THE HINDU

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Food Security Bill needs amendments

In this file picture, activists protest against the National Food Security Bill and the recommendations of Tendulkar Committee in New Delhi. Photo: V.V. Krishnan

As it is drafted, the Bill actually deprives people, and the State governments, of existing rights on multiple counts.

The Food Security Bill finalised by a Group of Ministers should not be accepted by Parliament in its present form. The overriding negative features of the proposed legislation far outweigh its positive initiatives. The framework itself is questionable since the Central government usurps all powers to decide the numbers, criteria and schemes while imposing a substantial level of expenditure on the State governments. Far from meeting the basic requirements for a universalised system of public distribution, it actually deprives people and also State governments of existing rights on several counts — in spite of the opportunity created through huge buffer stocks.

First, it cuts down on the number of eligible households. At the Chief Ministers' Conference in February 2010, the government's agenda paper gave the total number of APL (above poverty line) and BPL (below poverty line) households covered by the Targeted Public Distribution System as 18.03 crore. This works out to over 90 per cent of the population, calculated on the basis of the population projections used by the Central government. But the Bill sets a cap of 75 per cent households in rural India and just 50 per cent in urban India. This means that lakhs of families holding APL cards will be excluded from the PDS.

Second, the Bill ignores the State government estimations of BPL families. As opposed to 6.52 crore families recognised by the Central government as being poor, State governments, based on their own estimation, have extended BPL coverage to 11.03 crore households, comprising 56 per cent of the population. But the Bill puts a cap on BPL households at 46 per cent in the rural areas and just 28 per cent in the urban areas.

At the heart of the differences between the Centre and many States on this issue is the utterly inhuman poverty line determined by the Planning Commission, which was Rs. 13 for an adult in rural India and Rs. 18 in urban India. And it was fraudulently linked with poverty "quotas" or "caps." The Bill legalises this anti-poor framework through Section 13(1), which states: "The Central Government shall, for each State determine the number of persons belonging to the priority (BPL) households." In this, the Bill prepared by the National Advisory Council (NAC) provides the government an alibi. Section 21 of the NAC draft states that the identification of priority households will "be based on the criteria notified by the Central Government." It is unfortunate that the NAC members who lead the right-to-food campaign should have accepted such a flawed policy. It surely undermines their own campaign.

Third, it cuts down on allocations. The Bill shifts from the present quota of 35 kg per family to an individual-based system fixed at a monthly quota of 7 kg per person for a BPL family. While individual-based quotas may appear to be reasonable, it will end up punishing poor families that have fewer children. For example, in a State like Kerala where the average family size is smaller than elsewhere in the country, the present quota of 35 kg will be cut, say for a BPL family with four members, to 28 kg. It would have been fairer to have kept the minimum allocation at 35 kg for a family and increased it by a certain amount per additional person over an average of five members per family. For APL sections it is even worse, with just a 3-kg quota per individual. Can 3 kg a month provide food security? This is an affront to human dignity and shows an utter lack of social conscience. Also, it needs to be clarified whether a child would have the same entitlement as an adult has.

The fourth issue is that of prices. Around 10 State governments have established a system where BPL families get rice at Rs. 2 a kg. In Tamil Nadu, rice is being provided at Re. 1 a kg and to some sections free of cost. The Bill ignores these existing price benefits. In the Bill, the price of rice for BPL families is Rs. 3, not Rs. 2 a kg. However, the price of wheat has been kept at Rs. 2 a kg and that of millets at Rs. 1 a kg. But the Central government has the right to change these prices at any time. For APL cardholders, Schedule 1 of the Bill pegs the price of foodgrains at 50 per cent of the minimum support price (MSP) given to farmers for wheat and rice. Instead of a fixed price as at present, APL prices are bound to move upwards given the farmers' genuine demand to raise the MSP every year to cover higher input costs. Thus the Bill creates a division and a possible conflict between consumers and farmers. While the farmers demand a higher MSP, the APL cardholders' interests will come to lie in lower MSPs.

The Bill has a section on reforms that takes forward the government's neo-liberal agenda. Chapter 13, Section 3(g), of the Bill states: “Introducing scheme for cash transfer to the targeted beneficiaries in lieu of their foodgrain entitlements… in areas and manner to be prescribed by the Central Government.” This is in tune with the recommendation made by the World Bank in its recent analysis of social protection schemes in India. Thus the cash transfer scheme opposed by a large number of food experts is made mandatory. The State governments are given no choice.

It also links the right to food with the questionable Aadhar, or unique identification system based on biometric information. Clause 3 of the same chapter mentions “leveraging aadhaar for unique identification with biometric information of entitled beneficiaries for proper targeting under this Act.” The main problem of corruption in the PDS is not impersonation — which is what the UID seeks to address — but diversion and leakages to private traders. The technology is admittedly prone to serious errors. In India, a country with a large number of manual labourers, it has been estimated that the error could go up to 15 to 20 per cent. To make food security rights conditional on biometric proof would be to use another instrument of exclusion.

Positive features

There are some positive features in the Bill including the inclusion of the mid-day meal scheme in its ambit. There are good provisions for nutritional guarantees in the form of a cooked meal for pregnant and lactating women, including for mothers for six months after childbirth. These are universal free-of-cost benefits. There are other schemes proposed for community kitchens for destitute persons, for migrant workers and special provisions for groups or communities identified as victims of starvation. However, disabled persons are once again left out.

But where will the funds come from? According to the Bill, the entire payment for all these free schemes proposed by the Central government will have to be made by the State government. Since the largest number of poor people reside in precisely those States where there are very limited resources, expecting the State governments to bear the huge expenditures is unjust and unfair. Already the Right to Education legislation is facing serious hurdles, one of these being the lack of resources at the State level. The Food Bill will become a victim of the same lack of resources syndrome if the present framework for expenses is not drastically changed.

The government's desire to get out of public provisioning and the fiscal conservatism underlying the rejection of a universal PDS, and on the contrary the urge to cut entitlements and beneficiaries, are the Bill's key macroeconomic foundations. This was the experience with the Rural Employment Guarantee and the Forest Rights Bills also, but those were quite radically improved because of the intervention of the Left parties. With their parliamentary strength reduced and with the NAC seemingly willing to compromise on fundamental issues, clearly a hard struggle lies ahead to ensure any pro-people amendments in the Bill.

Published: July 23, 2011 00:00 IST | Updated: July 23, 2011 04:10 IST NEW DELHI, July 23, 2011

Deficient monsoon hits kharif sowing

UMBRELLAS OUT BUT NOT MUCH RAIN: Shepherds with a herd of sheep waiting for some good showers at a village in Mirzapur on Friday. - PTI PHOTO

Deficient south-west monsoon rain in parts of the country has hit kharif sowing operations, particularly pulses, coarse cereals, oilseeds and cotton. Sowing has been hit in parts of Gujarat, Maharashtra and Andhra Pradesh. Kharif sowing begins in June, informed sources pointed out.

Paddy sowing, however, picked up last week with the total area sown so far at 154.70 lakh hectares against 154.20 lakh hectares cultivated in the corresponding period last year.

According to the India Metrological Department, the country received good rain in June, but by July 13 it had received 19 per cent less rain than the Long Period Average. As per statistics released by the Union Agriculture Ministry on Friday, a higher acreage of paddy was reported from Madhya Pradesh, Uttar Pradesh, Punjab, Tamil Nadu and Bihar. However, paddy sowing is lagging over last year's corresponding period in Andhra Pradesh, Assam, Chhattisgarh, Karnataka, Kerala, Maharashtra, Odisha, Gujarat, West Bengal and Haryana.

Scientists have advised farmers to irrigate their paddy fields every four to five days to keep the fields wet.

The area under pulses is down by 4.13 lakh hectares due to lesser sowing in Maharashtra and Karnataka. Rajasthan, however, has reported the highest acreage so far in the season. The average acreage is reportedly lower in arhar, moong and kulthi.

In the case of coarse cereals, the area sown so far is only 125.20 lakh hectares, compared to 141.42 lakh hectares cultivated this time last year. The shortfall is mainly due to lower acreage in Andhra Pradesh, Maharashtra, Gujarat, Haryana, Bihar and West Bengal.

Oilseeds are slightly lower at 129.75 lakh hectares. It was 130.47 lakh hectares in the corresponding period last year. Compared to 97.01 lakh hectares sown under cotton last year, only 93.45 lakh hectares were cultivated this year — mainly due to lesser coverage in Maharashtra, Gujarat and Andhra Pradesh.

There is an improvement in the area under sugarcane. It is higher by 2.70 lakh hectares over last year.

On the upside, the total live storage in 81 important reservoirs is reported to be higher by 11.394 billion cubic metres than last year's storage in the corresponding period.

The sources said sowing would pick up as monsoon rain improves.

Published: July 23, 2011 00:00 IST | Updated: July 23, 2011 04:12 IST THANJAVUR, July 23, 2011

Kuruvai transplantation completed on 20,203 ha

SRI method of cultivation applied on 13,008 ha: Collector

Kuruvai transplantation has been completed on 20,203 hectares in Thanjavur district so far against a target of 42,500 hectares to be covered this year, said K.Baskaran, Thanjavur Collector, here on Friday.

Presiding over the monthly grievances day meeting, the Collector said that out of this 20,203 hectares, System of Rice Intensification method of cultivation has been followed on 13,008 hectares and conventional method of cultivation has been followed in 7,195 hectares.

The Agriculture Department has so far distributed 502 tonnes of certified kuruvai seeds to the farmers. Co-operative department has supplied 66 tonnes and private companies have supplied 1,190 tonnes of seeds.

For the long-term crop of samba cultivation, CR1009 seeds are now being sent to the agriculture extension centres and depots. Farmers can get the seeds at five per cent subsidy per kg.

There is adequate stock of fertilisers in the district. There is a stock of 13,336 tonnes of urea, 2,945 tonnes of Di Ammonium Phosphate, 2,249 tonnes of Potash, 3,336 tonnes of complex fertilizers in the district.

Farmers demanded extending crop loans to farmers by the co-operative banks. They said that the banks are giving only jewel loans and not crop loans. They also said that water release should be continuous without resorting to internal turn in Grand Anicut canal system.

O. S. Manian, MP, M. Rangasamy, MLA, C.Suresh Kumar, District Revenue Officer, Balasubramanian, Joint Director of Agriculture, participated.

Nagapattinam

PWD channels and their maintenance and lack of it formed the dominant theme of agricultural grievances here at the monthly farmers' grievances day meeting at the Collectorate on Friday. Contesting the desiltation claims of the public works department along the main drainage channels for agriculture, farmers demanded deepening of channels in order to ensure there were no breaches and also prevent run off into the sea. Further, most of the main channels of PWD had dysfunctional shutters, leading to run off into the sea, and simultaneously allowing sea water intrusion. Reparation of shutters and regulators were one of the few demands that found common cause with a majority of farmers.

There was a call for increase in subsidy for agricultural implements and also to increase the implements on hire with the Department of Agricultural Engineering. The farmers, faced with labour deficit partly because of migration and also due to shortage caused by peaking of agricultural operations in the entire delta, called for easy and cheap availability of mechanised inputs, when farmers are faced with labour deficit. According to an administration release, the cumulative credit disbursements towards agricultural loans through commercial banks and primary agricultural cooperative societies stood at Rs.322.73 crores to 50,335 farmers.

Published: July 23, 2011 00:00 IST | Updated: July 23, 2011 04:12 IST TIRUCHI, July 23, 2011

‘Drop proposed agriculture council act'

with folded hands: Farmers raising their demands at the grievances day meet in the city on Friday. PHOTO:R.M. RAJARATHINAM.

P. Viswanathan, state president of Tamizhaga tank and river ayacutdars association, urged the State government to repeal the proposed Tamil Nadu State Agricultural Council Act, designed by the previous government.

Speaking at the monthly farmers grievances day meeting held here on Friday, he also pleaded for immediate maintenance of sluices in Silaiyathi village. P. Ayyakannu, state general secretary of the Bharathiya Kisan Sangam, pleaded for immediate replacement of transformers developing technical snag. K. Venkataraman, Superintending Engineer, Electricity Distribution Circle, Tiruchi Metro, said that a total of 106 transformers had been newly set up against the target of 32 in the last one month. It was not possible to stock any spare or standby transformers, as the number of transformers developing technical snag due to various factors was on the rise. “As of now, 13 transformers needed to be replaced,” he said.

Mr. Ayyakannnu raised the issue of the auction of five tractors proposed a nationalised bank in Woraiyur, and pleaded with the authorities to defer the same. R. Subramaniam, deputy secretary of Cauvery Delta Farmers Welfare Association, wanted immediate import and distribution of potash to farmers, particularly banana growers in the delta districts in and around Tiruchi.N. Veerasekaran, coordinator of the south and north Ayyan vaikkal ayacutdars welfare association, said uninterrupted power supply should be ensured for agricultural pump sets. He also wanted steps for clearing the silt in irrigation channels in consultation with the farmers' representatives.

Sakthivel, Regional Manager, Tamil Nadu Civil Supplies Corporation, appealed to farmers to avoid middlemen and also ensure quality in the produce.

Published: July 23, 2011 00:00 IST | Updated: July 23, 2011 04:13 IST VELLORE, July 23, 2011

Cultivation of mangoes under high density to be taken up in 300 ha

An official of Jain Irrigation Systems, Coimbatore, demonstrating the method of pruning a mango plant being cultivated under high density conditions in Kalampet village on Friday. — Photo: D. Gopalakrishnan

The Department of Horticulture and Plantation Crops has decided to promote cultivation of mangoes under high density on 300 hectares in Vellore district under the National Horticulture Mission, with about 200 to 250 farmers participating in the programme.

Unlike the conventional method, where 100 plants are cultivated on one hectare, each plant growing into a big tall tree spreading its canopy across a wide area, the high-density method involves cultivation of 400 plants in a hectare, allowing a space of 2.5 metres between two proximate plants and five metres between two rows of plants.

Talking to reporters at Kalampet in K.V. Kuppam block, the venue of a district-level training programme in high density mango cultivation on Friday, H.K. Pandey, Assistant Director of Horticulture-in-charge, K.V. Kuppam, said that under the high density method, drip irrigation is adopted, the plants are pruned periodically and the tree allowed to grow only up to a height of seven feet, at which point of time the fruits are harvested. Thanks to the increased density of plants, the per hectare yield is expected to be 11 tonnes per hectare (ha) as against the average yield of five tonnes/ha obtained under the conventional method in Tamil Nadu. Under the ultra high density method, where 800 plants/ha are planted, a yield of 24 tonnes/ha is expected.

Mr. Pandey said that last year, about 20 farmers from K.V. Kuppam block were taken to the farm of the Jain Irrigation Systems in Udumalpet, which has supplied the drip irrigation system for farmers opting for high density mango cultivation, and where the method of high density mango cultivation is being adopted. Of them, 13 farmers opted for high density mango cultivation. Of these, six farmers opted for ultra high density cultivation. This year, 23 farmers have opted for high density cultivation in K.V. Kuppam block, including six who have opted for ultra high density cultivation.

Dasarathan, Area Manager, Jain Irrigation Systems, Vellore, demonstrated to the farmers the method of ‘drip fertigation,' under which fertilizers mixed with water are taken through a ‘ventury' pipe and fed into the pipelines and allowed to mix with the water used for drip irrigation. He also demonstrated to the farmers the method of pruning the plants to achieve high yield.

Published: July 23, 2011 00:00 IST | Updated: July 23, 2011 04:12 IST
THIRUVANANTHAPURAM, July 23, 2011

Aquaculture planned in 10,000 ha paddy fields

Joint committee to be formed

Chief Minister Oommen Chandy said on Friday that aquaculture would be extended to 10,000 hectares of paddy fields this year.

Presiding over a conference of the Marine Products Export Development Authority (MPEDA) here, the Chief Minister said that the target was an additional production of 5,000 tonnes of fish.

Mr. Chandy announced that a joint committee of Agriculture, Fisheries, Rural Development and Irrigation departments; the National Board for Agriculture and Rural Development (NABARD), and MEPEDA would be formed to examine matters related to aquaculture in paddy fields. The Agriculture Production Commissioner would be its chairman. The committee is to submit its report in a month.

He directed that the circumstances under which the Agriculture Department refused sanction to aquaculture in fields unsuitable for paddy cultivation should be looked into.

MPEDA chairperson Leena Nair and officials of Agriculture and Fisheries departments and NABARD attended the conference.

Published: July 23, 2011 00:00 IST | Updated: July 23, 2011 04:12 IST
THIRUVANANTHAPURAM, July 23, 2011

Workshop on animal husbandry

A one-day 'Consultative workshop on animal husbandry sector' was organised by the Kerala regional office of National Bank for Agriculture and Rural Development (NABARD) and Kerala Veterinary Animal Sciences University at the NABARD regional office here on Friday.

The workshop discussed the need for a paradigm shift in the extension practices in the animal husbandry sector. Inaugurating the workshop, K.C. Shashidhar, Chief General Manager, NABARD Kerala regional office, said the workshop must identify the next steps in the agri-extension practices to meet the expectations of new generation entrepreneurs in the sector. He suggested a look at an 'Extension-plus' policy.

The workshop was guided by K.V. Ashok, Vice-Chancellor of the veterinary university. The Directors of the Animal Husbandry Department and the Dairy Department, representatives of the State-level Bankers Committee (SLBC), bankers, and farmers attended the workshop.

During the group discussions, the participants suggested that a single window approach be adopted for helping aspiring entrepreneurs fulfil various requirements while setting up new ventures. They also stressed the need for active media participation in giving wide publicity to the schemes.

They also proposed that NABARD and the veterinary university develop training modules in line with the requirements of the various players in the sector and facilitate technology transfer and research and development.

Published: July 23, 2011 00:00 IST | Updated: July 23, 2011 04:12 IST Thiruvananthapuram, July 23, 2011

Chandy launches fish stock enhancement programme

A few years from now, the sea off Vizhinjam coast near here could again be teeming with shoals of cobia, an edible high-value species of finfish that has been on the decline due to over-exploitation.

As many 1,000 juveniles produced at a hatchery set up by the Rajiv Gandhi Centre for Aquaculture (RGCA) at Pozhiyoor were released into the sea on Friday under a Marine Finfish Stock Enhancement Programme. Chief Minister Oommen Chandy and Shashi Tharoor, MP, released the first lot of fish into the water from aboard a boat, signalling the launch of the project.

The stock enhancement programme was taken up by the RGCA, the research and development arm of the Marine Products Export Development Authority (MPEDA), to address the decline in natural fish stocks. Also known as Lemon fish or Ling, the cobia (Rachycentron canadum) grows up to two metres in length and attains a weight of 68 kg. Its appearance, texture, and flavour make it a preferred choice for gourmets across the world.

The technology for breeding cobia in captivity and production of cobia seed was developed by RGCA in January this year to overcome the high juvenile mortality of the species which together with over-exploitation has resulted in declining stock.

Potential

Leena Nair, chairperson, MPEDA, and president, RGCA, said the sea ranching (release of artificially bred fish) programme would be continued on a regular basis. She said the programme was expected to enhance the production of cobia in the area around Vizhinjam from 500 to 2,000 tonnes over the next three to four years. “An additional 3,000 tonnes can also be produced through sea farming. A production of 5,000 tonnes represents a value of Rs.2,000 crore, including the export potential.”

Earlier, addressing a function held at the Vizhinjam wharf, the Chief Minister stressed the need to ensure the participation of fisherfolk in the stock enhancement programme. He said the State government would extend all possible help to the MPEDA to carry out its activities.

Presiding over the function, Mr. Tharoor said Kerala could benefit from the huge demand for cobia in the international market.

Ms. Nair said that RGCA would launch sea farming of cobia at Vizhinjam soon. Open sea cages would be established in the demonstration phase. Fishermen would later be organised into self-help groups for commercial farming operations.

Genetic stock

The MPEDA has plans to invest heavily on genetic improvement of farmed marine species. It also proposes to tag the fish being released into sea to carry out studies when they are caught later.

The technology transfer and training centre established by the RGCA at Sirkali in Tamil Nadu is providing training to fisherfolk in sea farming. The unit is being upgraded with prototype farms and hatcheries, a modern aquaculture library, and pathology and genetics laboratories.

Besides setting up hatcheries for mud crab and seabass at Nagapattinam in Tamil Nadu, the centre has programmes for domestication of tiger shrimp, broodstock development of scampi, an aquatic quarantine facility at Neelamkarai, Chennai, and projects for tilapia and grouper fish.

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hindustantimes

Sat,23 Jul 2011

Weather

Chennai - INDIA

Today's Weather

Cloudy

Saturday, Jul 23

Max Min

36.1° | 27.5°

Rain: 0.2 mm in 24hrs	Sunrise: 5:51
Humidity: 66%	Sunset: 18:38
Wind: Normal	Barometer: 1001

Tomorrow's Forecast

Rainy

Sunday, Jul 24

Max Min

36° | 27°

Extended Forecast for a week

Monday	Tuesday	Wednesday	Thursday	Friday
Jul 25	**Jul 26**	**Jul 27**	**Jul 28**	**Jul 29**

THE ECONOMIC TIMES
Sat, Jul 23, 2011 | Updated 07.34AM IST

22 Jul, 2011, 12.59PM IST,PTI

Sugar futures fall on profit-taking

NEW DELHI: Sugar futures prices fell by Rs 12 to Rs 2,837 per quintal today as speculators booked profits after yesterday's gain.

However, strong demand at spot markets ahead of festive season and low quota for July, capped the losses.

At the National Commodity and Derivatives Exchange, sugar for delivery in August fell by Rs 12, or 0.42 per cent, to Rs 2,837 per quintal, with an open interest of 57,390 lots. It ended 2 per cent higher at Rs 2,849 per quintal after hitting a contract high of Rs 2,858 in yesterday's trade.

Similarly, the sweetener for delivery in September lost Rs 8, or 0.28 per cent, to Rs 2,880 per quintal, with a business volume of 12,620 lots.

Analysts said the fall in sugar futures prices was due to profit-taking by traders after recording gains in the previous session but strong demand at spot markets ahead of festive season, restricted losses.

the pioneer

Milk federation soars 70 times

July 23, 2011 12:29:33 AM

Milk trade is age-old but its commercial benefits increase manifold when traders come together. In a similar episode, a cooperative society of milk traders has increased its initial share capital of Rs 630 to Rs 44,750, registering a 70 times rise.

It was in the year 1976 that some enthusiastic people of small village Siroliya in Dewas district had made up their mind to carry out milk trade by coming together. When 63 villagers got ready for the same, they formed a cooperative society. At that time they could muster only a meagre sum of Rs 630 as share capital and started the trade.

No activity remains hidden from the eyes of the society for long. The same happened in this village also and the enterprise of some people caught everyone's attention. Seeing to steady progress of the cooperative society, now a total of 580 persons have joined it. Recognising the enterprise of these milk traders, the Indore Dairy Federation also came forward with a helping hand and guided the society towards cattle breed improvement with a view to increasing milk production. The Federation also imparted training in artificial insemination and veterinary first-aid.

As was expected from the untiring efforts made by the society members, it has so far produced five thousand Jersey calves and increased its daily milk collection to one thousand 400 litres. When conditions are conducive, people are also inclined more towards creativity. The cooperative dairy society not only constructed its own building at cost of Rs five lakh, but also helped many schools of the village apart from getting various welfare works done. These include making free land available to schools and marriage hall.

The society, which has achieved success in supplying fresh and pure milk, has now become a subject of inspiration and discussions in the nearby villages.

Govt for farmers' involvement in check dam projects

July 22, 2011 11:29:15 PM

PNS | Bhubaneswar

Involve farmers in all check dam projects and let them feel that it is meant for their development, Chief Secretary Bijay Kumar Patnaik directed to officials of the PR and Water Resource Departments. He was reviewing the status of check dam projects in the Secretariat.

Patnaik asked PR and Water Resource Departments to complete 10,000 check dams by June, 2012. The Government has fixed a target to construct 25, 000 dams over small streams, tributaries, nallahs and drainages, having width of less than 10 meters.

The PR Department has identified 6,813 spots for raising of construction out of which 824 have been taken up and till now 147 have been completed during the current year. Similarly, the Water Resource Department has identified 5, 248 spots out of which 1, 248 have been taken up and 595 projects have been completed.

The Chief Secretary has directed both the departments to scale up the construction works and utilise Rs 400 crore in coming three years. The hilly areas and the blocks having less than 35 per cent irrigation facility will be prioritised for theses projects. Both the departments will work together to develop a book let of latest deign of the check dams, which will be supplied to engineers in the field.

The Chief Secretary has advised to arrange a work shop of engineers at the district level, update them about latest designs and specify targets for each junior engineer. Proper cleaning of sluices in regular intervals and efficient use of water through people's participation were also emphasised by Patnaik.

Business Standard

Saturday, Jul 23, 2011

Export demand pushes up jeera prices

Rutam Vora / Mumbai/ Ahmedabad July 23, 2011, 0:36 IST

Jeera or cumin seed prices seems to have turned bullish after remaining subdued for more than two months.

The traders are bullish on the future price trend as the export demand of the spice commodity from India is firm and expected to be strong amid uncertainty about Syrian crop's arrival in the international markets.

In the spot market at Unjha, jeera prices quoted in the range of Rs 13,500 to Rs 15,975 per quintal early this week.

The prices have jumped by at least 10 per cent from the lower levels of Rs 12,000 per quintal quoted two months back.

The fall was mainly due to a sharp drop in the foreign buyers as they awaited for arrivals from Syria and Turkey, the other major jeera growing countries.

However, the early production estimates showed a drop of about 10,000 tonnes in jeera production at Syria and Turkey. While jeera production in Syria is expected to be around 30,000 tonnes, that of Turkey would be around 15,000 tonnes.

"The fundamentals are hinting at a bullish trend in jeera prices. Export demand has improved against what was seen a couple of months back, but more than exports it is the domestic demand that is lifting prices upwards. Also, the low carryover stock is adding to the bullish trend in the prices," said Arvind Patel, a commodity expert and former president, Unjha APMC.

In the current season, the carry over stock of jeera was about 450,000 bags (a bag= 60kg), almost one-fourth of 1.6 million bags in a normal season.

The market sources believed that the carryover stock is expected to be almost nil in the next season mainly on account of the higher demand.

Currently, jeera exports are seen robust with a daily off take of about 200-300 tonnes. "China is the main buyer at present. The Syrian and Turkish crops were expected to hit the international markets in the current month. But due to lower production estimates there and quality concerns, the buyers are turning to India and we are seeing increased export enquiries," said Bhavesh Patel of BT Enterprise - an exporter from Unjha.

However, the arrivals at the Unjha market have dropped to around 6000-7000 bags per day against about 28,000 bags reported during the peak season in March-April. The prices too had shot up to Rs 18,000 per quintal in March.

Gujarat and Rajasthan are the key jeera growing regions with about 90 per cent share in India's total jeera production. The production in the current season is expected to remain at about 2.9 million bags or about 150,000 tonnes. India is the largest producer of jeera in the world and exports to the countries in Europe, China, Brazil, Japan and Malaysia

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Cane output estimated to rise 11% this year

Anindita Dey / Mumbai July 23, 2011, 0:22 IST

Sugarcane production is estimated to be around 350 million tonnes (mt) as against 315 mt last year, according to the latest estimates of the agricultural ministry for the year 2011-12.

This is part of the annual projections of the agricultural ministry for the year.

Sugarcane is an important cash crop, mostly used for manufacturing sugar, an essential commodity.

Besides traditional sugarcane growers, many farmers have also shifted to sugarcane production, lured by attractive global prices , domestic demand and remunerative prices. Officials said the average cane price paid to farmers in 2010-11 was much more than last year as both, the central government-fixed ‘fair and remunerative price’ and the state advised price were much higher.

According to the data till date, cane acreage is 5.16 million hectares (ha) as against 4.89 million ha in the corresponding period last year. While acreage has grown 2.70 per cent year-on-year, the growth is still lagging as compared to 4.44 million ha in 2009-10 and negative if compared to 2008-09.

Officials explained that 2008-09 has been the best year for the cane crop with acreage of 5.26 million ha.

According to estimates, while the normal acreage, calculated as an average of the last five years, is 4.75 million ha and the target acreage is at 5.49 million ha.

Domestic sugar consumption is estimated at an average of 22 mt per annum. The major cane producers are Uttar Pradesh and Maharashtra, which contribute 47 per cent of the total acreage, but have only 38 per cent share in total domestic production, as its yields are below the national average of 65,000 kg per hectare.The second-largest producer is Maharashtra, with share of over 20 per cent in production, followed by Tamil Nadu with a share of 11 per cent.Sugarcane output was a record 355.5 mt in 2006.

Sugar production in India averaged at 21.3 mt during 2000, which increased to 30.7 mt in 2005-06. According to market reports, sugar output in India is likely to be around 25 mt this year

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Limping monsoon pushes agri commodity prices

Sharleen D'Souza / Mumbai July 23, 2011, 0:21 IST

The prices of agricultural commodities have surged in the past three weeks, due to either a delay or slow progress of the monsoon.

The Dhanya index on the National Commodity & Derivatives Exchange (NCDEX) is up by 5.6 per cent in these three weeks. Several commodities such as guar gum and seeds, sugar, coriander, maize, etc, have risen even more. The rising streak has sharpened in the past couple of days. The 10 commodities in the index are soybean (10.2 per cent weightage), mustard seed (11 per cent), cotton seed cake (2.6 per cent), wheat (27.6 per cent), channa (12.8 per cent), turmeric (6.9 per cent), pepper (4.7 per cent), jeera (3.9 per cent), guarseed (16.9 per cent) and gur (3.3 per cent).

In these three weeks, coriander futures are up 34 per cent and guar gum and seeds by 20 per cent. Jeera and oilseeds were the other major gainers (see table). According to data compiled by Kotak Economic Research , rainfall data till July 16 indicate weekly precipitation has indeed slowed after June’s strong start. On a cumulative basis till July 16, India was three per cent below the long period average (LPA) rainfall; down from 11 per cent above the LPA till June 30.

UPWARD TREND

NCDEX FUTURE PRICES EXPIRING ON AUGUST 19 (₹/QTL)

Commodity	Jul 01, 11	Jul 22, 11	% change
Coriander-Kota	4,529.00	6,082.00	34.29
Guar Seeds-Jodhpur	3,695.00	4,498.00	21.73
Guar Gum-Jodhpur	11,628.00	14,037.00	20.72
CottonSeed Oil-Akola	1,269.00	1,361.00	7.25
Jeera-Unjha	15,341.00	16,381.00	6.78
Pepper	27,429.00	29,152.00	6.28
Castor Seed-Deesa	4,763.00	5,037.50	5.76
Chana New Delhi	2,873.00	3,028.00	5.40
Ref Soyaoil-Indr (₹/10 kg)	633.90	667.00	5.22
Soybean-Indr	2,308.50	2,424.00	5.00
Sugar-Kolhapur	2,729.00	2,838.00	3.99
Rape Must Seed	2,900.00	2,995.00	3.28

Compiled by BS Research Bureau

Sowing has also slowed, with the acreage of pulses and oilseeds lower than at the same period last year. Only paddy is up, with current acreage up by 600,000 hectares from last year. Total pulses acreage is down by 700,000 ha from last year. Maharashtra, one of the most important producers of pulses, has seen rainfall ranging from deficient to normal across the region. In cash crops, cotton acreage has been low as expected, with Gujarat seeing deficient rain. Overall, crop sowing is lower by around two million ha from last year

Guar seeds’ August contract on the NCDEX has gone up six per cent since Wednesday, to Rs 4,498 per quintal. Guar gum is up seven per cent to Rs 14,186 per qtl. The monsoon has yet to hit Rajasthan, which has affected sowing of guar. Stockists are holding back what they have, as they anticipate a higher price rise in the coming days. Also, the carryover stock of guar seed is

1-1.5 million bags (each 100 kg), compared to 3.5 million bags last year at this time. Meaning, a further rise in the prices of guar futures.

“Guar seed is expected to go up further in the coming week and then a correction will be seen,” said Aurobindo Prasad, head of research, Karvy Comtrade. The maize August contract on NCDEX is up three per cent since Wednesday to Rs 1,244 per quintal, due to scattered rainfall in the crop growing areas of Andhra and Karnataka. Also, the physical carryover of stocks is close to nil. The coriander August contract on NCDEX has climbed eight per cent to Rs 6,082 per qtl, as the stock is damaged due to rain in the crop growing areas, which has caused prices of the commodity to move up. The retail demand for sugar has sweetened the commodity and has caused it to go up by two per cent to Rs 2,845 per qtl.

Rubber Board survey to assess state of the sector

BS Reporter / Chennai/ Kochi July 23, 2011, 0:11 IST

The Rubber Board would conduct a statistical sample survey of rubber holdings in Kerala.

The survey is meant to assess the age of plantations, production and stock of rubber, maintenance of plantations, growers’ response to the board’s schemes and the activities of Rubber Producers’ Societies.

The aim of the survey is to update the statistics with the board and to collect inputs for the formulation of 12th Five Year Plan proposals.

The sample would have 10,000 holdings from different regions of Kerala. The field survey is planned and designed in consultation with external experts.

The survey is being done by the Board’s own extension officers, so as to ensure maximum correctness of data.

Business Line

It was farmers' day out at TNAU

Mr K. A. Sengottaiyan

Coimbatore, July 22:

Farmers from different parts of the district and adjoining ones converged in large numbers at the Tamil Nadu Agricultural University here to participate in the annual Farmers' Day celebrations, which took off to a colourful start this morning.

After a tour of the exhibition, Mr K.A. Sengottaiyan, Tamil Nadu Minister for Agriculture and Chancellor of the Farm Varsity, released the new crop varieties, farm implements and technologies and honoured five farmers, who were recipients of the Velan Chemmal award.

The awardees include Mr K. Meganathan (Thiruvaroor District) for achieving high productivity, Mr S. Doraiswamy (Karur District) for farm mechanisation, Mr S. Arul Michael Henry (Kanyakumari District) for organic farming practices, Mr P. Pothiraj (Ramnathapuram District) for dryland farming and Mr A .Marudhanayagam (Madurai District) for water management techniques.

Earlier, he released 7 new crop varieties including two horticultural crops, three farm implements and six management technologies. Dr P. Murugesa Boopathi, TNAU Vice Chancellor, said that the University has commercialised 193 technologies till date.

The TNAU Rice ADT 49 (unveiled today) is medium slender, white rice, moderately resistant to blast, sheath rot, sheath blight under artificial conditions and resistant to leaf folder and brown spot under field conditions. The yield potential of this 130 -137 day crop is 6173 kg a hectare and recommended for cultivation in all districts across the State except Virudhunagar, Ramnad, Sivaganga and the Nilgiris.

TNAU Rice Hybrid CO4, a medium duration hybrid with yield potential of 7348 kg a ha is suitable for cultivation as transplanted hybrid rice throughout the State except those districts as stated above.

TNAU Blackgram VBN 6, a 65 to 70 days crop with average yield of 871 kg a ha is suited for both rain-fed and irrigated conditions while TNAU Sorghum Hybrid CO 5 — a dry fodder with crop duration of 95 to 100 days has been recommended for cultivation in all sorghum cultivating districts in the State.

TNAU Cumbu Hybrid CO 9 is a 75-80 day crop. The highest yield obtained is said to be 4950 kg a ha.

Coffee Board projects record 3.22-lakh t crop

Bangalore, July 22:

The Coffee Board estimates a 6.71 per cent rise in production at 3.22 lakh tonnes for the crop year 2011-12 beginning October compared with the final estimate of the crop this year. If the production finally turns out to be as projected, it will be a record crop.

Of the total projection, made after a post-blossom estimate, arabica production is estimated to be 1,04,525 tonnes and robusta 2,17,725 tonnes. Arabica production is estimated to increase

11 per cent (10,385 tonnes) over the final estimate this year, while robusta is expected to go up by 4.75 per cent (9,865 tonnes).

Karnataka may account for 69 per cent of the production again at 13,895 tonnes, followed by Kerala at 17 per cent (3,475 tonnes), Tamil Nadu 9 per cent (1,890 tonnes) and non-traditional areas 5 per cent (985 tonnes) compared with last year's estimate.

The Coffee Board, in a release, attributes the higher projection to favourable weather conditions. Well-distributed rainfall last year helped in moisture retention for a longer period which, in turn, helped in production of more bearing wood for the crop during the current season.

Further, the blossom and backing showers are reported to be normal in almost all coffee growing zones in Karnataka, though certain pockets experienced deficient rainfall. Good weather, crop conditions and relatively stable prices encouraged better husbandry practices, helping to invigorate production in Karnataka zones.

State-wise estimates

Taking into account these factors, the Coffee Board estimates crop forecast for Karnataka at 82,250 tonnes of arabica and 1,45,425 tonnes of robusta, totalling 2,27,675 tonnes.

Kerala coffee zones also have received adequate and timely blossom and backing showers. No adverse effect on crop was reported in coffee-growing districts in Kerala. Hence, the post blossom estimate for the 2011-12 is placed at 69,125 tonnes, which is an increase of 5.29 per cent (3,475 MT) over last year's estimate.

Similarly, Tamil Nadu may also show an increase in crop (1,890 tonnes) during the current season, mainly because of the biennial bearing nature of arabica as last year was an off-year. Blossom and backing showers were reported to be normal, resulting in an increase in crop.

Accounting this, the post blossom forecast of Tamil Nadu is placed at 18,540 tonnes, an increase of 11.35 per cent over the previous year's final estimate of 16,650 tonnes.

In non-traditional areas of Andhra Pradesh, Orissa and the North-East region, the post blossom forecast is placed at 6,910 tonnes against the previous final estimate of 5,920 tonnes. The higher forecast may come mainly from Andhra Pradesh, followed by Orissa due to increase in bearing area.

Karnataka

All three districts, Kodagu, Chikmagalur and Hassan, are expected to show an increase in production over the previous year.

Major increase in crop is expected to come from Kodagu district with 8,255 tonnes, mainly accruing from robusta (6,535 tonnes). While in Chikmagalur (4,090 tonnes) and Hassan (1,550 tonnes) districts, the increase may mainly accrue from arabica (Chikmagalur 4,500 tonnes and Hassan 1,450 tonnes) over the previous year's final estimate.

AP rice exporters oppose hike in floor price

Kakinada, July 22:

The Andhra Pradesh Rice Exporters' Association is of the opinion that the minimum export price fixed by the Union Government for non-basmati rice exports at $ 400 a tonne is quite reasonable. Therefore, there is no need for a hike as demanded by the President of the All-India Rice Exporters' Association, Mr Vijay Sethia.

In a statement issued on Friday, Mr Vinod Agarwal, President of the Andhra Pradesh Rice Exporters' Association, said the demand voiced by Mr Sethia was not in consonance with the ground realities in Andhra Pradesh, Chhattisgarh, Orissa and Maharashtra.

“There is a glut here and farmers are unable to sell paddy. The FCI is not procuring and rice millers are in no position to take any more rice. The disgusted farmers are observing crop holiday in parts of East Godavari and West Godavari districts. In such a situation, only if we export rice, can we rescue the farmers and the millers. The MEP fixed by the Union Government is quite reasonable,” he said.

He said that there was no substance in the fears voiced by Mr Sethia that exports at low prices would bring down international prices. Vietnam, Pakistan and other countries were exporting rice at cheaper rates. The apprehension that rice meant for sale through the public distribution system would be diverted for exports was also not a tenable one, he said.

He wanted Mr Sethia to guide the Union Government properly in the matter. “For the past four years, the Union Government has imposed a ban on non-basmati rice exports and, at last, relented now. The results of the export ban are very visible now in the two Godavari districts in particular and the rest of AP. The farmer is not able to sell his crop and the miller is not able to carry on his business. Farmers are observing crop holiday and millers are closing down mills. Mr Sethia should be aware of the situation,” he said.

He said that out of one million tonnes of rice exports, roughly 4-5 lakh tonnes may be routed through Kakinada port.

He said it would bring some relief, but it would be grossly inadequate. “We feel at least two million tonnes of rice exports should be allowed from Andhra Pradesh alone to help the farmers and millers in the current market situation. In the glut situation, exports will not push up prices in the open market and the general public will not suffer. We can ignore market realities only at our peril,” he said.

Kharif sowing picks up on revival of monsoon

New Delhi, July 22:

The latest sowing data from States compiled by the Agriculture Ministry show progressive plantings of most crops, barring rice, sugarcane and jute, to be lower relative to the area covered during this time last year. But the gap is steadily narrowing.

Till last week, the total area sown under cotton was trailing by over 25.5 lakh hectares (lh) compared to the acreage for the corresponding period of 2010. But this week's data show the gap to have reduced to just 3.5 lh. The deficit in oilseeds and pulses has, likewise, fallen from 3.6 lh to 0.7 lh and from 6.9 lh to 4.1 lh respectively.

According to Agriculture Ministry officials, the gap will further narrow in the coming week and thereafter, as the India Meteorological Department has predicted a surge in monsoon activity across the Peninsula. Besides, Gujarat, Vidarbha and the entire central India are expected to receive heavy showers in the next couple of days.

This is good news, considering that the entire stretch from Gujarat and Saurashtra-Kutch to Vidarbha, Marathwada, Telangana, Rayalaseema and North Interior Karnataka had received very poor rains during June. That, in turn, had raised concerns over kharif sowing prospects in this largely rainfed belt, with attendant implications for food inflation.

But July has seen reasonably good rainfall across these regions, leading to a lowering of the cumulative monsoon rain deficit in Marathwada from 52 per cent (till June) to 8 per cent and, likewise, from 41 per cent to 13 per cent in Telangana, from 14 per cent to 11 per cent in Vidarbha, from 88 per cent to 37 per cent in Gujarat and from 72 per cent to 20 per cent in Saurashtra-Kutch.

United Phosphorus hosts farmers' meet

Coimbatore, July 22:

While most seed producing companies invite farmers to share their experience and highlight the yield potential of the crop, which invariably would be a cash crop, United Phosphorus Ltd – a patent crop protection, chemicals and seeds company — hosted a meet for the farmers growing the ridge gourd in the State at Coimbatore.

The farmers – ‘Aneeta Masters' have been using the hybrid seed ‘Aneeta' produced by Advanta India, a UPL Group Company, for the last five to eight years.

“The event and the session that followed aimed at getting a feedback on the seeds from the end-users (farmers). The average yield potential is 12-15 tonnes/acre, but one farmer revealed that he harvested 18 tonnes/acre,” said a UPL spokesperson, while the farmer explained the crop management strategy.

The company has farmers school in eight locations and conducts Masters Meet at regular intervals, but this initiative is the company's first in Coimbatore, the official said.

Rapemeal shipment to China contaminated; can hit Rs 600-cr market

Chennai, July 22:

Traces of a controversial organic compound that is used for dyeing have been found in rapeseed meal consignments to China, threatening to affect India's rapeseed/mustard meal exports to the neighbour.

“We have been told by our Embassy in China that rapemeal shipments contained 0.5-2 parts per billion (ppb) of malachite green in recent shipments. We are trying to detect the possible source of contamination,” said Mr B. V. Mehta, Executive Director, Solvent Extractors Association of India, the apex body for oilseed crushers in the country.

A ship containing 16,000 tonnes of the contaminated rapemeal is stuck in China. Besides, a few other consignments, too, have been found contaminated with malachite green, a carcinogen that has the potential to affect respiratory organs.

It also affects a cell's ability to produce energy.

During the first quarter of the current fiscal, rapemeal consignments to China made up 41 per cent of the 3.74 lakh tonnes (lt) shipped out of the country.

Last year, Beijing imported 3.96 lt of the total 9.36 lt exported.

“We cannot afford to lose a market from where we get Rs 600 crore a year,” said Mr Mehta.

The compound could have originated from some fish pond where it is used to tackle fungus. “We have got samples of rapeseed, rapeseed cake and rapemeal and sent them for testing. We have drawn samples from various rapeseed growing areas,” said Mr Mehta. Even food-grade hexane, domestic and imported, is being examined to zero in on the source of contamination, as India now has the facility to detect even the slightest contamination.

“The contamination could have come from jute bags where green dyes are used. Jute bags are used to carry rapeseed from the farm to market and to factories,” said Mr Mehta.

Crushers' lobby

The oilseed crushers' lobby has asked the Jute Research Institute to examine if there could be any chance of contamination from the natural fibre.

Similarly, the Bharatpur-based Directorate of Rapeseed-Mustard Research, an arm of the Indian Council of Agricultural Research, has been asked to look into the issue.

Meanwhile, the association has approached the Indian embassy in China to find out the tolerance limit for the compound.

Besides, exporters have now been told by the association to enter into contracts on the condition that analysis of the consignments at the loading port will be final.

“We have told them not to agree for quality certification at the discharging port since any problem will lead to loss,” said Mr Mehta.

Cotton falls Rs 1,000/candy as offtake plunges

Rajkot, July 22:

Cotton fell Rs 1,000 a candy of 356 kg to touch Rs 30,000-31,000 as demand plunged.

The *Sankar*-6 variety dropped by Rs 1,000 to Rs 30,000-31,000 a candy in the last few days. *Kalyan* fetched Rs 17,000-20,000 a candy on Friday. While 1,500-2,000 bales of 170 kg each arrived in Gujarat, 4,000 bales arrived in the rest of the country. Cotton prices have fallen by more than Rs 7,000 a candy till now during July.

Raw cotton has also decreased to Rs 725-840 for a *maund* of 20 kg in the last few days.

Current prices are just 'figurative' and there is no demand for cotton, said a broker here.

Exports

The Union Government is considering allowing additional exports of eight lakh bales. The Government has been slow on exports to control domestic prices. Of the eight lakh bales, three lakh will likely be reserved for the Cotton Corporation of India, while private players will contribute the rest.

(This article was published in the Business Line print edition dated July 23, 2011)

Seafood exports set to rise as Japanese demand improves

Gaining ground: Shrimp preserved in ice before being sent to the collection centre at a fish landing centre near Thrissur, Kerala. After declining during April-June this year, seafood exports are set to gain from next month . — K.K.Mustafah

Kochi, July 22:

After the slight blip in exports during the first couple of months of the current fiscal, seafood exports are poised to look up. “Overall the prices are ruling firm in global markets and Indian seafood exports will get into top gear only when the current trawling ban imposed by some west coast States is lifted in August,” said Mr Anwar Hashim, President of the Seafood Exporters Association of India (SEAI).

For the moment, the country's seafood exports are being sourced from the aquaculture farms and catch from the seas of East coast, while the catch from the West coast remains low on account of the trawling ban imposed during the monsoon months. The impact of the crippling tsunami and threat of nuclear leak affecting the sea catch had impacted the Japanese market for close to two-three months, Mr Hashim said.

But all that is behind the seafood industry today and the Japanese markets have not only stabilised but the demand has improved over last year.

Dumping duty impact

The demand for seafood, which had withered in the US during the period of depression, has picked up and the market has firmed up by the end of last year and the early part of the current year. The prices in the US markets have been good. Although the anti-dumping duty on shrimp exports from India have not been lifted, the current rates of duty are not prohibitive to have a huge impact on India's seafood exports, sources in the trade said.

In the case of Europe, the seafood export season is just about to begin.

It is from August that most of the landings of squid, cuttlefish and octopus occur along the West coast of India. And these form the mainstay of Indian seafood exports to Europe.

This year, the prices and demand for all these seafood products, including frozen fish, have been good in the European market, Mr Hashim said. Provided the weather remains favourable and the catch remains good this year, the erosion in seafood exports is evident in the early months of the current fiscal.

After slipping from 54,929 tonnes in April 2010 to 53,458 tonnes in April this year even as the export realisation slipped from Rs 798 crore to Rs 758 crore in the same period, the sector is expected to make a comeback.

Dubbing the fall as a minor blip in India's export front, the seafood exporters were confident of a good catch and strong export growth.

India's prominent markets, the US, Europe and Japan are in fine fettle and seafood exports should look up in the months to come, they said.

(This article was published in the Business Line print edition dated July 23, 2011)

Coffee Board projects record 3.22-lakh t crop

Production to rise 6.71% on favourable growing conditions

Estimates

(in tonnes)

States	Arabica	Robusta	Total
Karnataka	82,250	1,45,425	2,27,675
Tamil Nadu	13,565	4,975	18,540
Kerala	1,950	67,175	69,125
Non Traditional Areas	6,760	150	6,910

Bangalore, July 22:

The Coffee Board estimates a 6.71 per cent rise in production at 3.22 lakh tonnes for the crop year 2011-12 beginning October compared with the final estimate of the crop this year. If the production finally turns out to be as projected, it will be a record crop.

Of the total projection, made after a post-blossom estimate, arabica production is estimated to be 1,04,525 tonnes and robusta 2,17,725 tonnes. Arabica production is estimated to increase 11 per cent (10,385 tonnes) over the final estimate this year, while robusta is expected to go up by 4.75 per cent (9,865 tonnes).

Karnataka may account for 69 per cent of the production again at 13,895 tonnes, followed by Kerala at 17 per cent (3,475 tonnes), Tamil Nadu 9 per cent (1,890 tonnes) and non-traditional areas 5 per cent (985 tonnes) compared with last year's estimate.

The Coffee Board, in a release, attributes the higher projection to favourable weather conditions. Well-distributed rainfall last year helped in moisture retention for a longer period which, in turn, helped in production of more bearing wood for the crop during the current season.

Further, the blossom and backing showers are reported to be normal in almost all coffee growing zones in Karnataka, though certain pockets experienced deficient rainfall. Good weather, crop conditions and relatively stable prices encouraged better husbandry practices, helping to invigorate production in Karnataka zones.

State-wise estimates

Taking into account these factors, the Coffee Board estimates crop forecast for Karnataka at 82,250 tonnes of arabica and 1,45,425 tonnes of robusta, totalling 2,27,675 tonnes.

Kerala coffee zones also have received adequate and timely blossom and backing showers. No adverse effect on crop was reported in coffee-growing districts in Kerala. Hence, the post blossom estimate for the 2011-12 is placed at 69,125 tonnes, which is an increase of 5.29 per cent (3,475 MT) over last year's estimate.

Similarly, Tamil Nadu may also show an increase in crop (1,890 tonnes) during the current season, mainly because of the biennial bearing nature of arabica as last year was an off-year. Blossom and backing showers were reported to be normal, resulting in an increase in crop.

Accounting this, the post blossom forecast of Tamil Nadu is placed at 18,540 tonnes, an increase of 11.35 per cent over the previous year's final estimate of 16,650 tonnes.

In non-traditional areas of Andhra Pradesh, Orissa and the North-East region, the post blossom forecast is placed at 6,910 tonnes against the previous final estimate of 5,920 tonnes. The higher forecast may come mainly from Andhra Pradesh, followed by Orissa due to increase in bearing area.

Karnataka

All three districts, Kodagu, Chikmagalur and Hassan, are expected to show an increase in production over the previous year.

Major increase in crop is expected to come from Kodagu district with 8,255 tonnes, mainly accruing from robusta (6,535 tonnes). While in Chikmagalur (4,090 tonnes) and Hassan (1,550 tonnes) districts, the increase may mainly accrue from arabica (Chikmagalur 4,500 tonnes and Hassan 1,450 tonnes) over the previous year's final estimate.

(This article was published in the Business Line print edition dated July 23, 2011)

Onion slips on higher arrivals

Stabilising*

Date	Arrivals	Modal price
July 15	1950	925
July 18	1704.5	890
July 19	1250	851
July 20	1072	851
July 21	1289	860
July 22	1486	841

*At Lasalgaon market in Maharashtra
Arrivals in tonnes; price in Rs/quintal
Source:NHRDF

Chennai, July 22:

Higher arrivals led to a marginal drop in onion prices towards the weekend, despite quality produce commanding Rs 1,000 a quintal.

In Lasalgaon Agricultural Produce Marketing Committee (APMC) yard, the modal price or the rate at which most trades took place was Rs 841 a quintal on Friday. Last Friday, it had ruled at Rs 925.

Rain in Maharashtra, especially in growing regions, played a part in the drop in price as it affected the quality of arrivals.

“Prices were stable between Rs 700 and Rs 1,030 this week. There is a backlog in export consignments that has to cleared,” said Mr Rupesh Jaju, Director at United Pacific Agro Pvt Ltd.

Export consignments have been held up at the Jawaharlal Nehru Port Trust since two of the three docks were closed for repairs.

“Demand is good from the Gulf and Far-East countries such as Indonesia and Malaysia,” Mr Jaju said.

Arrivals, up due to rain in the growing areas, could drop next week. “This could lead to a Rs 50 a quintal rise in prices,” said Mr Jaju.

Arrivals throughout this week were above 1,000 tonnes at Lasalgaon APMC, Asia's biggest onion market. On Monday, over 1,700 tonnes arrived at Lasalgaon, and on Friday, over 1,200 tonnes arrived.

Meanwhile, the hike in the minimum export price to $230 a tonne has begun to affect competitiveness of Indian onion in the global market. “Other origins have now begun to offer onion at competitive prices,” said Mr Jaju.

(This article was published in the Business Line print edition dated July 23, 2011)

Depression blows away rain deficit as on date

Thiruvananthapuram, July 22:

The good tidings on the monsoon front were palpable on Friday as the previous day's low-pressure area over land in the east of the country ramped up as a depression and set up a round of wet session.

The ensuing heavy to very heavy rainfall has cleared whatever deficit (one per cent as of the previous day) had remained for the country as a whole bringing monsoon to ‘normal' as on date.

NEXT SURGE

This apart, India Meteorological Department (IMD) has lately kept a watch out for the next surge in monsoon to unravel over south peninsular India in its longer term outlook valid until Wednesday next, which is in agreement with the global models.

Meanwhile, on Friday, the depression was whipped up by the strong cross-equatorial flows across the peninsular, which found no ‘nuisance system' elsewhere to run into, except the ‘low' over east India.

VIGOROUS MONSOON

Widespread rainfall was reported from West Bengal, Sikkim, east Madhya Pradesh, Konkan, Goa, coastal Karnataka, Kerala, and Lakshadweep.

A weather warning valid for the next two days said that isolated heavy to very heavy rainfall would occur over east Rajasthan, Gujarat region, north Madhya Maharashtra, Konkan and Goa. It would be isolated to heavy to very heavy over Chhattisgarh and Vidarbha on Saturday. Heavy to very heavy rainfall would occur at a few places over Madhya Pradesh during next 24 hours.

Fairly widespread rain or thundershowers are likely over east India on Saturday and isolated thereafter.

Isolated rain thundershowers may also be unleashed over Saurashtra and Kutch on Saturday and scale up to being fairly widespread thereafter. Scattered rain/thundershowers would occur over remaining parts of the country outside west Rajasthan and southeast peninsular India where it will be isolated.

(This article was published in the Business Line print edition dated July 23, 2011)

Palmolein drops as resellers book profits

Mumbai, July 22:

Edible oils witnessed a mixed trend in Mumbai on Friday even as demand remained subdued and Malaysian palm oil market was range-bound. Volumes remained need-based on thin demand.

Palmolein declined by Rs 2/10 kg, soya oil by Re 1 and cotton oil by Re 1 in the spot market on Friday as resellers booked profits. Rapeseed oil rose by Rs 2 as northern markets remained firm. Groundnut oil and sunflower oil were steady. Local refiners did not change prices of palmolein and soya oil, keeping in mind range-bound foreign markets.

Crude palm oil (CPO) futures ended slightly higher on Bursa Malaysia Derivatives (BMD). Resellers traded only 40-50 tonnes of palmolein at Rs 548-550. Stockists preferred unload old contracts instead of making new bets.

Liberty quoted palmolein at Rs 556 and soya oil at Rs 647. Ruchi offered palmolein for Rs 554, soya refined oil for Rs 644 and sunflower oil for Rs 697. Allana's palmolein offer was Rs 556. Less-than-expected arrivals of seeds and higher parity kept groundnut oil on boil. In Rajkot and Saurashtra, groundnut oil for a *telia* tin was up by Rs 10 to Rs 1,520 and for loose (10 kg) remained unchanged at Rs 985.

Malaysia's BMD CPO August contract closed at MYR3,138 (MYR3,133), September at MYR3,141 (MYR3,131) and October MYR3,140 (MYR3,130) a tonne. August contract for soya oil on National Board of Trade in Indore closed higher at Rs 667.30 (Rs 665) and September contract closed at Rs 659 (Rs. 659.50).

Mumbai Commodity Exchange spot rate (Rs/10 kg): Groundnut oil 970 (970), soya refined oil 645 (646), sunflower exp. ref. 660 (655), sunflower ref. 710 (710), rapeseed ref. oil 692 (690), rapeseed expeller ref. 662 (660), cotton ref. oil 664 (665) and palmolein 551 (553).

(This article was published in the Business Line print edition dated July 23, 2011)

Pusa, Sharbati rice varieties up on demand

Karnal, July 22:

Domestic demand, coupled with low availability, pushed the prices of the brokens of both Pusa-1121 and Sharbati varieties up by Rs 30-60 a quintal, while all other rice varieties were ruling almost unchanged on Friday.

Mr Amit Chandna, proprietor of Hanuman Rice Trading Company, told *Business Line* that the demand for brokens is much higher than the demand for full ones in the domestic market, as they are much cheaper. There is not much stock of the brokens available in the market at present and prices may increase further, he added.

Pusa-1121 (steam) sold at Rs 5,000-5,200 a quintal, Pusa-1121(sela) at Rs 4,020-4,050, while Pusa-1121 (raw) quoted at Rs 4,440 a quintal.

Duplicate basmati was ruling around Rs 3,460. Pure basmati (raw) remained unchanged after witnessing a drop earlier this week and sold at Rs 5,920 a quintal, while basmati (sela) was quoted at Rs 4,000 a quintal.

Among the brokens of Pusa-1121, Tibar went up by Rs 50 and sold at Rs 3,100-3,300, Dubar increased by Rs 60 and ruled at Rs 2,610 and Mongra was trading at Rs 1,900-2,080 a quintal — Rs 30 up from its previous level.

Sharbati varieties (steam) quoted at Rs 2,900-2,925, while Sharbati (sela) was at Rs 2,750 a quintal.

PR11 (Sela) sold at Rs 2,000-2,125, while PR-11(Raw) quoted at Rs 1,950-2,100 a quintal.

Permal (sela) quoted at Rs 1,700-1,900 a quintal, while Permal (raw) sold at Rs 1,900-2,070 a quintal.

Among the brokens of Sharbati variety, Tibar rose by Rs 60 and was quoted at Rs 2,350-2,530, Dubar moved up by Rs 35 and was quoted at Rs 2,100-2,235, and Mongra increased by Rs 50 and was traded at Rs 1,750 a quintal.

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Spot rubber eases further

Kottayam, July 22:

Physical rubber prices eased further on Friday. The market continued its downward journey in continuation of the ongoing corrective phase under the shadow of import news and lack of support from major consuming industries. According to sources, arrivals were low and there was no panic selling either from dealers or growers.

Meanwhile, the key Tokyo rubber futures lost ground as yen strengthened against dollar and on concerns about a slowdown in global growth.

Sheet rubber declined to Rs 210 (213) a kg, as quoted by the traders. The grade surrendered to Rs 211.50 (213.50) a kg both at Kottayam and Kochi, according to the Rubber Board.

The August series improved to Rs 210.65 (209), September to Rs 210.28 (208.85), October to Rs 210.35 (209.49), November to Rs 211.10 (210.55), December to Rs 212 (211) and January to Rs 212.50 (210.50) a kg for RSS 4 on the National Multi Commodity Exchange.

RSS 3 weakened at its July futures to ¥372 (Rs 210.29) from ¥377.6 a kg during the day session and then to ¥371.5 (Rs 210) in the night session on the Tokyo Commodity Exchange. RSS 3 (spot) dropped to Rs 214.45 (216.14) a kg at Bangkok.

Spot rates were (Rs/kg): RSS-4: 210 (213); RSS-5: 208 (210); ungraded: 205 (206); ISNR 20: 208 (210) and latex 60 per cent: 138 (139).

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Global cues lift sugar

Mumbai, July 22:

Sugar prices on the Vashi terminal market rose by Rs 10-15 a quintal on Friday, tracking a firm global trends. Mills sold sugar Rs 15-20 higher keeping the sentiment firm.

A wholesaler said that the market witnessed firm trend after mills sold at higher prices, tracking the global trend where sugar increased $25.50 to $781.30 ($755.80) per tonne. Resellers turned cautious and increased the price accordingly. Local demand was as usual with regular supply from mills. There seems to be no sign of any selling pressure at mill level to exhaust current month's free sale quota as they are getting good response to their tender offer.

Temporary selling pressure may be seen next week as the due dates of the monthly quota is set to expire, but clear weather is expected to push up retail demand. The market is unlikely to turn bearish in the near-term, he said. Next month's free sale quota announcement, expected next week, will decide which way the market will blow as traders are keenly waiting for the news, he pointed out.

On Thursday, around 19-20 mills made tender offers and sold about 63,000-65,000 bags (100 kg each) to local buyers at higher rates of Rs 2,690-2,735 (Rs 2,670-2,725) for S-grade and Rs 2,760-2,850 (Rs.2,750-2,830) for M-grade sugar. Mills too sold fine quality M-grade sugar for Rs 2,875-2,880. Buying by neighbouring States was negligible.

Freight rates, too, are steady. Arrivals at the Vashi market were 48-50 truckloads (100 bags each), while local dispatches were 47-48 truckloads.

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Assam CTC teas ease at N. India auctions

Kolkata, July 22:

This week at sale 29, the total offerings (packages) at three North Indian auction centres at Kolkata, Guwahati and Siliguri were 395,430 compared with 323,023 in the corresponding sale of the previous year, according to J Thomas & Company Pvt Ltd.

The offerings at Kolkata were 181,910 (149,012), comprising 136,337 (96,851) of CTC/Dust, 38,499 (45,403) of Orthodox and 7074 (6758) of Darjeeling.

The corresponding figures for Guwahati and Siliguri were 121,889 (99,468) and 91,632 (74,543) respectively.

Assam CTC teas sold at easier rates. Selected better *Dooars* were barely steady while the remainder tended irregularly easier.

Tata Global was fairly active while Hindustan Unilever was selective in leaf category but operated more forcefully for the dusts.

Western India dealers were active at lower levels for the liquoring sorts.

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Lanka tea output falls 7.84% in June

Coonoor, July 22:

Sri Lanka's tea production in June has fallen by 7.84 per cent over June 2010, reveals an analysis of the latest data available with Sri Lanka Tea Board and exporter organisations. The Island nation produced 28.80 million kg (mkg) in June against 31.25 mkg in June 2010. This reduction of 2.45 mkg marks a decline of 7.84 per cent.

However, due to higher crops in earlier months, the overall production in the first half of current calendar has managed to be marginally more than last year.

In the six months ending June, Sri Lanka produced 170.41 mkg against 169.37 mkg. This increase of 1.04 mkg posts a marginal growth of 0.61 per cent.

The overall production managed to be more because of an increase in CTC production. The production of orthodox tea, which accounts for the bulk of the Island's tea basket, and also green tea has fallen.

In the first half, the production of CTC tea rose to 12.18 mkg from 9.25 mkg. The output of orthodox tea has fallen to 156.58 mkg from 158.38 mkg. The production of green tea has reduced to 1.65 mkg from 1.73 mkg.

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