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# THE HINDU

## Coimbatore named world headquarters for coconut in terms of productivity



*A stall at an exhibition organised by the Coconut Development Board in association with Tamil Nadu Agricultural University and Department of Agriculture at TNAU in Coimbatore on Monday to mark World Coconut Day. —Photo: M. Periasamy.*

Coimbatore topped the world countries in productivity, while Pollachi shared the same position of pride in exports in coconut. With exports from Pollachi crossing Rs. 1,000 crore, the town was aspiring to be declared 'Town of Export Excellence' in coconut sector, according to T.K. Jose, Chairman, Coconut Development Board, Kochi.

Sharing this information with coconut farmers from various parts of the country who had converged for the World Coconut Day 2013 celebrations at Tamil Nadu Agricultural University (TNAU), Coimbatore, on Monday, Mr. Jose said that Coimbatore could be termed as the world headquarters of coconut. This was a good role model for farmers. However, this did not get translated in terms of value addition that would benefit them.

The day was hosted by Coconut Development Board in association with TNAU and Department of Agriculture, on the theme "Farmer Producer Organisations and Value Addition in Coconut".

Elaborating the scope for value addition, Mr. Jose said tender coconut water, coconut milk, desiccated coconut and coconut snacks such as biscuits, were some of the products that that were planned to be promoted.

Lamenting that there were no academic courses offered by any institution in India on processing coconut, he pointed out that several small countries were running short-term to degree courses in the subject.

Sandeep Saxena, Agricultural Production Commissioner, Tamil Nadu, stressed the need for the State farmers to take up value addition in coconut. More than 85 per cent of production amounted to tender coconuts. Packaging and creating awareness about the health benefits of tender coconut water among the youth would help them in moving away from aerated drinks. Coimbatore and Pollachi were ideal places to set up value addition units.

Releasing a special issue of the Indian Coconut Journal, M.K. Shankaralinge Gowda, Principal Secretary, Horticulture, Karnataka, urged the coconut farmers to promote coconut oil as an edible one even in places outside Kerala.

“Neera is the future health drink and tender coconut water is the future drink. Neera is the unfermented form and should be permitted to be consumed in all southern states,” Mr. Gowda said.

He promised Government subsidy, to complement that of the Board, for farmers who wished to set up coconut producer companies in Karnataka.

S. Damodaran, Minister for Agriculture, Tamil Nadu, besides others spoke.

An exhibition showcasing an array of coconut products was inaugurated by A.A. Jinnah, Member of Parliament, and member of the Board, on Sunday.

As many as 30 manufacturers participated.

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## **Nabard sees potential growing for plantation sector**

### **As the domestic demand increases**

The National Bank for Agricultural and Rural Development (Nabard) sees potential growing for the plantation sector in the country as the domestic demand increases.

C.P. Appanna, General Manager (Development Policy Department) of Nabard, told The Hindu here on Monday that the Nabard funds the sector mostly through other banks and financial institutions.

Nearly seven per cent of its credit outlay is for the plantation sector.

And, the allocation is growing at 10 per cent to 13 per cent annually.

The domestic demand for tea is growing and uses for natural rubber are increasing.

The potential for coffee is also good, he pointed out.

At the annual meeting of the United Planters' Association of southern India, he said that the Nabard is taking several initiatives for promotion of horticulture and plantation crops.

Underscoring the importance of plantation crops in the economy of the country, he said that the Nabard has prepared a model bankable scheme on cultivation of plantation crops and circulated it to all the banks.

### **Credit flow**

sector

The aim is to accelerate credit flow sector.

Adverting to the commodity-specific studies carried out by Nabard to understand issues related to their supply chain management, he said it has brought out the status of plantation crops in various States and also come out with recommendations for their development.

With regard to organic farming, Mr. Appanna said that the Nabard had recognised the importance of organic farming and initiated various steps to promote it.

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- Nearly seven per cent of its credit outlay is for the plantation sector
  - Nabard has prepared a model bankable scheme on cultivation of plantation crops
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### **Govt. agrees to amendments on acquisition of irrigation land**

#### **Decision comes after a meeting between Jairam Ramesh and Arun Jaitley**

The UPA government has agreed to two more amendments that the BJP had asked for to make acquisition of irrigation land easier and cheaper under the 'Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Bill, 2012.'

The agreement came after a meeting between Union Rural Development Minister Jairam Ramesh and leader of the Opposition in the Rajya Sabha Arun Jaitley.

One amendment will do away with retrospective application of the law. Through the other, the State authority acquiring the land will be able to give either cash compensation or land in return for land acquired.

At present, under the Bill that was passed by the Lok Sabha, the authorities are required to give only land for land acquired. After the amendments are passed in the Rajya Sabha, they will go back to the lower house once again for approval.

### Incomplete acquisition

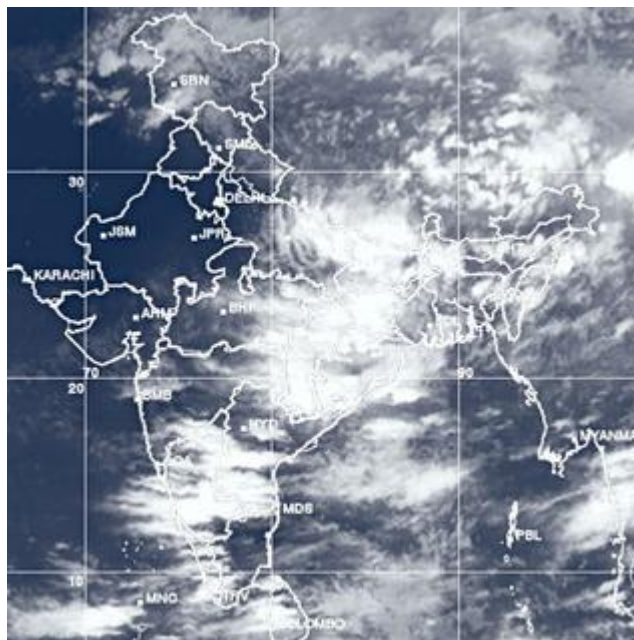
The government had earlier provided a clause to implement the law retrospectively for land parcels where acquisition procedures had begun under section 11 of the Land Acquisition Act, 1894, but had not been completed.

An incomplete acquisition implies cases where the award under section 11 of the existing law has not been made; or where the award has been made five years before the passing of the new law and the physical possession of the land has not been taken; or where the compensation has not been accepted. In all such cases, the land acquisition would be made afresh under the new law. But now, under the new agreement, the government will make an exception to remove irrigation projects from the purview of these clauses.

The amendments will be moved by the government.

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- *One amendment will do away with retrospective application of the law*
  - *The other will allow either cash compensation or land for land acquired*
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### Weather



INSAT PICTURE AT 11-30 hrs. Observations recorded at 8-30 a.m. on Sept. 2.

<b>ANDHRA PRADESH</b>				
Anantapur	36	25	0	193
Arogyavaram	32	21	0	252
Bapatla	35	26	3	519

Calingapatnam	34	27	0	317
Gannavaram	35	26	0	609
Hanamkonda	35	24	0	816
Hyderabad AP	33	23	0	525
Kakinada	36	28	0	395
Khammam	35	25	0	—
Kavali	35	25	0	302
Kurnool	35	25	0	351
Mahabubnagar	34	24	0	584
Machilipatnam	37	28	0	443
Narasapur	35	27	0	539
Nellore	35	27	0	433
Nizamabad	34	24	7	1017
Ongole	37	25	0	319
Ramagundam	34	25	0	969
Tirupathi AP	38	27	0	337
Tuni	38	28	0	317
Vizag AP	36	27	7	271
Vizag	33	25	59	337
<b>KARNATAKA</b>				
Agumbe	29	18	0	7265
Bengaluru AP	31	18	23	399
Bengaluru	31	19	80	514
Belgaum AP	31	20	0	561
Bellary	36	23	23	—
Bijapur	34	21	13	381
Chitradurga	32	21	0	248
Chickmagalur	27	20	26	494
Chintamani	31	20	0	235
Gadag	33	19	23	205
Gulbarga	35	23	21	396
Hassan	28	21	14	636
Honavar	31	24	0	3204
Karwar	33	25	0	2587
Madikeri	27	17	26	3606
Mangalore AP	31	24	0	3144
Mysore	31	22	0	183
Mandya	33	21	16	113
Panambur	31	25	tr	2858
Raichur	33	23	0	239
Shirali	31	25	0	3509
<b>KERALA</b>				
Alappuzha	30	24	1	2030
Kannur	31	25	0	3215
Kochi AP	31	24	tr	2287
Kottayam	33	23	3	2082

Kozhikode	32	24	3	2330
Punalur	35	23	3	1422
<b>Thiruvanantha</b>				
-puram AP	30	25	0	879
<b>Thiruvanantha</b>				
-puram City	32	25	0	874
Vellanikkara	34	23	tr	2315
<b>TAMIL NADU</b>				
Adiramapattinam	34	26	0	95
Chennai	33	27	0	376
Chennai AP	34	25	0	480
Coimbatore AP	35	23	1	49
Coonoor	21	14	28	200
Cuddalore	34	26	0	386
Dharmapuri	34	19	0	49
Kanyakumari	31	25	0	222
Karaikal	33	27	0	263
Kodaikanal	19	11	27	422
Madurai AP	35	25	0	204
Nagapattinam	34	26	0	247
Palayamkottai	35	25	2	78
Pamban	32	27	0	7
Parangipettai	33	26	0	295
Puducherry	34	22	0	512
Salem	34	21	14	360
Thanjavur	35	27	0	169
Tiruchi AP	37	25	0	86
Tirupattur	34	20	0	—
Tondi	32	26	0	151
Tuticorin	32	26	0	5
Ooty	22	12	1	367
Valparai	27	15	21	3492
Vellore	34	26	0	408
<b>LAKSHADWEEP</b>				
Amini Divi	33	26	tr	835
Minicoy	28	25	18	942
<b>OTHER STATIONS</b>				
Kolkata (Alipore)	35	25	7	1411
Mumbai	32	25	0	2064
New Delhi	36	27	0	782

*The columns show maximum and minimum temperature in Celsius, rainfall during last 24 hours (trace) and total rainfall in mm since June 01, 2013.*

## ISOLATED RAIN OVER COASTAL A.P.

**CHENNAI:** Rainfall occurred at many places over Interior Karnataka and at a few places over Kerala, Lakshadweep, and Interior Tamil Nadu. Isolated rainfall occurred over coastal Andhra Pradesh, Telangana, coastal Tamil Nadu and coastal Karnataka. Mainly dry weather prevailed over Rayalaseema. The chief amounts of rainfall recorded in centimetres are:

**Forecast (Valid until Wednesday Morning):** Rain or thundershowers would occur at many places over interior Tamil Nadu, interior Karnataka and Kerala and at a few places over Andhra Pradesh, coastal Tamil Nadu, Puducherry and Lakshadweep. Isolated rain or thundershowers may occur over coastal Karnataka.

### **Forecast (For Chennai City and Neighbourhood):**

For Next 24 Hours: The sky condition would be partly cloudy. Rain or thundershowers may occur in some areas during evening or night. Maximum and minimum temperature would be around 36 and 27 degree Celsius respectively.

For Next 48 hours: The sky conditions would be partly cloudy. Rain or thundershowers may occur in some areas during evening or night. Maximum and minimum temperature would be around 36 and 27 degree celsius respectively.

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## Egg rate

The National Egg Coordination Committee egg rate was Rs. 3.40 on Monday.

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## Mettur level

The water level in the Mettur dam stood at 111.6 feet on Monday against its full level of 120 feet. The inflow was 13,103 cusecs and the discharge 18,011 cusecs.

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## Water level

Water level in the Papanasam dam on Monday stood at 110.20 feet (maximum level is 143 feet). The dam had an inflow of 419.04 cusecs and 1,404.75 cusecs of water was discharged from the dam.

The water level in Manimuthar dam stood at 61.05 feet (118 feet). The dam had an inflow of 221 cusecs and 255 cusecs was discharged.



## Kanyakumari

The water level in Pechipparai dam stood at 24 feet, 60.80 feet in Perunchani, 10.17 feet in Chittar I, 10.25 feet in Chittar II and 30.50 feet in Mambazathuraiyaru dam.

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## Unpalatable development in Puducherry Sugar Mill

**With striking workers and deserting cane growers, the mill is struggling to stay afloat**



*The management of the sugar mill has approached the agriculture department for a grant to tide over the crisis.*

The Puducherry Cooperative Sugar Mill Limited, the first and only cooperative sugar mill in the Union Territory, is facing tough times with the workers serving strike notice against the management. And the cane growers, who are yet to be paid their cane price for many months, have started supplying cane to private mills.

To top them all, the management of the mill, with an accumulated loss of over Rs. 150 crore, is yet to pay August month's salary to its workers, said sources in the mill. This, besides, being improperly paid for several months.

Protesting against delayed salary, the workers had served strike notice, demanding the intervention of the Labour Department to solve their grievances.

On the supply side, the total pending dues of the mill to the cane growers stood at Rs. 11 crore, sources said. As they were not paid for many months now, the aggrieved growers, who were supposed to supply the cane to the registered mill, have started sending their produce to two private mills situated nearby, causing an erosion of growers' base for the cooperative sugar mill.



According to recent estimates, over 50 per cent of the registered growers had already switched loyalty to the private mills, who had lured them by offering advance money. Since they were sure of getting cane price within a few days of supply, more and more growers are turning towards the private mills, sources said.

If the problem was not solved within a week, the management would find it extremely difficult to get back the confidence of growers resulting in a situation wherein the mill would lose its assured supply of sugar cane, they add.

Moreover, the drastic reduction in government grants from Rs. 19 crore from last year to Rs. 7 crore this year has raised apprehension among the workers, who were dependent on the government for their salary.

Admitting that the sugar mill was facing difficulties, M. Rajasekar, Managing Director of the mill, told *The Hindu* that steps were being taken to get the government grant as soon as possible. The mill required at least Rs. 1.25 crore per month for meeting out the salary component of workers alone. It would take sincere steps to Rs. 11 crore due to the cane growers as well, he said. Agricultural Department has been approached to bail out the mill temporarily, he added.

#### MoU to facilitate sharing of expertise in banana research



*hand to hand: M.M. Mustaffa, right, Director, National Research Centre for Banana, and Rev. Fr. Andrew, principal, St. Joseph's College, exchanging MoU documents in Tiruchi on Monday. —PHOTO: R.M.*

*RAJARATHINAM*

Memoranda of understanding for research collaboration were signed by the department of botany of St. Joseph's College here with National Research Centre for Banana (NRCB) and Ansa Herbs and Foods on Tuesday.

The memoranda would enable the department to share the knowledge and expertise of the NRCB in banana research. The principal, Rev. Fr. F. Andrew, exchanged the documents with M. M. Mustafa, Director, NRCB, and Balamurali, Director, Ansa Herbs and Foods.

Later, Mr. Mustafa delivered the 44<sup>th</sup> Fr. Balam Memorial Endowment lecture on 'recent advances in banana research.' Rev. Fr. S. John Britto, Rector, presided over the function. R. Jeyachandran, head, department of botany, welcomed the gathering, and A. Egbert Selwin Rose, president, botany association, proposed the vote of thanks.

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### Farmers take to organic farming

Come September 2, it is the World Coconut Day. This year, the observance has something special for Tirupur district as a cluster comprising 25 coconut farmers in the tiny Chinnaputhur village near Dharapuram decided to turn fully into organic farming practices.

But why the switch over? "We have been getting more and more enquiries from the market for coconuts which are free from the application of chemical fertilizers and chemical pesticides during the cultivation stages and hence, took a decision to plunge into the organic cultivation on an appropriate day (i.e. World Coconut Day)," S. Vijayakumar, one of the farmers in the cluster, told *The Hindu*. Mr. Vijayakumar, along with his fellow coconut cultivators in the clusters, M. Subramanian, Senthil Kumar and others, undertook a study of the cost benefits from organic farming and ascertained its financial viability prior to the start of the initiative on Monday.

With the technical assistance and necessary inputs assured by a team of horticulture officials under Assistant Director S. Krishnakumar, the farmers in the cluster did not have to think much to go ahead with their decision to implement the organic farming practices in their farms spread over a total of around 60 acres.

The horticulture department has promised the farmers to extend bio-control agents to combat plant diseases and pest attacks. Mr. Krishnakumar pointed out that avoiding of chemical fertilizers holds another advantage that of helping the country reduce the current account deficit as large chunk of chemical fertilizers were now being imported.

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## Vegetable collection centres at Thanippadi, Mothakkal opened

Two more centres at Tiruvannamalai, Kilpennathur to come up by next month



*Collector A. Gnanasekaran launching vegetable sales at one of the two vegetable collection centres he opened at Thanippadi and Mothakkal in Tiruvannamalai district on Sunday.— Photo: DIPR*

Thanippadi and Mothakkal in Tiruvannamalai district will get vegetable collection centres under the Peri Metro Vegetable Cluster Development programme.

Both the collection centres have 300 farmers belonging to each 15 clusters connected to them. While Thanippadi centre has been inaugurated in the Regulated Market building for time being, the Mothakkal centre is to run from a make shift Pandhal until buildings are constructed.

Inaugurating the centres and launching the sales on Sunday, District Collector A. Gnanasekaran said the scheme has been designed to enable farmers earn profits through vegetable cultivation and sales.

“Clusters can avail bank loan [up to Rs. 8 lakh] to construct buildings for collection centres and 50 per cent of the loan amount will be repaid by the government as subsidy,” he said.

In Tiruvannamalai district, 85 groups have been formed under this project. Farmers could bring their vegetables to the centres and sell their produce through auction. Vegetables not sold in auction could be sent to Chennai for sales. A cluster would be allowed to purchase a van with one tonne capacity to pick up vegetables from the farm and transport them to the collection centre, he said.

Another cluster would be allowed to purchase an air-conditioned van with five tonne capacity that would be used for transporting vegetables from collection centres to Chennai. Bank loans

would be facilitated to purchase both the vehicles and 40 per cent of the cost of the vehicles would be repaid by the government as subsidy, Mr. Gnanasekaran said.

S. Jagannathan, Deputy Director (Horticulture), Tiruvannamalai, said that on day-one, the collection centres received vegetables like lady's finger, brinjal, bitter gourd, bottle gourd, snake gourd, drumstick and greens. About 3-4 tonnes were sold through auctioning to eight vendors from Tiruvannamalai and another 4.25 tonnes were sent to Chennai.

Administration is planning to start two more collection centres, one at Tiruvannamalai and another at Kilpennathur, which would be launched on October 31, he said.

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### Heavy rain in Coonoor

Water starved Coonoor and its surrounding areas received heavy rain on Sunday night.

The rainfall recorded was

28mm.

A tree fell on a truck near Marappalam on the Coonoor-Mettupalayam National Highway in the heavy rain.

The occupants of the lorry escaped with minor injuries.

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### Tail-end farmers still struggling to find a solution

#### Lack of water in the Hagari has added to their problem



*A worried lot: Farmers taking a look at the condition of paddy crop that is fast withering for want of water in Baggurin Bellary district.*

The never ending plight of tail-end farmers of Tungabhadra command area, served by the Bagewadi canal in Siruguppa taluk of Bellary district, seems to have aggravated this year.

Fed up with the chronic problem of not getting water from the canal, the farmers adopted an alternative method of irrigating their field by lifting water from Vedavathi river, popularly known

as Hagari, located about 5 to 10 km away. But to their chagrin, the river has gone dry while the paddy crop cultivated three weeks ago is in urgent need of water, as otherwise the crop would perish.

“Due to unauthorised withdrawal of water from the canal to cultivate paddy in non-ayacut area in the upper reaches, we are being deprived of our legitimate share of water. Even 60 days after the release, the water from Tungabhadra reservoir has not reached our fields,” M.R. Basavanagouda, president of the Water Users’ Committee in Karchiganur, told *The Hindu*. Farmers had been facing this problem for the past two decades. All the appeals made to politicians, officials and others to come to their rescue by finding a lasting solution to the chronic problem had proved futile.

“After losing all hopes of getting water through the canal, farmers invested lakhs of rupees on lifting water from the Hagari to irrigate their lands and harvest at least one crop. But to our bad luck, even the Hagari has gone dry and we are unable to think of a plan to save the standing paddy crop,” Mr. Basavanagouda bemoaned.

As days passed by, farmers took up plantation of paddy, using whatever little water they could draw from Hagari river, anticipating good follow-up monsoon. With no supplement, the water pumped earlier evaporated quickly and the withering of crop was evident on the parched black cotton soil.

“If we do not feed water within a week, our crop will die and so also the farmers, as they have already spent about Rs. 15,000 to Rs. 20,000 an acre,” Srinivas, a farmer in Baggur, said.

Apart from the tail-end, which is about 3,600 acres, many others have been dependent on the river to irrigate about 30,000 to 40,000 acres of land on either side of its banks.

Meanwhile, G. Venkata Krishna Rao, a farmer, has come out with a proposal that would provide some succour to farmers, at least temporarily, if implemented. “The authorities can link Tungabhadra river, passing near Mannur and Sugur villages, with Hagari river by releasing water through Gosbal nallah. This will ensure continuous flow of water into the Hagari, benefiting not only the farmers, but also the people and cattle for drinking purposes,” he claimed.

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### **‘Farmers should take to commercial farming’**

Farmers need to move from sustenance agriculture to commercial farming, an agri-business company executive said here on Monday.

Vijay Kumar Kori, head of seed production, Indo-American Hybrid seeds, said the biggest challenge to commercial farming was changing the mindset of farmers.

He was speaking at the valedictory ceremony of the nursery management training for school dropouts, organised by the College of Horticulture (COH).

He said seed production was lucrative for farmers, as the seeds of a crop are costlier than the harvested grain.

Mr. Kori added seed producers would gain by selling seeds by numbers and not by weight, and the coating of small seeds with nutrients.

Several farmers who started small are now managing nurseries with an annual turnover of upto Rs. 3 crore, he said.

The district administration will utilise the skills of youth who have completed the short-term training, Deputy Commissioner P.C. Jaffer said. Mariyamma Ashok, a trainee, said she would start by growing roses around her house.

Another student Sharana Basava said he would convince his father to grow horticulture crops on their farm. They demonstrated grafting and other skills they learnt during the two-week long programme.

G.T. Putra, Joint Director of Agriculture; C.N. Hanchinmani, dean of COH; Praveen Naikodi and N. Srinivas were present.

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### **'Declare taluks drought-hit'**

**These taluks have received less than normal rainfall, says district in charge Minister**



*Owing to scanty rainfall, crops in 60,858 hectares had withered in Hiriyur, Challakere and Molakalmuru taluks. – File photo: K BHAGYA PRAKASH*

Minister for Social Welfare and in charge of the district H. Anjaneya has said that the district administration has appealed to the State government to declare Hiriyur, Challakere and Molakalmuru taluks as drought hit and arrange to supply drinking water and fodder to the cattle. Speaking to presspersons here on Monday, Mr. Anjaneya said that last year, all the six taluks of the district had been declared as drought hit owing to scanty rainfall. However, this year the rainfall in Chitradurga, Hosadurga and Holalkere taluks was adequate and farm activities were in full swing. "As per official records, the rainfall in Hiriyur, Challakere and Molakalmuru taluks was less than average this year. Molakalmuru received 51 per cent of the average normal rainfall, followed by Challakere taluk with 57 per cent and Hiriyur 59 per cent," he said.

Of the 3,14,801 hectares of land targeted for sowing for the kharif season, the three taluks had completed sowing in 1,43,231 hectares in the last two months. Owing to scanty rainfall, crops in 60,858 hectares had withered. In addition, 8,919 hectares had been cultivated with horticulture crops. Crops in 8,234 hectares had withered, he said.

"The officers of both Horticulture and Agriculture departments conducted a detailed survey in the three taluks and submitted a report to Deputy Commissioner V.P. Ikkeri. Based on their report and personal inspection, Mr. Ikkeri wrote to the government that Hiriyur, Challakere and Molakalmuru taluks should be declared as drought hit," the Minister said.

As these three taluks were facing acute shortage of drinking water and the water table had depleted, the officers prepared an action plan to tackle the situation. Accordingly, it had been proposed to open 12 goshalas to ensure proper supply of fodder and drinking water to the cattle in the taluks.

It was also likely that about 276 villages in the taluks might face severe shortage of drinking water. Therefore, officers had decided to take up 375 drinking water projects to ensure proper supply of water to people, he said.

The district administration had also appealed to the State government to release Rs. 20 crore to tackle the situation in the three taluks.

Half of the Rs. 20 crore would be utilised for opening and maintaining goshalas and the remaining Rs. 10 crore would be spent on providing drinking water to the villages, he said.

### **Groundnut**

Commenting on the pathetic condition of groundnut growers in the district owing to scanty rainfall for the past few years, Mr. Anjaneya said that the officers would be directed to conduct a detailed survey and prepare a separate report at the earliest.



Based on their report, Chief Minister Siddaramaiah would be requested to announce a special package for groundnut growers, he said.

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- *Twelve goshalas planned in Hiriyur, Challakere and Molakalmuru taluks*
  - *A Rs. 20-crore grant to be sought from government to tackle drought situation*
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### State to promote water-saving irrigation system for sugarcane

#### **Krishna Byre Gowda says the state will establish a Sugarcane Development Board**

Minister for Agriculture Krishna Byre Gowda said that in order to boost sugarcane cultivation and yield, the government has decided to promote sub-surface drip irrigation system, which he thinks will also save plenty of water.

Speaking after inaugurating the Organic Jaggery Park established by University of Agriculture Sciences Dharwad under the National Agriculture Development Scheme, here on Monday he said the government had announced a Sugarcane Development Board would be set up to help sugarcane farmers in State.

The Minister said he would urge the Chief Minister to take steps to immediately establish the Board for speedy implementation programme to improve sugarcane farming.

Lamenting that owing to shortage of labour jaggery production had been decreasing in State, Mr. Gowda said the Park had been built in order to enhance the production of jaggery which had more nutritional value than sugar.

“The park at Mudhol is a pilot; based on its success, the government will also set up more such parks in various parts of the State in coming days”, he said.

On the demand of many elected representatives of Bagalkot region that the government should launch a project to desalinate the soil of Krishna basin, the Minister said that he had asked researchers of the UAS-D to prepare a report giving recommendations for effective implementation of desalination project.

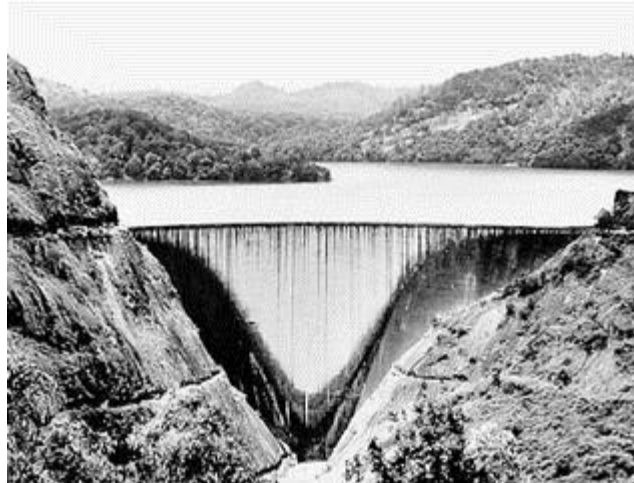
Earlier, addressing presspersons, he said investigation was being conducted into the allegations of misappropriation of funds and ineffective implementation of projects under the State Organic Mission set up by the previous BJP government.

He informed that the government had shifted the organic mission project to the Horticulture Department for promoting organic farming in the State.

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- *‘Owing to shortage of labour jaggery production is decreasing in State’*

- *'Park has been built to enhance jaggery production'*
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### Water level up in Idukki reservoir



The water level in the Idukki reservoir rose on Monday with increased inflow through the main tributaries following heavy rain on Sunday evening. The water level on Monday was 2,395.94 ft, up from the previous day's record of 2,395.63 ft. An official of the Dam Monitoring and Research Station at Cheruthoni said the water level was on a downward trend for over a week due to increased production level at the Moolamattom Power House and low rainfall. Rain in the catchment area on Monday was 9 mm., said the official.

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### Pineapple farmers resent new entity

Pineapple farmers have expressed dismay over the formation of Vazhakkulam Agro and Fruit Processing Company Limited, Nadukkara, alongside Nadukkara Agro Processing Company Limited (NAPCL), terming the exercise "unnecessary" and "politically motivated".

Joseph Vazhakkan, Muvattupuzha MLA, who announced the Cabinet approval for the new company in the pineapple town on Wednesday, called it an intervention on behalf of the pineapple farmers.

The MLA alleged that the former management had turned NAPCL administration into a political caucus and had even prevented proper elections to the board of the company by bringing in members who were not pineapple farmers.

Mr. Vazhakkan said the new company would also be a farmers' company like NAPCL with 51 per cent share resting with the government.

Thirty per cent of the stakes will be with the farmers and 19 per cent with Vegetable and Fruit Promotion Council, Keralam (VFPC), which is a farmer-based organisation.

On the other side of the debate is veteran pineapple farmer and first farmer chairman of NAPCL Baby John, who said there was no need for the formation of a new company as the NAPCL was already doing well.

The NAPCL had made proper market interventions and had helped farmers whenever price of the fruit came down. He said the company had started paying back the loan it had availed from the government. However, Mr. Vazhakkal alleged that the NAPCL had failed to make timely repayment of a loan of Rs. 4.5 crore.

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### Coffee planters to tap overseas expertise to boost production



Coffee planters are looking at overseas expertise to prop up domestic production.

Karnataka Planters' Association Chairman Nishant R. Gurjer told *The Hindu* here on Monday that the association expected coffee production to be static at 2.8 lakh tonnes this year due to extreme weather conditions. It needed better varieties (such as pest resistant and withstand vagaries of weather) and also solution to the white stem borer problem. The Coffee Board and scientists should work with the planters and give the required inputs.

Due to the white stem borer problem in Arabica, there is a marked increase in the cultivation of Robusta variety. Arabica is now just one third of the production. "Hence, we are also looking at overseas expertise to increase production, and to find a solution. We can have some initiative or

solution in 2-3 years if the experts visit the plantations here.” The association has invited an expert from Brazil to participate in its annual conference.

Shirish Vijayendra, convenor of the scientific committee of the association, said the association had organised international visits for delegations of coffee planters in the last three years. A group of 35 planters visited Brazil and Colombia this year. Planter have now started implementing drip irrigation. “We are way behind in technology compared to leading coffee producers. We are lagging behind in research. We are desperate for solutions. We are trying to go to other countries and see how they are able to increase productivity. We lack good plant materials,” he said.

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### Storage in dams goes up in Dindigul, Theni districts

Storage level went up by 12 feet in Sothuparai dam here on Monday, thanks to the moderate shower and good flow in all the forests streams in Kodaikanal hill on Sunday night. Water level in Manjalar dam was also increasing steadily.

The storage level rose to 67 feet in Sothuparai dam with an inflow of 106 cusecs. Inflow into Manjalar dam was 416 cusecs and the storage level touched 28-foot mark. Inflow into other dams was very low.

While Periyar dam received 392 cusecs, Vaigai dam recorded an inflow of 1,300 cusecs.

Storage level in Periyar dam stood at 126.2 feet and Vaigai dam 56.3 feet. Discharge from Periyar and Vaigai dams was 1,397 and 1,060 cusecs respectively.

Torrential rain lashed Cumbum and nearby areas on Monday evening.

While sowing was completed in many areas, it was in progress in some parts of the district, said agriculture officials.

Storage level shot up by six feet in Kudiraiyaru dam in Palani block in the district. Water level stood at 26.27 feet with an inflow of 49 cusecs. Inflow into Varadhamanadhi dam was 41 cusecs and the storage was 20 feet.

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### Farming out agricultural land to realtors

**Haryana Chief Minister Bhupinder Singh Hooda’s portrayal of Robert Vadra as a small farmer will cut no ice with the public**

In his interview to *The Hindu* (“Robert Vadra is a small farmer”, August 27) Haryana Chief Minister Bhupinder Singh Hooda has come out to stoutly defend Robert Vadra’s land deals and

his government's handling of the entire matter. He has, however, done so in a manner that would no doubt have left Mr. Vadra and his wife's family thinking of the adage: I can deal with my enemies, God save me from my friends.

Mr. Hooda called Mr. Vadra a decent man. At issue is not if Mr. Vadra is a decent husband, son, son-in-law, brother-in-law, father or friend. That is part of his private life and that of his family and friends. The question is also not if he is generally a good and decent businessman. The question is if he did the decent thing in entering into the land transaction in which he is alleged to have made many crores of rupees.

Mr. Hooda and many Congressmen say that Mr. Vadra is being singled out only because he is Sonia Gandhi's son-in-law. This is entirely true. The fact is that the professional or business dealings of close relatives of those in high places attract more attention and are minutely scrutinised, and the higher the office the greater the scrutiny. This is something that the relatives of public persons have to accept.

#### WHO IS A FARMER?

Let us take Mr. Hooda's defence of Mr. Vadra, that as a farmer he took advantage, like many other small farmers, to sell his land at a premium. Mr. Vadra may have technically and legally acquired the status of a farmer by acquiring agricultural land but in reality does he himself or the public at large consider him a farmer? Who in the public perception is a farmer? It requires no measure of research to ascertain what is obvious. A person who has never lived on a farm, and does not earn his livelihood from agriculture cannot be considered a farmer.

In using this defence Mr. Hooda has also overlooked the powerful and evocative social and historical imagery associated with the term: that of a poor and hardworking individual who is barely able to eke out a living in the face of manifold adversities. He has also given a go by to the close linkage of the Congress with the small farmer from the time, almost a century ago, when the Mahatma travelled to Champaran. The Congress under Jawaharlal Nehru's leadership took the lead in the abolition of zamindari in the cause of the small farmer.

It is right to frame a policy to benefit small farmers so that they do not lose out in the windfall gains made by corporations and the rich and the powerful in the urbanisation process under way in the country. However, should such a policy be used by those who only temporarily acquire agriculture land for what are clearly business purposes?

In fact in this case it would seem that the true "farmers" today are the builders who "farm out" the job of securing conversions of agricultural land for commercial activities to those can secure such permissions.

The dictionary meaning of “farm out” is “to send out or subcontract work to other people”. Mr. Hooda will do well to ponder over such lucrative farming enterprises.

There are courts of law and the court of public opinion. In the latter it is the public which is both judge and jury. The public has an innate understanding and cannot be fooled. It may appreciate the efforts of the Congress to ensure food security for the poor but it would hardly accept Mr. Vadra to be a small farmer.

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### Land of milk, maize and dinosaurs

The new district of Mahisagar, carved out of Kheda and Panchmahals, lies on Gujarat's northeastern tip bordering Rajasthan. Named after the Mahi river, referred to as Mahisagar in Gujarati, the district is among the state's greenest areas with agriculture being the main occupation here. Paddy and maize are the main crops in the new district. Villagers also depend on cattle rearing, and dairy farms boast of a large quantity of milk production.

"Going by the strengths of the new district, we plan to promote agro-products through proper marketing so that farmers are benefitted. We are looking at ways to bring about green and white revolutions to create a new wave of development here," said District Collector Praful Harshe.

The district covers two talukas of Kheda, Balasinor and Birpur (which were among Kheda's least developed talukas), and four from Panchmahals — Santrampur, Kadana, Lunawada, Khanpur — with Lunawada being the district headquarters. Lunawada was in news for a communal riot that took place in 2002.

The Mahi river originates from Aravalli range and enters Gujarat at Kadana. The river then passes through all the six talukas of the district before merging into the Arabian sea at Gulf of Khambhat.

The district has a high literacy rate, with a large pool of educated persons serving in various capacities at Godhra and other centres in Panchmahals.

With the new district coming into existence, this educated manpower is likely to serve as a major resource. The district also has the potential to develop into a tourist spot, Harshe said.

In terms of industry, the district is among the most impoverished ones, with just one industrial cluster in Balasinor. Lack of proper rail network remains a major hindrance in the growth of industry here, even though the region is well connected with Vadodara through roadways.

"Having no major industry serves both as its strength and weakness. Lack of industry keeps it pollution-free. I can safely say that this could be one of the districts with least amount of pollution. The area has a pool of educated manpower, which is an advantage," Harshe further added.

Developing it as a pilgrimage centre is among the major plans, given the religious importance of the Mahi river. "We have religious places such as Mahadev temple and Kaleshwari temple



which are frequented by a large number of devotees. Also, Mangadh hill in Santrampur can draw tourists and Kadana dam can be developed for eco-tourism purpose," said Harshe. Popularly known as India's Jurassic Park, Balasinor Fossil Park has fossilised bones, eggs of dinosaurs.

Last July, Chief Minister Narendra Modi visited Mangadh to celebrate the centenary of tribal reformist Govind Guru, who had led a struggle against the British rule that resulted in the massacre of 1,500 Bhils in 1913.

Congress MLA from Lunawada Hirabhai Patel is, however, sceptical about the region's development. "Going by the condition of nearby Panchmahals district where healthcare, one of the basic requirements, remains in a pathetic condition, I don't think there will be any major development here now that it is a separate district," he said.

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# hindustantimes

## Weather

Chennai

Chennai - INDIA

### Today's Weather



Partly Cloudy

**Tuesday, Sep 3**

Max Min

33° | 26°

Rain: 0

Humidity: 62

Wind: normal

Sunrise: 05:57

Sunset: 06:18

Barometer: 1009

### Tomorrow's Forecast



Cloudy

**Wednesday, Sep 4**

Max Min

34° | 26°

### Extended Forecast for a week

Thursday  
Sep 5



35° | 27°

Cloudy

Friday  
Sep 6



35° | 27°

Overcast

Saturday  
Sep 7



35° | 27°

Overcast

Sunday  
Sep 8



35° | 27°

Overcast

Monday  
Sep 9



35° | 28°

Overcast

### Airport Weather

Chennai

Chennai

Rain: 0

Humidity: 62

Wind: normal

Sunrise: 05:57

Sunset: 06:18

Barometer: 1009



## THE ECONOMIC TIMES

Pakistan mangoes sell at Rs 80/kg in Delhi as against Rs 150-200 for desi variety



*In retail, Pakistani mangoes are being sold at Rs 80 a kg while prices of the domestic crop are at Rs 150-200 a kg. "The taste is very sweet and the colour is good.*

NEW DELHI: Mangoes from Pakistan are giving a tough competition to local varieties in domestic and export markets this season. At the fag end of the season, Pakistan's chausa and fazli varieties are coming through Poonch and Srinagar to the north Indian market.

In retail, Pakistani mangoes are being sold at Rs 80 a kg while prices of the domestic crop are at Rs 150-200 a kg. "The taste is very sweet and the colour is good. Leading retailers are buying them as the prices are competitive," said Chamanlal Dhingra, a leading mango trader at the Azadpur mandi in Delhi. Traders said the king of fruits first came from Pakistan in 2012 through Jammu and Kashmir in small quantities.

"This year, the harvest is good and we expect arrivals from Pakistan to continue for the next 15-20 days," said Paramjeet Singh, owner of the Surjeet Mango Trader at Azadpur mandi, which is Asia's largest fruits and vegetables market. The trader said more than 18 mantrucks of Pakistani mangoes arrived through Jammu and Kashmir on Saturday and over 8 trucks, each carrying 9-10 tonne, arrived on Monday.

Demand is largely coming from the Delhi national capital region, Punjab, Haryana and parts of Uttar Pradesh. "The Indian crop from the Saharanpur belt of Uttar Pradesh is available barely

for the next 5-7 days. To meet the huge demand in the domestic market, mangoes from across the border are welcome," said Singh. He said the fruit could not be sent to other parts of the country due to its short shelf-life.

With increasing demand and supplies, traders expect the prices to crash. "If arrivals of the Pakistani mangoes increase, prices may fall to Rs40-50 a kg," said Dhingra. The crop was largely coming from Pakistan's Punjab province. In New Delhi, Naeem Anwar, minister (trade), Pakistan High Commission, said mango was one of the major export items from Pakistan.

"In India, we think there is a good market for Pakistan's mangoes like sindhri, anwar ratol, dusheri and chausa. However, a custom duty on mango at 35% and above is discouraging Pakistani traders and exporters," he said adding that India and Pakistan were working to overcome the tariff and non-tariff barriers to ensure consumers get a taste of Pakistani varieties.

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### Southwest monsoon accounted for 98 pc rains between June, August



*Southwest monsoon accounted for 98 pc rains between June, August*

NEW DELHI: The southwest monsoon, which accounted for the country's 98 per cent rainfall between June and August, is expected to continue the momentum this month as it enters its last phase.

Rainfall for the country during September is likely to be "normal" at 96 per cent, the Indian Meteorological Department says in its long range forecast.

Attributing the normal rainfall to the absence of El Nino phenomenon, the met department said the actual rainfall received between June and August has been good for the country as a whole especially in central India where the rainfall has been 128 per cent of the long period average.

"The good precipitation is due to absence of El Nino," chief forecaster for the monsoon D S Pai said.

According to the department, "Rainfall over the country as a whole for September is likely to be 96 per cent of the long period average."

Rainfall received across the country was 98 per cent between June and August 31, it said.

The met department had issued operational long range forecasts for the southwest monsoon season (June to September) rainfall on April 26 and June 14.

Monsoon is crucial for the kharif crops such as rice, soyabean, cotton and maize as almost 60 per cent of the farm land in the country is rainfed.

DG of IMD L S Rathore had earlier said that El Nino, an ocean current which influences the monsoon pattern in India, is also neutral and "not going to have any adverse affect on the monsoon circulation".

In a statement yesterday, the Met Department said while the actual rainfall received across the country between June and August has been 110 per cent, central India had 128 per cent rainfall and North West India 121 per cent rainfall.

North East, which usually receives heavy rainfall, however, recorded 72 per cent rainfall during this period, the Met Department said.

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## EXIM bank to focus on horticulture and handloom sector, Northeast India



### *EXIM bank to focus on horticulture and handloom sector, Northeast India*

GUWAHATI: Export-Import Bank of India(EXIM) will aggressively promote the horticulture and hand loom sector of the eight states of Northeast India.

TCA Ranganathan, Chairman & Managing Director of EXIM bank who in Guwahati on Monday to attend a programme on promoting horticulture sector in the Northeast region said, "Northeast India has the advantage of going for high end horticulture and handloom products."

He added that there is some problem somewhere as these sectors are not developing in the desired level. "We have roped in companies including ITC, Godrej Agrovet and Emami Group to figure out as why the sector is not developing to the desired level."

He said that the bank will work for improving the distribution- marketing and positioning of the horticulture products. "Across the world there is going craze for organic agriculture produce and ethically branded textile. The region can take advantage of both this aspects to position itself."

Ranganathan said, "We will draw a road map for sustainable production while also identifying avenues to create markets and linkages for farmers and entrepreneurs from the region."

India is the second largest producer of both fruits and vegetables globally after China accounting for 14 percent and 12 percent respectively of world production. However India's share in global export of horticulture products is low.

According to EXIM bank, India's export of horticulture products is US\$2.7 billion (1.3 percent of global exports) as compared to china's export of US\$ 18 billion (9 percent of global exports).

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### Rubber futures bounce back to 3 month high on weaker Yen



*The contract, which rebounded after three straight sessions of falls, rose as much as 3.7% to an intra-day high of 279.1 yen, a one-week high.*

TOKYO: Tokyo rubber futures bounced back to end at a 3-month high on Monday on a weaker yen and a rise in Nikkei share prices, and after strong factory activity data in China, the world's biggest rubber consumer, boosted investor sentiment, dealers said. The benchmark rubber contract on the Tokyo Commodity Exchange for February delivery soared 9.4 yen, or 3.49%, to settle at 278.5 yen (\$2.84) per kg, the highest close since May 22.

The contract, which rebounded after three straight sessions of falls, rose as much as 3.7% to an intra-day high of 279.1 yen, a one-week high. "A jump in Shanghai rubber market on China's bullish purchasing managers' index (PMI), announced on Sunday, helped boost TOCOM prices in the morning although HSBC PMI was not as strong as the official manufacturing PMI," said Kazuhiko Saito, chief analyst at Fujitomi.

China's factory activity expanded at its fastest pace in more than a year in August with a jump in new orders, official data showed on Sunday, raising hopes that a rapid economic slowdown in the world's second-largest economy may have been arrested. A separate manufacturing PMI report from HSBC, released on Monday, showed activity in privately-owned factories increased



over August for the first time in four months. "In the afternoon, the yen's decline and the Nikkei stock price's gain gave another boost," Fujitomi's Saito said.

The safe-haven yen fell against the dollar to a one-month low on Monday as worries about a military strike against Syria weakened the yen. The Nikkei average rose 1.4%. A weaker yen makes TOCOM rubber more appealing to holders of other currencies. The most-active rubber contract on the Shanghai futures exchange for January delivery jumped 4.99% to settle at 21,055 yuan (\$3,400) per tonne, the highest intraday since May 22.

The front-month rubber contract on Singapore's SICOM exchange for October delivery last traded at 247.00 US cents per kg, up 6.4 cents. A prolonged protest by rubber farmers in Thailand has disrupted distribution systems and delayed thousands of tonne of prompt Thai rubber shipments for up to two weeks.

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### Sugar edges up on demand hopes; supply weighs



*Maharashtra and UP, the top two sugar producers in the country, have received more than normal rainfall since the beginning of the monsoon on June 1.*

MUMBAI: Sugar futures edged higher on Monday on hopes festivals would lift local demand and a weak rupee might boost overseas sales, though ample supplies capped the upside.

At 0841 GMT, the key October contract was up 0.17 per cent at Rs 3,028 (\$45.83) per 100 kg on the National Commodity and Derivatives Exchange.

"Retail and wholesale demand is likely to improve in the coming days due to the Ganesh festival," said a Mumbai-based dealer.

"Mills can clinch exports deals if the rupee remains at the current level," he said.

A weak rupee increases the returns of sugar exporters. The rupee hit a record low last week.

Spot sugar eased Rs 2 to Rs 3,030 per 100 kg at the Kolhapur market in Maharashtra state.

Sugar output in the country, is expected to exceed the current year's 25 million tonnes in the marketing year beginning October, on the back of good monsoon rains.

Maharashtra and Uttar Pradesh, the top two sugar producers in the country, have received more than normal rainfall since the beginning of the monsoon on June 1, weather department data showed, boosting prospects of higher production.

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#### Crude palm oil down 0.38 pc on lower demand



*At the MCX, crude palm oil for delivery in September traded lower by Rs 2.10, or 0.38 per cent to Rs 554.20 per 10 kg in business turnover of 239 lots.*

NEW DELHI: Crude palm oil traded lower by 0.38 per cent to Rs 554.20 per 10 kg in futures market today as speculators reduced their holdings on account of weak demand in the spot market against adequate supplies.

At the Multi Commodity Exchange, crude palm oil for delivery in September traded lower by Rs 2.10, or 0.38 per cent to Rs 554.20 per 10 kg in business turnover of 239 lots.

Similarly, the oil for delivery October weakened by 80 paise, or 0.15 per cent to Rs 548.40 per 10 kg in 92 lots.

Market analysts said speculators reduced their holdings on the back of weak demand in the spot market against adequate supplies from producing region mainly influenced crude palm oil prices at futures trade.

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# THE TIMES OF INDIA

## Reluctant private importers add to soaring onion price woes



*Only three private international traders had shown interest till the deadline of the first onion import tender expired on August 27.*

NEW DELHI: Private traders' reluctance to import onion has spelt trouble for the government grappling with soaring price of the staple kitchen item. Cooperative major Nafed came out with a fresh tender on Monday since its earlier one on August 21 had failed to attract traders to import onion from Pakistan, Iran, China or Egypt.

Only three private international traders had shown interest till the deadline of the first import tender expired on August 27.

And, two importers wanted to deliver the vegetable at Panvel in Mumbai instead of Nafed's warehouse at Lawrence Road here as specified in the tender, making them ineligible to import from any of the four shortlisted countries.

Since the federation had to select at least three importers who can fulfill both cost and delivery norms, it is now forced to float another tender, where the last date of submission of application has been fixed on September 6. Nafed is hopeful that the extended deadline may help it get eligible importers who will deliver onion in Delhi from where the vegetable can be distributed to other centres.

If the government manages to find importers as per the fresh tender, the consignment will take a minimum seven-10 days to reach the Lawrence Road warehouse.

Supplies from import coupled with relatively easy flow of the produce from the domestic wholesale markets — mainly Maharashtra and Karnataka — are expected to bring down the retail price of onion by end-September and early-October. The timing holds the key since states like Delhi, Rajasthan, Madhya Pradesh and Chhattisgarh go to assembly polls in November.

Onion prices will, however, remain under pressure till end-October, when the new crop is likely to hit the market,

Although the retail price cooled down a bit last week, it still hovers around Rs 60 per kg in the national Capital and most parts in northern and eastern India. Last month, the price spiraled to Rs 80 per kg at almost all these places.

The minimum export price, pegged at \$650 per tonne, fixed by the government on August 14 had its impact in the domestic market, forcing authorities to explore the import option.

Nafed has specified that the imported onions should be of good quality and free from fungus infestation and attack by insects and moulds.

The federation has sought phytosanitary and fumigation certificates issued by a competent authority of the exporting country, attesting that onions are fumigated with methyl bromide and are free from smut, dry rot and maggot.

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### **Govt procurement centres to offer better price for foodgrain**

AURANGABAD: The Agriculture technology management agency (ATMA) has initiated government procurement centres for buying farm produce to help farmers dispose of their yields in a better way. Nine such centres have been opened at the taluka level of the Aurangabad district in Marathwada, said agriculture department officials.

The centres have been opened at the Agriculture produce marketing committee (APMC), where farmers will be able to sell their produce to the government at a decided price. The government will then forward the produce to the National agricultural cooperative marketing federation of India limited (NAFED), which will use it for domestic purpose or exports.

"Last year, it was observed that farmers did not receive the decided prices set by the government, because of more moisture content in their foodgrain. They had to compromise as taking the produce back, drying it and coming back was not a feasible option," Satish Shiradkar, divisional statistician at ATMA, told TOI on Monday.

Shiradkar said that the rates also fall back as surplus produce reaches the market at a single time. "The farmers do not have ample space to store the grains and choose to sell in the open market immediately to make provisions for the next crop, even if it is at a lower rate than the government-specified one," he said.

The scheme is a protective mechanism for the farmers, where they can be sure to get the right rates. By offering a safe scheme, it is ensured that traders do not exploit farmers and buy the produce as per the chalked-out rates, Shiradkar said.

The agency has also made arrangements to provide godowns to store grains. "The process of acquiring existing godowns is now being carried out and the farmers will be able to store the grains and thus choose to sell them as and when desired, or according to the market needs," Shiradkar said.

Farmers will be able to use these storage facilities at Rs 2.40 per month. "Farmers will be given 70% of the price of the foodgrains, which can be used to purchase equipment and seeds for the next crop. Foodgrains stored can be sold as and when the farmer desires. The government will ensure the protection of foodgrains," Shiradkar said.

Vishwas Palimkar, co-ordinator of the Maharashtra agricultural competitiveness project (MACP), said that efforts are also being taken to promote group farming. Around 3, 223 farmer groups have been formed in the region to transport, sell and share technology and agriculture expenses.

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## Onion prices likely to drop in two weeks

PUNE: Onions, which continue to sell for over Rs 50 per kg in the retail market, could see a correction over the next fortnight. Traders expect wholesale rates to drop by at least 10 to 15 percent in the next 15-20 days. This is because the demand for the kitchen staple from southern states is dropping, leaving more stock for the local market. A major correction in prices, however, will only come in by mid-October.

According to wholesale traders, a fresh crop of onion grown in Karnataka is helping reduce the quantity of onions that Maharashtra is diverting to the southern states. According to the traders, the price effect of the surplus supply now available in the local market will be felt by mid-September.

"The onion crop in Maharashtra has so far catered to the demand from the southern states of Andhra Pradesh, Kerala, Karnataka and Tamil Nadu this year. This has not allowed prices to come down in the Pune market. But with Karnataka now ready with its own locally-grown supply of onions, the demand for the crop will now reduce," wholesale onion trader Ritesh Poman said.

According to Poman, some stock of the crop in Karnataka will also be reaching Maharashtra, which will help the state tide over time till mid-October, when the fresh crop from areas like Junnar, Khed, Ambegaon, Shirur, Sangamner and Nashik starts reaching the city. "We have received some supply already. More is expected to come in over the next few days," he said.

Sanjiv Khadke, administrator of the Agriculture Produce Marketing Committee said supply from Karnataka has helped bring down prices earlier as well. "The wholesale market operates simply on the forces of demand and supply. A few times when prices really shot-up in Pune, onion stocks brought in from other states had helped to stabilize the market," he said.

The wholesale market has seen a marginal correction in onion prices over the last couple of weeks, stabilizing on Monday at around Rs 45 per kg against the three-year high of Rs 55 per kg that it breached in mid-August. The rates continue to remain steep in the retail market, with shopkeepers continuing to demand not less than Rs 50 per kg, and even as high as Rs 70 for a kg in some areas.

Shivlal Bhosale, president of the Market Yard Commission Agents Association said retailers are not letting prices drop to make up for their losses. "Retailers usually account for spoilages and differences in the qualities of onions while fixing prices. There has been a drop over the last few days and we expect prices to fall even further in the next 15 days," he said.

Despite the drop, onion prices even now remain a far cry from their normal range, when they trade for as nominal as Rs 20 per kg in the retail market. Bulk traders also attribute the price trend to reduced exports, brought on by the poor supply. "With the onion produce this year being lower than usual, the government has pegged the export price at \$650 for a tonne of onion to curtail the international demand and thus prevent a price-spiral in the country. Farmers are thus hiking their rates in the local market to make up for the loss in their earning," Poman said.

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# Business Standard

Augmenting coffee production is a challenge: Jawaid Akhtar

## Q&A with Chairman, Coffee Board



The Coffee Board has scaled down its production estimates for the year 2013-14 following heavy rains in major growing regions in the country. The Chairman of Coffee Board, Jawaid Akhtar explains the reasons to Mahesh Kulkarni on the sidelines of 120th Annual Conference of United Planters' Association of South India (Upasi) at Coonoor. Edited excerpts:

Coffee Board has estimated coffee output for FY14 at 347,000 tonne. Is it achievable in the current scenario of diseases and excess rains across growing regions?

This is not our final projection. It is only a post-blossom estimate, which is based on the conditions that prevailed in February and March. We had good blossom showers. But subsequently we had two months of drought, followed by heavy rains between June and August. Monsoon rains started on time and continuously remained active without break, thereby affecting the crop prospects. However, the realistic picture will emerge after the post-monsoon estimates. As of now we anticipate around 10% drop over the post-blossom estimates.

**What do you think will be the realistic coffee production for this year?**

As I said we will come to know about it once we complete the post monsoon survey and prepare the estimates. It is too early to make a guess on it. The drop in production could be in the range of 10% over our post-blossom estimates.

**When will the Board come out with realistic projections?**

We will conduct the survey in major coffee growing regions in the month of October after the monsoon season ends and announce the findings towards the end of October.

**What is the average productivity in India and what is the annual growth in production compared to the growth in consumption?**

The average national productivity is around 852 kgs per hectare and the production is growing at an average 1.76%. The domestic consumption is growing at 1.35%.

**What are the major challenges and priorities before the Coffee Board?**

Augmenting production and retaining export share while meeting the domestic demand would be our major challenge and priority. We are also facing stagnation in productivity, which is affecting cost competitiveness. In many areas, we are facing shortage of labour and skill deficit.

**How do you propose to tackle these challenges?**

We are addressing these issues by replanting and expanding in traditional areas. We are also taking up plantations in non traditional areas like Andhra Pradesh. In traditional areas, the Coffee Board has proposed to take up planting in 15,000 hectares. In Andhra Pradesh, we are planning to cultivate in about 25,000 hectares with the active support of the state government. In Himachal Pradesh, we are collaborating with Agriculture University for a pilot project. We are also planting coffee in about 5,000 hectares in West Bengal with the help of state government. All these plans are being taken up during the 12th five year plan period.

The Board has proposed to continue the subsidy scheme for mechanization and developing new planting designs to suit mechanization in the 12th plan period to tackle the labour shortage issue. We are also strengthening our extension machinery by creating a position of director of extension to disseminate the new research findings to growers.

**What are the recent initiatives taken by Coffee Board to fight the diseases on coffee plantations?**

We have initiated a collaborative project with institutes under Indian Council of Agricultural Research (ICAR) to develop eco-friendly approaches for the management of white stem borer. We are collaborating with Indian Institute of Horticultural Research, Bangalore; National Bureau of Agriculturally Important Insects, Bangalore and National Research Centre for Banana, Trichy for the new research.

A Mission mode action programme on control of White Stem borer was put into operation in the states of Karnataka, Kerala and Tamil Nadu. We have launched a collaborative project with the National Bureau of Soil Survey and Land Use Planning on Soil Fertility Appraisal and Soil Health Monitoring in traditional coffee growing regions to prepare soil health cards.

An MoU has been signed with Regional Remote Sensing Centre-South, Indian Space Research Organisation (ISRO) for taking up an inventory of coffee plantations using geo-spatial techniques.

**What are the new programmes coming up this year?**

We are going to organize the International Coffee Festival at Bangalore from January 21 to 23 to promote our coffee.

**What is the allocation for coffee sector in the 12th plan period and how long will it take to get the schemes approved by the planning commission?**

The Planning Commission has allocated Rs 950 crore to coffee plantation sector for the 12th plan. We will be meeting sometime this month in Delhi to finalise the schemes and sub-schemes. There are many schemes like expansion of area in traditional regions and mechanization programme that will be continued and expanded.

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## Coffee planters moot first private research body

### **R&D outfit to focus on developing high yielding clonal strains, resistant to White Stem borer, Leaf Rust**



In an effort to increase productivity of Indian coffee, major plantation associations in India have mooted a proposal to set up a privately-funded research organisation. The main objective of the research outfit is to develop new clonal strains for both Arabica and Robusta coffee.

Plantation associations such as the United Planters' Association of South India (Upasi), the Karnataka Planters' Association (KPA), the Karnataka Growers' Federation, the Hassan District Planters' Association and the Waynad Coffee Growers' Association have decided to form the first-of-its-kind private sector initiative, Coffee Growers for Research, to develop new high yielding and pest-resistant varieties, a KPA official said. These associations together have formed a joint action committee, which is in the process of finalising the structure of the research outfit.

"Over the last many years, coffee production in India has stagnated around 300,000 tonnes, while many other countries like Brazil, Ethiopia, Honduras and Vietnam have achieved manifold rise in coffee yields. We (India) need to catch up with world leaders in coffee production in the coming years, or else, we will be left at the level we are presently," D Govindappa Jayaram, vice-chairman, KPA, told Business Standard on the eve of 120th annual conference of Upasi, here on Monday.

For example, the yield of coffee has increased 94 per cent in Brazil to 1,257 kg per hectare (ha) in 2011 from 649 kg per ha in 1971. Similarly, Vietnam has achieved a 540 per cent jump in

yield to 2,188 kg per ha in 2011 from 342 kg per ha in 1971. While India's yield has declined three per cent to 838 kg per ha in 2011 from 861 kg per ha in 1971. The need to form a private sector research body for coffee was felt by the planters as the government-funded research wing, under the aegis of the Coffee Board of India, has not done enough research in developing high yielding coffee varieties, which are resistant to white stem borer, leaf rust, tolerant to berry borer in Arabica variety, Jayaram said.

The last new variety released by the Coffee Board was the Chandragiri variety about five years ago, which was released by Brazil's IAPAR in 1959. The joint action committee, in its proposed submission to the government, has highlighted several challenges faced by the coffee sector such as over-production in major coffee producing countries, escalating cost of inputs, especially the very high cost of labour, and the inability to introduce large scale mechanisation. The need of the hour is to improve productivity and production of coffee, he added. The new research outfit will be completely self-funded will start with a corpus of Rs 2-3 crore, Jayaram said, adding the new research body would focus on selection of good mother plants from various plantations across the country.

The committee is also focusing on introducing a special scheme with incentives for production of Arabica coffee as Arabica coffee area was drastically declining, he said.

The committee is of the view that the only way is to provide positive research and development that can directly contribute to achieving higher yield. The development of good seed material and clones with high yield, which are resistant to pests and diseases, drought resistant and have positive attributes in the cup is a matter of great urgency and importance, the Upasi said in its latest report on plantation sector.

For the Robusta variety, the committee said there was a need to develop clonal strains which were high yielding, good in the cup, drought tolerant to cope with climate change, resistant to shot hole borer and suitable for drip irrigation and mechanisation.

Development of indigenous machinery which help in efficient management of various cultural operations; R&D at the Coffee Research Station and substations to world standards and

restoration of the Coffee Evaluation Committee and Mechanisation Committee are some other initiatives mooted by various plantation associations.

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### Cardamom output to fall for second year in a row

**After severe drought in 2012, the major growing regions in Kerala and Karnataka have reported heavy rainfall this year affecting the crop**



India's cardamom production is set to decline for the second consecutive year in 2013-14, as heavy rains in the key growing areas of Kerala and Karnataka this monsoon season have damaged the crop.

For 2012-13, India's cardamom production declined 6.7 per cent to 14,000 tonnes, compared with 15,000 tonnes in the previous year, primarily due to a severe drought in Kerala's Idukki region. This resulted in severe financial stress for farmers, who also had to bear the suspension of auctions in September and October last year. Despite lower production, the prices crashed in the last five months, as the country imported substantial quantities of cardamom from countries such as Guatemala, which supplied low-quality cardamom at lower prices. For this financial year, cardamom production is likely to decline due to heavy rains in major producing regions in Kerala during June, July and August.

"The farmers are in much bigger distress this year. After facing drought last year, they are in for a rude shock due to heavy monsoon rains. The application of inputs was lower this year. Besides, the import of cheap-quality cardamom from Guatemala has affected prices in the country," said a member of United Planters' Association of South India.

During 2012-13, cardamom imports into India increased a whopping 9.7 times to 495 tonnes,

compared to 51 tonnes in the previous year. India imports cardamom from Guatemala, Singapore and the United Arab Emirates among others.

Cardamom is predominantly grown in Kerala, which contributes to 81 per cent of the country's total production and followed by Karnataka. Generally, harvesting of cardamom starts from July every year. The cardamom plant requires summer showers for new offshoots to grow, resulting in new pods.

"The heavy rains in key producing areas of Kerala early this month have washed away hopes of a bumper crop, with traders now expecting production of the spice to be around 30 per cent lower in 2013-14, which shall have a bearing on price realisation," Upasi said.

During 2012-13, the auction prices rose 7.4 per cent to Rs 693 per kg, compared to Rs 645 per kg in the previous year. However, between August 1 and 19, the prices have declined 20 per cent to Rs 616 per kg as against Rs 767 per kg in the corresponding period last year.

India's exports declined 52 per cent to 2,250 tonnes valued at Rs 185 crore in 2012-13 compared to 4,650 tonnes valued at Rs 363 crore in the previous year. However, the exports have shown an encouraging trend in the first quarter of the current financial year ended June 2013.

During the period, exports have gone up 155 per cent to 505 tonnes valued at Rs 42 crore as against 198 tonnes valued at Rs 18 crore in the previous year. The unit value realisation was however down seven per cent to Rs 823 per kg from Rs 887 per kg in the same period last year.

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## Coffee Board says FY14 output to be 10% lower

### Excess rains damaged crop in major growing areas in Karnataka



The Coffee Board of India on Monday said coffee production in 2013-14 would be at least 10 per cent lower than post-blossom estimates, which had said production would stand at 3,47,000 tonnes. In 2012-13, India had recorded production of 3,18,200 tonnes, a record.

Coffee Board Chairman Jawaid Akhtar said, “Based on the conditions that prevailed in February and March, when the growing regions received good blossom showers, we had estimated we would achieve 3,47,000 tonnes. However, due to a drought in the two subsequent months and the heavy rains in June, July and August, we anticipate a drop of about 10 per cent drop, against the post-blossom estimates.”

This means for 2013-14, the country's bean production could be about 3,12,000 tonnes. However, growers estimate it at,70,000-2,90,000 tonnes.

In a presentation on the outlook for coffee this financial year on the eve of the 120th annual conference of United Planters' Association of India, here, Akhtar said the real picture would emerge only after the post-monsoon estimates were announced. “To assess the crop prospects post the monsoon, we will conduct an extensive field survey in the growing areas in Karnataka in October, and that would give us the correct picture.”

He, however, didn't agree with the Karnataka Planters' Association, which projected a 25-30 per cent drop in coffee production this year. “Some planters have reported 'wet foot disease'...Many

other planters have said they have not been affected. So, I will not make any guess on the exact production this year and, as of now, we anticipate a fall of about 10 per cent,” he said.

Good blossom showers were followed by delayed backing showers and drought. Monsoon rains started on time and were active for about 70 days, recording almost double the rainfall last year. “Continuous heavy rainfall is reported to have caused fruit drop and incidence of black rot and stalk rot in certain high-rainfall areas, which may affect the final crop,” the Coffee Board chairman said.

In its post-blossom estimates, the board had pegged Arabica production at 1,10,000 tonnes and Robusta output at 2,36,000 tonnes for 2013-14. In Karnataka, Tamil Nadu and Kerala, the picking season would commence post-Diwali. Karnataka accounts for 70 per cent of India's coffee output.

In 2012-13, the country had harvested 3,18,200 tonnes, against the targeted 3,10,000 tonnes. This comprised 98,600 tonnes of Arabica and 2,19,600 tonnes of Robusta. A total of 3,06,983 tonnes of coffee, valued at Rs 4,681 crore (\$890 million), was exported. Value-added coffee exports had increased to about 94,000 tonnes, about 30 per cent of the total exports, Akhtar said.

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### [Traders up in arms against NCDEX over adulterated pepper stock](#)

**Apparently, traders are facing destruction of about Rs 300-crore worth black pepper stock traded on NCDEX which was found to contain carcinogenic mineral oils**



Pepper traders are up in arms against the National Commodity & Derivatives Exchange (NCDEX) over the latter's disowning responsibility for destroying adulterated (contained mineral

oil) stocks in the exchange accredited warehouses. Apparently, traders are facing destruction of about Rs 300-crore worth black pepper stocks traded on NCDEX which found to be adulterated with carcinogenic mineral oils.

The Food and Safety Standards Authority of India (FSSAI) under the Union Health and Family Welfare Ministry has found that over 90% of the stock in NCDEX's warehouses at Kochi is adulterated and has sealed the stock.

FSSAI has also observed in its latest report after analyzing samples that quality control systems were not followed and that the District Food Safety Officer shall conduct a detailed investigation so that further legal/penal action could be initiated against the culprits.

The Kalimirchi Vyapari Association, fighting for either refund of the money paid or delivery of 7,000 tonnes of Malabar Garbled 1 Black Pepper as per the futures contract with NCDEX, said the Exchange cannot simply brush it off by saying that it does not have any responsibility.

Commenting on reports that NCDEX claims that it cannot be held responsible, Pradeep Acharya, Vice President of the association said: "NCDEX cannot deny responsibility. As per bylaws of the exchange and as stated by the regulator FMC, the Exchange is the counter party to every buyer and seller. This clearly establishes that the Exchange stands as the seller for every buyer, and buyer for every seller."

The traders have paid for the stocks upfront, but have not been given delivery. It is still in the possession of NCDEX and its accredited warehouses. "We have paid NCDEX full money for Malabar Garbled 1 Black Pepper and it is the responsibility of the Exchange to provide us with the stock," Acharya said.

He pointed out it is grossly wrong for NCDEX to say that the Exchange is also not liable for non-compliance by any member and market participant on the pretext that it only provides a trading platform in forward contracts.

Brokers and exporters who paid the money in advance to NCDEX are at a grievous loss as the Exchange has refused to either refund the money or deliver the goods.

The Kalimirchi Vyapari Association has moved Madhya Pradesh High Court seeking urgent justice as the traders' money of over Rs 300 crores is stuck and they are losing heavily on all fronts. The matter is expected to come up for hearing on September 17, 2013.

Members of KVA have also written to the Health Ministry, the Forward Markets Commission (FMC), the Consumer Affairs Minister and Kerala CM drawing their attention to the adulteration and the way NCDEX has been treating the entire episode.

The traders, who were to take delivery of the stock, were shocked to learn about the large scale adulteration when the labour at NCDEX warehouses refused to even lift the bags that emanated a strong stench of kerosene.

The stock in question is so huge that it is equivalent to two to three-month consumption in India.

NCDEX, instead of acting on the FSSAI orders, has strangely issued a circular to their traders to clear the stock before the expiry of the contract which the merchants cannot, obviously, traders said.

Vijay Kumar, Chief Business Officer, had last week said that the FSSAI had found traces of mineral oil in 850 tonnes worth Rs 32-35 crore.

"This is the matter between buyers and sellers. Therefore, the exchange has nothing to do with it. Still, the exchange is in talks with authorities and traders to get the issue resolved," he added.

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**Soybean down 1.6% on selling pressure**

**Soybean for November contract slipped by 1.52%**



Soybean prices declined by Rs 57 to Rs 3,413 per quintal in future trading today on selling by traders on higher levels driven by weak overseas markets cue.

Marketmen said a weakening international trend on fresh supply and less demand in physical markets, mainly pulled down the sentiment here in futures trade.

At the National Commodity and Derivatives Exchange, soybean for October slid by Rs 57, or 1.64% to Rs 3,413 per quintal, with an open interest of 87,710 lots.

Near November contract also slipped by Rs 53, or 1.52% to Rs 3,425.50 per quintal, clocking an open interest of 1,18,120 lots.

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#### Chana down 1% on increased supply

#### **Chana for delivery in September traded lower by 0.87%**



Chana prices fell by 1.04% to Rs 3,230 per quintal in futures trading today as speculators trimmed their positions, tracking a weak trend at spot market on sluggish demand against increased supplies.

At the National Commodity and Derivatives Exchange, chana for delivery in October fell by Rs 34, or 1.04% to Rs 3,230 per quintal with an open interest of 1,06,640 lots.

Likewise, chana for delivery in September traded lower by Rs 28, or 0.87% to Rs 3,179 per quintal in 94,170 lots.

Analysts said offloading of positions by speculators triggered by sluggish demand in the spot

market against increased supplies from producing regions mainly pulled down chana prices at futures trade.

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### Cardamom falls by 0.3% on subdued demand

**speculators trimming positions, tracking a weak trend at spot market affected prices**



Cardamom prices declined by Rs 2.50 to Rs 788.50 per kg in futures trade today as speculators trimmed positions, tracking a weak trend at spot market on subdued demand against adequate supplies.

At the Multi Commodity Exchange, cardamom for delivery in October softened by Rs 2.50, or 0.32% to Rs 788.50 per kg in business turnover of 129 lots.

Similarly, the spice for delivery in November traded lower by Rs 1.40, or 0.17% to Rs 824 per kg in 29 lots.

Market analysts said speculators trimming positions, tracking a weak trend at spot market on subdued demand against adequate supplies from producing regions put pressure on cardamom prices at futures trade.

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### Potato up 1.4% on spot demand, tight supply

#### **Potato for delivery in far-month March declined by 0.69%**



Potato prices gained 1.44% to Rs 788.10 per quintal in futures trading today as speculators enlarged their positions, driven by pick up in demand in the spot market against tight supplies.

At the Multi Commodity Exchange, potato for delivery in September gained Rs 11.20, or 1.44% to Rs 788.10 per quintal in business turnover of 59 lots.

However, potato for delivery in far-month March declined by Rs 5.70, or 0.69% to Rs 82,570 per quintal in 13 lots.

Market analysts said speculators enlarged their positions, driven by pick up in demand in the spot market against tight supplies from producing belts, mainly pushed up potato prices at futures trade.

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### Crude palm oil down by 0.4% on lower demand

#### **Speculators reduced their holdings on the back of weak demand**





Crude palm oil traded lower by 0.38% to Rs 554.20 per 10 kg in futures market today as speculators reduced their holdings on account of weak demand in the spot market against adequate supplies.

At the Multi Commodity Exchange, crude palm oil for delivery in September traded lower by Rs 2.10, or 0.38% to Rs 554.20 per 10 kg in business turnover of 239 lots.

Similarly, the oil for delivery October weakened by 80 paise, or 0.15% to Rs 548.40 per 10 kg in 92 lots.

Market analysts said speculators reduced their holdings on the back of weak demand in the spot market against adequate supplies from producing region mainly influenced crude palm oil prices at futures trade.

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# THE HINDU Business Line

## Spot rubber rules steady; latex slips

Kottayam, Sept. 2:

Spot rubber continued to rule steady on Monday. The market remained neutral discounting the moderate recovery in domestic futures. Volumes were also low. Sheet rubber finished unchanged at Rs 186 a kg, according to traders. The grade improved to Rs 185.50 (Rs 185) at Kottayam and Kochi, as reported by the Rubber Board. The trend was mixed since latex lost further on dull demand.

September futures flared up to Rs 186.50 (Rs 182.87), October to Rs 185.35 (Rs 181.31), November to Rs 186 (Rs 181.88) and December to Rs 187.20 (Rs 182.43) for RSS 4 on the National Multi Commodity Exchange. RSS 3 (spot) weakened to Rs 176.66 (Rs 178.62) at Bangkok. September futures closed at ¥ 270.4 (Rs 180.20) on the Tokyo Commodity Exchange. Spot rubber rates Rs/kg: RSS-4: 186 (186); RSS-5: 182.50 (182.50); Ungraded: 176 (176); ISNR 20: 167 (167) and Latex 60%: 145 (147).

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## Pepper futures rule steady

Kochi, Sep 2:

Pepper futures ruled nearly steady with the running contracts declining marginally, while the nearby contracts moved up slightly on the national exchange platform.

However, the spot market continued its upsurge on strong demand amid limited supply.

Upcountry dealers are also showing interest to buy. There were more buyers than sellers, market sources told *Business Line*.

Pepper from the plains was traded at Rs 407-409 a kg, while that from Pulpally, Bathery in Wayanad was sold at Rs 413-414. High range pepper including that from the Rajkumari region was traded at Rs 417-418, they said.

On the spot, 32 tonnes of farm grade arrived and 35 tonnes material were traded at prices ranging from Rs 407-409, they said. September contract on the NMCE decreased by Rs 169 a quintal to Rs 44,401 a quintal, while October moved up by Rs 6 to Rs 44,750. Total open interest fell by nine tonnes to 49 tonnes.

Total turnover moved up by one tonne to 25 tonnes. Spot market went up by Rs 200 on tight supply amid good demand to close at Rs 40,700 (ungarbled) and Rs 42,700 (garbled).

Indian parity in the international market remained unchanged at around \$6,900 a tonne (c&f) Europe and at \$7,150 a tonne (c&f) USA.

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## Sugar sector wants ethanol blending scheme up and running

**'Govt can save \$340 m by making 5% fuel blending mandatory'**



New Delhi, Sept. 2:

As the Government ponders over various moves to conserve foreign exchange in the oil sector, the sugar industry has sought expediting tendering process for ethanol procurement to give the mandatory blending programme a push.

Despite Government mandate, public sector oil marketing companies had taken about 5-6 months to finalise the tender issued early this year, which not only delayed the mandatory blending initiative, but also made the sugar mills jittery.

As part of measures to contain outflow of foreign exchange on account of import of crude oil and petroleum products, Petroleum and Natural Gas Minister M. Veerappa Moily, in a letter to Prime Minister Manmohan Singh and the Finance Minister P. Chidambaram said that the Government can save up to \$340 million in 2013-14 by implementing the 5 per cent mandatory ethanol blending programme.

The Ministry believes that if the overall consumption of petroleum products is retained at the previous year's level against the 4.1 per cent growth originally estimated as a result of the measures suggested including no increase in crude oil imports by public sector /joint venture refiners, ethanol blending programme, demand in reduction of LPG, the reduction in forex outflow would amount to \$7 billion approximately.

The Government, had, on January 2 notified the mandatory five per cent blending of ethanol with petrol to be achieved by June 30.

However, the delay in the tendering and procurement has impeded the blending initiative.

The OMCs have begun placing orders for only about 40 crore litres of ethanol against the finalised quantity of 55 crore litres, although the actual requirement for the mandatory 5 per cent blending is estimated at over 100 crore litres.

From December to November 2013-14, the OMCs have come out with a tender to procure 133.24 crore litres of ethanol. About 80 technical bids have been submitted for the latest tender, which is 15 per cent more than the previous one. The OMCs are currently in the process of evaluating financial bids.

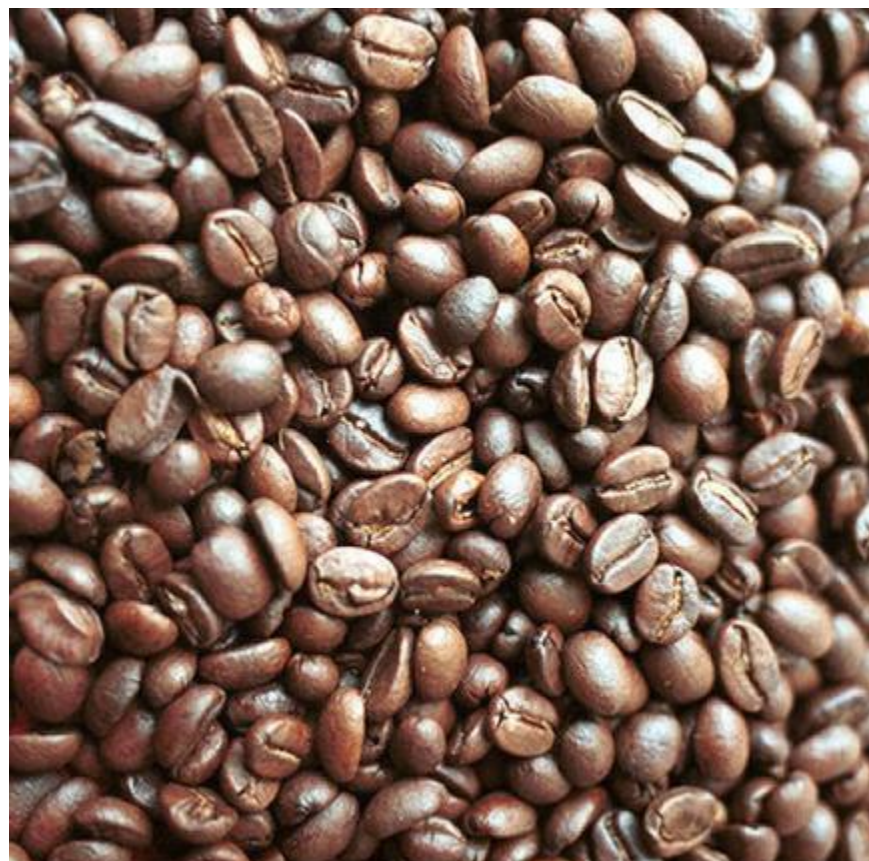
“The OMCs should expedite the tendering process and complete it in a month or so. Also, they should go for higher blending of up to 10 per cent in States wherever ethanol is available,” said Abinash Verma, Director-General of the Indian Sugar Mills Association. Further, the OMCs should not reject any ethanol offered by sugar mills on price consideration, he said.

The latest tender is to procure ethanol from all States across the country, except for Uttar Pradesh, where it would be applicable between June and November 2014, as supplies for the earlier months have already been committed. The ethanol requirement of Indian Oil Corporation is estimated at 58.81 crore litres, followed by Bharat Petroleum at 38.10 crore litres and Hindustan Petroleum at 36.32 crore litres for the next season.

Blending of ethanol would also make available higher petrol for products. In states such as Uttar Pradesh, Maharashtra and Karnataka, where the availability of ethanol is more, higher blending of up to 10 per cent should be allowed.

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## Coffee output could be 10% lower than initial estimates



Coonoor, Sept. 2:

A lowering of the 2013-14 coffee production estimates is on the cards.

Coffee Board Chairman Jawaid Akthar, who chaired a session on Commodity Outlook here this afternoon at the United Planters' Association of Southern India annual conference, said that a 10 per cent drop in the post blossom estimate could not be ruled out.

The Board has placed the post blossom estimate at 3.47 lakh tonnes, which is 9.05 per cent higher over the 2012-13 target of 3.20 lakh tonnes.

"Good blossom showers followed by delayed backing showers and drought and continuous heavy rainfall has affected the crop, causing fruit drop and incidence of black rot and stalk rot in certain high rainfall area," Akthar said.

Growers, however, expect production to fall by 20-25 per cent compared with the Coffee Board's conservative estimate of a 10 per cent drop.

Going by estimates, it appears that 2013-14 should have been a record year for coffee production, but it will probably not be.

“Augmenting production to retain export share and meet domestic demand is a major challenge at this juncture,” Akthar said and added that the Board has a scheme for replantation and expansion in traditional and new areas.

“We have found that coffee can be grown in Darjeeling. The area under coffee is growing, particularly in Andhra Pradesh,” he said.

Meanwhile, stagnation in productivity is said to be affecting the cost-competitiveness of the industry. The board has initiated programmes to strengthen transfer of technology and capacity building by setting up of Directorate of Extension.

On prices, Akthar said: “Indian prices are close to international prices at present. Arabica attained a high of Rs 287/kg during November 2011, 5 per cent over international price (Rs 274/kg), and robusta, a high of Rs 163/kg during December 2012, 41 per cent over the international price (Rs 116/kg).”

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### Tea, a national drink

The Tea Board has put a timeline in place for all licences.

‘We are using e-Governance and modern technology to address such issues’ said Tea Board Chairman M.G.V.K Bhanu.

Tea as a national drink is pending before the Centre for approval.

“Whether declared or not, Tea is a national drink,” he said.

Addition of milk brings down the health benefits of tea.

“We are however taking efforts to find out the real impact. Tea Board is funding many research projects,” said Bhanu

The Steering Committee will advise the Tea Board for generic promotion of tea.

The domestic tea promotion campaign will be supported by the Board.

However, the producers’ body will put a stamp on it, he said, adding that e-auctions will be made pan-India soon.

Coffee Board is proposing a programme on coffee entrepreneurship.

It is expected to be rolled out in 15 days, Coffee Board Chairman Javed Akthar said.

A Centre for Innovation and Entrepreneurship has been established in the Indian Institute of Plantation Management

The Coffee Board has identified an area of about 20,200 hectares as suitable for expansion of coffee planting.

– LNR

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### Cotton tops Rs 50,000 a candy as supplies tighten



Rajkot, Sept. 2:

Cotton prices touched Rs 50,000 for a candy of 356 kg on Monday on supply shortage.

According to market sources, prices moved up by Rs 2,500 a candy over the last one week due to higher demand from mills.

Gujarat Sankar-6 cotton traded at Rs 49,500-50,000. Medium grade cotton traded at Rs 48,000-49,000 a candy.

Kapas or raw cotton price quoted at Rs 1,225-1,250 for a maund of 20 kg.

The price of kapas has gained about Rs 100 in the last one week. About 700-1,000 bales of cotton arrived in Gujarat and 2,200-2,500 bales across the country. A Rajkot-based cotton broker said that prices have improved as the demand from spinning mills is high. Moreover, higher prices in the global market is also another reason for the surge.

On the other hand, supply is very tight and the new season is a month away.

However, traders say that cotton price will not rise much from this level as demand may be curbed at the higher level.

According to the Cotton Association of India, production is estimated to be higher at around 372 lakh bales in the new season starting October against 355 lakh bales this season.

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## Groundnut oil flares up on stockists' demand



Mumbai, Sept. 2:

Groundnut oil prices rose by Rs 10 for 10 kg and palmolein by Re 1 on renewed demand from stockists on Monday. Other edible oils were mixed with soyabean and sunflower oils ruling unchanged. Cotton and rapeseed oils dropped by Rs 10 and Rs 3 each.

Analyst said that forecasts of lower than estimated soya yields due to a dry spell in the US growing belt, along with a weak ringgit lifted palm oil prices 7.5 per cent in August – the best monthly performance since December 2010.

During the day a total of about 550-600 tonnes of palmolein and 50-60 tonnes of soyabean oil were traded. At the end of the day, Liberty quoted palmolein at Rs 605, super palmolein Rs 640 and super deluxe Rs 660, soyabean refined oil Rs 695 and sunflower refined oil Rs 835.

Ruchi quoted palmolein Rs 610, soyabean refined oil Rs 680 and sunflower refined oil Rs 830.

Allana quoted palmolein at Rs 608, super palmolein Rs 645, soyabean refined oil Rs 685 and sunflower refined oil Rs 835. Gokul's rate were Rs 598 for palmolein. At Rajkot, groundnut oil firmed up to Rs 1,300 (Rs 1,285) for *telia* tin and loose (10 kg) Rs 835 (Rs 825). Soyabean arrivals were 70,000 bags at Rs 3,300-3,450 ex mandi and Rs 3,500-3,550 for plant delivery. Mustard seed arrivals were 50,000 bags and prices were Rs 3,210-3,700.

On the National Commodities and Derivatives Exchange, soyabean refined oil October futures extended loss further by Rs 6.20 to Rs 678.80 (Rs 685), November down by Rs 6.40 to Rs 670.95 (Rs 677.35) and December down by Rs 6.70 to Rs 667.10 (Rs 673.80).

Malaysia BMD crude palm oil's October futures contracts closed at MYR 2,428 (MYR 2,404), November at MYR 2,426 (MYR 2,404) and December at MYR 2,424 (MYR 2,404).

The Bombay Commodity Exchange spot rates (Rs/10 kg) were: Groundnut oil 860 (850), soya refined oil 680 (680), sunflower exp. ref. 745 (750), sunflower ref. 830 (830), rapeseed ref. oil 735 (738), rapeseed expeller ref. 705 (708) cottonseed ref. oil 670 (680) and palmolein 596 (595).

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### Soya could drop as fears over crop loss recede



Indore, Sept. 2:

Higher arrivals, slack buying support and weak global cues have dragged soyabean prices in the last one week by Rs 300 a quintal.

Amid arrivals of 1.25 lakh-1.50 lakh bags in Madhya Pradesh, soyabean prices on Monday declined to Rs 3,250-3,350 (Rs 3,550-3,650 last week).

With weather turning clear in Madhya Pradesh and reports of damage to the crop being lesser than feared, both farmers and traders have started releasing the stocks with them.

Despite some damage to crops because of incessant rains in the past two months, soyabean output is expected to be higher compared with last year because of higher acreage.

Under the circumstances, a further downtrend is expected in the coming days in soyabean, said Mukesh Purohit, a local soyabean trader

In the futures market also, soyabean traded lower on weak buying support and global cues with October and November contracts on the NCDEX closing at Rs 3,428 (down Rs 42) and Rs 3,440 (down Rs 38.50) respectively.

Weak demand in soyabean oil has also dragged plant deliveries in soyabean in the past one week by over Rs 200 to Rs 3,500-3,550.

Similarly, weak domestic and export demand have also dragged soya DOC prices in the past one week sharply.

In the domestic market, soya DOC was quoted at Rs 31,000-31,500 (down Rs 2,000 from last week), while on Kandla port, it ruled at Rs 33,000-33,500 (down Rs 500-1,000 from last week).

Soya oil also traded lower on weak demand and global cues with soya refined being quoted at Rs 660-665 for 10 kg, while soya solvent declined to Rs 618-622.

Weak buying support and global cues also dragged soya oil futures prices with its September and October contracts on the NCEDX closing at Rs 694.50 (down Rs 8.70) and Rs 697.60 (down Rs 5.40) respectively. Any major fall in soya oil prices in the coming days appears unlikely given festive demand ahead.

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### **New basmati variety makes market debut at over Rs 2,500/quintal**

A new high yielding basmati variety Pusa-1509 entered the market for the first time on Monday. Tara Chand Sharma, proprietor of Tara Chand and Sons, told *Business Line* that like the Pusa-1121 variety, Pusa-1509 is also a long grain variety but gives higher yield.

Around 500 paddy bags of Pusa-1509 arrived from the Uttar Pradesh and fetched Rs 2,550-2,750 a quintal.

According to the market experts, it is a short duration variety and consumes lesser water than Pusa-1121.

In the physical market, the trade witnessed a steady trend, with prices of aromatic and non-basmati rice ruling firm at their previous levels.

Amit Chandna, proprietor of Hanuman Rice Trading Company, told *Business Line* that following fear of drop in prices in the near future, demand at present in the local market is quite low.

The market is moving at snail's pace, he added. Pusa-1121 (steam) sold at Rs 8,000-8,100, while Pusa-1121 (sela) was quoted at Rs 7,650-7,750.

Pure basmati (raw) quoted at Rs 8,650.

Duplicate basmati (steam) was sold at Rs 6,600.

For the brokens of Pusa-1121, Dubar quoted at Rs 3,600, Tibar sold at Rs 4,200 while Mongra was at Rs 2,950.

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

Permal (raw) sold at Rs 2,300-2,350 while Permal (sela) went for Rs 2,300. PR-11 (sela) sold at Rs 2,900 while PR-11 (raw) was quoted at Rs 2,750.

PR14 (steam) was sold at Rs 3,100.

### **Paddy arrivals**

Except the arrivals of Pusa-1509, around 5,000 bags of PR paddy variety arrived at the Karnal Grain Market Terminal and quoted at Rs 1,250.

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### **Sugar seen bearish as new crushing season looms**



Mumbai, Sept. 2:

Spot prices on the Vashi wholesale sugar market dropped by Rs 20-30 a quintal for M-grade on Monday as trading was limited at the lower end amid shortage/non-availability of bold – fine variety. S-grade ruled steady. Naka and mill tender rates were steady but the under current remained positive on hopes of higher demand for Ganeshotsav during the month. In the futures market, prices were steady.

They said that sharp jump in prices is unlikely, as new crushing season is just a month away and producers are carrying surplus stocks forcing them sell at every stage.

On the export front, too, chances are bleak due to bearish global prices. There is a sufficient inventory stocks in the Vashi market and supply from producers is ample. They are continuously selling in the local market. The Vashi market currently carries over 120 truckloads of stocks, sources said. Arrivals in the Vashi market were 64-65 truckloads (each of 100 bags), while local dispatches were 64-65 loads.

On Saturday evening, only 8-10 mills sold about 28,000-30,000 bags at Rs 2,900-2,970 (Rs 2,900-2,970) for S-grade and Rs 2,990-3,060 (Rs 2,990-3,060) for M-grade.

On the National Commodities and Derivatives Exchange, sugar October futures were up by Rs 4 to Rs 3,027 (Rs 3,023) and November was down by Re 1 to Rs 3,045 (Rs 3,046) till noon.

The Bombay Sugar Merchants Association's spot rates were (Rs/quintal): S-grade Rs 3,026-3,135 (Rs 3,030-3,135) and M-grade Rs 3,132-3,342 (Rs 3,162-3,362).

Naka delivery rates were: S-grade Rs 2,965-3,040 (Rs 2,965-3,040) and M-grade Rs 3,090-3,220 (Rs 3,090-3,220).

Uttar Pradesh rates were: Lakhimpur Rs 3,300 and Muzzafarnagar Rs 3,310.

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### Lower arrivals fail to add colour to turmeric



Erode, Sept. 2:

Turmeric arrivals in Erode markets dropped on Monday as growers are busy with farm operations. The lower arrivals failed to lift prices.

Some 2,489 bags were up for sale.

"Prices did not improve, though 70 per cent stocks was sold," said R.K.V. Ravishankar, President, Erode Turmeric Merchants Association.

He said that no fresh orders were forthcoming from North India.

Prices in the futures market ruled flat at Rs 5,250 a quintal. Prices were low in other markets such as Warangal and Nizamabad too.

Local stockists bought some quantity to build inventories.

Due to arrival of medium variety hybrid turmeric, the hybrid finger variety decreased by Rs 200. Prices of both varieties in other markets decreased marginally.

At the Erode Turmeric Merchants Association sales yard, the finger variety was sold at Rs 3,799-5,617, the root variety Rs 3,519-5,117.

Salem hybrid crop: The finger variety was sold at Rs 4,874-6,389, the root variety Rs 4,374-5,499. Of 630 bags that arrived, 298 were sold.

At the Regulated Market Committee, the finger variety was sold at Rs 4,999-5,879, the root variety Rs 4,789-5,596.

Of the 600 bags on offer, 329 were picked up.

At the Erode Cooperative Marketing society, the finger variety was sold at Rs 5,029-5,974. Root variety was sold at Rs 4,793-5,438. All the 226 bags put on offer were traded.

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