# THE MORE HINDU

# Support price for wheat up by Rs. 50 a quintal

The minimum support price for wheat has been hiked by Rs. 50 a quintal in the 2013-14 rabi marketing season. It will now be Rs.1,400 a quintal.

At a meeting on Thursday, the Cabinet Committee on Economic Affairs (CCEA) approved the recommendation of the Commission for Agricultural Costs and Prices (CACP) to raise the MSP. The Agriculture Ministry had suggested a hike of Rs.100 over the previous year.

"We are concerned about inflation and have to maintain a balance. This is price support to farmers, not income support," Minister of State for Agriculture K.V. Thomas told journalists. The Ministry made the suggestion taking into account the views of the State governments. Farmers of Punjab and Haryana had sought an MSP of Rs.2,600 to cover up the high costs of inputs and inflation. Wheat sowing begins in October.

Highly placed sources told *The Hindu* that the hike would raise the food subsidy bill by about Rs.1600 crore under the National Food Security Act. The subsidy for implementing the law in a full financial year was estimated at Rs.1.25 lakh crore

The government also announced a hike in the MSP of gram to Rs.3,100 from Rs.3,000 a quintal as recommended by the CACP.

The support price for masur dal was raised to Rs. 2,950 from Rs.2,900. The price for barley has been hiked to Rs.1100 from Rs. 980 and for mustard seed it has been enhanced by Rs.50 per quintal to Rs. 3,050.

#### Flower growers demand release of Vaigai water

Flower growers in Nilakottai are up in arms over the stoppage of water from the Vaigai dam. PWD officials closed the sluice gates that supply water to recharge the irrigation tanks and ground water in 13 villages falling within the Nilakottai block.

Representatives of the Flower Growers Association in Nilakottai raised the issue at the agriculturists' grievance day meeting chaired by Collector N. Venkatachalam on Friday.

A floriculturist from Ethiloadu, R. Chandrasekaran, pointed out that PWD officials turned down the plea by farmers for the release of Vaigai water.

The officials advised farmers to wait for the rains, he said.

Pointing out that floriculture was the only means of livelihood for scores of small and tiny farmers in Nilakottai, he said that hundreds of acres had already withered for lack of water. The collector took cognizance of the complaint that water was draining into the Vaigai River between Mattaparai and Ramarajapuram, and directed the PWD officials to address the issue at the next grievance day meeting.

The Collector informed farmers that the National Horticulture Mission Scheme offered subsidies from 50 to 75 per cent for building farm infrastructure such as collection and storage units.

Farmer clusters, SHGs, producers associations and cooperative societies were eligible for the subsidy, he added.

The Collector directed the officials to raid outlets that failed to display fertiliser price lists.

Pointing out that rainfall was poor, Mr.Venkatachalam urged farmers to create farm ponds to recharge the ground water.

#### Water Level- Madurai

#### WATER LEVEL

The water level in Periyar dam stood at 119 feet on Friday with an inflow of 1,430 cusecs and a discharge of 800 cusecs. The level in Vaigai dam was 50.07 feet with an inflow of 1,085 cusecs and a discharge of 1,060 cusecs. The combined storage in Periyar credit was 4,154 mcft.

#### Rainfall

The rainfall recorded in the region during the 24 hours ending 8.30 a.m. on Friday was (in mm): Madurai – 6.4, Sathaiyaru dam – 9.7, Andipatti – 27, Kallandhiri – 7.2, Metupatti – 17.4, Vaigai dam – 1.2, Uthamapalayam – 2, Periyar dam – 10.4, Thekkady – 5.2, Gudalur – 2, Shanmuganadhi- 8, Melur – 2.6, Peranai – 6, Pulipatti – 17 and Viraganoor 6 mm rainfall, the PWD officials said on Friday.

#### Poultry meat turns into valuable bio-diesel source

Dr. John Abraham, a research scholar in the Veterinary College and Research Institute (VC&RI), here has developed processes that can extract bio-diesel from poultry carcases in a cost-effective manner.

The project for his Ph.D. won four gold medals.

According to statistics available with the Tamil Nadu Veterinary and Animal Sciences University, the daily average mortality rate of egg laying chicken is 0.03 per cent.

"On an average about 4,000 birds die everyday. About 90 per cent of them are disposed of under unhygienic conditions (thrown in the open)," Dr. Abraham noted.

#### Unscientific methods

Unscientific methods of disposal of carcasses leads to pollution of ground and surface water, obnoxious odour and health hazards through indiscriminate breeding of micro organisms and house flies.

There are many incidents of conflicts between the poultry farmers and residents over open disposal of dead birds.

Calculating the annual mortality rate at 12 lakh birds in this district, he realised the opportunity in the form of extracting fat of dead birds and producing bio-diesel from two different methods.

While each bird weighs about 1.5 kg, fat constitutes 14.5 per cent of the bird's weight.

"Of the two methods, solvent extraction method makes it possible to extract 97 per cent of the bird's fat and needs six birds for extracting a litre of diesel. Sixty-three per cent fat extraction is possible through centrifugal method and requires 16 birds for producing the same quantity of diesel," he noted.

"The cost of producing a litre of diesel using centrifugal method is Rs. 35.68 per litre, against the solvent extraction method where it is only Rs. 22 per litre. Every year, two lakh litres of bio-diesel could be produced with layer birds that die in poultry farms in Namakkal through solvent extraction. Establishing a solvent extraction plant costs Rs. 2.5 crore, which is more than establishing a centrifugal plant," he said.

Dr. Abraham added that the bio-diesel could be used as a low-cost blend with diesel at 20 per cent with 80 per cent of diesel, which has been successfully tested and put to use.

The quality assessment of bio-diesel from poultry carcass was done at the Center of Excellence in Bio-Fuel at the Tamil Nadu Agricultural University. TANUVAS has applied for a patent for the processes. Head of the Department of Livestock Production and

Management, VC&RI, Ramesh Saravanakumar, who was the guide for the project, said that waste such as fat collected from chicken stalls could also be used for producing bio-diesel.

#### Conversion rate

"These wastes have a better conversion rate as fat is directly available and could be of use for large-scale chicken meat processing units by making disposal of wastes easier," he added.

#### Farmers plead for proper water management plan

Farmers who spoke at the Agriculturists Grievances Day meeting held here on Friday urged the district administration to ensure adequate irrigation facilities for all the regions in the district by evolving and implementing comprehensive plans. Steps for effective utilisation of surplus waters being let out into the Bay of Bengal should be taken up immediately, they said.

Durai Manickam, a farmer from the coastal area of Avudaiyarkovil, said that a huge quantity of flood waters was being let into the sea.

The coastal farmers raised paddy as a single crop every year and the surplus waters should be stored and utilised properly through barrages.

Appavu Balandar, another farmer, said the surplus water from the Coleroon should be diverted to Pudukottai district for irrigating the rain-fed blocks. Muthuraj, a farmer from Keeramangalam, pleaded for setting up additional transformers to ensure power supply for agricultural pumpsets.

Rama Theerthan, a farmer, said the Forest Department should resort to crop rotation technique on the eucalyptus fields. He said that a sustained cultivation of the tree was likely to deplete the water table at a faster phase.

G.S. Dhanapathy, District Chairman of Farmers' Forum of India, said adequate relief should be sanctioned under crop insurance scheme to paddy growers and sugarcane cultivators.

C. Manoharan, District Collector, who presided over the meeting, said that steps had been taken to sanction crop loans through all banks.

#### Ramanathapuram to get crop insurance

The Agriculture Insurance Company of India Limited (AIC), implementing the National Agriculture Insurance Scheme (NAIS), is all set to release Rs 144 crore as crop insurance to 92,000 farmers in the district, according to the district administration.

Addressing the farmers' grievance redressal meeting here on Friday, Collector K. Nanthakumar said the district administration was taking all steps to ensure that the amount was disbursed to the farmers by next month.

He said the crop insurance was paid with contributions from the state and Central governments, besides the premium paid by the farmers.

The farmers' premium and state government's share were ready and once the Centre's share was credited, the amount would be released to the district, he said.

He has spoken to the concerned officials in Delhi on Thursday in this regard, the Collector told the farmers, who urged the district administration to disburse the amount at the earliest.

On converting the Sakkarakottai Kanmai into a reservoir, the Collector said estimation has been prepared to deepen the water body by one ft at a cost of Rs 50 crore but the problem arose in dumping the displaced earth.

The project could be given a push if general public came forward to take the earth. They were free to take any amount of earth by paying Rs 20 per one sq m, he said.

As the farmers expressed concern over the failure of south west monsoon and wanted the district administration to secure water from Vaigai dam, Mr K.Soundararajan PA to collector (Agriculture) said water from Vaigai dam could be drawn only if the capacity reached 2,000 mcft in the dam.

However, to alleviate the problems of the farmers, the government has sanctioned construction of four bed dams at a total cost of Rs 78.66 crore to store the excess water flown from Vaigai he said.

These dams would come up at Thelichathanallur, Kamuthakudi, Valasai and Gunappanendhal.



# Merits of mechanisation on agriculture show

INNOVATIVE IDEA: A new mechanical paddy seedling machine on demonstration at Agricultural Engineering College and Research Institute of the Tamil Nadu

Mechanisation in paddy cultivation, right from seeding to harvest, would not only help overcome the problem of shortage of labour but also double rice production.

This was the message that was sought to be conveyed to a sizeable gathering of farmers of the delta region during a farmers mela-cum-demonstration on mechanisation in rice cultivation organised at the Tamil Nadu Agricultural University's Agricultural Engineering College and Research Institute at Kumulur, near here on Friday.

Although many farmers were using machines such as transplanters and harvesters, the institute sought to expose farmers to the mechanisation of entire paddy cultivation.

On the field demonstrations of "laser land levelling", drum seeding, mechanical transplanters of different types, cono-weeding, two-row and three-row power weeders, direct dry seeding of rice using TNAU multi-crop seeder and turbo seeder and cultivation of paddy under drip and sprinkler irrigation were organised as part of the event.

Farmers got to see first hand on how rainwater harvesting can be used effectively as supplement irrigation for dry land crops from a farm pond and irrigation park established at the institute.

Earlier, inaugurating the mela, M. Senthil, Chief Engineer, Agricultural Engineering Department, said the government had taken steps to introduce full mechanisation in paddy cultivation so as to double rice production.

The government planned to join hands with producers' associations to establish centres to rent out machines to farmers.

The Agricultural Engineering Department was organising demonstrations of agricultural machines and implements, training farmers in handling and maintaining the machines.

R. Rabindran, Registrar, Tamil Nadu Agricultural University, while underlining the need for increasing productivity, said that rice production would come under additional pressure from intense competition for land, water, and labour.

An important step to reduce the pressure on rice farming was through mechanisation from seeding to harvest.

TNAU was focussing on development and promotion of power tiller and tractor operated seed drills for dry seeding and drum seeder for wet seeding with lower seed-rate.

K. Ramasamy, Dean (in-charge) of the agricultural engineering college, said that mechanisation of rice cultivation could help attract youths to take to agriculture as it reduced the drudgery.

#### Mettur level

The water level in Mettur dam stood at 80.9 feet on Friday against its full level of 120 feet. The inflow was 6,733 cusecs and the discharge 13,000 cusecs.

#### Foot-and-mouth disease rampant, say farmers

#### 'Over 100 goats died of the disease in Narasingapuram'

Farmers participating in a monthly grievances day meeting at the Collectorate here on Friday complained of foot-and-mouth disease epidemic among cattle and goats in villages.

L.C. Mani of Tamil Nadu Farmers' Association, Ranipet, said that the disease was rampant among cattle in Muppadhuvetti and nearby villages in Arcot panchayat union.

A farmer of Narasingapuram said that about 100 to 150 goats died of the disease recently. Another farmer of Melpadi complained of the disease being rampant among animals in that village too.

P. Sankar, Collector, said that five lakh doses of drugs to tackle the disease have been stocked in the district. He asked the Joint Director of Animal Husbandry to ensure prompt treatment wherever cases were reported.

Mr. Mani said that the road leading from Lalapet to a sheep-breeding farm in Mukundarayapuram was in a bad condition. As a result, autorickshaws demanded exorbitant fare for reaching the farm from Lalapet. Many persons who had to visit the farm for training were affected. He therefore wanted town buses to be operated between Lalapet and Ammoor via Kalmelkuppam, Vilvanathapuram and the sheep-breeding farm in Mukundarayapuram. The town bus from Arcot to Kalmelkuppam should be extended to Lalapet, he said.

Rathinavel Pandian, a farmer of Sanrorkuppam, wanted a veterinary dispensary to be set up in Sanrorkuppam as the dispensary which existed in the village for 35 years was recently shifted to Kannikapuram.

An official of the Department of Animal Husbandry said that a minimum animal population of 3,000 units is required for starting a veterinary sub-centre, and 5,000 units for starting a dispensary. A sub centre cannot be started if there was a veterinary dispensary within a 5-km radius, he said.

The farmer requested the department to at least send a mobile veterinary dispensary to Sanrorkuppam to treat sick animals. Mr. Sankar directed the Animal Husbandry official to send the mobile dispensary to the village.

Another farmer said that he wanted to set up a 'Pasumai kudil' with loan, but the bank demanded surety, which he could not afford to give. Perumal of Ussoor wanted cattle feeds to be supplied to farmers at 50% subsidy.

#### Drought-hit coconut farmers seek compensation

Farmers from various parts of the district, who have raised coconut trees especially in areas like Watrap, Srivilliputtur and Rajapalayam assembled here on Friday and urged the district administration to provide a compensation at the rate of Rs.50,000 for loss of crop in an acre.

N. A. Singaraj, district secretary of the Tamil Nadu Coconut Farmers Association, told *The Hindu* that coconut trees raised on 8,500 acres in Watrap union had withered due to lack of sufficient rain consecutively for the past five years.

Open wells and bore-wells bore the brunt of drought condition leading to a drop in groundwater level. In addition, power shutdown for long hours during the last two years had dealt a heavy blow to these farmers. Farmers with a large acreage had tried their level best to save at least some trees by purchasing water.

However, small and marginal farmers were the worst hit as they could not get a remunerative price for their produce as the State government does not fix a procurement price for coconuts as in the case of paddy.

"We highlighted our plight through a representation with photo evidence during the farmers' grievance day meeting held here on August 23," Mr. Singaraj said and added that there was no response to the demand for relief till the next meeting held on September 20. The issue snowballed into a big problem with farmers staging a walk-out from the meeting and demanding the ouster of District Collector T.N. Hariharan and forwarding the same to the Chief Minister, Jayalalithaa, and the Chief Secretary.

Mr. Singaraj pointed out that paddy farmers in the delta districts had been given a relief of Rs. 13,500 for an acre. So, they have every right to demand relief of Rs.50,000 per acre. He claimed that Agriculture Department officials held talks with them but their offer was meagre. He also announced that they would intensify their agitation in the days to come.

When contacted, District Revenue Officer S. Munusamy, told *The Hindu* that a spot assessment had been made and it was found that 43,000 coconut trees, raised on 5,000 acres by 12,000 farmers, were affected. A report has been sent to the higher-ups and it was up to the government to decide the quantum of relief and the time of distribution, he added.

Joint Director of Agriculture Subbiah said that an assessment had been done and 17,850 acres out of 18,000 acres were found to be affected. A report was sent to the government and a decision has been taken to disbursed a compensation of only Rs 4,000 per acre.

#### Farmers stage protest

The activities at Agricultural Produce Marketing Committee (APMC) yard came to a standstill here on Thursday following protests by farmers from the Karnataka Rajya

Raita Sangha (KRRS) and Harisu Sene. The farmers alleged that maize was being sold for a far lesser amount than that fixed by the State government.

Traders, voluntarily, closed down shops to express solidarity. The protesting farmers urged the State government to open maize procurement centres and to sell the produce for Rs. 2,000 per quintal.

The State government has fixed Rs.1,300 as minimum support price (MSP) for maize but merchants buy for as less as Rs.1,100. Farmers demanded the government fix Rs. 2,000 as the minimum support price for maize.

#### Fodder grows out of nowhere



The Deepthigiri Milk Cooperative Society at Edavaka in Wayanad, which is in the forefront of a campaign to maximise milk production in the State, has embarked on a project to produce quality fodder.

Increasing cost of production owing to high price of cattle feed is a major issue faced by the dairy farmers in the State. The society's new initiative aims at supplying quality fodder at reasonable prices. It is promoting an Australian technology to culture fodder using hydroponic method. The machinery, which costs Rs.12.5 lakh, occupies less space and can be easily installed, even in the courtyard of a house. It can produce 550 kg of fodder a day. It requires 24 hours of electricity to operate the machine. The seeds

are sown in 27 trays; the machine regulates atmospheric temperature and humidity for the seeds to germinate and grow, and at controlled intervals water is sprayed on the trays. The machine has a computer system to maintain light and heat to cultivate the plants to a height of 22 cm within six days, when they are peeled off from the trays to feed the cattle.

#### No soil, no manure

The greatest advantage of the technology is that it does not require soil or fertilizers to produce fodder. This easily digestible fodder, produced from maize and barley, contains more minerals and vitamins than the solid cattle feeds in the market.

Studies at the Kerala Veterinary and Animal Sciences University show that milk production appreciably increased when the cattle was fed hydroponically cultured fodder. The studies conducted on 15 cows by a team led by M. Prakashan and P.P. Bindumon, Assistant Directors, Dairy Development Department, found that there has been an increase in milk production by one to three litres (10 to 15 per cent).

In terms of quality, there has been an increase of 0.3 per cent in fat and 0.5 per cent in SNF (Solid Not Fat). This results in getting better price for the farmers.

The society has the sole distribution rights for the fodder machine in Kerala. They have already sold a machine in Chalakudy.

#### Seedlings of cool season vegetables a hot favourite



#### Vegetable seedlings being raised at Kerala Agricultural University.

Going by the increasing demand, seedlings of cool season vegetables seem to be a hot favourite.

People have booked two lakh seedlings of cool season vegetables such as cabbage and cauliflower at the Kerala Agricultural University's agricultural research station (ARS) at Mannuthy.

KAU Vice-Chancellor P. Rajendran will on October 22 inaugurate the sale of seedlings.

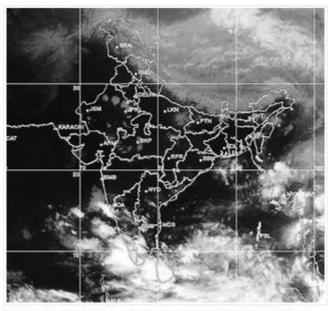
#### Growing demand

"The KAU is finding it difficult to cater to the growing demand," said C. Narayanankutty, professor-in-charge of vegetable production. "The demand shows that many people have taken to high-tech farming. The seedlings, raised in trays in soilless media in an insect-free environment, is generally free of soil-borne diseases and insect pests that are carriers of viral diseases. A combination of coco peat, vermiculite and perlite is used as media for raising the seedling. The seedlings are fertigated using water soluble fertilizers at designated intervals. The seedlings will be ready for transplanting within 25 days after sowing," he added.

U. Jaikumaran, head, ARS said the station had a high-tech nursery capable of producing 1.20 lakh seedlings every month. "The seedlings are raised in a naturally ventilated poly house with pro-trays using soilless media and automated irrigation facilities," he said.

He said the cultivation of cool season vegetables in Kerala got a fillip in the past few years thanks to KAU's efforts. The KAU has identified tropical genotypes suitable for cultivation in the plains of the State. The KAU also produces four to five lakh seedlings of tomato, brinjal, chillies, amaranthus, cowpea and bhindi every year. Other research stations and Krishi Vigyan Kendras of the University were producing large quantities of seeds and planting materials for farmers, said Mr. Rajendran.

# Weather



INSAT PICTURE AT 14.00 hrs. Observations recorded at 8.30 a.m. on October 18th.

	Max	Min	R	TR
New Delhi (Plm)	35	22	0	52
New Delhi (Sfd)	35	22	0	73
Chandigarh	33	19	0	29
Hissar	35	20	0	4
Bhuntar	31	10	0	5
Shimla	23	13	0	66
Jammu	31	17	0	122
Srinagar	20	7	0	15
Amritsar	32	18	0	77
Patiala	33	20	0	9
Jaipur	36	24	0	2
Udaipur	34	20	0	55
Allahabad	31	23	0	299
Lucknow	30	20	0	42
Varanasi	30	22	0	136

29	17	0	31
34	25	0	167
35	23	0	63
30	21	1	31
32	24	0	314
33	19	0	26
33	25	3	25
33	22	0	192
33	23	16	6 124
32	26	0	318
31	27	0	66
33	20	0	167
31	24	2	163
31	22	2	22
34	25	0	40
32	20	0	48
24	16	0	63
	34 35 30 32 33 33 33 33 33 32 31 33 31 31 31 34 32	34 25   35 23   30 21   32 24   33 19   33 25   33 25   33 25   33 22   33 22   33 23   33 23   33 23   33 23   33 20   31 24   31 22   34 25   32 20	34 25 0   35 23 0   30 21 1   32 24 0   33 19 0   33 25 3   33 25 3   33 22 0   33 23 16   33 23 16   33 23 16   33 20 0   31 27 0   33 20 0   31 24 2   31 24 2   34 25 0   32 20 0

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

#### MAINLY DRY WEATHER

The withdrawal line of southwest monsoon continues to pass through latitude 28 degree north/longitude 81 degree east, Kheri, Kanpur and Lalitpur. Conditions are indicative for further withdrawal of southwest monsoon from remaining parts of east-Uttar Pradesh around 19th October.

**Rainfall:** Rain/thundershowers have occurred at isolated places over Jammu and Kashmir and east Uttar Pradesh. Weather was dry over rest of the region. The chief amounts of rainfall in cm. are: EAST UTTAR PRADESH: Ballia 3.

**MAXIMUM TEMPERTURE:** The maximum temperature rose in east and Uttarakhand fell in Jammu and Kashmir and changed little elsewhere. They were above normal in Himachal Pradesh, below normal in east Uttar Pradesh and normal in rest of the region. The highest maximum temperature in the region was 38.5°C recorded at Jaisalmer (Rajasthan).

**MINIMUM TEMPERTURE:** The minimum temperature changed little over the region. They were appreciably above normal in Haryana, Punjab, Rajasthan, Uttar Pradesh and Uttarakhand, above normal in Himachal Pradesh and normal in rest of the region. The lowest minimum temperature in the plains was 17.4°C recorded at Nazibabad (Uttar Pradesh).

FORECAST FOR REGION VALID UNTIL THE MORNING OF 20th OCTOBER 2013: Rain/thundershowers may occur at one or two places over Jammu and Kashmir. Weather would be mainly dry over east Uttar Pradesh and Uttarakhand and dry weather rest of the region.

# Business Line



# Pepper production likely to decline next season

Pepper production next season (beginning in November) is likely to be lower as last year's drought and continuous rainfall during July-September have affected the vines.

"We are yet to begin the process to estimate the crop. But this year, the crop has been affected by drought as well as continuous rain," said a Spices Board official.

This season, pepper production has been estimated at 55,000 tonnes against 48,000 tonnes last season.

"Pepper production is expected to be between 37,000 and 42,000 tonnes (next season), significantly lower than the 2012-13 crop size," said Hanish Kumar Sinha, Head - Trade and Commodity Intelligence Group of National Collateral Management Services Ltd.

The crop prospects are weak next season since production is expected to drop sharply both in Kerala and Karnataka, which account for 75 per cent of the crop in the country.

This season, Karnataka is projected to have produced 16,000 tonnes of pepper and Kerala 16,500 tonnes. Tamil Nadu's output has been pegged at 10,000 tonnes.

"Our expectation is that it will be below 40,000 tonnes," said Hemanand Kishore, an exporter in Kochi.

The prolonged dry period since September-October last year until June when the monsoon began to lash the growing areas is seen as the main reason for the poor crop.

"Between July and September, growing regions in Kerala, particularly Wayanad, and Karnataka received continuous rainfall. Even now, rain is lashing those areas and it is not good for the crop," said an official of the United Planters' Association of Southern India (Upasi).

Some of the growing areas received nearly double the rainfall during July and September.

"Most of the plantations have been affected by weather conditions since last October. This could create shortage," said the Spices Board official. Besides weather-related problems, the crop has also been affected by root wilt and quick wilt diseases.

"The quick wilt disease has hit the crop badly in Wayanad areas," said the Upasi official.

Diseases in pepper vines are acute in Kerala, affecting production. Though pepper is grown in over 1.71 lakh hectares in the State, production is less than 20,000 tonnes.

On the other hand, Karnataka is producing a similar quantity on just 20,000 hectares of land.

"No one seems to be taking care of the vine in Kerala whereas planters in Karnataka do care," said Kishore.

Globally, too, pepper production has been estimated lower at 3.17 lakh tonnes for the current calendar year against 3.27 lakh tonnes last year by the International Pepper Community.

"Indonesia and Vietnam have produced more this year," said Sinha.

It could be difficult to meet rising domestic and export demand due to the poor crop prospect. This has resulted in prices surging over 25 per cent since May 23 when they slipped to the year's low of Rs 35,061 a quintal.

On Friday, pepper was quoted at a record high of Rs 44,600 in Kochi.

On the National Multi Commodity Exchange, pepper for delivery in November closed at Rs 44,500 and on the Indian Pepper and Spice Trade Association exchange, the November contract ended at Rs 44,700.

"Expectation of a lower crop and increased export demand is expected to keep prices bullish with increased volatility," said Sinha. The Spices Board official said supplies could be met by the produce held back by some growers.

"Farmers are holding pepper expecting prices to rise. It could prove to be handy now," he said.

"The crop will rebound next year because of the rains," said the Spices Board official.

Higher prices are also seen encouraging growers to go in for better crop management practices.

#### Cotton withers on limited buying

Cotton prices ruled unchanged as buying was limited in the market. Arrivals of the new crop have begun and they may put further pressure on prices next week. On the other hand, prices of raw cotton or *kapas* dropped on the back of lower demand.

Gujarat Sankar-6 cotton was traded at Rs 44,500-45,000 a candy of 356 kg, while inferior quality cotton ruled at Rs 42,000-43,000. *Kapas* decreased by Rs 5-7 to Rs 850-1,050 a *maund* of 20 kg while rain-damaged kapas quoted at Rs 850-950.

Arrival of cotton increased to 20,000-22,000 bales of 170 kg compared with last week's 12,000-13,000 bales. Daily cotton arrival across the country reached to 40,000-45,000 bales. A broker said: "Mills' buying is limited as cotton yarn demand has declined. Moreover, kapas trading is also weak as ginning activity is yet to start."

#### Coconut oil slips on slack demand

Coconut oil prices declined on lack of demand with competing products such as palm kernel and palm oil ruling lower. R.M. Palanisamy, a coconut oil trader, said, "The price of the coconut oil decreased by Rs 90 for 15 kg loose pack for want of demand Oil crushers are having huge stock with them and the prevailing current prices of Rs 1,310 for 15-kg loose pack will continue for some more weeks."

He also said that the palm kernel and palm oil prices are selling between Rs 60 and Rs 70 a kg and many biscuit firms prefer it. They are buying limited quantity of coconut oil. Oil crushers, though holding huge stocks, are still buying copra by paying a higher price. Meanwhile, copra prices decreased by Rs 80 a quintal in the Avalpoondurai Regulated Market Committee. But arrivals copra increased and crushers from all over Tamil Nadu and Kerala procured all the arrivals.

At the Avalpoondurai, the first grade copra was sold at Rs 6,400-6,655, second grade Rs 4,455-6,240. All the 2,312 bags (1,156 quintals) were sold. In Perundurai and Modakurichi RMC also copra was sold at Rs 6,600 a quintal.

#### Central Bank, Nspot pact to provide loan to farmers

NCDEX Spot Exchange (Nspot), an online spot exchange, has tied up with Central Bank of India to provide credit to farmers, processors and market participants in Andhra Pradesh and Karnataka.

Under this agreement, customers who wish to avail credit have to deposit their goods at Nspot-accredited warehouses and banks would provide loans against these goods.

When goods are sold, the proceeds will directly be credited to the bank account.

After retaining their share of liability the remaining amount is released to the farmers.

Nspot provides various services related to market information to the banks and helps them in risk management.

Two new collateral managers Navjyoti Commodities and Origo Commodities had joined hands with Nspot-Central Bank initiative for financial inclusion.

This initiative will benefit the existing customers of Ncdex Spot Exchange and depositors of Nspot-accredited warehouses as they can avail loan against their produce from the bank.

Rajesh Sinha, Executive Vice-President, Ncdex Spot, said the facility would increase the holding power for farmers and freedom to decide the appropriate time to sell their product and get better price.

Crop	Yield (t/ha)	Farmers' yield	% increase in yield
Rabi	)		
Mustard	2.16	1.81	8-11
Wheat	3.71	3.11	20
Chickpea	150	1.12	34
Rice-Boro	5.20	4.58	13
Pre-kharif/Kharif	)		0886.1
Rice	4.63	3.43	28-35
Soyabean(76)	3.71	3.01	6-40
Pearl millet	146	170	16
Maize	3.05	2.51	22-41

# 'Climate change affecting major food crops'

Climate change is hitting close to home earlier than expected.

Agricultural production has seen a significant dip due to the effects of climate change, such as increased temperature, floods and drought.

Climate change has resulted in 70 per cent of the country's land becoming droughtprone, 12 per cent flood-prone, while eight per cent is affected by cyclones.

In a country struggling with rising population and the need to feed more mouths every year, farm production is taking a big hit, according to Sanjoy Bandyopadhyay, Principal Scientist, Indian Agricultural Research Institute, who was addressing a meet on Impact of Climate Change on Agriculture, organised by The Energy Research Institute, here on Friday.

He said production of wheat had dropped by six per cent, while rice and mustard production have slipped by four per cent each.

#### world bank study

A World Bank study had warned in June this year that by 2050, a temperature increase of 2-2.5 degree Celsius is likely (compared with the pre-industrialisation period), which would reduce water availability for food production. It also said that 63 million people in the country may not be able to meet their daily calorific requirement.

Since almost 60 per cent of crop area is rain-fed, change in precipitation would impact food production.

As an example, drought during 1987 affected more than 50 per cent of the crop area, while in 2002, foodgrain production declined by 29 million tonnes compared with the previous year.

Bandyopadhyay said while the number of days of rainfall has declined by more than 15 days, the intensity of the rains has increased significantly.

Further, agricultural production also has to contest increasing frequency and intensity of cyclonic storms.

He said to battle against climate change-induced reduction in farm produce, the adaptation strategies need to be changed.

He said steps such as adoption of stress (heat)-tolerant and water-logging-tolerant varieties of crops, crop diversification, and community seed banks and farmer to farmer seed exchanges need to be encouraged.

#### Spot rubber slips on slack buying

The rubber market lost further ground on Friday on lack of buyers. Slack buying cast its shadow and prices slipped further amidst scattered transactions.

There was no selling pressure in the local market as the inflow of the raw material hit the bottom line.

Traders were cautious as the North-East Monsoon is expected to strengthen with heavy to very heavy rains in the days ahead, according to the Meteorological Department. Sheet rubber weakened to Rs 161 (Rs 163) a kg, according to traders.

The grade moved down to Rs 162.25 (Rs 163) at Kottayam and Kochi, as reported by the Rubber Board.

November contracts declined to Rs 161.75 (Rs 163.17), December to Rs 163.90 (Rs 165.41) and January to Rs 166.44 (Rs 167.65).

While the February contracts improved to Rs 173.99 (Rs 171.67) on the National Multi Commodity Exchange.

RSS 3 (spot) dropped to Rs 158.84 (Rs 160.41) at Bangkok.

The October futures were quoted at ¥251.5 (Rs 157.67) on the Tokyo Commodity Exchange.

**Spot rubber rates/kg were:** RSS-4: 161 (163); RSS-5: 152 (155); Ungraded: 148 (152); ISNR 20: 154 (156) and Latex 60%: 122 (124).

#### Phailin successor may head towards TN

India Meteorological Department (IMD) has mounted a watch for a low-pressure area in the south-east Bay of Bengal.

Given that a 'low' is the basic building block of building storm its behaviour will be closely watched for signs of intensification.

#### PHAILIN SUCCESSOR

Very severe cyclone Phailin had taken shape as a low-pressure area in South China Sea off Thailand, crossed into south-east Bay of Bengal before intensifying many times over. The diagonal track from south-east Bay until it made landfall over Odisha coast gave it the time and extended stay over warm ocean waters to intensify.

But these are in limited supply to the 'low' expectedly developing now, since it will mostly travel along a straight line towards the south Tamil Nadu coast.

It could still intensify a couple of rounds to become a minimal storm (depression) when it reaches the south Tamil Nadu coast by Wednesday (October 23), according to early forecasts.

#### **OPTIONS OPEN**

From here, options are open for the storm as it charts its future track of movement. Early consensus from majority of models suggests a west-northwestward track into Kerala-Karnataka coasts.

While at it, the storm may weaken due to interaction with land but once it slips into the Arabian Sea, it might re-intensify and curl up along the coast north to Konkan-Goa.

This track provides for a scenario in which heavy to very heavy rains would lash the south Tamil Nadu coast, interior South Peninsula, Kerala and coastal Karnataka.

#### ALTERNATE SCENARIO

The alternate scenario is for the likely depression to stop on its west-northwestward track with landfall over south Tamil Nadu, and instead move north-north-east along the coast to north Tamil Nadu.

What lends some credence to this is the presence of a patch of 'very warm pool of water' along the north Tamil Nadu coast and contiguous south Andhra Pradesh coast.

A storm is known to sniff out the warmest waters within its reach and steer itself from the trodden path towards them. But on Friday, models surveyed were not very confident about this scenario materialising.



#### Outlook turns bearish for masoor on ample supplies

Masoor, which had been ruling flat for the past sometime , declined by Rs 75 on weak buying support from millers. Masoor (bold) quoted lower at Rs 4,125 a quintal (down Rs 50-75) on Friday. Similarly, masoor (medium) declined to Rs 3,600-3,800 (Rs 3,900-4,100).

According to Babulal Khandelwal, a trader, given ample supplies of both domestic and imported masoor in local mandis, a bearish trend is likely in masoor in the coming days. Further, the expected arrival of 15,000 tonnes of imported masoor from Canada at the Mumbai port in the next few days is also expected to aid the bearish trend in masoor, he told *Business Line.* 

Decline in masoor has also dragged its dal with masoor dal (average) being quoted at Rs 4,850-5,000, while masoor dal (medium) at Rs 5,050-5,100.

With arrival remaining on the lower side, both moong and urad ruled stable with moong (best) in local mandis being quoted at Rs 5,200-5,400, while moong (Maharashtra) was being quoted at Rs 5,500-5,700, moong (medium) at Rs 4,500-4,800. Moong dal (medium) was being quoted at Rs 6,200-6,400, moong dal (bold) ruled at Rs 6,500-6,600, while moong mongar ruled at Rs 6,800-7,200.

Similarly, urad and its dal ruled firm with urad (bold) being quoted at Rs 4,150, while urad (medium) ruled at Rs 3,600-3,800. Given extensive damage to the crop on account of heavy rains this year, future of both moong and urad appears bullish.

#### Turmeric stable despite pick-up in sales



Turmeric arrivals and sales in Erode increased on Friday, though prices ruled stable."Some 2,489 bags arrived and about 1,900 bags were purchased. Some exporters have received orders from North India and they purchased quality turmeric. The price ruled almost stable," said R.K.V. Ravishankar, President, Erode Turmeric Merchants Association.

He said that the price of the yellow spice is still cheaper in Andhra Pradesh than Erode. Some exporters, to fulfil the North Indian orders, are buying the commodity there. In addition, some traders in Erode, too, are buying turmeric from Nizamabad and Warangal to stock them. At the Erode Turmeric Merchants Association Sales yard, the finger variety fetched Rs 3,709-5,977; the root variety Rs 3,616-4,913.

**Salem Hybrid Crop:** The finger variety was sold at Rs 4,769-6,491 and the root variety Rs 4,507-5,391. Of the 609 bags that arrived, 219 were sold.

At the Regulated Market Committee, the finger variety fetched Rs 5,106-6,104; the root variety Rs 4,419-5,074. Of the 581 bags put up for sale, 492 found takers.

At the Erode Cooperative Marketing Society, the finger variety quoted Rs 4,675-6,007 and the root variety Rs 4,243-5,050. All the 284 bags on offer were traded.

At the Gobichettipalayam Agricultural Cooperative Marketing Society, the finger variety fetched Rs 4,871-5,572; the root variety Rs 3,999-4,911. All the 48 bags that arrived were sold.



# Raw sugar export deals may drive up prices

Sugar prices ruled mixed for the second day on the Vashi wholesale market on Friday. Traders were of the opinion that from next week bulk consumers and retailers' demand for Diwali festival will rise and that may push up prices.

Spot price on the Vashi market for S-grade dropped by Rs 15a quintal on the higher side and declined by Rs 14 for M-grade lower side. *Naka* mill tender rates were unchanged on need-based activities.

An observer said that reports that India is getting orders to export raw sugar, improving the industry's sentiments. Speculation is also rife that traders here have signed contracts to export 1.75 lakh tonnes of raw sugar. India could eye Indonesia to sell raw sugar since the latter has allowed import of 39 lakh tonnes, he said.

Arrivals in Vashi market were 59-60 truckloads (of 100 bags each) while local dispatches were also 58-60 loads.

On Thursday, 16-18 mills offered tender and sold about 33,000-34,000 bags at Rs 2,700-2,820 (Rs 2,700-2,820) for S-grade and Rs 2,880-2,980 (Rs 2,880-2,980) for M-grade.

The Bombay Sugar Merchants Association's spot rates were: S-grade Rs 2,902-3,075 (Rs 2,902-3,090) and M-grade Rs 3,051-3,256 (Rs 3,066-3,256). *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.

#### Weak futures, higher arrivals crush edible oils

Prices of edible oils declined in the spot market on Friday as the futures market turned weak.

Groundnut oil dropped sharply by Rs 30 for 10 kg tracking extended loss in Saurashtra market where it declined further by Rs 35. Palmolein dipped by Rs 2.

Soyabean, sunflower and rapeseed oil were steady. Cotton refined oil inched up by Rs 5. An analyst said a sharp drop in domestic soya oil futures and slack demand kept overall activities limited.

During the day, hardly 250-300 tonnes of palmolein were traded in resale at Rs 569-570. There was no direct trade with local refineries.

Strengthening of the rupee and weak foreign market along with higher new arrivals in producing centres led to fears of a glut in the market.

However, demand for Diwali may continue over the next few days but from November 10 onwards, a downtrend is likely.

Towards the day's close, Liberty quoted palmolein at Rs 572, super palmolein at Rs 612 and super deluxe at Rs 632, soyabean refined oil at Rs 705 and sunflower refined oil at Rs 815.

Ruchi quoted palmolein at Rs 568 ex-JNPT and Rs 570 for Nov 1-15, soyabean refined oil at Rs 695 and sunflower refined oil at Rs 775 for Nov 5-15. Allana quoted palmolein at Rs 571-573, super palmolein at Rs 609 and sunflower refined oil at Rs 820.

In Rajkot, groundnut oil declined to Rs 1,300 (Rs 1,350) for *telia* tin and loose (10 kg) at Rs 825 (Rs 860).

**Malaysia BMD crude palm oil**'s November futures settled at MYR 2,392 (MYR 2,390), December at MYR 2,399 (MYR 2,392) and January at MYR 2401 (MYR 2398).

The Bombay Commodity Exchange spot rates (Rs/10 kg) were: groundnut oil 870 (900), soya refined oil 695 (695), sunflower exp. ref. 735 (735), sunflower ref. 785 (790), rapeseed ref. oil 740 (735), rapeseed expeller ref. 710 (705) cottonseed ref. oil 710 (705) and palmolein 568 (570).

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

Spot pepper scales another peak



Spot pepper prices continued its upswing and touched Rs 426 for the ungarbled and Rs 446 for the garbled pepper on Friday.

The futures market, however, witnessed a mixed trend on limited activities amid tight availability. The October contract slipped, while the nearby ended higher on the National Multi Commodity Exchange. On the IPSTA, all contracts increased. In the international market also all the origins are reportedly firmer today.

On the spot, seven tonnes of farm grade pepper arrived and five tonnes were traded at Rs 426-430 a kg.

There is acute shortage of the material and industrial end users, who were under the hope that around 6,800 tonnes of pepper allegedly held as tainted pepper in the warehouses would become available before the commencement of the next season, seems to have lost their hope and started covering. Besides, the traders who had sold their stocks were also "active in the market covering, adding fuel to the fire, market sources told *Business Line*.

Indian parity in the international market is claimed to be competitive. But, the problem is that there is no material. At the same time, the new crop arrival is around the corner and already green pepper for the "pepper in brine" industry has started arriving from the southern districts of Kerala, they said.

On the NMCE, November contracts decreased by Rs 121 to Rs 44,560, while December increased by Rs 584 to Rs 44,700 a quintal. On the NMCE, 21 tonnes of pepper were traded. On the IPSTA, Nov and December contracts moved up by Rs 3 and Rs 174 respectively to Rs 44,700 and Rs 44,500. On the IPSTA, 30 tonnes of pepper were traded.

Spot prices rose further by Rs 100 a quintal on strong demand at Rs 42,600 (ungarbled) and Rs 44,600 (garbled) a quintal. Indian parity in the international market was at around \$7,700 (c&f) Europe and \$8,000 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, acute shortage is a major constraint, they said.



# Rice seen tumbling on higher stocks

The bearish trend in rice continued with prices of the aromatic and non-basmati varieties dropping further by Rs 25-150 a quintal on Friday.

Praveen Kumar, a rice miller, told *Business Line*that domestic demand hasn't picked up but the availability of stocks has improved.

Arrivals are likely to pick up further in the coming days. He said that market sentiments are low and any recovery from here is unlikely.

Traders expect rice prices to continue tumbling in the coming days.

In the physical market, Pusa-1121 (steam) dropped further by Rs 150 to Rs 7,350-7,400 , while Pusa-1121 (sela) eased by Rs 100 to Rs 7,000. Pusa-1509 (sela) decreased by Rs 50 to Rs 5,950-6,000. Pure Basmati (Raw) remained unchanged and quoted at Rs 11,000. Prices of Duplicate basmati (steam) decreased by Rs 100 and sold at Rs 6,000.

For the brokens of Pusa-1121, Dubar quoted at Rs 3,700, Tibar sold at Rs 4,400 while Mongra was at Rs 3,100 a quintal. In the non-basmati section, Sharbati (Steam) went

down by Rs 70 and sold at Rs 4,430 while Sharbati (Sela) quoted at Rs 4,200, Rs 50 down.

PR varieties were down by Rs 25-50. Permal (raw) sold at Rs 2,250-75 while Permal (sela) went for Rs 2,300. PR-11 (sela) sold at Rs 2,700 while PR-11 (Raw) quoted at Rs 2,700-25. PR14 (steam) sold at Rs 2,700.

#### Paddy arrivals

About 70,000 bags of PR paddy arrived and quoted at Rs 1,350-1,425, around 15,000 bags of Pusa-1121 arrived and sold at Rs 3,250-3,300, 5,000 bags of Sugandha at Rs 2,425, while 15,000 bags of Sharbati arrived and sold at Rs 2,300. Around 5,000 bags of Duplicate Basmati arrived and went for Rs 3,150-3,275 a quintal.

# **Business Standard**

#### Sugar up 0.1% on spot demand

#### Sweetener for delivery in November edged up by 0.07%

<u>Sugar</u> prices rose by 0.17% to Rs 2,890 per quintal in futures trade today as speculators enlarged positions, supported by a rise in demand in the spot market due to festive season.

At the <u>National Commodity and Derivatives Exchange</u>, sugar for delivery in December rose by Rs 5, or 0.17%, to Rs 2,890 per quintal with an open interest of 10,080 lots.

Likewise, the sweetener for delivery in November edged up by Rs 2, or 0.07% to Rs 2,893 per quintal in 28,830 lots.

Market analysts said speculators enlarged their positions, supported by a rise in festive season demand mainly supported sugar prices at futures trade.

#### Refined soya down 0.3% on subdued demand

Analysts said speculators reduced their positions on sluggish demand in the spot market against adequate stocks position

<u>Refined soya oil</u> prices declined by 0.37% to Rs 706.75 per 10 kg in futures trading today as speculators reduced their holdings due to sluggish demand in the spot market against adequate stocks position.

At the <u>National Commodity and Derivatives Exchange</u>, refined soya for delivery in November fell by Rs 2.60, or 0.37%, to Rs 706.75 per 10 kg with an open interest of 1,04,350 lots.

Similarly, oil for delivery in December traded lower by Rs 2.55, or 0.37%, to Rs 695.75 per 10 kg in 85,980 lots.

Analysts said speculators reduced their positions on sluggish demand in the spot market against adequate stocks position, which mainly kept pressure on refined soya oil prices at futures trade.

# Potato up 0.1% on good spot demand

Analysts said speculators enlarged their positions, supported by good demand in the spot market, influenced potato prices



<u>Potato</u> remained up for the second straight day and prices added 0.11% to Rs 880 per quintal in futures trade today as speculators enlarged positions supported by good demand in the spot market.

At the <u>Multi Commodity Exchange</u>, potato for delivery in March added Re 1, or 0.11%, to Rs 880 per quintal in business turnover of 5 lots.

Analysts said speculators enlarged their positions, supported by good demand in the spot market, mainly kept potato prices higher for the second day at futures trade.

# Chana down 0.1% on higher supply

Commodity for delivery in October weakened by 0.07%



<u>Chana</u> prices fell by 0.19% to Rs 3,137 per quintal in futures trade today following higher supplies from producing regions against subdued demand in the spot market.

At the National Commodity and Derivative Exchange, chana for delivery in November declined by Rs 6, or 0.19%, to Rs 3,137 per quintal with an open interest of 10,9300 lots.

Similarly, the commodity for delivery in October weakened by Rs 2, or 0.07%, to Rs 3,045 per quintal in 5,630 lots. Analysts said higher supplies from producing regions against sluggish demand in the spot market mainly influenced chana prices at futures trade.

# Crude palm oil down 0.1% on profit-booking

Profit-booking by speculators, sluggish demand in the spot market kept pressure on crude palm oil prices

Crude palm oil prices declined by 0.15% to Rs 526 per 10 kg in futures market today on profit-booking by speculators, driven by sluggish demand in the spot market against adequate stocks position.

At the Multi Commodity Exchange, crude palm oil for delivery in October declined by 0.80 paise, or 0.15%, to Rs 526 per 10 kg in business turnover of 13 lots.

Similarly, the oil for delivery in November shed 60 paise, or 0.11%, to Rs 525.60 per 10 kg in 15 lots.

Traders said besides profit-booking by speculators, sluggish demand in the spot market against adequate stocks position mainly kept pressure on crude palm oil prices at futures trade.

#### Cardamom up 0.2% on rising demand

Tight supplies in the physical market on restricted arrivals from producing regions fuelled the uptrend



<u>Cardamom</u> prices gained 0.23% to Rs 743 per kg in futures trading today as speculators enlarged their positions on the back of rising demand in the spot market against tight supplies.

Tight supplies in the physical market on restricted arrivals from producing regions further fuelled the uptrend.

At the <u>Multi Commodity Exchange</u>, cardamom for delivery in November gained Rs 1.70, or 0.23%, to Rs 743 per kg in business turnover of 70 lots.

Similarly, the spice for delivery in December traded higher by Rs 1.50, or 0.20%, to Rs 769 per kg in 4 lots.

Market analysts said speculators enlarged their positions on the back of rising demand in the spot market against tight supplies following restricted arrivals from producing belts, mainly influenced cardamom prices at futures trade.

# THE ECONOMIC TIMES

A bumper apple crop saw prices crash to the despair of the fruit growers



Initially the apple sold at Rs 100/ kg but in August with more fruit flooding the market prices dropped to Rs 50/ kg across various major agri-marts in India.

A bumper crop in the <u>apple</u> capital of India—Himachal Pradesh—is usually reason for rejoicing, but this year, it led to a huge crash in prices between 50% and 80% in mandis,

though this did not have a major impact in the retail space. Luckily, as the season nears its end, prices are looking up.

The weather played the first spoilsport. Premium Red Delicious apples of Himachal started hitting the market in mid July, earlier than usual, as the monsoons came in early which led to the early maturing of the fruit, forcing growers to rush the fruit to the markets.

Initially the apple sold at Rs 100/ kg but in August with more fruit flooding the market prices dropped to Rs 50/ kg across various major agri-marts in India. So even as consumers bought apples at Rs 50-100 a kg in July across the country, farmers in Himachal Pradeshsold the fruit for as little as Rs 15 a kg.

"It was a five year low price," said an upset Ravinder Chauhan, a progressive farmer and president of the Himachal Pradesh-based <u>Apple Growers Association of India</u>. According to him, farmers initially got stable prices but as the harvesting progressed the returns dropped to 40-50% less than previous years.

There was worse to come. In August the prices fell further. The excessive humid conditions from incessant monsoons rains led to creation of fungi (marsonnina and alternaria) in the trees that created premature leaf fall across apple orchards in Himachal.

This forced fruit growers to go for premature harvesting and sent more fruit into the market.

Considering the best quality entered the market, now a box of apples was being sold for

Rs 30-40/kg where it is usually sold at about Rs 180 to Rs 200, while the lower grade apples were being sold at throwaway prices of just Rs 10-20/kg. The unusual harvesting led to a price crash with apples selling at a much lower price than onions or even brinjals across India.

This year, the state government had targeted a production of over 35 million apple boxes of 20 kg each, which is approximately 765,000 tonnes. In the previous year, over 20.4 million boxes were harvested which was 200% lower than the average annual production of 25 million boxes.

"In the month of September, it was a bad time for farmers due to the glut in the market. But as the festive season progresses and crop is less, farmers who are selling the apples are getting good price in October," Chauhan said.

Bulk buyers from Gujarat-based Adani Enterprises, which has a total capacity of 18,000 tonne and the Container Corporation of India (Concor), a subsidiary of Indian Railways however say there has been no distress sale by farmers.

"It has been a good apple buying year for Concor and we have procured 12,000 tonne compared to 7,000 tonne in the previous year as the quality and prices were very good," said P Alli Rani, director (Finance) Concor. She said they had been buying Shimla-royal and red delicious apples at a fixed price of Rs 53 a kg for the season, even as prices fell to as low as Rs 20 a kg.

#### Phailin destroys over 70% banana fruit in its hub area



Phailin destroys over 70% banana fruit in its hub area

HAJIPUR: Cyclone Phailin has ruined more than 70 per cent of <u>banana</u> fruit in Bihar's Vaishali district, hub of cultivation of the fruit located north of Ganga.

Initial reports suggest that more than 70 per cent of the banana crop has been destroyed due to Phailin, District <u>Agriculture Officer(DAO)</u> <u>Dinesh Prasad</u> told PTI today.

The DAO said that to assess the actual damage to the cash crop, order has been passed today for conducting field wise survey.

The survey team has been given a week's time for submission of report after which decision to pay compensation to farmers would be taken by the government, he said.

The team comprising of officials and agriculture experts have been told to take photograph of the fields raged due to Phailin in the district, he said.

Prasad said that the high speed wind that accompanied rains for 48 hours on Sunday and Monday triggered by Phailin proved deadly for the banana trees which got uprooted prematurely.

Next to Brazil, India is the second largest banana producing country in the world.

Within the country Karnataka, Kerala, <u>Tamil Nadu</u>, <u>Andhra Pradesh</u>, Odisha, Bihar and West Bengal are producer of the fruit.

The banana crop is grown in around 2,000 hectares in the state in districts like Vaishali, Katihar, Kishanganj and Purnia.

Hajipur "chiniya" variety of banana is very famous in the country and is also exported.

The widespread damage to the banana crop is expected to spike the price of the fruit during time of auspicious Chhath festival.

Prices of most veggies softening in Delhi: Government



Barring onions, prices of most vegetables have started softening in the national capital with supply of tomato and other green veggies gradually improving

NEW DELHI: Barring onions, prices of most vegetables have started softening in the national capital with supply of tomato and other green veggies gradually improving, Consumer Affairs Secretary Pankaj Agrawala said today.

However, a further drop in <u>vegetable prices</u>will be seen provided unseasonal rains stop in nearby growing areas, he said.

"How can I say when prices will come down. It will all depend on rains," he added.

"Vegetable prices have started dipping. Prices of tomato and most green vegetables have come down," Agrawala told reporters on the sidelines of an event here.

Prices of most vegetables rose owing to damage of standing crops following extended rains in the vicinity of Delhi and other nearby growing areas, he added.

Asked if veggies were being hoarded, Agrawal said, "Vegetables are perishable commodities and they cannot be hoarded. Unseasonal rains have damaged crops."

On onions, he said prices are still ruling high because the supply of late kharif (summer) crops from Gujarat has got delayed due to unseasonal rains. Rains have affected harvesting and transportation of onion.

According to an official data, <u>retail prices</u> of onion are still ruling high at Rs 63 per kg in the national capital, while tomato rates have declined to Rs 35 per kg over the last three months. Potatoes are available at Rs 25 per kg.

In the wholesale market of Delhi, onion prices are currently ruling at Rs 42.50 per kg, tomato at Rs 18.60 per kg and potato at Rs 18.75 per kg, the data showed.

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.

<b>Bittersweet Harvest</b>		
There is an estimated ever-high surplus stock of 10mt of sugar	In million tonne	
in the coming season OPENING STOCK	<sup>2012-13</sup> 6.1	2013-14 8.8
Sugar production	25.1	25
Imports for domestic production	0.7	_
Estimated availbility of sugar	31.9	33.8
Exports	0.3	-
Total consumption	23.1	23.5
CLOSING STOCK	8.8	10.3

"There is no clarity on cane price this season. Karnataka did declare a gazette on cane price linkage, but no ratio was mentioned in it. Maharashtra is still indecisive," said MG Joshi, managing director, National Federation of Co-operative Sugar Factories (NFCSF).

The state advised price (SAP) of cane in UP was revised recently to Rs 280 per quintal currently. Sugar price prevailing in north India is Rs 31 per kg and Rs 29.5 per kg in Maharashtra. Total amount of cane arrears currently is aroundRs 4,000 crore, out of which the share of UP is highest at Rs 2,400 crore.

In its recommendations, the Ranagarajan Committee has linked the cane price with the price of sugar and byproducts. But cane price still remains a state subject and is usually kept high to appease farmers. Sugar market was partially decontrolled in April this year,

when mills were allowed to sell whole of their produce, even the sugar needed for public distributions system, at market rate.

However, no decision was taken on the cane price. As per ISMA's estimates, sugar production in India is estimated to touch 25 million tonne in the coming sugar season. Last season also saw imports of 0.7 million tonne of refined sugar coming in India, while the export amount was just half at 0.3 million tonne.

While government increased the import duty to 15 per cent, millers are asking for a duty of at least 40 per cent of sugar imports. "We are also requesting the government to help the industry in export 3 to 5 million tonne of sugar in the next 8 to 10 months to bring in some parity," said Abinash Verma, director general, (ISMA).

This would be the fourth consecutive season when sugar production in India would be higher than the domestic demand, which is 23 million tonne annually.