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COLOMBO, September 29, 2011

People's confidence in technology imperative: M.S. Swaminathan



The Hindu Agricultural scientist and MSSRF chairman M.S. Swaminathan (Second from left) at a seminar on biotechnology, organised by the Sri Lankan Government, USAID and National Science Foundation, in Colombo. Also seen are Prof. Srimali Fernando (extreme left) and Sri Lankan senior Minister Tissa Vitharana (second from right) and Deputy Minister A.R.M. Abdul Kader. Photo: R.K. Radhakrishnan

The confidence of people in modern, transformational technology had to be gained ahead of adopting that technology, agricultural scientists and Member of Parliament M.S. Swaminathan has said. Only if the regulatory mechanism is “totally independent”, people will have confidence in the technology, he added.

Commenting to the manner in which the green revolution was implemented, he said that the dialogue with farmers had started much ahead of the implementation. Referring to the agitation against the Kudankulam nuclear power plants he said the government and politicians were giving assurances on the plant. But people will be confident if a truly independent regulator gave a similar assurance.

Global warming affects production

Global warming will affect agricultural productivity adversely in regions where the food needs are the greatest. A one degree rise in global temperature will curtail the growing season by a week in Punjab, he said. "You lose one week of growing period, you lose nearly 400 kg of wheat per hectare. We have calculated 6 million tones per year will go down in the northern part of India. International Food Policy Research Institute has estimated that food production in south Asia will decrease by 44 per cent by 2050, if adaptation measures are not put in place," he said.

Prof. Swaminathan said that this was preventable. "Our aim should be to shape the future, not just to predict the future. Prediction is important. But shaping is the duty of the scientist," he said.

He said that in addition to national food security measures, and global food security measures, the community also needs to have a certain degree of food security. "We should also start from below. To the extent possible, the community should be self reliant in food production. This may not be possible everywhere," he said. He was delivering the key note address at a biotechnology conference here on the theme 'green revolution to gene revolution: are we on the right track.'

The conference was organised by the U.S. Embassy in Sri Lanka, the National Science Foundation and the Sri Lankan Ministry of Environment. Experts from America, Europe, Africa and Asia talked about technologies relevant for Sri Lanka and analysed international models of biotechnology policy.

This is the first time that the Embassy and Sri Lanka government agencies have organized an initiative on biotechnology, though it follows a similar initiative last year with the private sector, a release from the Embassy said. Edward Heartney, Economic Counselor at the U.S. Embassy, hoped the conference "will stimulate proactive discussions on biotechnology and we expect a

frank and forthright exchange of ideas and views which would hopefully steer Sri Lanka's agriculture sector towards more vibrant growth and productivity."

Published: September 29, 2011 13:08 IST | Updated: September 29, 2011 23:07 IST New Delhi, September 29, 2011

Food inflation inches up to 9.13 per cent



AP A vendor arranges his vegetables at a market in Kolkata. Photo: AP

Terming the fluctuations in food inflation an area of "grave concern," Finance Minister Pranab Mukherjee said the figure is perilously close to double digits

Far from providing any relief to the common man, food inflation inched up to 9.13 per cent for the week ended September 17 from 8.84 per cent a week earlier, mainly owing to higher prices of potatoes, pulses and other protein-rich edibles.

The WPI (Wholesale Price Index) data released here on Thursday revealed that while onion prices eased marginally from its previous high, a whole range of pulses and poultry turned dearer on a year-on-year basis. Finance Minister Pranab Mukherjee described the jump in food inflation after a week's decline as an area of 'grave concern'.

While inflation in eggs, meat and fish eased to 13.17 per cent during the week when compared to 28.7 per cent in the like week last year, it was higher than the 9.28 per cent for the week

ended September 10 this year. Likewise, even as inflation in onion prices was down to 17 per cent from 22 per cent last year, it was up to 15 per cent in potato prices.

Commenting on the WPI data, Mr. Mukherjee said: "Unfortunately again, food inflation has gone up and it is perilously close to the double digit figure... Major contributors are of course the pulses — gram, masoor, arhar, urad — poultry chicken and certain other factors. These fluctuations are taking place and it is one of the areas of grave concern."

According to economic analysts, a decline in food inflation could come about only later this year largely owing to a 'high base' effect, considering that it was at a high of over 17 per cent during the same week last year.

As per the data, while WPI inflation in non-food articles, including fibres, oil seeds and minerals, came down sharply to 12.89 per cent during the week ended September 17 from 17.42 per cent a week ago, inflation in the fuel and power segment went up to 14.69 per cent from 13.96 per cent during the same period.

"As a result [of lower non-food articles' inflation], WPI inflation in primary articles has declined. But fuel and power, light and lubricants, they have also contributed [to rising inflation]," Mr. Mukherjee said.

For August, headline inflation, which includes manufactured items, food and non-food primary articles as also fuel and power, stood pegged at a 13-month high of 9.78 per cent.

Published: September 30, 2011 00:00 IST | Updated: September 30, 2011 04:16 IST
MADURAI, September 30, 2011

State praised for its good rainwater harvesting model

The Advisor to Government of India's Department of Science and Technology, G. J. Samathanam, has praised Tamil Nadu for giving a good rainwater harvesting model to rest of the country. "Today, other States are emulating it. Tamil Nadu was the first State to create a Rain Water Harvesting model by creating provisions for it at all levels.

Approvals for house construction and town planning were based on whether provision was made for rain water harvesting," he said on Tuesday.

Dr. Samathanam's words of appreciation to Tamil Nadu and to the Government that introduced it came at the inaugural function of an international groundwater conference organised by the Yadava College in the city where delegates from national/international level organisations are participating. He asked the conference delegates to come out with achievable recommendations for groundwater conservation and management of water resources in India.

The Vice-Chancellor of Gandhigram Rural Institute, SM.Ramasamy, has expressed concern that India's diverse geological system with huge rivers and water bodies had now become complex and threatening.

"It was said that Tamil Nadu had 43,000 water bodies in the past. But that number was feared to have come down and it is time for having groundwater modelling to prevent the coming down of water level. It is also time to study the impact of sand mining on water sources," Dr. Ramasamy observed. Experts from the Central Ground Water Board, New Delhi, and National Groundwater Research Institute, Hyderabad, participated.

Published: September 30, 2011 00:00 IST | Updated: September 30, 2011 04:21 IST
VILLUPURAM, September 30, 2011

"Tissue culture banana cultivation will turn fruitful for farmers"



Tissue culture banana promises fortune to farmers.

The farmers can more than double their income by switching to cultivation of G9 tissue culture banana and this has been amply proved at the field level at Pidagam and Valavanur villages, according to N. Panneerselvam, Deputy Director of Horticulture, Villupuram.

Mr. Panneerselvam told *TheHindu* that in Villupuram district certain varieties of bananas, including monthan, poovan and karpuravalli were being raised on 919 hectares, and, monthan alone accounted for 60 per cent of the area under the traditional banana cultivation.

The monthan yield per hectare was 62.5 tonnes from which the farmer could make a net profit of Rs. 43,500 per hectare. The present yield level was hardly sufficient to meet the local demand and the export commitments.

Hence, there had arisen the need for increasing the productivity and the G9 tissue culture banana had fitted the bill as it could yield 100 tonnes of the fruit per hectare. The cultivation of the tissue culture variety was being promoted under the National Horticultural Mission Scheme. Mr. Panneerselvam said that L. Manoharan and A. Raja of Pidagam and Rajasekar of Valavanur who took to the tissue culture banana had reported quite a substantial yield level.

For instance, Mr. Manohan had obtained 800 bunches of tissue culture banana in less than one acre (0.80 acre to be exact) from which he earned a total income of Rs. 1.60 lakh (at the rate of Rs. 200 per bunch) and after making provision for expenses he had netted a profit of Rs. 80,000.

The other two progressive farmers too had obtained the same level of yield. From this outcome it could be surmised that a farmer growing the tissue culture banana on 2.5 acres would earn a total income of Rs. 5 lakh and after deducting the expenses would earn a profit of Rs. 2.5 lakh. The Deputy Director also added that to ward off the wind menace and to guard the crop against the Erwinia rot, the farmers could grow agathi or udayam banana as intercrop in two rows around the periphery of the banana field.

He noted that the farmers adopting hi-tech processes such as high-density planting, drip irrigation and fertigation practices could even achieve better the results and get lucrative income. Further information could be obtained from block-level officials of the Horticulture Department, Mr. Panneersevam added.

Published: September 30, 2011 00:00 IST | Updated: September 30, 2011 04:20 IST Bellary, September 30, 2011

Agriculture is back as farmers hope for a better future



HOPE WINS: Farmers Doddabasappa and Lakshma Naik with their produce on a road near Sandur in Bellary district. — Photo: Bhagya Prakash K.

People who are most hopeful of a better future in Bellary today, following the ban on iron ore mining in July this year, seem to be land-owning farmers. While farming had been either impossible or extremely difficult in many parts of the mining intensive Bellary-Hospet-Sandur region since the “China boom” of 2003, farmers have now returned to their fields.

The Sandur bypass, which once had ore-laden lorries plying all day, was being used by farmers to dry and winnow jowar when *The Hindu* visited the place. They said that iron-ore dust ruined the crops on land close to the roads. Ore was also stored in many agricultural fields, not necessarily with the farmer's permission, ruining soil quality.

Tayappa, a farmer from Daulatpur, said that those who lost crops because of ore dust got what is called “dust compensation” if their land lay within 300 metres of roads. Lakshma Naik, an elderly farmer, pointed to the heap of harvested jowar and said: “Both you and I can eat what I grow. Can either of us eat iron ore or money?” Some farmers “adjusted” to the new scenario post-2003 by either accepting compensation or making quick money through “surface mining”, digging their land to collect iron ore. They sold it to passing lorries, which was more lucrative and easier than agriculture. These are the people who cannot go back to farming today since the fertile top soil has been lost.

A scientist from the University of Agricultural Sciences at Raichur, who is studying the agricultural scenario in the region, said that pedogenesis (formation of top soil) takes several hundreds of years to happen naturally.

Hard life

If a section of farmers jumped onto the mining bandwagon, it was also because agriculture was never easy in this dry district except in taluks such as Sandur. Out of the total cultivated land of 2.61 lakh hectares in the district, only 1.86 lakh hectares is irrigated, either by the Tungabhadra dam or borewells, according to a handbook brought out by the Karnataka Gazetteer Department in 2010. The mining belt in particular is largely rain-dependent. Besides, many borewells have now dried up.

Increasing agricultural input costs with no guarantee of returns added to their woes.

Gangamma, a farmer in Papinayakanahalli, said that renting a pair of bullocks costs Rs. 500 a day and a male farmhand has to be paid at least Rs. 150 a day.

There are several villages like Papinayakanahalli in the mining belt, traditionally associated with both mining and agricultural activity. But the boom years saw several farmers abandoning agriculture, said Basha Saab, who has sown sunflower in his land, but is worried because there has been no rain.

The scientist from the UAS, Raichur, who did not wish to be named, said that farmers today need both financial and technical help to re-start farming. "We will have to advise farmers to cultivate crops that can tolerate these extreme conditions. Simultaneously they need help to ensure income generation from farming," he said.

Clearly, though there is a renewed interest in agriculture, it needs active support of the State if it has to be sustainable in the long run.

Published: September 30, 2011 00:00 IST | Updated: September 30, 2011 04:17 IST KOCHI, September 30, 2011

Initiative to promote farm mechanisation

District Panchayat President Eldhose Kunnappillil has said that harvesting and tilling machines would be made available at the panchayat level at a reasonable rent through the agriculture department.

A custom hiring centre for the benefit of farmers would start functioning at Echamukku on Saturday. Farmers can make advance booking by dialling 0484-2703974.

Mr. Kunnappillil said that mechanisation in the agriculture sector would be promoted to make good the shortage of farming workers in the district.

The available work force will be imparted better training and given toolkits. Training in mechanised farming will be imparted by the district panchayat in association with the agriculture department and agriculture engineering wing.

Last year, training was given to 60 persons in various grama panchayats in the district, out of which the selected 15 were given 15-day-long expert training in mechanised farming.

These workers were being split into three groups and made partners in mechanisation in agriculture. Steps were under way to register them as societies offering skilled mechanised farm labour.

The objective of training programme is to make available such skilled labour at the regional level to resolve farming-related issues emanating from shortage of labour. *Harvesting and tilling machines will be given on hire.*

hindustantimes



Press Trust Of India

New Delhi , September 29, 2011

First Published: 12:05 IST(29/9/2011)

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Food inflation inches up to 9.13% for week ended September 17



Food inflation jumped to 9.13% for the week ended September 17 from 8.84% in the previous week, mainly due to a rise in prices of potatoes, pulses and poultry.

Finance minister Pranab Mukherjee termed the rise in food inflation as an area of "grave concern".

While prices of onions eased marginally during the week, gram, masoor, arhar, urad and poultry rates firmed up on an annual basis, as per Wholesale Price Index (WPI) data released by the government on Thursday.

Potato prices, too, firmed up by about 15% on an annual basis.

However, as a whole, inflation in the fruit and vegetable segments eased during the week under review vis-a-vis the same period last year.

In the week ended September 10, food inflation had declined to 8.84% from 9.47% in the previous week.

"These fluctuations are taking place and it is one of the areas of grave concern," Mukherjee told reporters, adding, "(Food inflation)... is perilously close to double digits."

As per the WPI data, inflation in cereals, milk, eggs, meat and fish also eased to 13.17% during the week under review.

Overall, inflation in primary articles stood at 11.43% for the week ending September 17, compared to 12.17% in the previous week. Primary articles constitute over 20% of the WPI basket.

Non-food articles, which include fibres, oil seeds and minerals, recorded 12.89% inflation during the week ended September 17, down from 17.42% in the previous week.

Meanwhile, inflation in the fuel and power segment went up to 14.69% during the week ended September 17 from 13.96% in the previous seven-day period.

Headline inflation, which factors in manufactured items, fuels and non-food primary items, in addition to food commodities, stood at a 13-month high of 9.78% in August.

The Reserve Bank has already hiked policy rates 12 times since March, 2010, to tame demand and curb inflation.

<http://www.hindustantimes.com/StoryPage/Print/751461.aspx>

First Published: 14:12 IST(29/9/2011)

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Food inflation close to double digits, grave concern: Pranab

Finance minister Pranab Mukherjee on Thursday described the latest rise in food inflation toward the double-digit mark as an area of "grave concern".

"Food inflation has gone up and it is perilously close to double digits... Food prices are an area of major and grave concern," he told reporters in New Delhi.

Food inflation jumped to 9.13% for the week ended September 17 from 8.84% in the previous week, mainly due to a rise in prices of potatoes, pulses and poultry.

As per today's data, prices of gram, masoor, arhar, urad and poultry firmed up on an annual basis. Potato prices, too, firmed up by about 15% on an annual basis.

In the week ended September 10, food inflation declined to 8.84% from 9.47% in the previous week.

"These fluctuations are taking place and it is one of the areas of grave concern," Mukherjee told reporters, adding, "(Food inflation)... is perilously close to double digits."

The WPI for non-food articles has come down sharply from 17.42% to 12.89% during the week. "As a result, WPI inflation in primary articles has declined. But fuel and power, light and lubricants, they have also contributed (to rising inflation)," he said.

<http://www.hindustantimes.com/StoryPage/Print/751488.aspx>

New Delhi, September 29, 2011

First Published: 22:39 IST(29/9/2011)

Last Updated: 02:34 IST(30/9/2011)

Food inflation at 9.1%, situation grave: FM

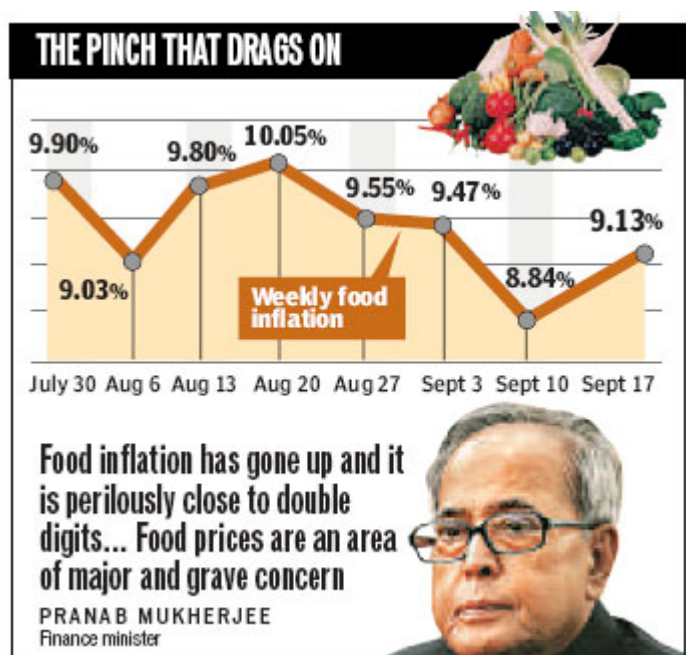
India's food inflation raced towards double-digit levels - it was 9.13% for the week-ended September 17 - fuelled by high prices of staple items such as potatoes and pulses, prompting finance minister Pranab Mukherjee to describe the situation as grave. "It (food inflation) is perilously close to double digits. These fluctuations are taking place and it is one of the areas of grave concern."

The government and the Reserve Bank of India, is facing a serious dilemma.

The string of measures to snuff out inflation have hurt growth, raising the risk of an economic slowdown.

The Reserve Bank of India is manoeuvring between keeping the growth rate going and reining in runaway prices.

A fortnight ago, the RBI raised the repo rate - the rate at which banks borrow from



the RBI by 0.25 percentage points to 8.25%. A higher repo would raise banks' borrowing costs, which in turn would raise interest rate on final home, auto and corporate loans.

Raising interest rates still remains the most potent tool with the RBI to tame prices, but it has hurt industrial growth.

Economists said it was unlikely that the central bank will start slashing rates anytime soon.

"Market expectations for aggressive policy easing look misplaced," said Mole Hau of BNP Paribas.

"I believe even if inflation is triggered by supply side constraint monetary policy has important role to play," said C Rangarajan, chairman, Prime Minister's Economic Advisory Council.

<http://www.hindustantimes.com/StoryPage/Print/751681.aspx>

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THE TIMES OF INDIA

Food inflation inches up to 9.13%

PTI | Sep 30, 2011, 06.20AM IST

NEW DELHI: Rising prices of essential kitchen items like potato and pulses pushed food inflation closer to the double-digit mark at 9.13% for the week ended September 17. Food inflation, as measured by the wholesale price index (WPI), was 8.84% in the previous reporting week.

"(Food inflation)... is perilously close to double digits. These fluctuations are taking place and it is one of the areas of grave concern," finance minister Pranab Mukherjee told reporters here. As per the commerce ministry data, prices of onions eased marginally, while gram, masoor, arhar, urad and poultry rates firmed up, on an annual basis. As per the WPI data, inflation in eggs, meat and fish eased to 13.17% during the week as against 28.7%, year-on-year . While onion prices was down to 17% from 22% last year, potato prices rose 15%.

30 Sep, 2011, 06.42AM IST, PK Krishnakumar,ET Bureau

South Indian tea prices soar 3-5% per kg on local demand

KOCHI: The south Indian tea industry is increasingly catering to the domestic market as exports face uncertainty. Premium crush-tear-curl teas consumed by the local market are fetching good prices. The prices of CTC dust teas in the south Indian market have jumped by Rs 3-5 per kg supported by robust internal demand. Prices touched Rs 93.5 per kilogramme with premium varieties edging closer to Rs 100 per kg.

A lower production and higher internal demand have pushed up the prices. "Up to July, tea production in south India was down by 3.6 million kg. In August it is expected to slide by another 1.2 to 1.5 million kg and the sluggish trend has been continuing in September as well," said R Sanjith, head of commodities of United Planters' Association of Southern India.

The industry is expecting the production to improve by the end of October provided there are mild rains and sunny weather. "The quality will also improve by November with the change in weather. This could see the prices moving up further. But for the short term, the current price levels should hold steady," said a leading tea broker.

Plantation companies such as Harrisons Malayalam have benefited by the improved prices. HML has recently launched premium bulk teas in auctions from specific regions in south India. "Our recent brand Moongalaar Gold is doing well in the market fetching prices in the range of Rs 95-100 per kg," said Pankaj Kapoor, MD of HML.

Strong internal demand has kept prices buoyant as south Indian exports are facing rough weather. South Indian tea exports in the January-July 2011 period at 42.5 million kg were lower by 12 million kg compared with the same period in the previous year. "The offtake from

Pakistan, was poor because of high Indian prices. Pakistan buys mostly from Kenya. Since Kenyan production was down, India should have benefited more," said exporter Krishnakumar J Shah.



By PTI

29 Sep 2011 02:16:47 PM IST

Food inflation inches up to 9.13%

NEW DELHI: Food inflation in India jumped to 9.13 per cent for the week ended September 17 from 8.84 per cent in the previous week, mainly due to a rise in prices of potatoes, pulses and poultry.

Finance Minister Pranab Mukherjee termed the rise in food inflation as an area of "grave concern".

While prices of onions eased marginally during the week, gram, masoor, arhar, urad and poultry rates firmed up on an annual basis, as per Wholesale Price Index (WPI) data released by the government Thursday.

Potato prices, too, firmed up by about 15 per cent on an annual basis.

However, as a whole, inflation in the fruit and vegetable segments eased during the week under review vis-a-vis the same period last year.

In the week ended September 10, food inflation had declined to 8.84 per cent from 9.47 per cent in the previous week.

"These fluctuations are taking place and it is one of the areas of grave concern," Mukherjee told reporters, adding, "(Food inflation)... is perilously close to double digits."

As per the WPI data, inflation in cereals, milk, eggs, meat and fish also eased to 13.17 per cent during the week under review.

Overall, inflation in primary articles stood at 11.43 per cent for the week ending September 17, compared to 12.17 per cent in the previous week. Primary articles constitute over 20 per cent of the WPI basket.

Non-food articles, which include fibres, oil seeds and minerals, recorded 12.89 per cent inflation during the week ended September 17, down from 17.42 per cent in the previous week.

Meanwhile, inflation in the fuel and power segment went up to 14.69 per cent during the week ended September 17 from 13.96 per cent in the previous seven-day period.

Headline inflation, which factors in manufactured items, fuels and non-food primary items, in addition to food commodities, stood at a 13-month high of 9.78 per cent in August.

The Reserve Bank has already hiked policy rates 12 times since March, 2010, to tame demand and curb inflation.

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DECCAN Chronicle

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Food inflation inches up to 9.13% for week ended September 17



Food inflation jumped to 9.13 per cent for the week ended September 17 from 8.84 per cent in the previous week, mainly due to a rise in prices of potatoes, pulses and poultry. Finance Minister Pranab Mukherjee termed the rise in food inflation as an area of 'grave concern'. While prices of onions eased marginally during the week, gram, masoor, arhar, urad and poultry rates

firmed up on an annual basis, as per Wholesale Price Index (WPI) data released by the government today. Potato prices, too, firmed up by about 15 per cent on an annual basis. However, as a whole, inflation in the fruit and vegetable segments eased during the week under review vis-a-vis the same period last year. In the week ended September 10, food inflation had declined to 8.84 per cent from 9.47 per cent in the previous week. "These fluctuations are taking place and it is one of the areas of grave concern," Mukherjee told reporters, adding, "(Food inflation)... is perilously close to double digits." As per the WPI data, inflation in cereals, milk, eggs, meat and fish also eased to 13.17 per cent during the week under review. Overall, inflation in primary articles stood at 11.43 per cent for the week ending September 17, compared to 12.17 per cent in the previous week. Primary articles constitute over 20 per cent of the WPI basket.

Source URL: <http://www.deccanchronicle.com/channels/business/news/food-inflation-inches-913-week-ended-september-17-188>



Food inflation accelerates to 9.13%, RBI may hike rates again

Indicating persistently high inflationary pressures in the economy reflecting the stubborn pricing pressures reinforcing expectations that the RBI may continue to tighten rates, the food inflation accelerated close to the double-digit mark at 9.13 per cent for the week ended September 17 as meat and vegetables turned costlier, a development Finance Minister Pranab Mukherjee expressed concern on and termed as "grave".

"(Food inflation)... Is perilously close to double digits. These fluctuations are taking place and it is one of the areas of grave concern," Mukherjee told reporters.

Food inflation, as measured by the Wholesale Price Index (WPI), was 8.84 per cent in the previous reporting week.

As per the Commerce Ministry data, prices of onions eased marginally, while gram, masoor, arhar, urad and poultry rates firmed up, on an annual basis.

“Food prices are an area of major and grave concern,” Mukherjee said.

As per the WPI data, inflation in eggs, meat and fish eased to 13.17 per cent during the week as against 28.7 per cent, year-on-year. While onion prices was down to 17 per cent from 22 per cent last year, potato prices rose 15 per cent.

Experts said the food inflation may decline only later this year.

“We hope that inflation number will come down during November-December period due to a larger base effect,” Standard Chartered Bank Senior Economist Anubhuti Sahay said.

KASSA India Director Siddharth Shankar said, “Global slowdown and RBI’s tight monetary policy will keep a cap on the non-food inflation numbers.”

Non-food articles, which include fibres, oil seeds and minerals, recorded an inflation of 12.89 per cent during the week ended September 17, down from 17.42 per cent in the previous week. Meanwhile, inflation in the fuel and power segment rose to 14.69 per cent during the week ended September 17 In the previous week, it was 13.96 per cent.

Headline inflation, which factors in manufactured items, fuel and non-food primary items, in addition to food commodities, stood at a 13-month high of 9.78 per cent in August.

The Reserve Bank has already hiked policy rates 12 times since March, 2010, to tame demand and curb inflation.

Business Standard

Friday, Sep 30, 2011

Ban on bulk edible oil exports extended for one more year

BS Reporter / Mumbai September 30, 2011, 0:58 IST

Despite record output, restriction to go on till Sept 30, 2012, to avoid further rise in food inflation.



The Directorate General of Foreign Trade (DGFT) under the commerce ministry has extended the ban on edible oil exports for another year, to avoid a further spurt in food inflation.

A notification on the DGFT website said the ban was being extended till September 30, 2012. Exporters will continue to enjoy a relaxation of 10,000 tonnes as granted earlier on small consumer packs of 1-5 kg.

Export was initially prohibited for a year with effect from March 17, 2008, and extended from time to time. The ban was to expire tomorrow.

“We had urged the government to lift the ban, for the betterment of farmers. Since no ceiling has been kept on imports, ideally, there should have no ceiling on exports as well,” said B V Mehta, executive director of the Solvent Extractors’ Association of India, a trade body representing 850 edible oil producers, packers and retailers.

Certain exemptions have been granted on castor oil and coconut oil export from Cochin port and export produced out of minor forest produce. Even if the government had granted permission for exports, the overall shipment was not likely to surpass 40,000 tonnes for the entire year. Only a certain segment of customers abroad are interested, in groundnut, mustard and copra oil. India produced a record 31.1 million tonnes of oilseeds in the 2010-11 crop year, ending June.

According to the fourth advance estimates prepared by the Union agriculture ministry, the country is estimated to have harvested a record 12.7 mt of soybeans, 7.5 mt of groundnut and 7.7 mt of rapeseed and mustard. Hence, there was no need for export restrictions, said an exporter.

Trade sources said the leap was bound to reduce import of vegetable oil by about a million tonnes. Total vegetable oil availability from domestic sources is estimated now at 7.2-7.5 mt as compared to a sustained production of 6.5-6.8 mt over the past several years.

Wheat down on thin trade

Press Trust of India / New Delhi September 29, 2011, 14:34 IST



In range-bound futures trading, wheat prices fell by 0.18% to Rs 1,128 per quintal today as speculators reduced their positions amid higher supplies in the spot markets.

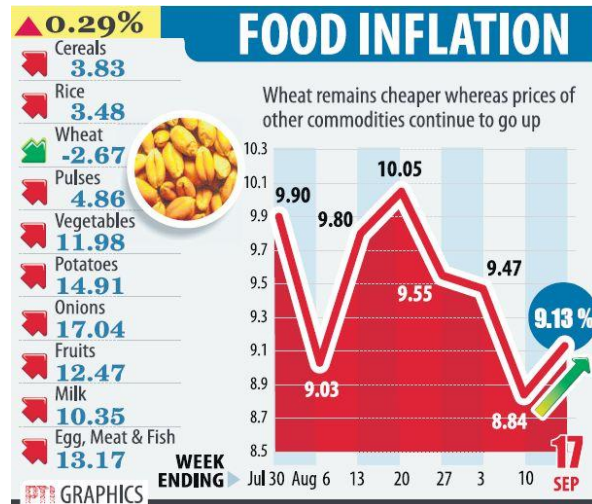
Subdued demand from flour mills also weighed on the prices.

At the National Commodity and Derivatives Exchange, October wheat fell by Rs 2, or 0.18%, to Rs 1,128 per quintal, with an open interest of 30,600 lots.

The November contract fell by 80 paise, or 0.07%, to Rs 1,146 per quintal, with an open interest of 16,630 lots.

Analysts said the fall in sugar futures prices was mostly due to supply pressure in the spot market against subdued demand from flour mills.

Food inflation rises to 9.13%; Pranab terms it a 'grave concern'



Prices of gram, pulses, vegetables, fruits and fuel too up

New Delhi, Sept. 29:

Higher price of gram, pulses, vegetables and fruits have forced the food inflation to cross 9 per cent again. This is another development causing more concern for the Finance Minister Mr Pranab Mukherjee.

Another worry is increase in the fuel inflation which rose to 14.69 per cent from 13.96 per cent. The fuel inflation has risen on higher prices of petrol, light diesel oil, and aviation turbine fuel. Public Sector oil marketing companies raised petrol prices by Rs 3.14 rupees per litre with effect from Sept 16.

The latest date released by the Commerce and Industry Ministry showed that the food inflation for the week ended September 17, reached to 9.13 per cent as against 8.84 a week ago. The index for 'Food Articles' group rose by 0.8 percent to 197.3 (Provisional) from 195.7 (Provisional) for the previous week due to higher prices of gram (6%), masur, arhar, urad, poultry chicken, condiments & spices and fish-marine (2% each) and fruits & vegetables, maize, jowar and milk (1% each).

The Finance Minister, Mr Pranab Mukherjee said, "The food inflation is perilously close to the double-digit mark. The rise in food inflation is a grave concern." On the other hand, the Chairman of the Prime Minister's Economic Advisory Council (PMEAC) Dr C Rangarajan termed the current level very high.

Jeera futures slump on selling

Rajkot, Sept. 29:

Jeera futures slumped by about 2.7 per cent on selling while weak export demand dragged the spice in the spot market on Thursday. October contract of jeera was down by Rs 419 or 2.71 per cent to Rs 15,020 a quintal on the National Commodity and Derivatives Exchange, with an open interest of 15,885 lots. Jeera for November delivery dropped by Rs 401 to Rs 15,449 a quintal on the exchange, with an open interest of 15,306 lots. Spot jeera declined by Rs 80-90 for 20 kg at Rs 2,000-2,828 in Rajkot. At Unjha agricultural produce marketing committee, it sold stood at Rs 2,200-3,100 for 20 kg. While about 7,000 bags were arrived in Unjha, 800-900 bags arrived in Rajkot. The trend remains weak because of a slide in export demand and carryover stocks, said a report from Karvy Stock Broking. According to the Spices Board, exports during April-July declined by 40 per cent to 7,750 tones against 12,950 tones in the year-ago period.

Low arrivals boost turmeric



Erode, Sept. 29:

Spot turmeric prices improved further on Thursday on lower arrivals.

"Because of low arrival, the price of spot turmeric further improved by Rs 150 a quintal. But it was selling below Rs 5,000 a quintal. Farmers are expecting arrivals to go up on Friday, and a

dip in prices is likely,” said Mr R.K.V. Ravishankar, President, Erode Turmeric Merchants Association.

Prices of finger variety in all the four markets witnessed an upward trend, though traders did not receive any fresh orders. Traders quoting increased price, bought limited quantities to fulfil their orders and masala firms also purchased some quantity. About 6,150 bags of turmeric arrived for sales, of which 70 per cent was sold.

The price quoted in the futures market ruled stable; so prices increased marginally. The minimum price quoted for the turmeric in the Gobichettipalayam Marketing Society decreased to Rs 2,900, but the maximum price increased by Rs 100 a quintal.

In the Regulated Marketing Committee, after a fortnight heavy arrivals were seen and the sales were also high. The price increased by around Rs 100 a quintal.

At the Erode Turmeric Merchants Association Sales yard, the finger variety sold at Rs 3,566-4,939, the root variety Rs 3,406-4,316.

Salem Crop: The finger variety sold at Rs 4,541-5,199, the root variety Rs 4,096-4,899. Of 1,546 bags that arrived, 780 were sold.

At the Gobichettipalayam Agricultural Cooperative Marketing Society, the finger variety fetched Rs 2,939-4,872. The root variety sold at Rs 2,219-4,360. Of the 92 bags that arrived, 83 were sold.

At the Erode Cooperative Marketing Society, the finger variety was sold at Rs 4,099-5,019, the root variety at Rs 3,968-4,599. All the 504 bags kept for sales were sold.

At the Regulated Marketing Committee, the finger variety was sold at Rs 4,831-5,189, the root variety Rs 4,499-4,769. Of 1,423 bags that arrived for sales, 1,346 were sold.

Drop in flour demand drags wheat



Karnal, Sept. 29:

Following sharp decline in the demand for flour, wheat prices decreased by Rs 10-30 a quintal on Thursday.

Because of the Navaratri festival, the demand for flour in the domestic market has decreased drastically over the last two days, said Mr Sewa Ram, a trader.

The current decline in wheat prices could have been much sharper but due to low arrivals in the market, the impact on prices was a little soft, he said.

To maintain prices, flour mills have cut back production. This is a temporary phase of lack of demand and market may witness some correction in upcoming days, he said.

After ruling firm earlier this week, dara prices eased by Rs 10-20 and settled at Rs 1,100-1,115 a quintal.

Just around 28 tonnes of dara variety arrived from the Uttar Pradesh and the stocks were directly offloaded at the mills. Mill delivery was at Rs 1,105 a quintal.

Similarly, desi wheat varieties went down by Rs 15-30 a quintal. Tohfa variety dropped Rs15 and quoted at Rs 2,150-2,160 a quintal, Samrat decreased by Rs 20 and ruled at Rs 1,980 a quintal, Lal Quila sold at Rs 1,905 while Rasoi was at Rs 1,870 a quintal, Rs 30 down from previous level.

On the National Commodity and Derivatives Exchange, wheat for October delivery decreased by Rs 2 to Rs 1,128 a quintal; it had touched a low at Rs 1,126.4 earlier in the day.

Flour Prices

Because of sluggish domestic demand, flour prices decreased by Rs 15 and settled at Rs 1,135 for a 90 kg bag. On the other hand, some good buying pushed Chokar prices up Rs 15-25 and quoted at Rs 550-560 for a 49-kg bag.

Truck shortage pushes up spot sugar



Mumbai, Sept. 29:

Increased local demand and demand from other States helped sugar extended gains made on Wednesday by Rs 10-15 a quintal on Thursday.

Higher freight rates because of shortage of trucks in producing centres such as Kolhapur and Satara, lifted prices in the physical market. Demand rose at the mill level as producers are reluctant to sell at lower prices. Mill tender rates increased by Rs 10-12 a quintal.

In absence of selling by resellers, *naka* delivery prices also rose by Rs 5-10. Sentiment in the spot market improved following a rise in transport charges by Rs 10-12 in Kolhapur, Satara and Sangli in the last two days, a wholesaler in the Vashi market said. Mills in Maharashtra sold about a lakh bags of a quintal each.

The 17.5 lakh tonnes of sugar allocated by the Centre for sale in the open market in October is against 17 lakh tonnes for September. This is the same as in October last year when sugar reached a high of Rs 2,730-2,761 a quintal. Trade sources said the October quota this year is enough to meet the festival demand.

Arrivals in the Vashi market were at 54-55 truckloads of 100 bags each while local lifting rose to 53-54 truckloads. According to market sources, mills sold 75,000-80,000 bags to local traders and a rail rake of about 27,000 bags to buyers from neighbouring state at Rs 2,640-2,705 (Rs 2,630-2,695) for S-grade and at Rs 2,740-2,830 (Rs 2,735-2,830) for M-grade on Wednesday.

Bombay Sugar Merchants Association' spot rates: S-grade Rs 2,771-2,825 (Rs 2,771-2815) and M-grade Rs 2,846-2,981 (Rs 2,821-2,976).

Naka delivery rates: S-grade Rs 2,720-2,775 (Rs 2,720-2,770) and M-grade Rs 2,810-2,940 (Rs 2,810-2,930).

Weak demand, futures drag soya oil



Indore, Sept. 29:

Weak futures and slack buying continued to drag soya oil in the physical market.

Soya refined declined to Rs 618-620 for 10 kg, even as Malaysian palm oil futures pared losses. In the evening, some plants quoted soya refined at as low as Rs 614-616 for 10 kg. Soya refined in local mandis on Wednesday sold at Rs 624-627 for 10 kg. Soya solvent, too, declined on slack demand and weak projections by Chicago Board of Trade dropping to Rs 570-575 for 10 kg (Rs 586-590).

Soya oil futures slid on weak global cues. Soya refined for October delivery on National Board of Trade closed at Rs 628.10 (Rs 630). On the National Commodity and Derivatives Exchange, soya oil for October delivery was down at Rs 624.40 and at Rs 606.90 for November delivery.

Pressure of increased arrivals and bumper soyabean yield this year have weakened demand from traders as they hope prices of soya oil and seeds to drop further, said Mr Mukesh Purohit, a soya oil trader.

Meanwhile, soyabean continued to fall as arrivals of new soyabean in state mandis soared to 1.75 lakh bags on Thursday. In mandis across Madhya Pradesh, soya seeds sold at Rs 1,750-1,950 a quintal. The 6,000 bags of new soyabean that arrived in local mandis were quoted at Rs 1,700-2,050 a quintal. Mandis in Dewas and Ujjain received 16,000 and 12,000 bags.

In contrast to soyabean in the spot market, soya seeds for delivery this month gained on improved buying. Soyabean rose by Rs 6 at Rs 2,154 a quintal for delivery in October on the National Commodity and Derivatives Exchange while soyabean for delivery in November declined by Rs 25 at Rs 2,146 a quintal on poor demand.

Soya de-oiled cake dropped to Rs 17,800 in the port and Rs 16,500 in the local market.

Pepper continues to move up on strong demand

Kochi, Sept. 28:

Pepper on Wednesday moved up on good demand and reports of firmer overseas markets coupled with bullish sentiments.

There was tug of war to push up and pull down the market throughout the day and consequently the market was highly volatile. The turnover dropped significantly indicating that the people was loosing interest in such a violent market. As the Indian parity is the cheapest, orders are coming in from overseas markets, but the exporters were offering only limited quantities because of the uncertainty in the prices here due to high fluctuations in the futures market, market sources told *Business Line*.

All the contracts closed substantially above the previous day closing and similarly, spot prices also went up by Rs 200 a quintal.

Liquidation and switching over was there. On the spot, there were sellers at higher levels and more than 100 tonnes were reportedly traded at Rs 300 a kg and Rs 340 a kg depending upon

bulk density, they said. Domestic demand is likely to get activated. Demand was there for high range pepper to meet the requirement for MG 1.

Oct contract on NCDEX went up Rs 215 to close at Rs 35,950 a quintal. Nov and Dec increased Rs 320 and Rs 535 respectively to Rs 36,740 and Rs 37,460 a quintal. Total turnover increased 124 tonnes to close at 12,086 tonnes. Total turn over dropped 2,654 tonnes to 9,595 tonnes.

Oct open interest fell 608 tonnes to 7,046 tonnes while that of Nov and Dec 627 tonnes and 103 tonnes respectively to close at 4,361 tonnes and 566 tonnes.

Spot prices went up Rs 200 to close at Rs 33,300 (ungarbled) and Rs 34,500 (MG 1) a quintal on good buying support. Indian parity in the international market was the cheapest at \$7,900 a tonne (c&f) for Europe and \$8,200 a tonne (c&f) US.

According to an overseas report, Vietnam FAQ min 500 GL at \$7,850 a tonne (f.o.b.) HCMC and FAQ min 550 GL at \$8,250 a tonne. White double washed was offered at \$11,100 a tonne.

Limited arrivals lend lustre to turmeric



Erode, Sept. 28:

Spot turmeric price increased by Rs 250 a quintal on Wednesday with rates rising as high as Rs 600 a quintal at the Regulated Marketing Committee. The rise was on account of farmers bringing limited stocks to the market.

“Farmers who know the impact of bringing huge stocks brought very limited quantity to the market and benefited by Rs 250-350 a quintal. Prices at all the four markets in Erode increased. Because of the slight increase, farmers were happy, but still traders awaited fresh orders from

north Indian merchants,” said Mr R.K.V. Ravishankar, President, Erode Turmeric Merchants Association.

He said only 4,600 bags of turmeric arrived for sale and 60-70 per cent of the stocks were sold. Because of such low arrival, traders quoted an increased price. “The present increase is only a temporary one. Till the end of October such fluctuation will be experienced and certainly prices will not appreciate heavily like last year due to heavy production. Further, the production will be higher than this year,” said Mr Ravishankar.

Due to the arrival of very good quality turmeric, prices increased by Rs 600 a quintal in the Regulated Marketing Committee. Only some bags were sold for such a high price.

At the Erode Turmeric merchants Association sales yard, the finger variety was sold at Rs 3,509-4,766/quintal, the root variety Rs 3,310-4,266.

Salem Crop: The finger variety was sold at Rs 4,600-5,200, the root variety Rs 4,124-4,715. A total of 1,116 bags arrived for sale and out of this, 391 were sold.

At the Gobichettipalayam Agricultural Cooperative Marketing Society, the finger variety was sold at Rs 3,899-4,772, the root variety Rs 2,569-4,069. All 26 bags that arrived for sales were sold.

At the Erode Cooperative Marketing Society, the finger variety was sold at Rs 3,636-4,838, the root variety at Rs 3,719-4,299. All 465 bags kept for sales were sold.

At the Regulated Marketing Committee, the finger variety was sold at Rs 4,668-5109, the root variety Rs 4,034-4,519. Out of the 927 bags that arrived, 853 were sold.
