rs 5599.53 crore towards disbursement of crop loans during Kharif 2013, Rs 5917.48 crore was disbursed until September 30 by The Andhra Pradesh State Cooperative Bank Limited (APCOB), the release said.

The release said the "credit camps" would also be organised in villages for the benefit of rain-hit farmers.

Over 50 people were killed and crops in over 11 lakh hectares suffered damages due to heavy rains that battered AP for about a week recently.

Business Standard

Export floor price of onion raised

Move to ease high prices and boost supply

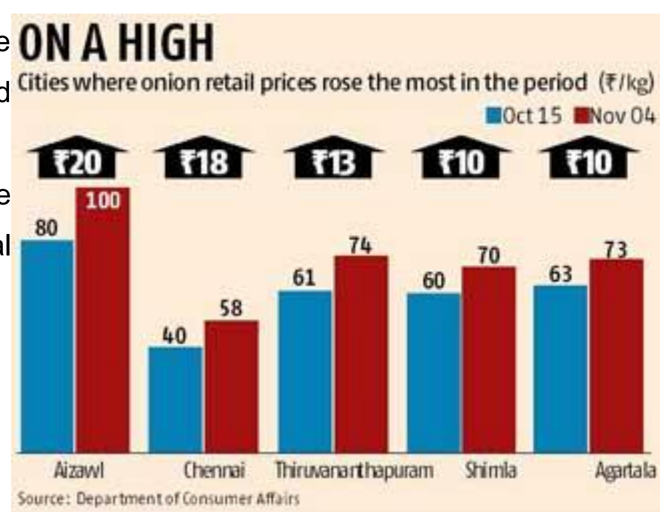
The government on Monday increased the minimum export price (MEP) of onions by another $250 per tonne (around Rs 15,537) to $1,150 per tonne (around Rs 71,472.50) to ease prices and boost domestic supplies.

This is the third hike in the export floor price since August, as theonion prices showed no signs of easing. Experts say this will discourage onion exports, as traders can't export it below Rs 72 per kg. According to officials, thiswould also force traders to de-hoard the crop. Already, there is a shortage, as rain has delayed the arrival of fresh crop from south India.

"The fear that extended holidays in main onion trading hubs could also cripple supplies might have also contributed to the decision," a senior official explained. On Monday, in places like Aizawl (Mizoram), onions were selling at about Rs 100 per kg, while in some places in south India, the prices have moved up over the weekend.

On September 19, the government had raised the MEP to $900 per tonne (Rs 55,935) from $650 per tonne (Rs 40,397.50), imposed on August 14. Although export volumes have declined and were just about 19,000 tonnes in September, the domestic retail prices still hover around Rs 60-70 a kg.

"Export of all varieties of onions will be subject to an MEP of $1,150 per tonne," said the director-general of foreign trade. Traders, however, said the latest MEP rise may only create some "psychological



impact", as traders don't want to export because domestic market is more lucrative.

Meanwhile, in a related development, Maharashtra Chief Minister Prithviraj Chavan on Monday said the crisis in onion is not man-made, as being projected in some quarters. He is of the view that sudden rains in some parts of the state have stopped supplies from reaching the market, which is why prices have gone up. The chief minister also expressed the fear that prices might crash in some days which could be detrimental to the growers.

Onion exports in August had come down substantially to 29,000 tonnes after the MEP was imposed. The government has been keeping a close watch on the prices and has taken several measures to improve supplies, including more imports.

The Centre has also directed all state governments to crack down on hoarders and speculators who are keeping onion prices artificially high. There is short supply of onions as much of the stored crop from last year exhausted. Maharashtra, Karnataka and Gujarat are some of the main onion producing states.

Tea output jumps in Sept

Output stood at 144.11 million kg in the same month last year

Tea output in India jumped by 12.6 per cent in September due to higher output in West Bengal and the southern regions, to 156.7 million kg as compared to 144.1 mn kg in the same month last year.

Combined output in Tamil Nadu, Kerala and Karnataka increased by 55.6 per cent to 23.9 mn kg in September from 15.35 mn kg in the month last year. It rose in West Bengal by 10.7 per cent to 41.7 mn kg from 37.7 mn kg earlier. Assam, the largest producing state, showed a marginal decline of 0.75 per cent to 87.8 mn kg from 88.5 mn kg in the same period a year before.

Assam and West Bengal are the two major producing states, accounting for 85 per cent of the output in September.

India is the world's second-largest producer and the biggest consumer of tea. Output in India rose 3.6 per cent to 1,135 mn kg in 2012-13, from 1,095 mn kg in 2012.

The Board-supported World Tea & Coffee Expo, the country's only international trade show dedicated to the tea and coffee sector, is to be held here on February 6-8, 2014.

Is Guar Gum's dream run nearing its end?

Exports in Apr-Jul 2013-14 drop by almost 55% in value compared to same period last year

Bhola Ram, a farmer from Bhandhu Khedi in Jodhpur, Rajasthan, is in a sticky situation.

The 45-year-old farmer cultivates guar, a cash crop. Guar gum, which is used in shale gas exploration, is produced from guar seeds. Ram used to get good returns on his produce, as there was a huge demand from gum manufacturers.

But, what worries him now is, this year in 2013 demand for his priced crop has plummeted. When things were good from 2007-2012, Ram, who used to cultivate guar in two acres, scaled it up to about six acres. With few takers, he is sitting on a stock of about 20 quintals of guar beans, which he had saved for selling in the lean season.

"Till last year, I could get even around Rs 30,000 for a quintal of guar seed. But, this year, the prices have not even reached Rs 6,000, although the period between October and December is the peak season for guar trade," the farmer said. Having burnt his fingers, Ram says he would be "careful" in future.

According to Rajasthan government's figures, guar seed was grown in about 3.5 million hectares in 2013. The state contributes to about 80% of the total guar production in the country.

Thanks to high profitability, more farmers started growing guar. The state's guar seed production has gone up from 12.61 lakh tonnes in 2008-09 to 20.23 lakh tonnes in 2012-13 -- an increase of about 61%. The guar is sown in August and harvested in October.

Ram's dilemma is shared by Prakash Mal Jain of Nutritious Agro Food, a Jodhpur-based guar gum manufacturer and consultant. Jain set up two guar seed processing units each with 10-tonne capacity. However, with orders drying up, he has been forced to shut down one and is running the other in reduced capacities.

"We operate the unit only when there is an order. We failed to read the market correctly and hoped that good times will continue for long, but were so many others in and around Jodhpur." Jodhpur is the main business centre for guar trade

There are about 250 seed processing and gum-making units in two main industrial estates of Marudhara and Boranada, most of whom are staring at a uncertain future.

"Fresh demands are drying up as guar gum buyers are looking for cheaper alternatives," said Jain. He said in many cases farmers too are reluctant to sell their produce as they believe that prices would again reach the astronomical highs seen last year.

THE DREAM RUN

It was around 2005-06 that guar gum started getting the attention of both domestic and international players because of its new found usage among shale gas explorers who used it for a process called fracking.

From a low of around Rs 2,000-2,500 per quintal all of a sudden guar seeds became a priced commodity peaking at a price of almost Rs 26,000-30,000 per quintal in 2012-13.

High profits attracted more players into the trade, and in no time the number of processing units increased from 50-60 to about 500 in the state. “Around the same time, the Boranada industrial area was being set up. So, manufacturers who wanted to expand their trade and new entrants shifted their operations to Boranada,” said Bheru Jain, CEO of Rajasthan Gum Private Ltd.

“Every Tom, Dick and Harry who had some money invested in guar processing, as returns were lucrative and the investment was minimal. This lead to a massive over capacity,” Bheru said. The cost of setting up a processing unit with a capacity of 8-10 tonnes per day requires an initial investment of around Rs 4 crore, while a guar powder making unit of the same capacity requires an investment of around Rs 1.5 to Rs 2 crore.

In the hindsight, Bheru thinks expanding the capacity was not a good decision. “We hoped that shale gas industry will continue to maintain their demand for the next 4-5 years. It seems the boom is showing signs of tapering off,” Bheru said.

He said units, which have a capacity to crush around 10,000 tonnes of guar seeds per day, are processing, on an average, just Rs 2,500 tonnes a day.

So, who is threatening to end the dream-run for the domestic guar gum industry? P. K. Hissaria, managing director of Sunita Hydrocolloids and president of Indian Guar Gum Manufacturers Association, said cheap thickening agents from China should be blamed for Indian traders’ plight.

"Carboxymethyl cellulose (cellulose gum) and xanthan gum -- which like guar gum were earlier used only in food items -- have found their way into the oil industry as well," Hissaria said.

He said though the alternatives are priced on par with guar gum or slightly more, when the supply rises prices would fall. This will lead to further drop in demand of Indian gum, signs of which are already visible as international buyers are no longer willing to quote high price for Indian guar.

"It’s not that guar trade will come to a close, as most of the new units and expansions were funded by internal accruals, but this churning will remove the grain from the chaff," he said.

THE FUTURE

Guar gum exports surged from Rs 2,938.70 crore in 2010-11 to Rs 21,287 crore in 2012-13, mainly due to a strong demand from gas exploration companies in the US and Europe. It even upstaged the Basmati rice as India’s Number One farm product for export.

But thereafter lies, the catch, in the first four months of 2013-14, India exported around 0.21 million tonnes of guar gum at a price of around Rs 5,729.24 crore. Whereas, during the same period last year, exports were around 0.16 million tonnes, worth Rs 12,651 crore, a whopping 55% drop in value.

Hissaria said the industry needs to restructure and look for alternative usages of guar gum, apart from its traditional use in the food industry. For farmers too, there are very few crops which give high returns like guar, he added.

“The cost of producing a quintal of guar is around Rs 8,000 and if we get only Rs 5,000-6,000 a quintal we might gradually shift to other crops like moong,” said S.R. Mirdha, another farmer from Bhandhu Khedi.

However, the processors and traders disagree with the perception. “Guar is still a lucrative crop for growers as no other crop gives you a price of Rs 5,000-5,500 per quintal. Though prices have softened this year, they are still better than what it used to be four-five years ago,” said J. P. Saraswat, a commission agent of Dalal Shakti Trading Company in Jodhpur’s biggest guar mandi in Bhagat Ki Kothi.

THE HINDU Business Line

Onion export floor price hiked to $1,150/tonne

New Delhi, Nov. 4:

The Government has hiked the minimum export price (MEP) on onions by 28 per cent to $1,150 a tonne to boost domestic supplies and tame high prices of this most widely-used vegetable.

This is the second hike in recent months and comes just ahead of Assembly elections in five States, including Delhi, Rajasthan and Madhya Pradesh, where soaring food inflation has become a poll issue.

The Director-General of Foreign Trade, in a notification, said that export of all varieties of onion would be subject to an MEP of $1,150 a tonne. The MEP of $650 was imposed in mid-August and was revised to $900 on September 19.

Though the increase in base price for exports have slowed down shipments, prices continue to rule high at over Rs 60 a kg at retail outlets in most markets, including Delhi and across the country.

Trade sources said that supplies from Nashik, a key growing region of Maharashtra, are expected to improve post-Diwali when the harvest is set to gather momentum.

Moreover, the increase in floor price at this time will not have any impact as Indian onions are unviable in the global market due to high prices.

Since the imposition of MEP, there has been a drastic fall in shipments to around 29,000 tonnes in August and 19,200 tonnes in September, from about 1.56 lakh tonnes in July. In the first six months of the current fiscal, onion exports stood at 7.16 lakh tonnes, valued at Rs 1,450 crore. In the corresponding period a year ago, shipments stood at 10.02 lakh tonnes valued at Rs 1,012 crore.

In the past four months, onion prices have more than quadrupled touching as high as Rs 100 a kg in markets such as Delhi, following disruption in supplies due to excess rains impacting harvest in Karnataka and Andhra Pradesh.

Rising onion prices had forced the Government to direct all States to crack down on hoarders and speculators, besides resorting to imports.

While onions have eased marginally in recent weeks, prices of tomato have continued to inch up and are currently hovering around Rs 60 a kg in Delhi.

Economical

Put to good use: Trucks loaded with baled paddy straw line up outside a biomass-based power plant in Punjab. Mechanical balers and rakes have helped collect and compact straw that used to be burnt on fields. — Ramesh Sharma

Sugarcane crushing delayed as pricing issue eludes solution

Nov 8 meets in UP, Maharashtra key to mills' starting operation

New Delhi, Nov. 4:

November 8 (Friday) is considered crucial for the country's sugar industry.

About one lakh sugarcane growers will gather that day at Jaysingpur in Kolhapur district, the sugar bowl of Maharashtra, to decide on the right price they should get for their cane produced for the 2013-14 season that began on October 1.

On the same day, some 1,000 miles away in Lucknow, the Cane Commissioner will chair the first meeting on cane price fixation with stakeholders of Uttar Pradesh sugar sector, including the farmers and millers. Subsequently, based on the outcome, the UP Chief Secretary is expected to decide and announce the State Advised Price at a later date.

While these meetings may try to provide some clarity on the vexed issue of cane pricing, it is almost certain that crushing operations for the season are likely to be delayed in Maharashtra and UP, say industry sources. Maharashtra and UP account for close to two-thirds of the sugar produced in the country.

In the run-up to the 2013-14 crushing season, farmers in UP have been seeking a higher price of Rs 320 a quintal over last year's Rs 280, citing high input costs. At the same time, millers have so far expressed their inability to pay not more than Rs 240, citing higher production costs due to high cane costs and a bearish trend in sugar prices.

Millers, who have been demanding that cane price should be linked to the product price in line with the Rangarajan Committee recommendations on sugar de-control, have asked the UP Government to spell out its stand on cane pricing for the season before announcing their crushing dates.

More prices

After removing controls on sale of sugar, the Centre last year had left it to the States to initiate reforms on the cane side – especially pricing. While Karnataka has set up a separate board to decide on cane pricing, others are yet to act. Meanwhile, Haryana has already announced a SAP of Rs 301 a quintal, an increase of Rs 25 over last year.

“There should definitely be an increase in cane price this year,” said Sudhir Panwar of Kisan Jagriti Manch, citing the rise in production costs on costlier fertilisers, labour and other inputs including diesel. Quoting reports of the Shahjanpur-based UP Sugarcane Research Centre, Panwar said the production costs have increased to Rs 251 a quintal against last year’s Rs 228.

Raju Shetty, MP from Hathkangale and leader of the Swabhimani Shetkari Sangathan, demanded that farmers should get more for their produce than last year. As a first instalment, farmers in Maharashtra had last year received Rs 2,500 a quintal, exclusive of harvesting and transportation charges.

Trade lobby

While suspecting foul play by a section of the millers, Shetty blamed the trade lobby for the recent sugar price crash in Maharashtra, where ex-factory prices touched a low of Rs 2,600 on higher sales by mills. Shetty said farmers had turned vigilant and were not allowing shipments of sugar from co-operative mills sold at less than Rs 2,900.

It has not been an easy task for Karnataka, the first State to set up a board to decide on the cane pricing for the season. Farmers in the State have demanded that the price be linked to the recovery – the quantity of sugar produced from the cane crushed.

“We have sought Rs 280 for a basic recovery of 9.5 per cent as an advance payment, while millers are willing to pay Rs 245 for the same,” said Kurubur Shantkumar, Convenor, All India Sugarcane Growers Association.

As the issue remains unresolved, the Karnataka Chief Minister Siddaramaiah is expected to intervene and make an announcement on Tuesday. In fact, a section of farmers mainly in North Karnataka have decided to launch agitation from Tuesday over the delay in price announcement. Growers say the cane crushing in northern Karnataka has seen a delay of about a fortnight when compared to last year. In neighbouring Tamil Nadu also, the pricing is yet to be resolved. A meeting of cane growers and industry will be held on Saturday.

Rubber skids on lack of buyers

Kottayam, Nov. 4:

Spot rubber prices ruled weak on Monday. Sentiments were led by the absence of buyers from major consuming sectors and an almost similar trend in domestic futures.

According to analysts, the bearish trend is expected to continue as the fundamental and technical factors are not supporting a sharp recovery in the immediate future unless the tyre people come forward with quantity buying orders.

Sheet rubber dropped to Rs 158 (158.50) a kg, according to traders.

The grade declined to Rs 158.50 (159) and Rs 155.50 (156) a kg respectively, as reported by the Rubber Board and dealers.

The November futures slipped to Rs 159.19 (159.74), December to Rs 160.11 (160.90) and January to Rs 162.10 (162.68) a kg on the National Multi Commodity Exchange.

RSS 3 (spot) increased to Rs 155.51 (154.74) a kg at Bangkok.

The Tokyo Commodity Exchange was closed on account of the substitute holiday for National Culture Day

Spot rubber rates (Rs/kg): RSS-4: 158 (158.50); RSS-5: 151 (151); Ungraded: 147 (147); ISNR 20: 150 (150.50) and Latex 60 per cent: 114 (114.50).

Cardamom rules steady despite higher arrivals

Kochi, Nov. 4:

Cardamom market ruled steady with slight improvement from mid-week despite heavy arrivals at auctions on good buying support.

Around 650 tonnes of cardamom arrived last week at auctions and they were absorbed by the market, trade sources in Bodinayakannur said.

Exporters were also covering exportable variety of 7-7.5 mm capsules at Rs 650 a kg. Average grade 8mm capsules were fetching Rs 700 while that of bold and with good colour was being sold at Rs 750.

Exporters are said to have bought an estimated 60 tonnes, the trade said. The current rate of weekly supply in recent weeks is viewed by the trade as the highest ever in the history of the crop. Some attributed it to a good crop while some others claimed it was because nobody was willing to hold back any stock. At the same time, it is also the peak harvesting time of the season, they said.

There was no auction on Sunday of the KCPMC. The individual auction average, which was vacillating between Rs 555 and Rs 590, improved marginally on one day last week. However, according to the growers, the prevailing price is much below the remunerative price levels. Anything below Rs 750/kg is not at all remunerative, they claimed.

The current season has begun officially from August 1 and hence the total arrivals during the season up to October 31, stood at 6,435 tonnes against 2,888 tonnes during the last season. The sales were at 6,287 tonnes and 2,700 tonnes respectively.

The weighted average price as on October 31 stood at around Rs 607.18 (Rs 741.62).

Prices of all the graded varieties (in Rs/kg): AGEB 710-720; AGB 585-595; AGS 545-555 and AGS -1: 525-535.

IIPM to hold commodity meet

Bangalore, Nov. 4:

The Forward Markets Commission, an arm of Ministry of Finance, in association with Indian Institute of Plantation Management (IIPM), is organising faculty development programme in the area of Commodity Markets and Derivatives Trading at Bangalore. According to Dr Vijaykumar, Programme Coordinator, IIPM, the programme intends to sharpen the skills of faculty members in commodity futures trading and its rationale of price discovery and commodity. IIPM is organising two programmes and the first is scheduled during November 28-29. Last date for registration is November 10. More details are available at www.iipmb.edu.in .

Brazilian experts at coffee meet

Bangalore, Nov. 4:

The Karnataka Planters Association (KPA) and UPASI plans to hold its two-day coffee conference during November 14-15 in Bangalore. According to Nishant R. Gurjer, Chairman, KPA, this year's meet will focus on production and marketing robusta coffee. Two experts from Brazil — Romario Gava Ferrao, Genetics and Crop Improvement, Coordinator of the Coffee Programme of Espirito Santo, Brazil, will talk on "Robusta Coffee in Brazil — Technologies, Evolution and Challenges." The second presentation is by Arthur Santos Fiorott, director of Marketing and Quality at Conilon Brazil on "Marketing Programme and the Production of High Quality Robusta in Brazil — The Espirito Santo Case." Shirish Vijayendra, Convener, KPA Scientific Committee will give a detailed presentation on tour of coffee growing regions of Brazil and Colombia. AL. RM. Nagappan, Chairman, UPASI Coffee Committee, and Peter Mathias, President, UPASI, and Jawaid Akhtar, Chairman, Coffee Board, will address the meet.

Global agri meet begins amidst farmers' protest

Hyderabad, Nov. 4:

The four-day World Agriculture Forum (WAF) conference has begun here amidst protests by farmers and non-governmental organisations.

Farmers' organisations affiliated to CPI, CPI(M) and CPI (ML) held a meeting elsewhere in the city to protest against the conference.

The groups alleged that the forum lobbies for multi-national agricultural companies and does nothing to improve their lot.

The WAF meetings, held every two years, invites representatives from agriculture companies, research institutes and governments to discuss a variety of agri-related issues.

The last meeting was held in Brussels (Belgium) in 2011. The event is being held at the Hyderabad International Convention Centre (HICC) at Madhapur.

The day one of the conference, however, was confined to registrations and field trips for delegates to farmers' fields and research institutes. The Government of Andhra Pradesh reportedly spent over Rs 2 crore for the event.

The Government sponsorship of the event has attracted sharp criticism from these groups. Farmers' leader M.V.S. Nagireddy, who is also a general body member of Indian Council of Agricultural Research, said that they should have conducted the conference at a place accessible to the farmers.

"We have several research and academic institutes with good facilities. They are holding at an international expo facility which is not accessible to small farmers," he told *Business Line* at the venue.

U. Srinivasa Rao, a farmer from Chilakaluripet, wanted the organisers to focus on transferring global best practices in water management to farmers in India, while D. Narasmiha Reddy, an agri-economist, alleged that the WAF had the backing of multi-national agricultural companies.

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The Government of Andhra Pradesh reportedly spent over Rs 2 crore for the event. The Government sponsorship of the event has attracted sharp criticism from these groups.

Mixed trend at Kochi tea sale

Kochi, Nov. 4:

A mixed trend persisted for almost all varieties at the Kochi Tea auction. In sale no 44, the quantity on offer in CTC dust grades was 11,34,500 kg.

The market for good liquoring varieties and popular marks were firm to dearer. However, plainer and low-priced varieties were steady to firm and occasionally dearer. A better enquiry was noticed from exporters on medium and plainer teas and the upcountry demand was fair. The quantity on offer in orthodox grades was 6,500 kg and the market moved up in value following enquiry from exporters.

In the best CTC dusts, PD grades quoted Rs 99/118, RD varieties fetched Rs 106/143, SRD ruled at Rs 115/150 and SFD stood at Rs 120/160.

The quantity on offer in orthodox leaf grades was 1,56,000 kg. The market for Nilgiri varieties were steady to dearer, following quality.

Medium, clean, black, well-made, bolder brokens and whole leaf was fully firm. The quantity on offer in CTC grades was 85,500 kg. sajeevkumar.v@thehindu.co.in

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Fog likely in UP, Bihar

Thiruvananthapuram, Nov. 4:

Isolated heavy rain or snowfall has been forecast for Jammu and Kashmir and dense fog for East India for next three days as winter conditions settle over North India.

This will come about as a western disturbance, a low-pressure wave passing over North-West India with loads of moisture upfront, announces arrival over the region.

COOL AIR

The cool-air disturbance originates in the Mediterranean and travels to the East across West Asia, picking up moisture from varied sources along the way.

Towards the South, isolated heavy rain has been forecast for coastal Tamil Nadu from favourable conditions developing over the Bay of Bengal.

In fact, India Met Department expects a low-pressure area to materialise over Andaman Sea during the next seven days.

International models do not expect much traction for the ‘low’ since a fresh typhoon (cyclone) is forecast to develop in South China Sea, just across to East, concurrently.

MERCURY FALLS

The ‘low’ may not be able to prosper sufficiently in the presence of a much bigger weather system along almost the same latitude.

Meanwhile, minimum temperatures fell below normal over parts of Haryana, Punjab, Rajasthan, Uttar Pradesh, Odisha and the North-eastern States.

This partly explains the development of fog, in which residual moisture in the atmosphere left behind by a predecessor western disturbance gets cooled.

A weather warning valid for Tuesday said that isolated heavy rain/snow may break out over Jammu and Kashmir.

Dense fog would envelop parts of east Uttar Pradesh, Bihar, Manipur and Tripura.

SHOWERS FOR PLAINS

Isolated heavy rain/snowfall forecast is maintained for Jammu and Kashmir for Wednesday also.

In other forecasts, the Met Department said isolated rain/snow would lash Himachal Pradesh during on Tuesday and increase thereafter. Isolated rain/snow is forecast for Uttarakhand on Wednesday.

In the plains, rain or thundershowers may break out over west Rajasthan and Punjab from Tuesday and over Haryana, Delhi, west Uttar Pradesh and east Rajasthan from the next day.

In the South, thundershowers have been forecast over Andaman and Nicobar Islands, Kerala and coastal and south interior Karnataka. South Konkan, Goa, south Madhya Maharashtra, north interior Karnataka, coastal Andhra Pradesh and Rayalaseema may too witness passing showers.

Rice steams up on rising domestic demand

Karnal, Nov. 4:

Inadequate supplies and rising domestic demand pushed up prices of a few aromatic and non-basmati rice varieties on Monday.

Amit Chandna, Proprietor, Hanuman Rice Trading Company, said the uptrend was anticipated as there is good demand from the domestic market and the availability of stocks is low.

These apart, new trade enquires are also supporting the market, said Tara Chand Sharma, proprietor, Tara Chand and Sons.

Asked about the low availability of stocks, Sharma said that rice millers don't have much carry-forward stocks this year and the new stocks are not ready yet.

According to trade experts, prices are likely to strengthen in the near term.

In the physical market, new Pusa-1121 (steam) moved up by Rs 200 to Rs 8,300-8,400 a quintal, while new Pusa-1121 (sela) quoted at Rs 7,500/quintal.

Pusa-1509 (sela) quoted at Rs 6,050-6,250/quintal. The price of pure basmati (raw) rose by Rs 500 to Rs 12,000/quintal. Duplicate basmati (steam) sold at Rs 6,700/quintal.

For the brokens of Pusa-1121, Dubar sold at Rs 3,900, Tibar at Rs 4,500 and Mongra at Rs 3,500. In the non-basmati section, Sharbati (steam) went up by Rs 300 to Rs 4,950-5,000/quintal, while Sharbati (sela) quoted at Rs 4,200, up by Rs 200.

Permal (raw) sold at Rs 2,350-2,400/quintal and Permal (sela), at Rs 2,400. PR-11 (sela) sold at Rs 2,900 while PR-11 (raw) quoted at Rs 3,000-3,100.

PR14 (steam) improved by Rs 50 and sold at Rs 3,150/quintal.

Paddy arrivals

Arrivals and prices of paddy were are follows: PR paddy, about 40,000 bags arrived and quoted at Rs 1,350-1,500/quintal; Pusa-1121, around 16,000 bags at Rs 3,750-3,950/quintal; Sugandha, 30,000 bags at Rs 2,550-2,750/quintal; Sharbati, 10,000 bags at Rs 2,400/quintal; duplicate basmati, 10,000 bags at Rs 3,550-3,750/quintal; and pure basmati, 1,000 bags at Rs 5,400-5,500/quintal.

Soya soars on lower arrivals

Indore, Nov. 4:

Weak arrivals, strong festival demand and higher speculation on the NCDEX pushed up soyabean and soya oil prices to a new high in Indore *mandis* last week.

With traders and farmers celebrating Diwali, the arrival of soyabean in the Indore *mandis* over the last couple of days had declined to 2 lakh bags from 5.50 lakh bags at the beginning of last week, thereby pushing up prices by over Rs 200 to Rs 3,800-3,815 a quintal.

Though local *mandis* remained closed on Monday on account of Diwali and Govardhan pooja, the price in private trading ruled at Rs 3,800/quintal.

Higher speculation on account of lower output projected by the Soyabean Processors Association of India , saw December contracts for soyabean on the NCDEX close Rs 125 higher, at Rs 3,880/ quintal, last week.

Even as arrival of soyabean in State *mandis* is expected to pick up after local *mandis* reopen for*Muhurat* trading on Wednesday, strong global cues and buying support are expected to support the bullish trend in both soyabean and soya oil in the coming week, said Sanjay Agrawal, a local trader.

The bullish trend has been continuing in soya oil for the past one week, pushing up soya refined prices in Indore *mandis* to Rs 710-715 for 10 kg (up Rs 15 from last week) and those of soya solvents to Rs 670-75 (up Rs 20 from last week).

With soyabean output expected to fall this year,, the bullish trend in soya oil is expected to continue.

According to the second crop estimate by the association, production of soyabean in the country this year will decline to 122.35 lakh tonnes against 129.83 lakh tonnes projected in its first crop estimate.

Crude oil trade on NCDEX up 90% in Oct

Mumbai, Nov. 4:

The volume of crude oil futures traded on the National Commodities and Derivatives Exchange more than doubled to 6.20 lakh barrels in October. The turnover also surged by 90 per cent to Rs 382 crore compared with September.

After focusing largely on agricultural commodities, the exchange is now offering a robust basket of non-agriculture commodities, as the trading volumes of its competitor Multi Commodity Exchange has been hit following the settlement crisis at its subsidiary National Spot Exchange Ltd.

“The rising participation in crude oil futures is an indication of the trust that the market participants repose in the exchange,” said a press release issued by the exchange. The increase in trading interest is despite the margin on NCDEX crude oil contracts being on the higher side as compared with prevailing contracts in the market, it said. In September, NCDEX cut transaction charges for members who register an average daily turnover of Rs 200 crore. For members whose turnover is below Rs 200 crore, the transaction charge is Rs 2 for trade

worth Rs 1 lakh. On the other hand, members who log an average daily turnover above Rs 200 crore, the charge will be Re 1, which translates to Rs 45,000 against Rs 62,500 paid earlier.
While the total turnover of commodity futures exchanges was down 60 per cent in the first fortnight of October to Rs 2.84-lakh crore compared with the year-ago period, that of NCDEX in the same period dipped by only 35 per cent to Rs 48,596 crore (Rs 75,336 crore), according to Forward Markets Commission data.