THE HINDU

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# Endosulfan: Centre gets more time

Supreme Court grants further three weeks' time to file an interim report

The Supreme Court on Friday granted further three weeks' time to the Centre to file an interim report on the study by an expert committee on the harmful effects of endosulfan.

A three-judge Bench of Chief Justice S.H. Kapadia, Justice K.S. Radhakrishnan, and Justice Swatanter Kumar rejected the plea of Additional Solicitor-General Mohan Parasaran seeking six weeks for submission of the report.

On May 13, the court, while banning the use of endosulfan all over India, directed the statutory authorities to freeze the production licences granted to the manufacturers of the pesticide till further orders. It asked the expert committee to submit a report in eight weeks.

During the resumed hearing on Friday, Mr. Parasaran submitted that the committee needed further time to give its report.

Senior advocate Harish Salve, appearing for the manufacturers of endosulfan, submitted that since the production of the pesticide had come to a halt, it was affecting international export commitments.

## Export of product

He said, “we make the product for other countries. Why to stop the export?”

Senior advocate Krishna Venugopal, appearing for the petitioner Democratic Youth Federation of India, opposed lifting the ban and allowing export.

The CJI asked Mr. Salve, “we want to be sure that if we allow the export it should not come back to India”.

The Bench while granting three weeks asked the ASG to consider the demand of the manufactures to allow export of the piled up stock.

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## Farm to palm

PIGMY nuts? A farmer showing tiny coconuts grown in his farm in Tuticorin.

Published: July 16, 2011 00:00 IST | Updated: July 16, 2011 04:10 IST MADURAI, July 16, 2011

## Absence of officials at meeting irks farmers

Use water judiciously and plant saplings, says Collector

Absence of key officials at the grievance redress meeting here on Friday irked farmers and Collector U. Sagayam.

When some of the farmers explained their difficulties in getting loans from the branch of a primary agricultural cooperative bank, there was nobody to answer in a responsible manner from the department. Annoyed, Mr. Sagayam said that when farmers were coming from far away places with a hope that their problems could be solved, officials were expected to be present and give reply in a convincing manner. He hoped that the officials would extend their cooperation and take it in a right perspective.

On proliferation of dyeing units in Usilampatti and surrounding areas, the Collector wanted the farmers to be vigilant and assured to take prompt action. To a volley of queries on fertilizer, Mr. Sagayam urged the officials of the Department of Agriculture to ensure that there was adequate stock. Prices and stock position should also be displayed prominently at the retail outlets.

He wanted the officials to make sure that dealers issues receipts to farmers, n reply to complaints from villagers from Chittampatti near Melur. He also promised to conduct surprise checks on erring dealers.

## Water use

Many farmers pointed out non-removal of encroachments in canals and other water bodies in their localities. The officials from the respective blocks were instructed to evict all the unauthorised encroachments on a war footing. By doing so, water for irrigation could be taken to more cultivable lands through these canals. Mr. Sagayam wanted the farmers to use the water judiciously and suggested planting of saplings such as tamarind and jamun (naaval pazham) that would be commercially viable along the evicted areas. The farmers were also told to keep their vigil against encroachers.

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Session on bio-cultivation of bulb onion

The Department of Bio Technology of Dhanalakshmi Srinivasan College of Arts and Science for Women, and the State Agriculture Department jointly organised a training programme and demonstration session on bio cultivation of bulb onion at Ammapalayam village recently.

M. Senthamilselvan, assistant director of agriculture, presided over the inaugural.

He said that bulb onion is cultivated in about 7,000 hectares in Perambalur district and added that it is the leading commercial crop. K. Muthukrishnan, plant pathologist, Dhanalakshmi Srinivasan College of Arts and Science for Women, spoke on the types of bulb onion, and also gave tips to the farmers on checking the spreading of stem rotting, root rotting, and leaves blast diseases in the onion.

Patchiammal, agricultural officer, Manivel, deputy agricultural officer, offered felicitations on the occasion.

Published: July 16, 2011 00:00 IST | Updated: July 16, 2011 04:07 IST PERAMBALUR, July 16, 2011

Weekly auctions for farm produce

Arrangements have been made for conducting weekly auctions of maize, cotton and other farm produce at the Regulated Market Committee in Perambalur, Collector Darez Ahmed has said.

In a press release, Mr.Ahmed said the auctions would be conducted every Friday and farmers could benefit by selling their produce at the auction without any interference from middlemen. Farmers could also pledge their produce at the market committee godown to raise loans up to 50 per cent of the value of the produce subject to a maximum of Rs.1 lakh.

Farm produce could be stored at the godown up to six months.

The market committee was also renting out threshers and rotovators at nominal rates and farmers could make use of the facilities made available by the committee, he said.

Published: July 16, 2011 00:00 IST | Updated: July 16, 2011 04:14 IST TIRUNELVELI, July 16, 2011

Surprise checks in store for fertilizer shops

Action to be initiated against erring stockists: Collector

ENVIRONMENT-CONSCIOUS: Collector S.Natarajan holding farmers' grievance day meeting at Tirunelveli Collectorate on Friday.

Collector S. Natarajan has instructed the officials of Department of Agriculture to conduct surprise check in the fertilizer shops following complaints of compelling the farmers to buy these chemical nutrients at a premium.

When a good number of farmers raised this issue in the agriculturists' grievance day meeting held at the Collectorate on Friday, Mr. Natarajan said some of the chemical fertilizer stockists, who had to sell the nutrients at the price fixed by the government, should not be allowed to sell the fertilizers at an inflated price.

Hence, the officials concerned should conduct surprise check in the shops which were selling them at a premium and initiate appropriate action against the erring stockists.

An expert from a private company had been roped in to explain the advantages of organic farming practices to the farmers as it required lesser quantity of water than inorganic farming techniques. “Moreover, the yield will also be good even as you are not harming the environment by not using inorganic fertilizers,” he noted.

An elaborate account of the cultivation of multi crop in the fields was explained with a powerpoint presentation, in which the farmers shared their experiences with these crops.

Water storage distressing

Statistics provided by the Agriculture Department officials on the water storage position was quite distressing as all eleven reservoirs in the district now have only 13 per cent storage (only 1,767 cusecs against the cumulative capacity of 13,765.50 cusecs) after southwest onsoon let down the district this year too.

Storage level in the dams - in feet (maximum capacity in the bracket): Papanasam – 44.05 (143 feet); Seravlar – 65.13 (156); Manimuthar – 54.60 (118); Gadana – 49.10 (85); Ramanadhi – 44.05 (84); Karuppanadhi – 47.31(72); Gundar – 36.10 (36.10), Adavinainar – 66 (142); Vadakku Patchaiyaar – 2 (67); Kodumudiyar – 13 (57) and Nambiyar – 10.99 (25).

Of the 2,449 irrigation tanks in the district including 921 systemised tanks and 1,528 non-systemised tanks, 2,272 tanks are bone-dry now. Consequently, paddy cultivation has been taken-up only on 1,400 hectare in the district during this ‘kar' paddy season though the target is 19,000 hectare.

Published: July 16, 2011 00:00 IST | Updated: July 16, 2011 04:14 IST VILLUPURAM, July 16, 2011

135 lakh tonnes sugarcane target for Villupuram

For the current financial year (2011-2012), foodgrain production target has been fixed at 7.5 lakh tonnes for the district, according to C.T.Manimekalai, Collector.

She was speaking at the Farmers' Grievance Day session held here on Friday. The Collector noted that the target for the same period for oil seeds was 1.93 lakh tonnes and sugarcane 135 lakh tonnes.

To enable the farmers to achieve these targets adequate seed stocks were being maintained in the agriculture extension centres. For resolving the issues related to the sugarcane farmers a tripartite meeting would be held in the second week of August.

Of the Rs 239-crore crop loans sanctioned for the current financial year, already a sum of Rs 76.58 crore had been disbursed. She called upon all the farmers to take crop insurance and added that steps would be taken to extend crop loans on a priority basis.

Ms. Manimekalai further said that all the irrigation canals under the purview of the Public Works Department would be desilted under the Mahatma Gandhi National Rural Employment Guarantee Scheme.

She also gave an assurance that all the water bodies in the district would be cleared of the encroachments. It had come to her notice that for want of sacks seeds were kept in the open in Market Committees, exposing them to the vagaries of weather, thus, affecting their quality.

To overcome the problem the cooperative departments would procure the sacks and supply at the government fixed prices to the Market Committees. The farmers could rest assured that fertilizers would be sold at the fixed prices and handbills carrying fertilizer prices would be distributed among them.

The Collector further said that arrangements had been made to clear the bills of farmers on the same day in the Ginjee Market Committee. The Tamil Nadu Electricity Board had been instructed to replace all the faulty transformers to ensure quality supply to farms.

She disclosed that a Rs 174-crore proposal had been sent to the Centre for implementing the Nandan Canal project. Necessary steps had been taken to double the income level of small and marginal farmers within three years, the Collector said.

Published: July 16, 2011 00:00 IST | Updated: July 16, 2011 04:10 IST MYSORE, July 16, 2011

## Scientists show new technology for growing watermelon

A field day on ‘Improved production technology for watermelon' was held at Kudanahalli near here on Tuesday. The programme was organised by the Indian Institute of Horticultural

Research (IIHR), Hesaraghatta, Bangalore, under the National Initiative on Climate Resilient Agriculture (NICRA) project.

The programme started with a visit to the demonstration plot by farmers from different taluks of Mysore district, scientists from the IIHR, staff of the Department of Horticulture led by H.M. Nagaraj, Deputy Director of Horticulture, Mysore, and Arun Balamatti, programme coordinator, JSS KVK, Suttur.

B. Balakrishna, senior scientist, IIHR, Bangalore, gave a brief introduction to the technology.

R.M. Bhatt, principal scientist, IIHR, gave an introductory talk on the impact of climate on the changing scenario of horticultural crops and the programmes taken up in the country to reduce its impact.

He explained about the NICRA project and its objectives and also about the utility of climate resilient technologies in agriculture and horticulture.

## Year-round demand

S.S. Hebbar, principal scientist, IIHR, highlighted the integrated production technology for watermelon and the increasing demand for the crop all through the year.

Measures including drip irrigation, efficient water use, weed management and reducing labour costs would help increase yield and improve the quality of watermelon and other vegetable crops, he said.

He highlighted the role of conservation of water, nutrients and other resources to check the impact of changing climatic conditions.

K.S. Shivashankar, principal scientist, IIHR, briefed the groups on the changing climatic conditions, the factors responsible for it and the nature of problems farmers had encountered during the changing scenario.

He advocated important and simple practices to be adopted for reducing the impact of climate change such as use of drip irrigation, mulching and fertigation technologies, besides agro-forestry.

M. Pitchaimuttu spoke about the improved varieties/hybrids of watermelon from the IIHR such as ‘Arka Aishwarya', ‘Arka Akash' and ‘Arka Madhura' and the latest commercial varieties suitable for cultivation in Mysore district.

He pointed out the advantages of adopting different planting systems in the production of watermelon.

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Centre approves Rs. 4.02 crore for horticulture mission in Kodagu

The Government of India has accorded approval of Rs. 4.02 crore during 2011-12 to encourage cultivation of horticulture crops with emphasis on revival of Coorg mandarin (orange) under the National Horticulture Mission (NHM) in Kodagu district.

The Centre had introduced the scheme in 2005-06 for seven years and this could probably be the last year of the scheme that would be in operation in Kodagu like in other select districts in the State. The main objective of the NHM was to double the horticulture production by 2011-12. The NHM focussed on overall horticulture development by helping farmers in production, post-harvest techniques and management and increase the area under horticulture coverage.

This year, the Department of Horticulture in Kodagu would take up mandarin revival plan on 490 acres of land by investing Rs. 73.51 lakh, according to sources in the department. The department is planning to distribute over 3,00,000 orange plants to growers in Kodagu district during this period. Over 90 per cent of the distribution was over in Madikeri taluk and it was going on in Virajpet and Somwarpet taluks.

Under NHM this year, banana cultivation would be taken up on 95 hectares of land. And Rs. 16 lakh reserved for providing subsidies to farmers after planting.

Pepper is an important inter-crop interspersing the coffee plantations in Kodagu. To encourage pepper cultivation, Rs. 1.20 crore had been set aside for subsidy and cultivation was targeted to be taken up in an extent of 600 hectares. For the first time, Rs. 75 lakh had been set aside to tackle the yellow leaf disease in areca crop. Farmers in Sampaje, Peraje, and surrounding places in Kodagu, bordering Dakshina Kannada district, had suffered because of this disease.

Subsidies would be given for pineapple cultivation up to Rs. 32,500 a hectare, Rs. 12,000 a hectare for expansion of coca and Rs. 20,000 a hectare for cashew. As much as 50 per cent subsidy would be provided to farmers taking up floriculture, vegetable cultivation under the poly-houses.

Those taking up programmes under pest management and nutrient management in horticulture crops, and bee keeping would be subsidy.

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Good rainfall cheers up farmers in Kodagu

Complete enclosure: General K.S. Thimayya Circle engulfed in thick fog as heavy rainfall continued in Madikeri on Friday.

Kodagu district has been experiencing good rainfall for the past two days which has made farmers take up agricultural operations in a big way in the entire district.

Paddy cultivation would be taken up on 35,000 hectares of land in Kodagu district this season.

Madikeri, Bhagamandala, and Gonicoppa areas reported moderate to heavy rains on Friday. One house was partially damaged in Shantalli because of heavy rain on July 15. However, there was a let up in rainfall on Thursday night. The district administration has geared up to meet emergency situations arising out of rainfall in the district, particularly landslips in Madikeri. Average rainfall in the district as well as three taluks had exceeded last year's tally.

Kodagu district has received an average of 1,176.08 mm rainfall from January to July 15 against last year's 703.47 mm recorded in the same period last year. Average rainfall received in the district on July 15 (till 8 a.m.) was 52.47 mm.

Madikeri taluk received an average of 57.60 mm in the last 24 hours for a total of 1,566.30 mm from January to July 15 (1,014.54 mm last year). The corresponding statistics for Virajpet taluk was 50.48 mm for a total of 1,235.60 mm (648.18 mm) and that of Somwarpet taluk was 49.33 mm for 726.34 mm (447.67 mm).

Harangi reservoir level on Friday stood at 2,856.19 feet against its maximum of 2,859 feet. The level in the same period last year was 2,827.71 feet. Inflow into the reservoir measured on Friday morning was 1,332 cusecs and outflow into the river was 1,585 cusecs.



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## India achieves 241 MT foodgrain production in 2010-11: PM

Prime Minister Manmohan Singh said on Saturday the country has achieved a record foodgrain production of 241 million tonnes (MT) in 2010-11 crop year but stressed on ushering in a second Green Revolution to meet the mounting future domestic foodgrain demands.

"Production of major crops has been at record levels in the year just over. An estimated total production of 241 million tonnes in 2010-11 was achieved because of record production of wheat, maize and pulses. Oilseed production also set a new record," the PM said in his speech at a Indian Council of Agricultural Research (ICAR) function in New Delhi.

The estimated 241 MT foodgrain production is higher by 5 MT as announced by the agriculture ministry in its third estimate. It is also higher by 23 MT as compared to previous crop year 2009-10.

Crop year runs from July to June.

He said the record foodgrain production has been achieved because of hard work of the farmers and scientists.

But, Singh emphasised that the country needs a second green revolution to further accelerate agri growth and achieve self-sufficiency in food.

He said the total demand for foodgrains of the country is projected to touch 281 MT by 2020-21.

"Meeting this demand will necessitate a growth rate of nearly 2% per annum in foodgrain production," the PM said.

Stating that the country was spending about 0.6% of its agriculture GDP on agricultural research and development at present, he said this needs to be enhanced by 2-3 times by 2020.

"India needs a second green revolution that is broad-based, inclusive and sustainable," Singh said.

http://www.hindustantimes.com/StoryPage/Print/721803.aspx



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Business Standard

Monday, Jul 16, 2011

**Vegetable oil imports up 17.8% in June**

**BS Reporter / Mumbai July 16, 2011, 1:07 IST**

Vegetable oil imports rose a sharp 17.8 per cent in June, due to non-availability of oilseeds for crushing from domestic sources.

Data collected by the trade body Solvent Extractors' Association (SEA), showed the imports at 862,550 tonnes in June, as compared to 732,232 tonnes in the same month of the previous year.

Generally, imports decline in the first half (November to April) of the oil year due to higher availability at home. But, they gradually pick up in the next half when domestic output declines.B V Mehta, executive director, SEA, believes imports ( on the rise for the last two months) are likely to continue for the rest of the oil year.Stock of edible oils, as on July 1, at various ports, was estimated at 600,000 tonnes (crude palm oil, 400,000 tonnes, refined bleached and diodized palmolein, 65,000 tonnes, degummed soybean oil, 80,000 tonnes and crude sunflower oil, 55,000 tonnes), and about 900,000 tonnes are in the pipelines. Stock at ports and in pipelines, both,is up 155,000 tonnes, and estimated at 1,500,000 tonnes, as compared to 1,345,000 tonnes a month ago.The import during the first eight months of the oil year (November 2010 to October 2011) was 5,130,224 tonnes, as compared to 5,581,670 tonnes in the same period last year. Between November 2010 and June 2011, import of RBD palmolein was down 18 per cent at 638,715 tonnes, Share of refined oil was 13 per cent, while crude oil comprised 87 per cent Palm oil import during the period was 3,959,300 tonnes, as compared to 3,998,728 tonnes in the same period last year. Soft oils import declined to 988,211 tonnes from 1,323,083 tonnes.

## DGFT extends deadline for cotton export registration

**Dilip Kumar Jha / Mumbai July 16, 2011, 1:04 IST**

The Directorate General of Foreign Trade (DGFT) has extended the deadline for mandatory documents and the scrutiny and issue of registrations for cotton exports by a week.

According to an earlier notification, the last date for the process was July 15. This has now been extended up to July 22.

The government had recently allowed one million bales (1,70,000 tonnes) of additional cotton exports, in addition to the existing 5.5-million bales quota executed earlier. This followed demand from traders that the free fall in local prices be arrested.

“Owing to the disruption of trade, both in Bangladesh and Mumbai, trade might have been 15-20 per cent lower. This would now be covered with the extension in the deadline,” said M B Lal, exchairman, Cotton Corporation of India, and managing director, Shail Exports. Trade in Mumbai was disrupted at least twice this week, owing to the recent terror attack and heavy downpour in the city.

DGFT had earlier allocated 158,460 tonnes of cotton on a pro-rata basis among 227 applicants. A total of 8,200 tonnes of cotton was sequestered following interim orders of various high courts, while 3,339.2 tonnes were kept aside after a Calcutta High Court order.

Bangladesh, a major market for India's cotton exports, saw several strikes and trade disruptions in the recent past. Industrial units in Bangladesh remained closed at least twice since July 1. Lal said the development in Bangladesh needed to be taken into account before taking a final decision on cotton exports.

The DGFT notice said once final orders from the respective courts were received, further action would be taken. The cotton may be allotted according to a high court directive. The quantity of cotton (or the balance quantity, as the case may be) may also be divided among the two public sector applicants---Cotton Corporation of India and Minerals and Metals Trading Corporation. Such contingent allotment is necessary, since the government has mandated the export of the additional one million bales in the current cotton year, and neither of the public sector applicants would go through another round of allocation by inviting fresh applications. Such small quantity would not be viable for a fresh round of allocation.

## Kharif sowing of rain-fed crops to pick up in Andhra

B Ramakrishna / Hyderabad July 15, 2011, 0:15 IST

Sowing operations are expected to pick up in Andhra Pradesh with 12.9 mm of rain yesterday, that continued till this morning.

For most of the current season, the state witnessed subdued rainfall, with a 39 per cent of deficit in June. The monsoon revived only in the second week of July with 78.4 mm of rain, compared to the normal level of 69.7 mm for the period.

With this, the total rainfall recorded in the state stands at 144.5mm, 19 per cent below the normal level of 178.1mm. For the week ending July 6, total rainfall was 17 per cent below the normal.

Officially, up to 19 per cent of variation from the long-period average is considered ‘normal’. It is only Krishna district that received excess rain, while 12 were in the normal range and the other nine fell under the deficit category (i.e, 20 to 59 per cent below long-period average).

“With this week’s rain, kharif sowing of rain-fed crops will pick up and maximum area will be covered in an another week,” said Chandra Prakash, joint director, commissionerate of agriculture. Earlier, the sowing of crops such as jowar, maize, pulses, sesamum, sunflower and cotton was reported to have been ‘paralysed’ due to insufficient rain.

With Wednesday’s rain adding to last week’s, sowing is expected to pick up in Telangana as well, he said, adding the operations would go on till the end of August. He mentioned it will be too early to talk about a possible drought-like situation.

Raising of paddy nurseries is in progress in the districts that come under borewells and canals. Prakash said it would pick up pace with the ongoing rain. Transplantation takes place in the first week of July and continues till the end of August.

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THE HINDU Business Line

Clove surges to Rs 800/kg on rising demand

Kochi, July 15:

Clove prices have soared in the domestic market as demand has outstripped supply. According to dealers and growers in Nagercoil in Tamil Nadu, the major growing and supply centre, the price of the good variety has crossed Rs 800 a kg.

“The price has crossed Rs 800 a kg. Some traders have resorted to selling, while some others are holding back anticipating that the price will touch the magic four-digit figure,” Mr Subramani, a major cloves grower in Nagercoil, told *Business Line*.

The price has, of late, multiplied nearly four-fold on short supply as the last crop in India was less than half the normal output estimated at 2,500 tonnes. Indian demand is estimated at between 13,000 and 15,000 tonnes, said market sources.

### Shortage

There is a huge shortage of cloves in India as good quantities were exported to Singapore and Indonesia at $12,000 to $17,000 a tonne, following a sharp rise in prices in recent weeks, trade sources said.

They said there would be a huge vacuum here with the festival season around the corner, they said.

Prices in India for Colombo cloves were Rs 750 a kg and that for Zanzibar Rs 900. “The import costs are very high and given the current trend, we see cloves prices hitting Rs 1,000 to Rs 1,200 a kg.”

### Indonesia crop failure

Crop failure in Indonesia on account of disease has led to a sharp drop in production. It is expected to take three-four years to return to normal conditions. As a result, “clove prices will remain high till 2014. New crops take nearly four years to grow and fruit, while on the other side, demand from the Indian and world market is growing,” they said. The latest development is that China has also been buying huge cargoes of cloves, pushing prices up further,” trade sources in Bangalore told *Business Line*.

The annual world cloves crop usually is at 1,41,000 tonnes, with Indonesia accounting for 1,10,000 tonnes. At the same time, it also consumes around 1,20,000 tonnes, they said. “This year, the Indonesian crop is only 10 per cent, i.e., 10,000 tonnes while the output of all others when put together came to 28,000 tonnes. Thus, the total world cloves crop is estimated at 38,000 tonnes. Given this huge deficit, cloves prices are at $21,000 a tonne now and it may climb to $30,000 a tonne soon,” they claimed.

Indonesia cigar companies “must have buffer stocks, so they need one lakh tonnes and hence the Indonesian Government's trade ministry is reported to have issued import permits for 50,000 tonnes, so they have been buying goods from wherever they can at prices ranging from $11,000 and $17,000 a tonne. This phenomenon will reduce stocks in the world market, pushing the prices up further, they said.

The new crops in the Comoros, Zanzibar, Brazil and Madagascar “are also small; all these are getting booked in forward sales. With Indonesian cigar companies buying up crops, the local Indian markets will soon dry up. It will see Rs 1,200 a kg, it is good time for traders to buy cloves and hold them for a while,” the market sources said.

### Tea prices ease at N. India sale

Kolkata, July 15:

This week at sale 28, total tea offerings (packages) at the three North Indian auctions centres of Kolkata, Guwahati and Siliguri were 3,75,282 compared with 3,47,419 in the corresponding sale of last year, according to J Thomas & Company Pvt Ltd, tea auctioneers.

The offerings at Kolkata were 1,85,333 (CTC/dust 1,36,301, orthodox 42,139 and Darjeeling 6,893) compared with 1,65,727 (CTC/dust 1,13,570, orthodox 45,775 and Darjeeling 6,382) in the corresponding sale of 2010.

The corresponding figures for Guwahati and Siliguri were 105,034 (106,005) and 84,915 (75,687) respectively.

Assam CTC teas met with good demand and sold at irregularly lower rates. Selected better Dooars were around last year's rates while the remaining tended irregularly easier. There was fair support from Tata Global, while Hindustan Unilever was selective. Western India dealers were active at lower levels for the liquoring sorts. There was good support from local and other internal sections. Exporters operated on bolder brokens and grainy fannings.

Orthodox whole leaf and broken grades eased in value, while fannings sold at around last levels.

### Cotton wilts on surplus

Rajkot, July 15:

A demand crunch pulled down cotton by Rs 3,000 a candy of 356 kg this week.

*Sankar*-6 variety sold at Rs 33,000-34,000 a candy, down Rs 3,000. B-grade variety fetched Rs 25,000-28,000 a candy.

Quality raw cotton decreased by Rs 30-40 for a *maund* of 20 kg to Rs 800-820 and lower-grade sold at Rs 650-750 for a *maund*.

While 4,000 bales arrived in Gujarat, 7,000-8,000 bales arrived in the rest of the country.

Traders said demand is low as only exporters are buying hand-to-mouth, with ample stocks in the country at 25-30 lakh bales.

A Rajkot-based broker said cotton might dip to Rs 30,000 a candy, though the fall could be checked if demand from mills rose.

Cotton acreage has also plunged by 43 per cent against the year-ago period. It has been planted in an area of 58.89 lakh hectares as of now, compared to 84.43 lakh hectares during the corresponding period last year.

## Bay ‘low' pushes rain head across central India

Thiruvananthapuram, July 15:

Overall rainfall deficit thus far during the season has been retained at three per cent on Friday from overnight as the weak low-pressure area transited to a perch over northwest Madhya Pradesh and adjoining south Uttar Pradesh.

It has also acted as the rain head pouring it down all the way from the southeast coast towards central India.

Meanwhile, typhoon Ma-On in the north Pacific continued to march towards the west but models maintained the watch for it steer towards southern Japan for an eventful landfall.

The landfall is expected to take place four to five days from now, it estimated.

Typhoon Ma-On may have prevented the Bay of Bengal from producing a much stronger system than the one (a low-pressure area) it eventually did in the run up to the Pacific storm's initiation and gradual strengthening.

## WESTERLY TROUGH

Besides, a westerly trough has been persisting over northwest India and the monsoon easterlies from the ‘low' and the monsoon trough are expected to set up an interaction triggering rains in that region.

An upper air cyclonic circulation lay over Chhattisgarh in the east while a counterpart was traced to over central Pakistan and adjoining northwest Rajasthan and Punjab.

## CONVECTIVE CLOUDS

A weather warning valid for the next two days said that isolated heavy to very heavy rainfall would occur over Konkan, Goa, coastal Karnataka, Kerala, sub-Himalayan West Bengal, Sikkim and the North-eastern States. Isolated heavy rainfall has been warned over Himachal Pradesh, Uttarakhand, Punjab, Haryana, west Uttar Pradesh and Madhya Pradesh.

Fairly widespread rain or thundershowers is also expected occur over central, east and northeast India and along west coast.

They would be scattered over the remaining parts of the country outside south Andhra Pradesh and Tamil Nadu where it will be isolated.

## Spot rubber rules steady

Kottayam, July 15:

Spot rubber ended almost unchanged on Friday. The market lost its direction lacking fresh incentives either from the domestic or international front to catalyze the sentiments. ISNR-20, the only gainer of the day inched up on comparatively better demand. While supply concerns continued to lend support, increased domestic production, rise in imports and slowdown in car sales limited the gains. The transactions were low.

Sheet rubber was steady at Rs 214 a kg, according to traders. The grade improved marginally to Rs 214 (213.50) a kg both at Kottayam and Kochi, as reported by the Rubber Board.

In futures, the July series expired at Rs 213.65 (213.20) while the August series closed at Rs 215.60 (215.86), September at Rs 215.35 (215.98), October at Rs 215.60 (215), November at Rs 216.60 (216.75) and December at Rs 217.89 (218) a kg for RSS 4 on the National Multi Commodity Exchange.

RSS 3 weakened at its July futures to ¥372.9 (Rs 210.12) from ¥373.1 a kg during the day session but then recovered to ¥373.2 (Rs 210.29) in the night session on the Tokyo Commodity Exchange.

Spot rates were (Rs/kg): RSS-4: 214 (214); RSS-5: 211 (211); ungraded: 208 (208); ISNR 20: 211 (208) and latex 60 per cent: 137 (137).

## Rubber production up 4% in June

Kochi, July 15:

While the production of natural rubber rose by 4.1 per cent in June, consumption lagged behind at 0.6 per cent. Hence, the gap between production and consumption continued to widen at over 21,000 tonnes. Sources in the Rubber Board said that any crisis in the rubber markets is quite unlikely as there is a buffer stock of 2,47,442 tonnes.

They pointed out that rubber production has been consistently growing in the recent past, mainly on account of growth in the tapped area.

And this growth is likely to continue, as incremental areas that were brought under rubber cultivation in the last six to seven years will begin yielding in the years to come.

Driven by the prevailing higher prices, the tapping intensity is said to have increased last month. This also contributed to the growth in production. The extent of rain guarding is said to have remained stable and not had much of an impact on the growth curve.

Although the intermittent nature of the rains last month would have helped production, sources said that the climate was not very different in June last year either.

Production for the April-June quarter was up 5.4 per cent to 1,75,700 tonnes as against 1,66,750 tonnes last year.

Mr N Radhakrishnan, Advisor to the Cochin Rubber Merchants Association (CRMA), said that enquiries for rubber from upcountry buyers have been poor this week. He attributed this to increased imports.

The quoting price of good quality crump rubber in foreign markets was Rs 198 against Rs 214 for Indian sheet rubber, and several Indian buyers were in the process of importing their raw material. Bulk purchase and imports would always command a lower price, he pointed out.

## Imports

Malaysia, Indonesia and Thailand were the three countries from where crump rubber was being imported into India.

Of these, countries like Indonesia offer bargain prices since they consume only around 20 per cent of their total rubber production.

On the contrary, Malaysian rubber industries have been expanding rapidly and consume a significant portion of their own production, Mr Radhakrishnan said.

Imports increased by close to 60 per cent in June, compared with the same month last year.

This is expected to continue this month as well. The growth in imports for the April-June period is also evident as it has almost doubled to 38,233 tonnes from 19,118 tonnes last year.

## Kharif sowing continues to trail in most crops on deficient monsoon

New Delhi, July 15:

Planting of kharif oilseeds, pulses, coarse grains and cotton continues to trail on account of deficient monsoon in large parts of peninsular India.

According to the Agriculture Ministry's latest crop acreage data, farmers have so far sown only 58.89 lakh hectares (lh) under cotton, compared to the 84.43 lh coverage achieved during this period last year.

Progressive area is similarly lower in oilseeds (98.79 lh versus 102.43 lh), pulses (36.15 lh versus 43.02 lh) and coarse cereals (74.39 lh versus 79.87 lh), while being ahead in rice (115.36 lh versus 114.85 lh).

### Situation improving

Much of these numbers are a result of deficient monsoon rains, till a week ago, across Gujarat, Vidarbha, Marathwada, Telangana, Rayalaseema, coastal Andhra Pradesh and North Interior Karnataka.

But the situation has improved since then and according to Agriculture Ministry officials, it will show up in the acreage data to be released next week.

Within oilseeds, the lag is basically in groundnut, with only 18.92 lh being sown so far, compared with 30.195 lh in the corresponding period of the 2010 kharif season.

### Soyabean area up

On the other hand, more area has been sown under soyabean (73.379 lh versus 64.587 lh), even while trailing in sesamum (4.596 lh versus 4.206 lh).

In kharif pulses, the fall in coverage is most significant in arhar (12.212 lh versus 19.392 lh), followed by moong (7.807 lh versus 11.325 lh) and urad (7.941 lh versus 8.747 lh). Much of this is courtesy Maharashtra, which has registered a progressive drop in total pulses area from 19.82 lh to 6.93 lh.

### Bajra coverage rises

In coarse grains, the area under bajra has gone up from 28.179 lh to 29.404 lh, while lagging behind in the case of maize (31.382 lh versus 35.054 lh) and jowar (8.873 lh versus 13.011 lh). Again, the reason for this has been Maharashtra, which has so far reported 5.198 lh less coverage under jowar and 4.355 lh under maize.

Poor offtake keeps pulses sluggish

Indore, July 15:

Subdued demand and poor buying in the physical market kept pulses sluggish. Weak demand and declining futures pulled down spot chana by Rs 60 to Rs 2,800-2,825 a quintal on the National Commodity and Derivatives Exchange.

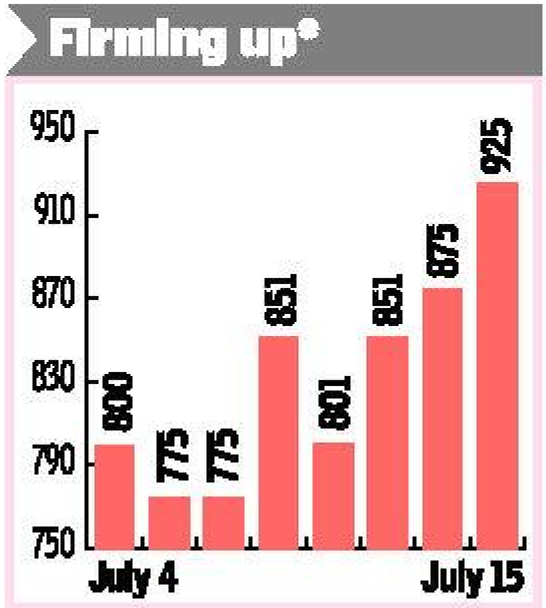
Chana ( *desi*) ruled at Rs 2,775 a quintal. On Thursday, chana had zoomed to Rs 2,900 a quintal with a cartel of big stockists maintaining their sway in the futures market. Decline in spot chana dragged chana dal, with chana dal (bold) selling at Rs 3,550-3,600 a quintal, chana dal (medium) at Rs 3,450-3,500 and chana dal (average) at Rs 3,350-3,400 a quintal.

Weak demand also dragged masoor. Masoor (bold) was Rs 40 down at Rs 2,810 a quintal in the spot market and masoor (medium) quoted at Rs 2,500. Masoor dal, however, ruled steady at Rs 3,500-3,525 and masoor dal (medium) at Rs 3,330-3,320 a quintal.

Tur ruled firm, with tur (Maharashtra) selling at Rs 3,150 and tur (Nimari) at Rs 2,600-2,700 a quintal. Tur (marka) ruled at Rs 6,100, tur dal (full) at Rs 5,500-5,550 and tur dal ( *sawa* no.) at Rs 4,500-4,600.

Moong and urad also remained steady, with moong (new) ruling at Rs 4,200-4,400 and moong (old) at Rs 3,800-4,000. Moong dal, too, ruled steady, with moong (mongar) fetching Rs 5,600-5,650 and moong dal Rs 5,600-5,700 a quintal.

Onion rules firm; Govt raises floor price for export



* Modal price in Rs/quintal at Lasalgaon APMC, Maharashtra
Source: NHRDF

Chennai, July 15:

Onion prices continued to rule firm at terminal markets in Maharashtra and Gujarat this week. But problems in movement of container shipments capped gains.

On the other hand, the Centre on Friday raised the minimum by $30 a tonne to $230 to check exports and surge in domestic prices.

“Only one of the three terminals are operational at JNPT (Jawaharlal Nehru Port Trust) as some maintenance work is on. Therefore, people were very selective in booking orders,” said Mr Rupesh Jaju, Director of Nashik-based United Pacific Agro Pvt Ltd.

“This resulted in lower procurement. Still, prices of quality onion commanded Rs 1,000 a quintal,” he said.

Currently, onion ranges between Rs 700 and Rs 1,000 based on quality.

In the Lasalgaon Agricultural Produce Marketing Committee yard in Maharashtra, the modal price or the rate at which most trades took place increased to Rs 925 from Rs 801 last week. Prices increased despite increased arrivals in Maharashtra.

For example, at Lasalgaon, Asia's largest onion market, arrivals were at 1,950 tonnes on Friday, more than double the average arrival last week. Nearly 4,200 tonnes of onions arrived at Lasalgaon during the last three days, according to data from the National Horticultural Research and Development Foundation.

“Prices could stay this way since exporters are not accepting new orders,” said Mr Jaju.

The floor export price of Krishnapuram and Bangalore Rose onions has been kept unchanged at $350 a tonne.

Profit-booking drags edible oils

Mumbai, July 15:

Edible oil market witnessed steady trend tracking Malaysian palm oil on Friday.

In spot, resale selling pressure increased as speculators booked profit. Groundnut oil and Sunflower oil declined by Rs 5/10 kg, cotton oil declined by Rs 3 and palmolein dipped by Rs 2 on subdued demand. Rapeseed oil and soya oil extended gain by Rs 2-7 for 10 kg on lack of resale selling. Stockists preferred to fulfil old commitments and keep away from fresh buying which led to low volume. Malaysian CPO futures slipped on profit-taking after two days' rally. CPO futures pulled back on profit-taking and concerns over the US economic recovery and declined in overnight soya oil and crude oil. Futures closed lower.

In last two days, about 3,000-3,500 tonnes of palmolein were directly traded with local refineries for July–August delivery. Retail demand also eased with usual month-end period. Due to lack of demand, resellers were quoting palmolein at Rs 542. Refineries Liberty was quoting palmolein at Rs 545. Ruchi's rate for palmolein was Rs 544, soya refined oil was Rs 638 and sunflower oil Rs 693. Allana's palmolein was Rs 545. In Rajkot-Saurashtra, groundnut oil price dropped by Rs 20 to Rs 1,500 (Rs 1,520) for Telia tin and loose – 10 kg by Rs 10 to Rs 975 (Rs 985).

Malaysia's CPO futures: Malaysia crude palm oil August contracts closed at MYR3,130 (MYR3,145), September at MYR3,116 (MYR3,144) and October at MYR3,115 (MYR3,141) a tonne.

Mumbai Commodity Exchange spot rate (Rs/10 kg): Groundnut oil 960 (965), soya refined oil 640 (638), sunflower exp. ref. 655 (660), sunflower ref. 700 (700), rapeseed ref. oil 674 (667), rapeseed expeller ref. 644 (637), cotton ref. oil 652 (655) and palmolein 542 (544).

Huge stocks may put pressure on rice

Karnal, July 15:

Rice market witnessed a steady trend with the prices of aromatic and non-basmati varieties ruling firm on previous levels.

The PR varieties may witness a fall in the coming days as millers and traders are holding massive stocks and demand is not picking up, said Mr Praveen Kumar, a rice miller.

On Friday, Pusa-1121 (steam) ruled at Rs 4,850 a quintal, Pusa-1121(sela) sold at Rs 3,850-3,900 while Pusa-1121(raw) quoted at Rs 4,330 a quintal.

Among branded basmati rice, Shri Lal Mahal and Lal Quila, were ruling at Rs 9,100 and Rs 9,300 a quintal, respectively.

Duplicate basmati ruled around Rs3,500. Pure basmati (raw) sold at Rs 5,900-6,000 a quintal while basmati (sela) was ruling at Rs 4,000-4,025 a quintal.

Among the brokens of Pusa 1121, Tibar sold at Rs 3,100-3,250, Dubar ruled around Rs 2,550 and Mongra was trading at Rs 1,900-2,070 a quintal.

Sharbati (steam) quoted at Rs 2,900-2,960 while the Sharbati (Sela) at Rs 2,750-2,800 a quintal.

PR11 (Sela) sold at Rs 2,000-2,175 while PR-11(Raw) quoted at Rs 1,950-2,130 a quintal.

Permal (sela) quoted at Rs 1,700-1,920 a quintal while Permal (Raw) sold at Rs 1,900-2,080 a quintal.

## Sugar cools as demand retreats

Mumbai, July 15:

Spot sugar prices on the Vashi market eased marginally on Friday as the demand retreated from higher level.

Spot price declined by Rs 10a quintal for S-grade, while M-grade ruled steady. In naka, resale selling pressure cooled down prices by Rs 10-20 for both grades. Mills are still not eager to sell at lower rates despite lower demand.

The volume was higher due to upcountry buying. In the local market, it was lower than the previous day due to eased demand. Mills witnessed fresh active buying from neighbouring States. A total of about 1.45-1.50 lakh bags was sold by State's mills on Wednesday evening, said market sources.

On Thursday, about four rail rakes (each 27,000 bags of 100 kg) means about one lakh bags was bought by neighbouring States' buyers at Rs 2,800-level.

Mills are not eager to sell at lower rates, expecting higher demand during the festival season which starts from August. On the one side, mills have to exhaust current month's free sale quota before month end, and on the other, they are not eager to sell at lower rates.

About 24-25 mills have offered tenders and sold about 40,000-42,000 bags (100 kg each) to local stockists in the range of Rs 2,680-Rs 2,730 (Rs 2,700-Rs 2,730) for S- grade and Rs 2,750-Rs 2,830 (Rs 2,750-Rs 2,830) for M-grade. Arrival in the market was lower 46-47 truckloads (each 100 bags) and local dispatches were about 43-44 truckloads, he said.

**Bombay Sugar Merchants Association sugar rates:** Spot: S-grade Rs 2,801-2,842 (Rs 2,800-2,851) and M-grade Rs 2,851-2,991 (Rs 2,851-2,991).

*Naka* **delivery rates**: S-grade Rs 2,750-2,780 (Rs 2,770-2,800) and M grade was Rs 2,830-2,950 (Rs 2,830-2,930).

**Turmeric sags as heavy arrivals continue**

Erode, July 15:

Spot turmeric prices decreased by another Rs 200 a quintal on Friday as heavy arrivals continued.

“Expecting good price, turmeric farmers brought around 13,000 bags (100 kg each) of turmeric to the market for sale on Friday, but prices did not appreciate, ”, said Mr R.K.V. Ravishankar, President, Erode Turmeric Merchants Association.

“We, the traders, are expecting arrivals to decrease from Monday for 15 days. If that happens, certainly prices may go up by about Rs 200-500 a quintal,” he said.

He said arrivals in the Erode Cooperative Marketing Society increased to 1,654 bags. The price in Regulated Marketing Committee decreased by Rs 230 a quintal, but arrivals and sales were high.Other traders said that farmers having huge stocks have decided to sell them, as they require money for the raising other crops in *Aadi* month (Tamil month). So they are likely to bring huge stocks from July 20, after which prices may go down further. Some turmeric farmers said that the present price was feasible for them, but it was still lower compared with last year's price. For the farmers to make good profits, they have to sell their produce at Rs 9,500/quintal or more. At the Erode Turmeric merchants Association, the finger variety sold at Rs 5,534-7,731 a quintal, the root variety at Rs 5,250-6,685.

**Salem Crop**: The finger variety sold at Rs 6,939-8,119 and the root variety at Rs 6,317-7,169. Totally 2,397 bags of turmeric arrived for sale and 679 were sold. At the Gobichettipalayam Agricultural Cooperative Marketing Society, the finger variety sold at Rs 5,827-7,669, the root variety at Rs 5,568-6,969. Of the 348 bags that arrived, 324 were sold.At the Erode Cooperative Marketing Society, the finger variety fetched Rs 6,066-7,796 and the root variety at Rs 5,909-6,899. Of the 1,684 bags that arrived, 1591 were sold.

At the Regulated Marketing Committee, the finger variety sold at Rs 7,030-7,689 and the root variety Rs 6,309-6,890. Out of 1,427 bags that arrived, 1185 were sold.