Heavy rain cause widespread damages in Erode, Coimbatore, Udhagamandalam

Heavy rain that lashed Coimbatore, Erode, and Udhagamandalam on Wednesday night has caused power cuts, road blocks, and a man was reportedly washed away in flood waters.

Erode received the heaviest rainfall from the Northeast Monsoon so far in the 24-hour duration until 8am on Thursday.

The heavy intensity rain submerged paddy fields in Puliampatti area, and water overflowing from Nallur tank inundated the Sathy road, obstructing vehicular traffic.

A tree that got uprooted partially blocked the Bhavani-Sathy road.

Power cut was enforced in several parts of the district. In Bhavani area, there was no power throughout Wednesday night.

The highest rainfall of 117.2mm was recorded in Bhavani Sagar.

Rainfall in other places were — Sathy — 86mm, Kodiveri — 53, Gobi — 86, Perundurai — 15, Bhavani — 28, Arachalur — 38, Modakurichi — 23, and Chennimalai — 41mm.

In the hilly areas of Hasanur and Thimbam, the sky was overcast for most part of the day on Thursday, and there was intermittent rain.

In Udhagamandalam the torrential rains accompanied by thunder and lightening started late on Wednesday night and continued till early morning on Thursday.

Owing to channels overflowing storm water flooded many areas including the Goods Shed road. Consequently many buildings including the headquarters of the Education Department here were surrounded with water.

Municipal sources told The Hindu that storm water related complaints had been received from 12 places.

Major damages were not reported from any part of the district. The Collector in-charge L. Nirmalraj said that people residing in low lying areas and places vulnerable to floods and landslips have been asked to move to the nearest shelter.

A progressive farmer Satish Lakshmanan said that the downpour on Wednesday night and a heavy shower the previous night had done a world of good to standing crops.

However if the rains continue, the crops may get affected.

During the 24 hour period ending 8.30am on Thursday Coonoor received 40.60mm of rainfall, Kundah Bridge — 36, Ketti — 52, Kotagiri — 47, Udhagamandalam — 64, Glenmorgan — 74, Kodanad — 90, Geddhai — 40, Upper Bhavani — 24, and Burliar — 46mm.

A downpour at night for the second day on Wednesday left many areas in Coimbatore inundated and disrupted power supply.

The police said that Mohanraj (36) of Sirumugai, near Mettupalayam, who was riding a two-wheeler was feared to be washed away when he reportedly tried to cross a bridge near Nachipalayam.

Coimbatore district recorded a highest rainfall of 402.50mm in the 24 hours that ended at 8.30am on Thursday and the average rainfall stood at 33.54mm.

Annur recorded the highest 100.40mm rainfall while the lowest 5mm was reported from Pollachi.

Rainfall at various places: Airport Peelamedu — 26.90mm, Mettupalayam — 73.20, Periyanaickenpalayam — 25, Sulur — 17.20, TNAU — 17.20, Cincona — 38, Chinnakallar — 30, Valparai PAP — 28, Valparai taluk office — 29, and Coimbatore South — 20.30mm.

Rain also led to substantial improvement in water levels in many of the Parambikulam — Aliyar Project reservoirs.

Water level

Water level at the six major PAP reservoirs at 8.30am on Thursday is as follows (full reservoir level in brackets): Sholayar 160.45ft (160), Parambikulam 70.10 (72), Thoonakadavu Peruvaripallam 21.80 (22), Aliyar 113.20 (120), Thirumurthy 23.62 (60) and Amaravathy 45.28ft (90).

Farmers’ grievances day

The monthly farmers’ grievances day meeting would be held at the collectorate hall here on October 25 at 11 a.m

‘Ponni’ rice catches Singaporeans’ fancy

“Ponni,” the most preferred variety of rice in the State, has caught the imagination of people in Singapore too.

Between January and August this year, the South East Asian country consumed 92,865 tonnes of Ponni rice, compared to 85,816 tonnes of Jasmine rice ("Thai Hom Mali") of Thailand and 77,459 tonnes of Jasmine of Vietnam, according to a report published in *Straits Times* a few days ago.

Talking about its features, M. Mahadevappa, former Vice-chancellor of the University of Agricultural Sciences – Dharwad, who had developed and released a number of rice varieties, says that Ponni, which forms among the top rice varieties in India, is liked by people because of its taste. It has different derivatives and its equivalent is called "Gowri" in Karnataka. The genesis of the variety can be traced to "mahsuri" of Malaysia which has been improved upon in different parts of India, depending upon local conditions.

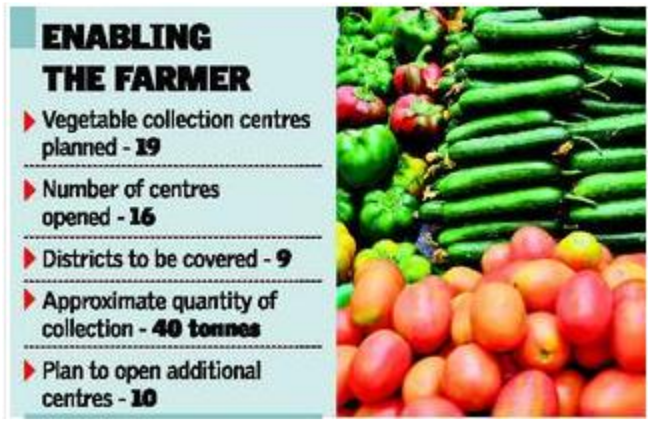
S. Ranganathan, general secretary of the Cauvery Delta Farmers' Welfare Association, says that Tamil-speaking people have taken a liking for Ponni due to a number of reasons. Apart from the aesthetic value, this variety is ideal for use as boiled rice. For non-vegetarians, it is the most suitable for "briyani." Its yield is low with 3.5 tonnes to five tonnes per hectare whereas the productivity of "Savithri" or "Ponmani" is five to seven tonnes per hectare. However, the other variety is used for "idli."

He adds that of late the BPT variety of rice [named after Bapatla in Guntur,Andhra Pradesh] is having more takers as its yield is marginally better than Ponni. A senior official in the State Agriculture Department says that as per a rough estimate, Ponni accounts for 40 per cent of the area covered by paddy. [However, Mr Ranganathan says, the share of Ponni may not be more than 25 per cent.]

According to the Statistical Hand Book of Tamil Nadu – 2013 published by the State Department of Economics and Statistics, paddy was raised on about 19 lakh hectares during 2011-2012, a good rainfall year.

The official adds that Ponni possesses the feature of being a fine variety only when it is grown in the Cauvery delta but it looks like a common variety when it is raised in areas such as Ramanathapuram. D. Thulasingam, president of the Federation of Tamil Nadu Rice Mill Owners and Wholesale Dealers Associations, says that apart from consumers, traders are for Ponni as the variety fetches a high price. In the wholesale market, it is sold at Rs. 50 a kg and when it comes to retail market, it costs around Rs. 54 a kg.

‘More vegetable collection centres after review’



With the State Department of Horticulture introducing vegetable collection centres in 16 centres out of the estimated 19 across a few districts in September, there are plans to open at least 10 more after a review this month.

According to Commissioner of Horticulture and Plantation Crops Satyabrata Sahoo, the effort was envisioned not only to help farmers get a better price for their produce, but also to provide an opportunity to market the produce themselves.

“Nearly 40 tonnes of vegetables is being collected per day. Farmers, in the cluster approach, are supplying vegetables to the collection centres to be sold for wholesale purposes only. It is only for a limited time in the mornings to enable the farmer get back to his routine cultivation activities after selling his produce,” the Commissioner said.

The Department of Horticulture plans to review the activities of the collection centres this month to come up with strategies, if needed, and also extend it to another 10 centres.

Though more farmers wanted to become part of this initiative, they were waiting to see how it was being operated for a few months to become part of it.

Arrivals in Chennai and nearby collection centres were lower compared to those centres that were further away from the city, he added.

The Department had also provided collection material to the farmers in terms of plastic crates to avoid wastage and spillage and also ensure that the produce was brought to the centres in good condition.

The Government was providing subsidy to farmers who were providing vegetables to the collection centres.

“The whole idea was to make the farmer decide on the price and market his produce without the interference of middle men. If the success rate of these collection centres is good, the Department has plans to provide an option to farmers to open retail outlets too,” the Commissioner said.

Transplantation in red gram to boost yield and fetch higher returns

Agriculture department has planned to promote transplantation technique in red gram cultivation this season, and to start with, it has fixed a target of 210 hectares to be brought under the technique in four blocks.

Against the harvest of 300-odd kg under conventional practice, the per hectare yield in transplantation technique will be around 1,000 kg, say official sources.

The department has kept nurseries ready to be supplied for 210 hectares in Tiruvarankulam, Gandarvakottai, Kundrandarkovil and Annavasal blocks.

The nurseries of CO Rg 7 variety are ready for distribution to 210 farmers for transplantation in the current season.

Under the National Agriculture Development Programme (NADP), farm inputs estimated at about Rs. 7,500 will be supplied per hectare.

This apart, special subsidy will be given to farmers resorting to drip irrigation technique.

The duration of the CO Rg 7 variety is 135 days and the transplantation will be completed in a couple of weeks, said S.M. Shajehan, Joint Director of Agriculture, who visited a few fields where the farmers resorted to the new technique at Marudhur in Kundrandarkovil block.

He explained to the farmers that the nurseries should be raised in rows. Rows should be five feet apart each and each nursery by three feet from the other. He said the transplantation method would bring higher returns to farmers. In the conventional method, about 111 hectares would be brought under red gram cultivation in parts of the district.

Drought destroys coconut groves

Withered coconut trees at Adinatham village near Pettavaithalai in Siruganur block Tiruchi

The severe drought condition that prevailed for nearly a year since the monsoon failure has taken a heavy toll on palm trees across the State, pushing up the retail price of the nuts in the market.

As one travels around Tiruchi, Karur, and other districts, a large number of palm trees could be seen withered completely. Those which are still alive have just a few green fronds amidst several dried ones.

Apart from big farmers who raise the trees in exclusive grooves, many small and marginal farmers grow coconut trees around their fields and farm houses bringing them some much needed income. The damage to the trees has impacted heavily on the livelihood of the farmers. Normally farmers take up to six harvests a year.

“Nearly 60 to 70 per cent of coconut trees across the State have withered during the severe and unprecedented drought condition that has prevailed for over a year. In our farm, over 60 trees have completely withered. We could not even find buyers for the dead coconut trees, normally used for making wooden reapers, owing to a glut in the market,” says Mahadhanapuram V. Rajaram, working president, Cauvery Delta Farmers’ Welfare Association.

A healthy tree will yield about 20 to 24 nuts a harvest. Now the trees have just three or four green fronds and yield hardly six to seven nuts. Trees which are still alive need some rains to grow fresh fronds and it will take another six months for them to give good yield. Depending on the varieties, coconut tree yields for 10 to 20 years. Farmers normally could get an income of about Rs.200 to 250. Even if farmers plant saplings afresh, they would have to wait for about five years to start getting yield from them, he says.

Mr. Rajaram says that the Agriculture Department has already conducted a survey to assess the extent of damage to coconut trees on account of the drought. Requesting the State government to sanction a minimum of Rs.5,000 a tree, he said the National Highways Authority of India had paid farmers up to Rs. 8,000 as compensation for every tree that was felled for the widening of the Tiruchi-Karur National Highway section in recent years.

Sources in the Agriculture Department confirmed that the survey had been carried out. Over 57,000 coconut trees have been damaged in Tiruchi district alone and a report has been forwarded to the government by the district administration a month ago. Meanwhile, consumers have also been hit as the price of coconut, used widely in everyday cooking, has gone up over the past two months, especially during this festival season. In the wholesale market at Tiruchi, top quality nuts are being sold at Rs.18 to 20 apiece, up by four to five rupees. The retail price is usually higher by at least Rs.2 a nut.

Wholesale traders say that arrivals have come down, especially from Tiruchi district. “Normally, we get about 1.50 lakh nuts a day from different places including Tiruchi district but over the past month arrivals have down to just about a lakh. Currently, we are getting nuts mostly from Theni, Cumbum and Peravoorani. The price of Pollachi coconuts rules very high and hence there are not many takers. Many consumers have cut down on buying coconuts,” says A. Ibrahim, a wholesale coconut trader at the Gandhi Market in the city. He says that the price of the nuts are likely to rule high at least until the Tamil month of Thai (in mid-January) when arrivals are expected to pick up.

“Nearly 60 to 70 per cent of coconut trees across the State have withered during the severe and unprecedented drought condition that has prevailed for over a year.”

Mahadhanapuram V.Rajaram,working president, Cauvery Delta Farmers Welfare Association.

The nut factor

Healthy coconut tree yields 20-24 nuts a harvest for least 10 years

Farmers demand compensation of Rs. 5,000 per tree

Over 57,000 trees damaged in Tiruchi district alone

Arrival of nuts to Tiruhi dips below one lakh mark

Water Level

The water level in the Papanasam dam on Thursday stood at 83.70 feet (permissible level is 143 feet). The dam had an inflow of 427.04 cusecs and 900 cusecs of water was discharged. The level in Manimuthar dam stood at 51.66 feet (118 feet). The dam had an inflow of 19 cusecs and 25 cusecs of water was discharged.

Kanyakumari

The water level at dams in Kanyakumari district (in ft): Pechipparai - 20.05; Perunchani - 59.75; Chittar I - 7.51; Chittar II - 7.61; and Mambazhathuraiyaru 32.96.

Two-day seminar on nanotechnology

Institution of Engineers-India (IEI), Mysore chapter, with support from the Centre for Nanotechnology, NIE, Mysore; University of Mysore; and Indian Rubber Institute, Karnataka branch, Mysore, has organised a two-day national seminar on ‘Nanotechnology for energy, environment and health’ here from October 19.

The seminar will be held at the S.P. Bhat hall on the institution premises here.

University of Mysore Vice-Chancellor K.S. Rangappa will inaugurate the seminar at 10.30 a.m.

K. Byrappa, director, Internal Quality Assurance Cell, University of Mysore, will deliver the keynote address.

The seminar aims to bring together researchers, industrial and domain experts from premier institutions to exchange knowledge and ideas as well as experiences in matters relating to nanotechnology.

Food processing conference

The ASSOCHAM in collaboration with the Ministry of Food Processing Industry and the Goa Chamber of Commerce and industry (GCCI), will hold a national conference on linking growth drivers of food

processing industries, market, retails, quality with food safety and skills on Friday at GCCI

hall at 10 a.m. Mahadev Naik, Minister for Industries, Goa

will be the chief guest. Experts

will deliberate on diverse challenges before the food processing industry that include high levels of fragmentation in marketing and distribution of food products in India, growing concerns about food safety across developed and developing nations of processed foods, unorganised food retail and the requisite skilled manpower required in this sector.

Labour shortage gives cotton growers the jitters

The acute shortage of farm labourers owing to the coincidence of paddy and cotton harvest seasons coupled with increasing migration is giving Nalgonda cotton growers the jitters. With the cotton picking having started, the farmers here are forced to travel the areas within the 30-40 km radius of their localities in search of farm labourers.

The shortage of labourers has been multiplied with the increase in cotton and paddy acreage in the district of late and the coincidence of picking of cotton and harvesting of Kharif paddy. The farmers also blame the increasing migration of the daily wagers to the urban areas for the dearth of farm hands.

Passenger autos carrying loads of labourers in the mornings and evenings have become a regular sight on the district roads. Being hired by the farmers for cotton picking, labourers from Gundlapalli and Lakinenigudem villages of handur mandal are travelling about 30 km daily to reach either Regatta village in Kanagal mandal or Lenkalapalli village in Marriguda mandal, the areas where cotton have been cultivated extensively.

The cotton farmers approach team leaders who gather about 15 to 20 labourers each and transport them to the cotton fields.

Wages a pricey affair

The farmers are paying Rs 2, 00 to the labourers each daily, besides the Rs.40 as transport charge per head. Some cotton growers also offer toddy to the labourers, apart from wages. It means, the farmers are spending around Rs. 250 per day on each labourer. Three labourers pick one quintal of cotton per day. As the current cotton price stands at Rs.4, 000 per quintal, farmers here are forced to invest about 20 per cent of the income as labourer charges.

Migration is to blame

Speaking to *The Hindu* , K.Sudhakar Reddy, a farmer from Buddharam village in Nalgonda mandal, said that he had to travel about 30 km in search of labourers. “Though our village has sufficient labourers, most of them have migrated to towns in search of works. Many others prefer to go for NREGS works, which assure them a constant income of Rs.100 every day,” he said, adding that the available labourers were demanding more wages, saying that they had to work harder in the fields than the NREGS works.

According to agriculture officials, the cotton acreage has increased to 3 lakh hectares against the target of 1.97 lakh hectares this year.

Workshop on tree seed science

The Institute of Forest Genetics and Tree Breeding, Coimbatore, is organising a national workshop on tree seed science and silviculture on November 28 and 29.

The emphasis will be on the tree cultivation outside forest areas.

The two-day workshop will provide a platform for foresters, forestry scientists, researchers and farmers to exchange techniques of tree cultivation in dry, saline and degraded lands.

Papers are invited for presentation under the subjects of seed biology, seed health, forest nursery management, restoration forestry, seed and silviculture of important tree species and forest hydrology.

Those who want to participate in the workshop can contact R. Anandalakshmi, Head — Seed Technology Division atanandalakshmi11@gmail.comor 0422-2484166

THE HINDU Business Line

Jeera crackles on hopes of higher acreage

Jeera prices dropped on slack export demand and hopes of higher planting of the next crop.

Growers will soon begin planting jeera, a rabi crop, and this year the spice crop’s acreage is likely to be higher due to favourable weather conditions and soil moisture.

Therefore, the market has begun to discount a higher jeera crop next season.

On the National Commodity and Derivatives Exchange, jeera November contracts declined by Rs 80 to Rs 12,912.50 a quintal with an open interest of 10,197 lots.

December contracts slipped by Rs 100 to Rs 13,125 with an open interest of 2,697 lots.

At Unjha, a key market in Gujarat, supplies were at 6,000-7,000 bags of 60 kg each against an expected 3,000-4,000 bags. Price of jeera dropped by Rs 20-22 to Rs 2,600-2,850 for 20 kg for best quality and medium grade jeera traded at Rs 2,300-2,600 while lower grade jeera stood at Rs 1,980-2,250.

Mumbai-based Kedia Commodity said that slow domestic and export demand coupled with sufficient carry-forward stocks may put prices under pressure. In view of the recent rains, traders are expecting a rise in acreage for coming season. Total carryover stocks of jeera are estimated at seven lakh bags against 11 lakh bags last year. The higher carryover stocks will force stockists to sell at every rise in the domestic market.

Edible oil traders turn cautious

Edible oils prices rose on Thursday tracking firm futures market amid tight physical supply. Malaysian palm oil ruled firm during the day but profit booking pulled it down later.

In Mumbai, imported palmolein and soyabean refined oil increased by Rs 8 and Rs 2 for 10 kg each. Sunflower and rapeseed oil edged up by Rs 2 and Rs 3 each. Being a cheaper alternative, higher demand pushed up cotton refined oil by Rs 8. Groundnut oil was unchanged but in Saurashtra it dropped by Rs 40. .

A spokesman of Riddhi Brokers told *Business Line* that traders turned cautious as demand eased at higher level. Activities were limited and need-based. Over the past one week, local traders have covered more than 12,000 tonnes of edible oils and filled up the pipeline which was empty due to lower forward purchases.

Towards the day’s close, Liberty was quoting palmolein at Rs 580, super palmolein Rs 620 and super deluxe Rs 640, soyabean refined oil Rs 705 and sunflower refined oil Rs 815. Ruchi quoted palmolein at Rs 570 ex-JNPT for Oct. and Rs 577 for Nov 1-15, super palmolein Rs 617 for Nov 1-15, sunflower refined oil Rs 775. Allana was quoting palmolein at Rs 575-579, super deluxe Rs 620 and sunflower refined oil Rs 820.

In Rajkot, groundnut oil declined to Rs 1,350 (Rs 1,400) for *telia* tin and loose (10 kg) at Rs 860 (Rs 900).

Malaysia BMD crude palm oil’s November futures settled lower at MYR 2,390 (MYR 2,400), December at MYR 2,392 (MYR 2,404) and January at MYR 2398 (MYR 2409) a tonne.

The Bombay Commodity Exchange spot rates (Rs/10 kg) were: groundnut oil 900 (900), soya refined oil 695 (693), sunflower exp. ref. 735 (730), sunflower ref. 790 (785), rapeseed ref. oil 735 (732), rapeseed expeller ref. 705 (702) cottonseed ref. oil 705 (697) and palmolein 570 (562).

Vikram Global Commodities (P) Ltd quoted Rs 635/10 kg for Malaysia super palmolein October/Nov delivery.

Spot pepper prices surge to new high

Spot pepper prices hit a record high of Rs 425 for the ungarbled and Rs 445 for the garbled varieties on Thursday.

The futures market also witnessed an upsurge on limited activities amid tight availability.

In the international market also, all the origins ruled firm.

On the spot, 15 tonnes of farm grade pepper arrived and were traded at Rs 430 a kg, while Rajakumari (Idukki) pepper was sold at Rs 435 .

But material is not available, market sources told *Business Line*.

Many upcountry dealers were looking to buy directly from the primary markets on cash-and-carry basis

There was claimed to be not much selling pressure. Those exporters having earlier commitments were finding it difficult to cover, they pointed out.

On the NMCE, November and December contracts increased by Rs 558 and Rs 409, respectively to Rs 44,865 and Rs 44,162 a quintal.

On the IPSTA, October, November and December contracts were unchanged at Rs 44,500, Rs 44,700 and Rs 44,326 respectively.

On the IPSTA, two tonnes of pepper were traded.

Spot prices rose by Rs 300 on strong demand at Rs 42,500 (ungarbled) and Rs 44,500 (garbled) a quintal.

Indian parity in the international market was at around $7,650 (c&f) Europe and $7,925 a tonne (c&f) for the US and remained in line with other origins. There appears to be chances for orders coming to India for Malabar.

But, according to the trade, tight availability is going to be major hurdle.

Turmeric seen below Rs 6,000/quintal until year-end

Turmeric traders are waiting for Diwali orders from North India.

“After Puja holidays, turmeric markets resumed on Thursday. Traders expected arrival to increase, but farmers brought just 1,490 bags for sale. Only inferior and medium quality turmeric arrived. Traders with local orders to fulfil procured about 900 bags and stockists bought 150 bags," said R.K.V. Ravishankar, President, Erode Turmeric Merchants Association.

He said that the traders are confident that till the arrival of new turmeric crop in December-end, farmers will bring lower than 2,500 bags daily.

Prices will continue to rule below Rs 6,000 a quintal till year-end.

The Hybrid finger variety turmeric decreased due to arrival of poor quality. At the Erode Turmeric Merchants Association Sales yard, the finger variety fetched Rs 3,811-6,027 a quintal; the root variety Rs 3,514-5,017.

Salem Hybrid Crop: The finger variety was sold at Rs 4,834-6,011 and the root variety Rs 4,617-5,127.

Of the 386 bags that arrived, 165 were sold.

At the Regulated Market Committee, the finger variety fetched Rs 5,020-5,872 and the root variety Rs 4,389-4,997.

Of the 269 bags on offer, 202 were traded.

At the Erode Cooperative Marketing Society, the finger variety was sold at Rs 4,399-5,869 and the root variety Rs 4,169-4,995.

All the 245 bags put up for sale found takers.

At the Gobichettipalayam Agricultural Cooperative Marketing Society, the finger variety fetched Rs 4,311-5,872 and the root variety Rs 4,072-4,989.

Of the 224 bags that arrived, 169 were bought.

Mustard may rally as soya oil turns dearer

A bullish trend in soya oil lifted mustard oil in Indore *mandis* on Thursday with prices rising to Rs 672 for 10 kg (up Rs 7).

Even though mustard carryover stocks are ample, hopes of rise in mustard oil consumption during winter in northern States, a rally in soya oil and damage to soyabean crops in Madhya Pradesh, will support a bullish trend mustard oil in the coming days, said a trader.

Mustard also ruled marginally higher at Rs 4,200-4,450 a quintal (up Rs 50 from last week) on improved demand and buying support, raida on the other hand ruled firm at Rs 3,100-3,200.

In futures, however, mustard seeds showed a mixed trend on slack demand and buying support with October and November contracts on the NCDEX closing lower at Rs 3,560 (down Rs 7) and Rs 3,675 (up Rs 3).

Plant deliveries of mustard seeds for Jaipur line were quoted higher at Rs 3,722-30 (Rs 3,680-3,700) on rise in mustard oil and seeds prices.

Arrival of mustard across the mandis in country on Thursday was one lakh bags (95,000 bags last week).

Supply shortage may drive up wheat to Rs 1,600/quintal

Low availability of stocks coupled with rising domestic demand, pushed dara wheat prices further up on Thursday.

Satish Kumar, a trade expert, told *Business Line*that frantic buying by flour mills against the restricted availability of stocks helped dara and flour prices climb up.

Festival demand is providing good support to the market and if the availability doesn't improve, market may touch levels of Rs 1,600 a quintal in the coming days, he said. In the physical market, dara prices increased by Rs 25 to Rs 1,570-75.

Around 1,000 bags of wheat arrived and stocks were directly offloaded at the mills. Mill delivery was at Rs 1,570 while delivery at the chakki was at Rs 1,575.

An uptrend was seen in the wheat futures on the National Commodity and Derivatives Exchange on Thursday.

Wheat for November contracts improved by Rs 7 and traded at 1,618.

December contracts went up by Rs 9 to Rs 1,638.

In the spot market, the grain improved by Rs 5 to Rs 1,545.

Flour Prices

Following a continuous uptrend in wheat, flour too moved up by Rs 25 and quoted at Rs 1,800.

On the other hand, Chokar was unchanged at Rs 1,270-90.

Mixed trend in sugar

Sugar prices ruled mixed on the Vashi wholesale market on Thursday. Prices for S-grade were up by Rs 10 a quintal on the higher side, while they declined by Rs 10 on the lower side. *Naka* rates were steady on routine activities. Mill tender rates for S-grade declined by Rs 10 a quintal as some mills offloaded old stocks below Rs 2,700. The futures market was range-bound, said traders.

Jagdish Rawal of B. Bhogilal & Co, said that buying and selling activities were limited as Vashi market is carrying ample stocks (of over 120 truckloads) and mills are continuously selling in the local market in the absence of any upcountry or export demand. Prices are ruling at a par with Maharashtra in other producing States thus arresting eastern, western and central's buying to nearby area-mills. New crushing season has already started and output is also expected higher which means supply pressure may continue for some more time.

Arrivals at Vashi market were 61-62 truckloads (of 100 bags each) while local dispatches were also 59-60 truck loads.

On Wednesday, 15-16 mills offered tender and sold about 37,000-38,000 bags at Rs 2,700-2,820 (Rs 2,710-2,820) for S-grade and Rs 2,880-2,980 (Rs 2,880-2,980) for M-grade.

Bombay Sugar Merchants Association's spot rates were: S-grade Rs 2,902-3,090 (Rs 2,912-3,080) and M-grade Rs 3,066-3,256 (Rs 3,066-3,252).

Naka **delivery rates were:** S-grade Rs 2,850-2,910 (Rs 2,850-2,910) and M-grade Rs 2,960-3,120 (Rs 2,960-3,120).

Uttar Pradesh rates were: Lakhimpur Rs 3,310 and Muzzafarnagar Rs 3,225.

Govt to spend Rs 450 crore to create block-level godowns to store foodgrain

The Government will spend Rs 450 crore in building intermediate godowns at the block level across the country for efficient and smooth distribution of foodgrains through the public distribution system (PDS) and plug leakages.

The construction of these godowns will be done under the rural employment guarantee scheme, MGNREGA.

The total storage capacity to be created at the end of first year would be 1.5 million tonnes, said Rural Development Minister Jairam Ramesh.

“After toilets and anganwadi kendras, we have decided to construct intermediary godowns for storage of PDS foodgrains under the MGNREGA,” Ramesh told reporters.

The average capacity of such godowns at the block level will be around 3,400 tonnes and foodgrain to meet three month’s requirement could be stored in them.

Schedule 1 of MGNREGA will be amended to include construction of intermediary godowns and guidelines will be issued in this regard soon, he said.

intermediate godowns

Food Minister K.V. Thomas, said construction of such intermediate godowns will help plug leakages in the PDS, currently estimated at 25-30 per cent.

Currently, foodgrains are directly supplied from the Food Corporation of India depots to ration shops directly.

Under this new plan, the State Governments are required to provide land, while the Centre will bear the entire construction cost.

States such as Uttar Pradesh, Bihar, Maharasthra and Gujarat are expected to benefit maximum, Ramesh said.

Sugar industry seeks Govt’s help to start crushing

Battling cane arrears and a downward trend in prices amidst sluggish demand and high stocks, the Indian sugar industry has sought Government intervention to kick-start the crushing operation in the new season.

“The sugar industry has suffered substantial losses in the last season. At current prices, it is not sustainable to run the industry,” said M. Srinivasan, Chairman of the Indian Sugar Mills Association (ISMA).

He said millers were facing tough time in raising working capital as bankers, who have put the sugar industry in the negative list, have refused to extend loans if the cane pricing was not rationalised according to the Rangarajan Committee recommendations.

Srinivasan suggested that the Government arrange bank loans to meet the working capital needs and waive interest up to 12 per cent, as in 2007-08, which could give Rs 3,500 crore liquidity to the mills.

He further said the Government should hike the import duty on sugar to about 40 per cent or stop the inflow completely to stabilise the prices.

So far, about 7.5 lakh tonnes of sugar is estimated to have been imported of which, about 3.5 lakh tonnes have been re-exported.

Abinash Verma, Director General, ISMA, urged the Government to facilitate exports of 3 mt-5 million tonnes of sugar over the next eight to 10 months to reduce the inventory build up or else the sugar balance at the end of current year in September 2014 could touch as high as 10 mt.

At current global prices, exports are not viable and the Government should assist exports by providing the transport subsidy as it had done in 2006-07 and 2007-08.

Also, the Government should allow conversion of existing sugar stocks into ethanol, Verma said.

Calling for an implementation of cane pricing reforms as recommended by the Rangarajan Committee, Vice-Chairman of ISMA Ajit Shriram said cane prices in Uttar Pradesh have seen an increase of 75 per cent in the past four years, while the sugar prices have risen by only six per cent during the period.

“The Indian sugar industry is paying nearly twice that of Brazil toward the cane costs to produce one kg of sugar and that’s simply not sustainable,” Shriram said.

In Uttar Pradesh alone, the cane arrears for last season stood at Rs 2,400 crore, while the all-India figures are estimated at Rs 4,000 crore.

Sugar prices have been on the decline over the past few months on ample domestic supplies and bearish trend in global prices.

The ex-factory prices in Uttar Pradesh, which stood at Rs 31 a kg two months ago, now stand reduced to Rs 29.50, while the production cost is estimated at Rs 34-35.

“We cannot have low sugar, high cane price and a viable industry,” Shriram said.

With banks refusing to extend credit, the cane arrears will start building up from day one of the crushing season this year as millers have no money to pay, Shriram said.

“If the UP Government makes its stand on cane pricing clear, we can re-approach the banks for working capital,” Shriram said. The UP Government had fixed cane price of Rs 280 for a quintal last year.

M.G. Joshi, Managing Director of the National Federation of Sugar Co-operative Federation, said the situation was alarming and that crushing would begin only after the mills and farmers decide on quantum of first advance payment in Maharashtra.

Last season, the Maharashtra mills paid an average cane price of Rs 2,650 a tonne, excluding the harvesting and transportation cost of Rs 500/tonne.

Major buyers keep away from rubber market

Spot rubber was mixed on Thursday. The undercurrent was weak as major consuming industries continued to stay away but the market managed to sustain at the prevailing levels on supply concerns.

Sheet rubber closed unchanged at Rs 163 a kg, as reported by traders.

The grade dropped to Rs 163 (Rs 164) at Kottayam and Kochi, according to the Rubber Board.

November contracts declined to Rs 163.15 (Rs 164.47), December to Rs 165.40 (Rs 166.63) and January to Rs 167.40 (Rs 168.96) for RSS 4 while the February and March futures remained inactive on the National Multi Commodity Exchange.

RSS 3 (spot) closed at Rs 160.41 (Rs 160.40) at Bangkok.

October futures closed at ¥251.50 (Rs 157.18) on the Tokyo Commodity Exchange.

Spot rubber rates Rs/kg follow: RSS-4: 163 (163); RSS-5: 155 (156); Ungraded: 152 (153); ISNR 20: 156 (156) and Latex 60%: 124 (125).

Rains likely to continue in Kerala, TN

Heavy to very heavy rainfall has been reported in Kerala and Tamil Nadu during the 24 hours ending Thursday morning.

Punalur in Kerala recorded the heaviest overnight rainfall of 19 cm, followed by Kurudamannil (Pathanamthitta); and Thrissur and Enamackel - 16 cm each.

Other major stations receiving heavy rain in the State were Chengannur and Irinjalakuda: 9 cm each; Mavelikkara: 8 cm; Ambalavayal, Piravom and Thodupuzha: 7 cm each.

EASTERLY FLOWS

Heavy rainfall has been forecast over isolated places in the State until Saturday morning, an India Meteorological Department outlook said.

In Tamil Nadu, Tiruppur, Madurai, Coimbatore, Erode and Viridunagar districts witnessed heavy rain.

Isolated places in the State are forecast to receive heavy rain until Saturday morning.

Winds continue to be easterly over the Bay of Bengal and south peninsula, but curl in home as north-westerlies over Arabian Sea to complete the elongated trough pattern within which falls the rain zone.

‘LOW’ LIKELY

The north-westerly winds over the Arabian Sea have to straighten out and convert as easterlies for full-fledged North-East Monsoon to be declared in the region.

Till such time, the rain being recorded will go into the account of the extended South-West monsoon, according to IMD statistics.

Meanwhile, model forecasts put out by various agencies suggest the formation of a low-pressure area over South-West Bay of Bengal over the next couple of days.

A preparatory cyclonic circulation is already lurking in the region.

Some models indicate that the low-pressure area could intensify before hitting the south Tamil Nadu coast.

A majority of the models surveyed said the weather system will cross the Peninsular South and enter the Arabian Sea where it might re-intensify off the Karnataka coast.

Dump heavy rain

Along the track, the system will dump heavy rain over South Tamil Nadu and Kerala, and even coastal Karnataka, according to these models.

The odd forecast takes the low-pressure area north along the Tamil Nadu coast, passing over Chennai and South Coastal Andhra Pradesh, raining all the way.

Business Standard

Mustard crop to be mapped through satellites

Currently, a satellite-based crop estimation technique is used extensively for sugarcane by ISMA

For the first time, cereal crops will be mapped in India through the satellite-based Geographic Information System (GIS). A pilot will be on the mustard crop from the coming Rabi season.

According to officials, the GIS will also be used to provide information on spatial distribution of the mustard crop, production and estimates, weather forecasting, market price fluctuations in major mustard producing states such as Rajasthan, Uttar Pradesh, Punjab, Gujarat, Madhya Pradesh and Haryana.

At present, a satellite-based crop estimation technique is used extensively for sugarcane by the Indian Sugar Mills Association. Officials said the Mustard Research and Promotion Consortium (MRPC) has been roped in as the nodal agency to manage and collate all the data generated from satellite sources as well as those from field studies.

“This technology will be based on maps,topo-sheets to identify the control points and other important agriculture related information of the respective districts,” MRPC officials said. The department of biotechnology under the ministry of science and environment will provide the scientific support for the same.

Officials said if the pilot to map crop conditions, production and acreage is successful in mustard, it will expanded to other crops as well.

India annually produces 6-8 million tonnes of mustard seed and ranks third in the world in production, having a market share of 11 per cent.

“The decision support system for various applications in major oil seeds is still a big challenge in India and GIS would enable the Indian mustard industry, crop advisory agencies and various government departments to address this challenge,” Pragya Gupta, senior scientist and assistant director at MRPC said.

Mustard Seed Production In Million Tonnes

Year	Mustard Seed Production
2009-10	6.6
2010-11	8.17
2011-12	6.6
2012-13	7.82
2013-14*	---

**mustard is a rabi crop and sowing for it begins around January*

Source: Department of Agriculture

Seed shortage might spoil bumper crop party this rabi

Agriculture ministry urges states to form alliance with seed producers to meet future requirements

Despite extended rainfalls, shortage of quality seeds could spoil the winter (rabi) crop party this year.

Agriculture Minister Sharad Pawar, while inaugurating a rabi conference recently, forecast a record wheat output this year. He estimated a higher output of other rabi crops on adequate soil moisture due to rainfalls.

But, J S Sandhu, agriculture commissioner, department of agriculture & cooperation (agriculture ministry), estimated a severe shortage of quality seed this rabi season.

Sandhu estimated quality seed of wheat may remain in short supply.

Preliminary estimates by Sandhu indicate a minor shortfall in the supply of seeds in the coming sowing of winter crops. Any expansion in sowing area, as widely estimated due to soil moisture, could increase further the requirement of seed. Since, there is no immediate plan to raise supply, the estimated deficit may remain wider.

Quality seed is the most critical of all agricultural inputs and determines the performance and efficiency of other inputs for enhancing productivity and production and thereby the income of farmers. It is essential that adequate seeds with good genetic potential are produced in sufficient quantity at an affordable price and made available to farmers for achieving higher production.

Most important, the supply of quality seeds is not a one-time affair. The seed is to be produced in every growing season every year. To produce certified seeds from breeder seeds, at least three years are required. It has been assessed that to achieve food production targets, there is a need for replacing the existing Seed Replacement Ratio (SRR) by increasing it at the rate of 33 per cent for self-pollinated crops, 50 per cent for cross-pollinated and 100 per cent for hybrids.

More, India often gets affected by natural calamities of different magnitude and type. When the normal seasonal (kharif /rabi) agricultural programme gets stalled, a contingency plan is resorted to.

Often, the contingency plan also gets stalled for non- availability of seeds. Vulnerable states have to take action in advance to produce the required variety of seeds through their seed-producing agencies rather than depending on outside state agencies. The seeds are then kept in a bank.

Many states have prepared a long-term seed plan (2013-14 to 2016-17) based on their agro-climatic conditions, crop varieties, targeted SRR (seed required for normal conditions and seed required for contingency situations).

SEED AVAILABILITY (In quintals)

Crop	Requirement	Availability	Gap
Wheat	11,252,834	10,835,184	-417,650
Lentil	145,876	142,479	-3,397
Groundnut	875,000	846,151	-28,849
Linseed	6,378	3,209	-3,169
Peas	179,630	163,920	-15,710
Potato	2,290,630	1,894,630	-396,000

Source: Department of Agriculture and Cooperation, Ministry of Agriculture

Sandhu advised states to put in place their breeder seed indent plan for production of foundation seeds and then certified seeds through their seed-producing agencies like State Directorates of Agriculture, State Seeds Corporation, State Seed Farms, State Agriculture University Farms, State Oilseed Grower Federations, state co-operatives such as National Seed Corporation, Krishak Bharati Cooperative, Indian Farmers Fertiliser Cooperative and private companies.

The agriculture ministry urged states to execute memoranda of understanding with seed producers for supply of the required quantity of certified quality seeds for different crops to ensure their timely availability.

Paddy crop estimates may be revised downward

Cyclone Phailin, hailstorm in Punjab, Haryana expected to dent rice production

The euphoria regarding the record breaking rice crop in kharif 2013-14 may be over as the deluge in parts of Odisha as a consequence of Cyclone Phailin and hailstorm in Punjab and Haryana is expected to dent rice production.

According to the fourth revised estimates (2013-14) of Ministry of Agriculture, Government of India, a rice crop of 92.3 million tonne was expected. This seems to be a distant dream now due to substantial crop damage in the cyclone and flood effected districts of Odisha.

Odisha contributed about 8.5 million tonne of rice in 2012-13. Out of the 3.6 million hectare acrage under kharif this year, 0.5 million hectare has been effected in Odisha.

The production this year may fall upto 1 million tonne in the state, said Trilochan Mohapatra, the Director of Rice Research Institute, Cuttak.

He added that the earlier projections of 107 million tonne (both kharif and rabi combined) of rice may not be achieved as the inclement weather has effected the crop in Odisha due to cyclone, and Western Uttar Pradesh, Punjab and Haryana due to hailstorm and rainfall.

There might be some damage to the paddy crop in Punjab and Haryana, said Satnam Arora, Joint Managing Director of Satnam Overseas Limited (Kohinoor Brand Rice) and loss may be about 2% to 4%.

Ashwani Arora, Director of L T Overseas Limited, said that the crop has been delayed due to delayed rain but the produce may be effected upto 4%. Punjab produced 16 million tonne and Haryana about 8 million tonne of rice in kharif 2012-13.

Year	fourth advanced estiamtes (kharif)	final estimates
2011-12	91.53	92.78
2012-13	92.76	-
2013-14	92.34	-

The Rice Research Institute has sent its teams to the effected areas in different states and the exact assessment of crop position will be available in a week or so, he informed.

The weather vagaries would definitely undermine the kharif rice output. In India the proportion of kharif is in the total rice production of the country is pegged at 88%. So the damage to kharif rice may have significant effect on the total production, said Mohapatra.

Source: Ministry of Agriculture, GOI

According to farmers, flood has damaged the crops more than the cyclone. The paddy in the pre-mature and mature stage has been admaged but those in the early vegetative stage may be saved. The water to the level of one meter in may fields in Odisha has damaged the crops.

While the farmers were expecting an excellent crop this year, the cyclone has put them into shambles. They may get some compensation from the government and can remove the damaged crop to grow early sowing rabi crop. But it is too early to decide the course of action, told a farmer.

Sugar down 0.1% on adequate supply

Sweetener for delivery in December traded lower by 0.03%

Sugar prices softened by 0.10% to Rs 2,890 per quintal in futures trade today owing to adequate supplies from producing regions.

However, festive demand in the spot market restricted the sweetner losses.

At the National Commodity and Derivatives Exchange, sugar for delivery in November month softened by Rs 3, or 0.10%, to Rs 2,890 per quintal with an open interest of 29,500 lots.

Similarly, the sweetener for delivery in December traded marginally lower by Re 1, or 0.03%, to Rs 2,883 per quintal in 9,940 lots.

Market analysts attributed the weakness in sugar futures to adequate supplies from producing regions.

hindustantimes

Chennai - INDIA

Today's Weather

Partly Cloudy	Friday, Oct 18
	Max Min
	31° | 25°
Rain: 0	Sunrise: 05:59
Humidity: 79	Sunset: 05:48
Wind: normal	Barometer: 1010

Tomorrow's Forecast

Cloudy	Saturday, Oct 19
	Max Min
	34° | 26°

Extended Forecast for a week

Sunday	Monday	Tuesday	Wednesday	Thursday
Oct 20	Oct 21	Oct 22	Oct 23	Oct 24
34° | 26°	28° | 27°	28° | 27°	28° | 27°	27° | 26°
Cloudy	Overcast	Overcast	Overcast	Overcast

Airport Weather

Rain: 0	Sunrise: 05:59
Humidity: 79	Sunset: 05:48
Wind: normal	Barometer: 1010

Chennai Chennai

THE ECONOMIC TIMES

KUALA LUMPUR: Palm oil advanced for the first time in three days after data showed that shipments increased from Malaysia, the world's second-largest producer. The contract for delivery in December advanced as much as 0.7 per cent to 2,379 ringgit ($750) a tonne on the Bursa MalaysiaDerivatives, and was at 2,376 ringgit by the midday break. Palm for physical delivery in November was at 2,380 ringgit on Wednesday, data compiled by Bloombergshow.

Exports from Malaysia gained 6.6 per cent to 7,81,043 tonne in the first 15 days of October from the same period a month earlier, surveyor Intertek said on Wednesday. Demand from India, the biggest importer, may have increased because of the Diwali festival on November 3, according to Mumbai-based Commtrendz Risk Management Services.

"We're seeing possible festival demand from India," said Gnanasekar Thiagarajan, a director at Commtrendz. "Palm is the preferred choice of oil, especially in the festival season." Soybeans for delivery in November were little changed at $12.6825 a bushel on the Chicago Board of Trade, while soybean oil for December climbed 0.6 per cent to 40.90 cents a pound.

High debt, low sugar prices lead to delay in crushing by sugar mills

Staring at an estimated everhigh surplus stock of 10 million tonne of sugar in the coming season (October 2013-September 2014), Indian Sugar Mills Association (ISMA) said that high cane cost and low sugar prices have made the working of the industry unviable.

NEW DELHI: Bogged down by huge debt and mounting cane arrears, sugar mills all over the country have delayed crushing until the government makes cane price linkage clear.

Staring at an estimated everhigh surplus stock of 10 million tonne of sugar in the coming season (October 2013-September 2014), Indian Sugar Mills Association (ISMA) said that high cane cost and low sugar prices have made the working of the industry unviable.

"Banks are refusing to extend the working capital to the mills, especially in Uttar Pradesh, for the coming season, until the cane prices are rationalised. In such a case, sugar mills would be unable to start their crushing operations," said M Srinivasan, President, ISMA. In UP alone, sugar mills face a loss of Rs 3,000 crore. Co-operative mills based in Maharashtra and Karnataka also said that they would not start cane crushing unless the first cane price submission is made post-Diwali.

Centre to build storage for steady flow of foodgrains under Food Security Act

The Centre will provide Rs 450 crore while the land for construction will be given by the states that are willing to come up with these facilities.

NEW DELHI: The government has proposed to set up intermediate grain storage facilities at block level in each state, a move aimed at ensuring steady flow of foodgrain under the National Food Security Act.

According to the proposal, the Centre will provide Rs 450 crore while the land for construction will be given by the states that are willing to come up with these facilities.

The proposed storages will be constructed under the Mahatma Gandhi National Rural Employment Guarantee Act. "NREGA will be used to set up intermediate storage facilities," rural development minister Jairam Rameshsaid. "It will be entirely centrally sponsored, with the Centre pumping in Rs 450 crore to create 15 lakh tonne of storage capacity in the first year." The government has identified 6,612 blocks across the country, with average storage capacity of 44,000 tonne.

According to Ramesh, though this will require an amendment in Schedule 1 of MGNREGA,the move will lead to increase in storage capacity and improve the implementation of the National Food Security Act. "The creation of these intermediate storage facilities will largely benefit states which are facing shortage of storage facilities like Uttar Pradesh, Bihar, Maharashtra, Madhya Pradesh, Chhattisgarh, Jharkhand and Odisha," he added.

The Food Security Act, which was notified last month, gives legal entitlement to 67% of the population (including 75% rural and 50% urban) for subsidised grains under the Targeted Public Distribution System.

Under the Act, the government will provide 5 kg of rice, wheat and coarse cereals per month per person at Rs 3, Rs 2 and Rs 1 per kg, respectively. However, there were apprehensions that this will lead to increased leakages at different levels. "Success in the implementation of the Food Security Bill depends on availability of minimum 62 million tonne of foodgrain, which means there should be a sustainable production of foodgrain in the country.

Second part is the storage, where procurement by central agency is done. In 2010, our central storage capacity was 604.2 lakh tonne, which has gone up to 767.9 lakh tonne now along with additional 203.75 lakh tonne capacity coming up in the country," food minister KV Thomas said.

He said since 2009, the government has been in constant touch with state governments asking them to have intermediate storage facility with at least two-three month of storage capacity.

Sugar mills seek government aid to export sugar: official

NEW DELHI/MUMBAI: Sugar mills are asking the government to provide incentives to make their white sugar exports more competitive and help them trim stocks of the refined variety that have depressed local prices, a senior industry official said.

Higher exports from the world's second-biggest sugar producer may add to the downward pressure on global prices from bumper production in producer countries such as Brazil and Thailand.

India sets minimum prices that must be paid to cane farmers and these are now so high that mills stand to lose money, whether they sell in the local market or export.

"We request the government to assist the sugar industry in exporting 3 to 5 million tonnes in the next 8 to 10 months," said Abinash Verma, director general of the Indian Sugar Mills Association (ISMA).

In the past the federal and state governments have helped mills by paying transport costs between the mills and port, but it was unclear that government aid would be forthcoming this time.

On the one hand, the government will be keen to ensure the mills can pay farmers higher prices in order to keep these voters happy in the countdown to a general election that must be held by May 2014. On the other hand, it needs to rein in spending and contain its fiscal deficit.

Mills have said they would focus more on raw sugar exports as there is increasing demand for these, especially from refineries that turn raws into whites.

But despite their push for exports of raws in the 2013/14 season that began in October, most mills are saddled with huge stocks of whites. Mills incur extra costs when maintaining large stocks and domestic prices tend to remain soft becuse of large inventories.

The country has plenty of scope to export as it started the new marketing year on Oct. 1 with carry-forward stocks of 8.8 million tonnes of whites and is forecast to produce 25 million tonnes this year, higher than local consumption of 23 million tonnes.

UNATTRACTIVE PRICES

But Indian prices are not attractive to global buyers.

"Consistently, Indian sugar was 5 to 10 per cent more expensive than supplies from other sources. Freight subsidy can make Indian exports viable," said a Mumbai-based dealer.

Despite mounting inventory, India managed to export only about 300,000 tonnes of whites in the 2012/13 year that ended on Sept. 30, compared with 3.3 million tonnes in the previous year.

"The continuously increasing sugar cane price across the country ... has led to high costs of production for sugar. It has made Indian sugar totally uncompetitive in the international market," the ISMA said in a statement.

Sugar prices in the local market are nearly 10 percent lower than the cost of production, forcing mills to book losses on their accounts and delay cane payments to farmers.

The mills owe farmers 40 billion rupees ($647 million) and now some banks are refusing to fund them.

"Banks have also refused in writing to extend working capital to sugar mills in the 2013/14 season if the sugar cane price is not rationalised," said M Srinivasan, ISMA president.

As the world's biggest sugar consumer is set to churn out a surplus for the fourth straight year, industry has demanded an increase in the import duty to 40 percent from 15 per cent.

"The Indian sugar industry is struggling to export the surplus to an unviable global market. There is absolutely no reason whatsoever to allow even 1 kilo of sugar to be imported," ISMA said. ($1 = 61.8625 Indian rupees)