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Bar GM food crops, says parliamentary panel

Gargi Parsai

'Probe how Bt brinjal seed was allowed to be commercialised'

In a major setback to the proponents of genetically modified technology in farm crops, the Parliamentary Committee on Agriculture on Thursday asked the government to stop all field trials and sought a bar on GM food crops (such as Bt. brinjal).

The committee report, tabled in the Lok Sabha, demanded a “thorough probe” into how permission was given to commercialise Bt. brinjal seed when all evaluation tests were not carried out.

It said there were indications of a “collusion of the worst kind from the beginning till the imposition of a moratorium on its commercialisation in February, 2010, by the then Minister for Environment and Forests.”

The report came a day after Maharashtra cancelled Mahyco’s licence to sell its Bt. cotton seeds.

It flayed the government for not discussing the issue in Parliament and observed that the Ministry failed in its responsibility by introducing such a policy, ignoring the interests of the 70 per cent small and marginal farmers.

The report criticised the composition and regulatory role of the Genetic Engineering Approval (Appraisal) Committee and the Review Committee on Genetic Manipulation (RCGM).

According to Committee chairman Basudeb Acharia, there is not a single note of dissent in the report of the 31-member panel, including nine from the Congress and six from the BJP.

Observing that GM crops (such as Bt. cotton) benefited the (seed) industry without a “trickle-down” gain to farmers, it recommended that till all concerns were addressed, further research and development should be done only in contained conditions.

Citing instances of conflict of interest of various stakeholders, the panel said the government must put in place all regulatory, monitoring, oversight and surveillance systems.

Raising the “ethical dimensions” of transgenics in agricultural crops, as well as studies of a long-term environmental and chronic toxicology impact, the panel noted that there were no significant socio-economic benefits to farmers. On the contrary, farmers have incurred huge debts because of this capital-intensive practice. “Today, 93 per cent of the area is under Bt. cotton because no alternative seeds are available,” Mr. Acharia said.

The panel has sought an explanation from the government on how the cotton seed oil extracted from Bt. cotton had gotten into the food chain and what could be the impact on medicinal plants.

It questioned how the proposed Biotechnology Regulatory Authority could be a promoter of GM crops as well as a regulator.

The Coalition for GM-free India said the report vindicated the concerns of several States that have disallowed GM crops.

TIRUCHI, August 10, 2012

Cauvery delta ecosystem in deep water

G.SATHYAMOORTHY



The Cauvery eco-system is in deep trouble with the current year being one of the worst drought years that the river has witnessed.

The delta region, known as 'Marudha Nilam', can no longer have that nomenclature as it is now shorn of Marudu trees, a native plant. The 'minimum viable population' (MVP) size of this tree has gone down and has become virtually an 'endangered species'.

Frequent loss of flows in the river over the past four decades has resulted in gradual degradation of the eco-system, laments K.V.Krishnamurthy, former Head of the Department of Botany, Bharathidasan University, considered an authority on the Cauvery's flora and fauna.

Even the migratory birds would shun the State if the current drought-like situation continued, warns S. Balachandran, Deputy Director, Bombay Natural History Society.

Potability of the water along the banks of the Cauvery and the Coleroon is going to be a question mark sooner or later, apprehends V.Ganapathi, advisor, Exnora International.

Indiscriminate sand quarrying all along the banks of the Cauvery has resulted in the gradual loss of water- holding capacity of the river itself, says R.Nandakumar, who has spearheaded a movement against sand mining and has won a major case in the Madurai bench of the Madras High Court recently. "Loss of one cubic metre of sand will result in the loss of capacity to hold three cubic metres of water", he adds.

Prof.Krishnamurthy told *The Hindu* that it was during 1970s such loss of flows in the Cauvery started and over the years the phenomenon has resulted in creation of "huge islands of vegetation" all along the course of the river.

"Such an island virtually looks like a forest near Grand Anaicut", he points out.

The major problem arising out of this situation is that the sand in the river gets reduced and mud is formed. "The typical riverine land structure will be lost", both with regard to "physical and biological parameters". "Thus sand will become soil."

Even in the Coleroon and some parts of the Cauvery such islands of vegetation have formed an aquatic bed and the size of this vegetation patch will gradually increase." This will become a major problem in due course of time".

As flow of water has become less, stagnant pools are formed and they give rise to noxious aquatic elements that prevent the flow of water.

Along the banks, the native vegetation is gone and that space is occupied by “alien invasive flora (plants)”. During the last 15-20 years this has been happening substantially. “Thus the threshold value of many of the native plants including Marudu has slumped”, says Prof.Krishnamurthy.

With regard to fauna, he says there were 80 species of 23 fish families in the Cauvery system 40 years ago. Of them five species are exclusive for the Cauvery. Now their population has dwindled and many of them have lost their MVP size. Same is the case with “fresh water prawns”. On the other hand, mosquito population has been on the rise.

PULLURU (KRISHNA DT.), August 10, 2012

Jasmine brings the smell of money

RAMESH SUSARLA

Farmers in Pulluru of Krishna district reaping rich dividends



Bloom period:Farmers at Pulluru in Krishna district collecting jasmine buds.— PHOTO: RAJU V.

Jasmine, considered the queen of flowers for its fragrance, is cementing cooperation among 120 farmers from eight villages in Krishna district and bringing in good income. Called the ‘Belle of India’ or the ‘Queen of fragrance’, 25 kg to 30 kg of jasmines are produced per acre between January and August. Just at dawn the mature buds’ plucking activity begins and truckloads of flowers are sent out by 11 a.m. as it has only 12 hours of shelf life.

Jasmine buds are used on all occasions by people cutting across religion and caste and has huge demand in several towns and cities, but they are in short supply everywhere. Jasmine cultivation that was being done in a small way in pockets of Mylavaram mandal of the district, has now turned into a prime revenue-earning activity.

Today it is cultivated in about 150 acres earning a profit of Rs.1 lakh annually for small-time farmers, who are otherwise engaged in cultivating paddy, cotton or mango.

Thanks to the NABARD Producers Organisation Development Fund (PODF) playing a major role in bringing them together, they have now formed into a Mutually Aided Cooperative Marketing Society Limited.

A ground-level initiative taken by Nestam, an NGO playing the key role for nine months, the Veeranjaneya Farmers' MACTS does a business close to Rs. 4 crore annually and proposes to set up its own flower market yard at this village on a 70 cents land.

KALPETTA, August 10, 2012

Rain revives farming activities in Wayanad

Weak monsoon has hit cultivation of paddy, pepper, ginger



SEEDS OF HOPE: Farm workers preparing the field in Wayanad on Thursday to transplant paddy saplings.— Photo: E.M. Manoj

The recent rain has brought cheer to the farmers in some parts of Wayanad even as it caused damage to crops and property elsewhere in the district. Farmers were seen engaged in agricultural activities in the district on Tuesday after a better rain experienced since Monday.

According to the Regional Agriculture Research Station (RARS) of the Kerala Agricultural University at Ambalavayal, the district received an average rainfall of 25 mm and 55 mm respectively on Monday and Tuesday.

The weak monsoon has adversely affected the cultivation of paddy, pepper, cardamom, ginger and coffee in the district. The recent spells of rain have come as a solace to the farmers of Sulthan Bathery taluk where a drought-like situation had hit the crops.

Though many a farmer had grown paddy saplings, they could not transplant them to the fields as they could not prepare the ground in the absence of rain, K.M. Sunil, Assistant Professor, Agriculture, RARS, said. Many of the farmers started preparing the land on Tuesday following the rain.

The rain would also be a succour to the ginger farmers, especially those who had cultivated the crop on highlands.

Havoc

However, widespread damage to crops and property has been reported in the rain and wind that lashed many parts of the district on Tuesday. Fourteen houses were partially damaged and one house was destroyed fully in Mananthavadi taluk .The loss was estimated at Rs.2 lakh, according to the Revenue Department.

Crop loss

The crops loss was estimated at Rs.56.61 lakh, according to preliminary reports of the Agriculture Department. The rain seriously affected the crops such as plantain and paddy in Vengappally, Pozhuthana, Thavinjal, and Tirunelly.

As per the reports, the rain destroyed 23,550 Nendran variety of plantains cultivated on 9.42 hectares and paddy saplings on 4 hectares, putting 102 farmers in distress.

HYDERABAD, August 10, 2012

HC order may slow down conversion of agricultural land

Justice L. Narasimha Reddy of the AP High Court declared that the conversion of agricultural land for non-agricultural use shall be permitted only after assessing its impact on the environment, especially water bodies, and ayacut, agriculture and rural employment.

This far reaching order, which has the effect of slowing down conversion of agricultural land for other purposes in the State, was passed in a writ petition filed by N. Satyanarayana Raju of Vizianagaram. The petitioner complained that the local revenue officers were indiscriminately permitting conversion of land in spite of objections raised by him. He said that his agriculture was being affected by this conversion.

Justice Narasimha Reddy asked the advocate general to assist the court. After hearing the arguments of the petitioner and the advocate general, the court said that before the agricultural land is permitted for any other use, the concerned authority, the Revenue Divisional Officer must be satisfied about its necessity.

The judge said that in the name of industry, which may require one or two acres, vast extents of land of 20 to 50 acres cannot be permitted to be put to industrial use.

Justice Reddy said that "since the cessation of the land from agriculture would have its impact upon food security and rural employment, those aspects are also required to be taken into account. The impact of change of land use upon the immediate neighbours is another important aspect." Till specific permission is issued for conversion of agricultural land, non-agricultural activity shall be stopped.

The judge issued guidelines to the RDOs while considering land conversion.

The impact on the ayacut on immediate neighbouring agricultural lands, potential or necessity for any further expansion of inhabited areas, impact on resources such as electricity, water, impact upon environment, and water bodies is to be considered before granting permission.

Local bodies, assistant director of agriculture, district manager of industries, officer of APPPCB, shall be consulted before granting permission.

The Principal Secretary of Revenue Department has been directed to communicate the same to all RDO s in the State.

Moody's lowers India's growth forecast to 5.5 %

Special Correspondent



APVegetable vendors wait for customers at a market in Ahmedabad. file photo

Turbulent global conditions, policy 'mis-steps' weigh on investor confidence

In yet another projection scale-down, Moody's has revised its estimate on India's economic growth lower at 5.5 per cent during 2012 and cited the "turbulent" global conditions, domestic policy "mis-steps" and a poor monsoon as the reasons weighing on investor confidence and demand.

Pegging its growth forecast at sub-6 per cent in view of the deterioration in the overall economic environment at home and abroad, Moody's Analytics said that India's GDP (gross domestic product) growth rate is likely to be 5.5 per cent this year, while it is expected to be 6 per cent in 2013, marking a downward adjustment from 6.2 per cent estimated earlier.

“There has been little policy response from either the Reserve Bank of India or the government and with global uncertainty dragging on, we see nothing on the horizon to lift the economy from its funk,” Moody’s Analytics Senior Economist Glenn Levine said.

Incidentally, the downward revision by Moody’s has come close on the heels of similar scale-down in growth projections by a few other major domestic and global financial services firms such as Citi and CLSA, which cut their estimates for India to 5.4 per cent and 5.5 per cent, respectively, for the fiscal year ending March next year.

Moody’s, in particular, appears to have based its outlook revision on the poor monsoon rainfall during the June-to-September period as it accounts for nearly 60 per cent of the annual precipitation.

Viewing this as the second major factor responsible for the lowering in growth forecast, Moody’s said that since the monsoon was running 20 per cent below long-term averages, it might cut agriculture output and rural incomes, with knock-on effects for consumer demand and food prices, which would reaccelerate from early 2013.

Moreover, while gross domestic product growth during the first quarter was the slowest in nine years, Moody’s noted that the second quarter is likely to witness a similar fate as there is no indication of an upturn till at least the December quarter and possibly later. In such a scenario, confidence among Indian firms has been crushed by weak demand, elevated interest rates, high inflation, and most significantly, the instability created by a weak Central government that has badly lost its way.

In a harsh comment on governance, Moody’s maintained that India’s Central Government is the single biggest factor weighing on business confidence and the economic outlook and advocated that Prime Minister Manmohan Singh should turn around quickly or risk becoming a “lame duck” for the remainder of his term.

THIRUVANANTHAPURAM, August 10, 2012

KC(M) bats for settler farmers

Kerala Congress (M) leaders K.M. Mani and P.J. Joseph on Thursday urged Chief Minister Oommen Chandy to take steps to ensure the implementation of the age-old policy of renewing lease agreements of the land held by settler farmers.

The two leaders met the Chief Minister here in the context of the controversy over the takeover of the Cherunelli estate at Nelliampathy.

They made it clear that the Kerala Congress(M) did not want to confine itself to the Nelliampathy issue since it had larger implications on similar tracts of land elsewhere.

The party leaders made it clear that their party did not encourage encroachments and the overplay of the land lobby but stood for upholding the valid interests of the settler farmers. Even while disowning the controversial remarks of government Chief Whip P.C. George, the two leaders blamed Forest Minister K.B. Ganesh Kumar for complicating the issue. The Forest Department's decision to take over the Nelliampathy estate was taken even before the UDF framed its policy perspectives.

NAGERCOIL, August 10, 2012

Farmers asked to use water judiciously

The Agriculture department here has appealed the farmers to make use of available water in ponds and rivers judiciously to save the standing crops in the tail end areas of the district.

The farmers here have raised paddy crops on over 9,000 hectares in the Kannipoov season (first season). Moreover, the farmers in the tail end areas particularly Swamithoppu, South Tamarikulam, Myladi, Anjugramam, Thovalai, Arumanallur, Kadukkarai, Eesanthimangalam etc used pump sets to irrigate their withering paddy crops. The inflow of water in Pechipparai dam was 284 cusecs and 55 cusecs in to Perunchani dam.

The present rain in the catchment areas had given solace to the farmers who were struggling hard to save the water starved standing crops, particularly in the tail end areas.

The water level in Pechipparai dam stood at 4.70 feet where as it was 30 feet on the same date last year. The water level in Perunchani dam stood at 34.20 feet, 3.18 feet in Chittar I and 3.28 feet in Chittar II.

The tourists who used to visit Thirparappu falls in the last week were disappointed following the non-flow of water in the falls. For the last two days the flow of water at Thirparappu falls has increased attracting tourists.

THENI, August 10, 2012

Cumbum Valley farmers get showers of hope

PWD engineers step up release to 475 cusecs from 200 cusecs



Notwithstanding: A tree that fell down in Govindapuram in Dindigul owing to strong wind and rain on Wednesday evening.— PHOTO: G. KARTHIKEYAN

Moderate showers in different places cheered Cumbum Valley farmers, who had completely lost hope of raising the first crop in the double cropping area. Public Works Department engineers also heaved a sigh of relief.

Minor showers hit Cumbum, Goodalur, Chinnamanur and nearby villages. However, sporadic rain was recorded in Thekkadi and moderate shower in Periyar dam catchment areas.

The rain that started last night continued till Thursday morning. While 3.6 mm of rainfall was recorded at Thekkadi, 19 mm was registered in Periyar dam.

Water level in Periyar dam stood at 114.4 feet with an inflow of 414 cusecs. Vaigai dam has 36.12 foot of water. Storage level fell at alarming speed in the dam, signalling acute drinking water crisis for Madurai and nearby areas. Inflow was nil and the discharge 60 cusecs for drinking water purpose. Now, PWD engineers had stepped up release to 475 cusecs from 200 cusecs to improve storage level in Vaigai dam and to protect standing crops in the valley. However, it will not be useful to the tail-end farmers.

Sudden showers had encouraged farmers to speed up agriculture activities. Cultivation was in full swing in 50 per cent of cultivable lands in the valley. Even as the discharge from Periyar dam was to improve storage in Vaigai dam, illegal tapping by farmers who were badly in need of

water for irrigation to protect crops will scale down inflow into Vaigai dam. The quantum of release will not cross even Palanichettipatti, worried PWD officials. (Normally, cultivation will take place in 14,707 acres in Cumbum valley.) This rain will really be a boon to cardamom growers in Idukki districts as it will improve cardamom yield. With no rain, farmers deplored that they could not harvest 60 per cent of last production, this year. "But delayed and useful showers will certainly improve the yield by 10 more per cent. We may lose 30 per cent of yield. If the rainfall increased, production will be more or less on par with last year's production," opined cardamom growers. Last year production was around 12,500 tonnes and export was 3,500 tonnes. With failure of south west monsoon and poor storage in Periyar dam, all agriculture activities in the Cumbum Valley came to a grinding halt. The Public Works Department engineers had advised farmers to stop all activities as they could not provide them with water for irrigation till harvest. Already, some enthusiastic farmers had raised nurseries and completed transplantation. Transplantation was done on 2,000 acres in Goodalur and Cumbum.

Dindigul

An hour-long moderate rain brought the mercury level down at Natham in the district. Dindigul and nearby areas too received minor shower last evening.

TIRUCHI, August 10, 2012

Mettur level

The water level in the Mettur dam stood at 73.55 feet on Thursday against its full level of 120 feet. The inflow was 538 cusecs and the discharge, 1,200 cusecs.

BIDAR, August 10, 2012

Benefits sought for farmers

A rally was taken out here on Thursday, calling for universal social security.

Members of the All-India Kisan Sabha, Hind Mazdoor Kisan Panchayat and Bhrashtachar Virodhi Andolan Samiti walked from Ambedkar Circle to the Deputy Commissioner's office and submitted a memorandum, addressed to Chief Minister Jagadish Shettar.

In it, they demanded pension for all citizens aged above 60, gratuity for farmers, release of seed subsidy arrears to farmers, and early implementation of the special package for Bidar district announced by Union Agriculture Minister Sharad Pawar.

UDUPI, August 10, 2012

KVGB promises help to farmers

C. Sambasiva Reddy, Chairman of Karnataka Vikas Grameena Bank (KVGB), said on Thursday that the bank would help farmers in the drought-affected regions of the State.

Inaugurating a credit camp of the bank, Mr. Reddy said the KVGB, which was a regional rural bank, had received a note from the State Government a couple of days ago regarding the drought conditions prevailing in the districts of North Karnataka. He had visited these areas. Drought conditions were prevailing in areas coming under 423 branches of the bank in the State.

The condition of the people in these areas was bad. The people and farmers were facing drought for the second consecutive year. "We will help farmers in these regions", he said. The bank would be holding 3,700 gram sabhas and Loan Distribution Sabhas in September.

PALAKKAD, August 10, 2012

Farmers not to give up second crop

G. PRABHAKARAN

Farmers in this 'rice bowl' are likely to abandon the second crop of paddy cultivation for want of irrigation water caused by the failure of the monsoon this season.

Paddy cultivation in the district is mainly dependent on irrigation water as the largest number of irrigation dams such as Malampuzha, Mangalam, Pothundy, Chulliyar, Meenkara, Walayar and the Parambikulam group of inter-State water reservoirs are situated in the district.

The second crop cultivation starts in September. But almost all the dams except Mangalam are empty. The biggest irrigation dam in the State in Malampuzha that provides water for three months for the second crop currently has storage for just 18 days.

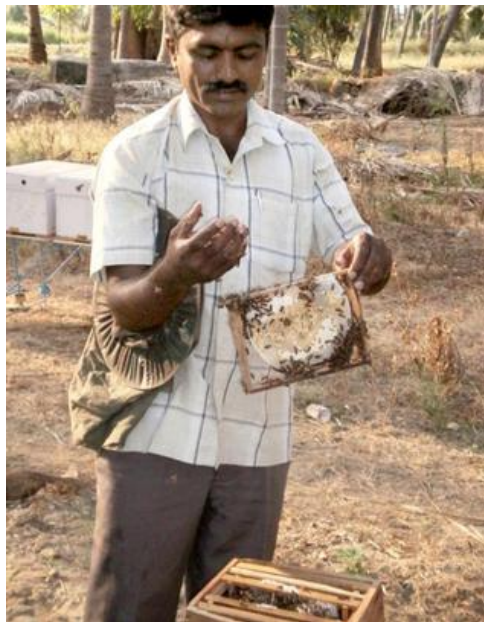
The Pothundy dam can provide water for only 23 days and Walayar for just one day. The Meenkara and Chulliyar dams have no water to release for paddy cultivation. Only Mangalam Dam can provide water for 40 days. In this condition, the farmers cannot take up the second crop of paddy cultivation in the district, said Muthalamthode Mani, general secretary, Desheeya Karshaka Samajam.

He said if the Northwest monsoon too failed in October-November, farmers would not be able to cultivate even the short duration paddy crops. However, cultivating short duration paddy crops will not benefit farmers as the yield will be one-third or even half of the long duration crops. The long duration crops required water for 120 days and the short duration minimum 90 days. The farmers get good yield in the second crop in Palakkad.

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A bus conductor links bee security to food security

M. J. Prabu



Parthiban inspecting the health of the bees in a coconut garden. Photo: M.J. Prabu

Maintaining the bees and sharing the income from honey is a new venture

Rarely do we come across individuals who apart from their regular work become obsessed with something that becomes their passion, dream and conviction.

Mr. A. Parthiban is one such person who is popularly known as honey bee man in Gobichettypalayam, Tamil Nadu.

Working schedule

The man works as a bus conductor on the Gobi-Madurai route for nearly 12 hours a day, three days a week. During the rest of the week he is busy catching honeybees, installing bee boxes in several fields, orchards and coconut groves.

Hailing from an ordinary farming family Mr. Parthiban seems to realize the importance of the bees in the ecological cycle.

“The insects are essential for our food security. Without them many of our fruits, vegetables or flowers would become extinct. But sadly modern science doesn’t seem to realize this. In the name of advancement we are destroying many things that play an important role. Productive and rapidly declining honeybees are one such,” he says.

Western countries have recognized the effect of honey bee pollination and are doing their best to protect and encourage these insects.

“But here in our place we call them a nuisance. We either smoke them away or drive them using fires.” he adds. Though initially Mr. Parthiban’s interest appeared weird to his friends and neighbours, they started supporting him once they started realizing that he was speaking some sense.

Lot of calls

Today he is flooded with calls from different areas requesting him to set up bee boxes or catch the bees hovering in the orchards and godowns.

“People find the bees scary. They think the insect will sting them. Normally the insects do not sting anyone unless disturbed,” he says.

The main popularity of the man in the region is that apart from setting up bee boxes he also offers to take care of the box and the bees (maintenance).

“Maintaining the insects was one area which did not have many takers,” he says and adds: “I thought if I could step in it would increase the interest among many people to set up bee boxes in their place.”

Two approaches

He advocates two types of approaches in promoting this enterprise. One is installing the bee-boxes by the farmers' investment and the sale from honey is given to the owner. Two, Mr. Parthiban himself installs the boxes and maintains them. The income from honey is shared between the owner of the farm and him.

Mr. K.K. Ramaswamy of Vaiyakadu thottam in kolapalur village had approached Mr. Parthiban to obtain a remedy for flower setting in his tamarind tree. Parthiban placed the bee boxes and advised Mr.Ramaswamy to wait for some months.

Increase in yield

And as predicted the tamarind farmer harvested 4,350 kgs of tamarind compared to previous yield of 1,000 Kgs from 250 trees. Apart from his monthly income the bees seem to have provided him with an additional income of nearly Rs. 20,000 a month. More than the danger involved in climbing trees to catch some bees, because of the painful stings, it is the feeling that he was doing something worthwhile, seems to be his conviction. Recently the district science forum in the region awarded his son Mr. Jawahar Raja an 8th class student for developing a solar melter for melting the honey combs. Usually after the honey has been extracted the empty comb is heated in a pot or vessel for making candles. Through this solar melter the comb gets melted and the liquid oozes out through a outlet and collected in moulds. "A humble earthworm during its lifetime makes the soil fertile, a silkworm before it dies spins some silk threads, aren't we, endowed with a sixth sense, supposed to do better?" he asks.

Interested readers can contact Mr. A. Parthiban at 11/18 Makali amman, street, Kollapur post, Gobichettypalayam, mobile: 9442171818.

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Trap crops in integrated pest management

D. N. Kambrekar, S. B. Kalaghatagi

Trap crops are plants grown to attract insects or other pests that destroy the main crops. The principle of trap cropping rests on the fact that virtually all pests show a distinct preference to certain crops during growing stages.

Trap cropping is economical and environmental benefits are often associated with this strategy. Its potential role in improving the environmental soundness cannot be undermined.

Pest attraction

Yet another function of trap crops is their use of attracting natural enemies of pest insects to the fields and concentrating them there to enhance naturally occurring biological control.

Essential features of the trap cropping are that the trap crop must be more attractive to the pest than the main crop, should occupy a small area as far as possible and must be established at an early or later stage or along with the main crop.

Some important trap crops commonly used in pest management include bhendi/okra in cotton to trap bollworms and marigold at the border of the field. Sesamum is commonly being used as trap crop to attract pests such as diamondback moth in both cabbage and cauliflower. Two rows of sesamum for every 25 rows of cabbage or cauliflower can be planted to trap the pest. In groundnut, castor or sunflower can be used to attract leaf eating caterpillar on the field borders.

In tomato marigold or cucumber is commonly used as trap crop for every 15 rows of the main crop to attract tomato fruit borer. In case of field beans, chrysanthamum acts as a trap crop against leaf minor.

Marigold is a potential trap crop in potato and rice against nematodes and snails, respectively.

To trap corn stalk borer in maize sorghum has been exploited as trap crop. Bihar hairy caterpillar in cowpea can be trapped by planting gingelly.

Economic benefits

Trap cropping has indicated benefits in terms of economic returns on an average of 10-30 per cent increase in net profits mainly resulting from reduced insecticide use and pest attack. It is a useful strategy in managing several pests in various cropping systems.

(D. N. Kambrekar, Asst prof, S.B.Kalaghatagi, Prof, Regional Agricultural Research Station, Bijapur, UAS, Dharwad, Email: kambrekardn@gmail.com, phone: 08352- 230568.)

INDIAN CITIES

INTERNATIONAL CITIES

Chennai

Chennai - INDIA

Today's Weather



Partly Cloudy

Friday, Aug 10

Max Min

37° | 26°

Rain: 0.1

Humidity: 74

Wind: normal

Sunrise: 05:55

Sunset: 06:32

Barometer: 1005

Tomorrow's Forecast



Rainy

Saturday, Aug 11

Max Min

35° | 26°

Extended Forecast for a week

Sunday Aug 12	Monday Aug 13	Tuesday Aug 14	Wednesday Aug 15	Thursday Aug 16
35° 27°	35° 28°	35° 27°	34° 28°	34° 28°
Rainy	Rainy	Rainy	Rainy	Rainy

10 AUG, 2012, 05.14AM IST, ET BUREAU

Rice, soya pick up on better rains

NEW DELHI: Rice sowing has picked up with favourable rains in parts of eastern Uttar Pradesh, Bihar, Jharkhand and Chhattisgarh in the past 10 days. Monsoon rains, however, were still 1% below average in the week to August 8 with an overall deficit of 17%.

The area under rice has gone up to 264.39 lakh ha, which is smaller by 23 lakh ha as compared to the corresponding period last year. Last week, the gap was around 25 lakh ha.

Rains have also helped soya bean farmers in western Madhya Pradesh and central Maharashtra taking the total soyabean acreage to 105.4 lakh ha, which is higher by 4.5 lakh ha as against the crop last year.

Pulses sowing, which is trailing badly, is likely to pick up in the next few days as rains have lashed most parts of Rajasthan.

10 AUG, 2012, 05.26AM IST, BLOOMBERG

Global food stocks falling as drought withers crops

CHICAGO: Stockpiles of the biggest crops will decline for a third year as drought parches fields across three continents, raising food-import costs already forecast by the United Nations to reach a near-record \$1.24 trillion.

Combined inventories of corn, wheat, soybeans and rice will drop 1.8 per cent to a four-year low before harvests in 2013, the US Department of Agriculture estimates. Crops in the US, the biggest exporter, are in the worst condition since 1988, heat waves are battering European crops and India's monsoon rainfall already is 20 per cent below normal.

The International Grains Council began in July by forecasting record harvests. It ended with a prediction for a 2 per cent drop in output.

The speed of the destruction drove corn prices to a record on Thursday and soybean prices to

an all-time high last month, while wheat went to a four-year high. For investors, crops are the best-performing commodities this year, and Goldman Sachs, Macquarie Group and Credit Suisse Group say the trend will continue.

An index of 55 food items tracked by the United Nations' Food & Agriculture Organisation jumped 6.2 per cent in July, the biggest monthly increase since November 2009, the Rome-based agency reported on Thursday, less than two years after record prices pushed 44 million people into extreme poverty and contributed to uprisings in North Africa and the Middle East.

"People thought we were going to be swimming in corn by the end of the year," said Kelly Wiesbrock, who helps manage \$1.3 billion of assets for Harvest Capital Strategies, a San Francisco-based hedge fund. "Then the month of June hit and into July, and it's just been a train wreck."

Wheat gained 41 per cent to \$9.1825 a bushel this year on the Chicago Board of Trade; soybeans appreciated 32 per cent to \$15.89, and corn rose 27 per cent to \$8.2375, after earlier on Thursday touching a record \$8.265. They were the biggest advances in the Standard & Poor's GSCI Spot Index of 24 raw materials, which increased 2.3 per cent.

The US drought in June was the widest since December 1956 and the past 12 months were the hottest on record, weather data show.

While the USDA anticipated a record harvest as recently as June, it cut the domestic corn forecast by 12 per cent on July 11, the most since at least 1990. The estimate will be reduced again when the department reports on August 10, according to the average of 29 analyst forecasts compiled by Bloomberg.

The American drought is spreading beyond agriculture into power and fuel production. US nuclear plants' output on July 27 was the lowest for the day since 2001 because water was too hot to be an effective coolant, government data show.

Parched conditions will spread into North Dakota and central Texas through October and last

across the Midwest, the main growing region, the Camp Springs, Maryland-based Climate Prediction Center said on August 2.

The USDA still expects a domestic corn harvest of 329.45 million tonne this year, the third-biggest ever, and Canada, the world's No. 3 wheat exporter, predicted a 4.1 per cent gain in output on July 16. Higher prices also are encouraging more planting in South America.

Argentina will reap a record corn crop of as much as 31 million tons, growers group Crea said on July 23. Brazil will probably surpass the US as the biggest soybean producer, Sao Paulo-based researcher Agroconsult estimates.

While global wheat inventories are forecast by the USDA to contract 7.5 per cent next year, more than any other major crop, they would still be 42 per cent larger than in 2008. Droughts, freezes and floods that year damaged crops from Australia to Argentina to the US, driving the grain to a record \$13.495 in Chicago. Global food prices measured by the UN are still 10 per cent below the record reached in February 2011.

Given this year's gains and increased speculation, investors should pare bets on higher prices, Barclays said in a report on August 3.

Improving weather, declining demand or an easing of US requirements for ethanol in gasoline may send prices lower, London-based analysts Kevin Norrish and Sudakshina Unnikrishnan wrote in the report. The bank remains "modestly overweight" in grains and soybeans.

Goldman said on August 2 that corn will reach \$9 in three months. The New York-based bank also said soybeans may rise to \$20 in three months, topping the all-time high of \$16.915 set July 23, and wheat may jump to \$9.80.

Costlier grain means global food prices will jump 25 per cent this year, Danske Bank said on July 16. The UN estimates imports of everything from fruit and vegetables to dairy products and cereal will top \$1 trillion for a third consecutive year, with a 13 per cent gain for meat as higher feed costs spur farmers to reduce herds.

9 AUG, 2012, 12.18PM IST, PTI

Turmeric futures extend losses on profit-booking

NEW DELHI: Amid continued profit-booking by speculators and subdued spot demand, turmeric futures prices today fell further by 2.69 per cent to Rs 5,928 per quintal.

However, lower sowing due to deficient monsoon, restricted the gains.

At the National Commodity and Derivatives Exchange, turmeric for delivery in September fell by Rs 164, or 2.69 per cent, to Rs 5,928 per quintal, with an open interest of 20,900 lots.

Similarly, the spice for delivery in October shed Rs 144, or 2.29 per cent, to Rs 6,140 per quintal in 5,405 lots.

Market analysts said sustained profit-bookings by speculators at prevailing higher levels and fall in demand in the spot market, mainly kept pressure on turmeric prices at futures market.

Besides, measures by the NCDEX like raising margin on the long position to 40 per cent from the existing 20 per cent to check excess volatility in the prices, also weighed on the prices, they said.

9 AUG, 2012, 12.21PM IST, PTI

Chana futures down 0.59 pc on higher supplies

NEW DELHI: Chana prices traded lower by Rs 28 to Rs 4,725 per quintal in futures trade today as speculators reduced their positions on weak spot market trend following higher supplies from producing belts.

At the National Commodity and Derivatives Exchange, chana for delivery in August fell by Rs 28, or 0.59 per cent, to Rs 4,725 per quintal, with an open interest of 5,980 lots.

Similarly, the commodity for delivery in September declined by Rs 13, or 0.27 per cent, to Rs 4,834 per quintal in 98,530 lots.

Market analysts said speculators reduced their positions, triggered by higher supplies from producing belts mainly put pressure on chana futures.

Business Standard

Friday, Aug 10, 2012

Basmati exporters expect good performance this year too

Komal Amit Gera / Chandigarh August 10, 2012, 0:18 IST

Basmati export companies like Satnam Overseas Ltd (Kohinoor brand rice) and L T Overseas Ltd (Dawaat brand) are hopeful of repeating last year's good performance this season too. India exported 3.2 million tonnes of basmati rice last year and is projected to export four million tonnes of basmati rice this year.

Prices of the commodity in international markets are high and increased sowing in this kharif season will ensure availability of paddy for exports. As a strategy to harvest better quality paddy for export purposes, some companies including Amir Chand Exports (owner of the Aeroplane brand basmati rice) have entered into buyback arrangements with farmers.

Satnam Arora, joint managing director of Satnam Overseas Ltd, said the demand for basmati rice is picking up in the international markets and Indian exporters are eyeing a bigger pie this year.

"I don't see much impact of rain on basmati cultivation. The price of basmati is \$1,000-1,500 a tonne for different varieties. Last year, it was close to \$800-900 a tonne. Iran is coming up as a big importer and we are now scouting new markets in the African continent. Daawat, as a basmati brand, is doing well and we expect a 20 per cent jump in exports," said V K Arora, managing director, L T Overseas Ltd.

"In the past few years, the awareness about basmati rice has grown tremendously and so has the demand. The acceptance of Pusa 1121 as basmati has widened the scope for exporters. Even African countries are now demanding basmati rice," said J K Suri, chairman of Amir Chand Jagdish Kumar Exports Ltd (Aeroplane brand rice).

He added the company has a buyback arrangement with farmers for organic rice, meant for the niche market. The export price of basmati rice in the international markets is \$800-1,400 a

tonne, depending on the variety. The price remained close to \$800 a tonne due to high supply last year.

Apprehensions regarding a decline in paddy area due to delayed and deficit rain are fading because the latest data available with government agencies shows that rice has been sown on 23.4 million hectares, compared to 19.1 million hectares a week before. The normal sowing at this point in year is 24.1 million hectares. According to Mahinder Pal Jindal, president of the All-India Rice Exporters Association, the yield of basmati rice will not be affected this year as it is grown mainly in the irrigated belt of Punjab, Haryana and Uttar Pradesh.

India's tea export likely to decline in 2012

George Joseph / Chennai/ Kochi August 10, 2012, 0:01 IST

A weaker global growth outlook, the continuing high tea prices, and the recent sharp decline in coffee prices are likely to result in marginal decline in India's tea exports, from 193 million kgs to 180 million kgs in 2012. Tea production in 2012 may decline and also the prices of the commodity may be dearer, according to an industry study conducted by IMAcS.. Factors leading to decline in tea export include faster-growing coffee market adversely affecting tea consumption in Europe and by weak economic growth

India's exports to Iran, a major consumer of Indian tea, could also decline because of the recent US and EU sanctions. Tea exporters to Iran may face payment and settlement problems, as the sanctions will curtail Iranian banks' access to international banking systems. The fall in tea exports could also be attributed to the expected decline in domestic production during 2012 and an increase in domestic consumption, the report said.

India's tea production came down 11.4 per cent (yoy) in the first five months of 2012. Production has experienced a downward trend from October 2011, with the especially severe declines during March-April 2012. While production in North India fell 12.2 per cent, production in South India was down 10.2 per cent.

In North India, prolonged winter in 2011-12 has badly-affected production. In South India, production was adversely affected because of prolonged dry spell in Tamil Nadu and Kerala.

Overall, domestic production is forecast to decline to around 950 million kg in 2012, the IMAcS report on Indian tea industry says. India's tea consumption increased 2.3 per cent in 2011, with growth forecast to be marginally lower at 2.2 per cent in 2012 because of slowing economic growth and recent increase in prices of tea and milk. India's tea production has increased at a 3-year annual average of 0.3 per cent to 988 million kg in 2011. Exports have declined at a three-year compounded average growth rate (CAGR) of 1.7 per cent during 2009-11. Globally, Growth in tea supply is expected to be low during 2012-13 following the marginal increase in surplus during 2011.

For 2012 as a whole, output is expected to decline in India and Kenya, and increase only 4-5 million kg in Sri Lanka. World tea consumption is forecast to increase at a lower rate of 2.9 per cent in 2012.

The global oversupply of tea increased from 78,000 tonnes in 2010 to 111,000 tonnes in 2011. Given estimated annual consumption of 4,300 million kg in 2012, this provides an extremely small cushion against potential supply disruption.

Based on the forecast of lower increase in supply, the market surplus could decline to around 70,000 tonnes in 2012. Although the market could return to higher surplus during 2013 in line with a slightly faster rise in production than in consumption, it may not be sufficient to reduce concerns about supply disruptions.

Having risen to an all-time record in 2011, average world tea prices are expected to increase from \$2.92 per kg in 2011 to \$3 per kg in 2012.

Tea production down 6% in first half of 2012

India had produced 358.32 million kg of the brew in the January-June period last year

Press Trust of India / New Delhi August 9, 2012, 14:58 IST

Tea production has dropped by 6% to 338.08 million kg in the first half of 2012 calendar year due to fall in output in North and South India.

India had produced 358.32 million kg of the brew in the January-June period last year.

Tea production in North India declined by 6% to 222.76 million kg in January-June, 2012 from 236.20 million kg in the year-ago period, according to the data by Tea Board.

The output in South India fell by 6% to 115.32 million kg from 122.12 million kg in the review period. However after a continuous decline in the first five months of 2012, tea production rose by 7% to 122.26 million kg in June this year from 114.71 million kg in June, 2011.

Tea production in January, 2012 stood at 18.69 million kg as compared to 20.93 million kg in January, 2011, while, the output in February this year fell to 16 million kg from 16.73 million kg in same month last year. Similarly, output of the brew declined to 47.60 million kg in March, 2012 from 56.73 million kg in March, 2011, whereas in April, 2012 it fell to 60.99 million kg from 73.04 million kg in April, 2011.

Tea production in May, 2012 declined to 72.54 million kg as against 76.18 million kg in May, 2011. According to a report by ICRA Management Consultancy (IMaCS), the domestic tea production is forecast to decline to around 950 million kg this year. According to the Tea Board, India had produced 988.33 million kg of tea in 2011.

Crude palm oil up on spot demand, global cues

August contract rises marginally by 0.33%

Press Trust of India / New Delhi August 09, 2012, 12:41 IST



Tracking a firm global trend, crude palm oil prices traded marginally higher by Rs 1.80 to Rs 551.50 per 10 kg in futures trade today as speculators created fresh positions.

At the Multi Commodity Exchange, crude palm oil for delivery in August rose by Rs 1.80, or 0.33%, to Rs 551.50 per 10 kg in a business turnover of 967 lots.

The September contract traded higher by Rs 1.70, or 0.31%, to Rs 548.30 per 10 kg in 1,096 lots.

Market analysts said fresh buying by speculators on the back of a rise in demand in the spot

market amid firm global trend led to rise in crude palm oil futures.

Meanwhile, palm Oil gained 0.9% to 2,889 Ringgit a tonne on the Malaysian Derivatives Exchange.

Potato rebounds on fall in arrivals, spot demand

September contract falls 0.29%

Press Trust of India / New Delhi August 09, 2012, 12:15 IST



Potato prices rose by Rs 3.80 to Rs 1,300 per quintal in futures trade today as traders created fresh positions, tracking a better spot market trend.

At the Multi Commodity Exchange, potato for delivery in September rose by Rs 3.80, or 0.29%, to Rs 1,300 per quintal in a business turnover of six lots.

October potato traded higher by Rs 3.10, or 0.22%, to Rs 1,410 per quintal in seven lots.

Market analysts said fresh positions created by traders, tracking a firm trend at the spot market on pick up in demand, led to the rise in potato futures.

Chana down 0.59% on higher supplies

September contract declines 0.27%

Press Trust of India / New Delhi August 09, 2012, 12:09 IST



Chana prices traded lower by Rs 28 to Rs 4,725 per quintal in futures trade today as speculators reduced their positions on weak spot market trend, following higher supplies from producing belts.

At the National Commodity and Derivatives Exchange, chana for delivery in August fell by Rs 28, or 0.59%, to Rs 4,725 per quintal, with an open interest of 5,980 lots.

September chana declined by Rs 13, or 0.27%, to Rs 4,834 per quintal in 98,530 lots.

Market analysts said speculators reduced their positions, triggered by higher supplies from producing belts, putting pressure on chana futures.

Turmeric extends losses on profit-booking

September contract falls 2.69%

Press Trust of India / New Delhi August 09, 2012, 12:01 IST



Amid continued profit-booking by speculators and subdued spot demand, turmeric futures prices today fell further by 2.69% to Rs 5,928 per quintal.

However, lower sowing due to deficient monsoon, restricted the gains.

At the National Commodity and Derivatives Exchange, turmeric for delivery in September fell by Rs 164, or 2.69%, to Rs 5,928 per quintal, with an open interest of 20,900 lots.

The October contract shed Rs 144, or 2.29%, to Rs 6,140 per quintal in 5,405 lots.

Market analysts said sustained profit-booking by speculators at prevailing higher levels and fall in demand in the spot market kept pressure on turmeric prices at futures market.

Besides, measures by the NCDEX like raising margin on the long position to 40% from the existing 20% to check excess volatility in the prices weighed on the prices, they said.

Cardamom plunges 4%, hits lower circuit

Subdued spot demand, increased arrivals influence prices

Press Trust of India / New Delhi August 09, 2012, 11:10 IST



Cardamom futures prices today remained under pressure on increased supplies and fell further by 4% to hit lower circuit at Rs 1,137.80 per kg.

Subdued spot demand also kept pressure on the condiment's prices.

At the Multi Commodity Exchange, cardamom for delivery in August remained under pressure and tumbled further by Rs 47.40, or 4%, to Rs 1,137.80 per kg in a business turnover of 45 lots.

It had lost 4% yesterday.

September cardamom lost Rs 19.30, or 1.62%, to Rs 1,175.10 per kg in 391 lots.

Marketmen said supply pressure in the physical market on increased arrivals from producing belts kept pressure on cardamom futures prices.

Now castor, coriander futures under FMC lens

Anindita Dey / Mumbai August 9, 2012, 0:23 IST

After imposing a slew of margins on various commodities last month, the Forward Markets Commission (FMC) has put castor and coriander under watch for further regulatory action.

According to sources, castor turned volatile despite imposition of margins a day before, following speculation about lack of rain in one of the major growing states, Gujarat.

Meanwhile, after potato, the commodities market regulator has restricted any fresh buy-sell or trading positions in near-month contracts of turmeric, expiring in August. "Turmeric arrivals were heavy last year and prices slumped. However, due to the long shelf life, traders had stocked on the crop and are now taking advantage of the high prices when the acreage has gone down compared to last year," sources said.

The exchanges have also made it clear that if any gains are made in violation of the directives, the money will be credited to the investor protection fund and not to the trading member.

As part of regulatory action last month, FMC had increased the special cash margin on longs (buy positions) in turmeric contracts from 20 per cent to 40 per cent. To encourage better deliveries and to discourage sellers' delivery default, the commodities regulator increased the pre-expiry margin from three per cent to five per cent per day and for seven days instead of five days prior to expiry of contracts in turmeric and cardamom.

However, turmeric prices continue to go up and are quoted at Rs 6,110-6,816 a quintal now. A month before, prices were Rs 4,100-4,300 a quintal and prior to regulatory curbs in the forms of special margins and delivery default margins, turmeric prices were Rs 5,926-6,260 a quintal.

Castor prices have firmed up to Rs 4,500-5,100 a quintal from Rs 3,350-3,500 since July. Prices of dhaniya or coriander, have increased from Rs 2,500 a quintal in July to Rs 2,892-2,900 now.

Sources said dhaniya and castor have been kept under watch since some trades indicate concentration of positions held, which might give rise to speculation, if not checked. In fact, in castor, FMC has already imposed a special margin. Even then, both the trading positions and prices do not seem to be moderating, sources said.

In castor, traders are betting on low crop estimates due to a dry spell in the major growing states of Karnataka, Maharashtra and Gujarat. On the other hand, state government officials are of the view that farmers will now start castor cropping in areas where groundnut or soybean have failed. Therefore, there is no reason for the market to panic.

In fact, according to the fourth advance estimates released by the ministry of agriculture, castor seed is one of the few edible oil seeds in which the estimates are way above the target. As against a target of 1.392 million tonnes, the advance estimates indicate a production of 2.33 million tonnes.

THE HINDU Business Line

Monsoon woes may hit rural demand for 2-wheelers: Honda chief

AHMEDABAD, AUG. 9:



The inadequate monsoon in parts of India is likely to impact the demand for two-wheelers to some extent, according to Keita Muramatsu, President and CEO, Honda Motorcycle & Scooters India Pvt Ltd (HMSI).

Talking to reporters here on Tuesday after inaugurating the company's first zonal office in India, he said HMSI is revamping its rural and semi-urban marketing network.

However, there are no plans to offer incentives in the coming festival season to boost sales.

The company currently has a 30 per cent penetration in the rural and semi-urban markets.

In order to further improve its after-sales service network, HMSI will set up 20 zonal offices with centres imparting training to nearly 2,000 technicians from within the dealers' network in the next two years.

The company, which recently appointed Bollywood star Akshay Kumar as its brand ambassador, has so far invested Rs 5,000 crore in India, including Rs 1,500 crore in its Karnataka plant, scheduled to open in 2014, as also expansion of network.

With this, the company's production capacities will increase from 27 lakh to 40 lakh two-wheelers annually, mostly to cater to the domestic demand. The company has no immediate plans for further investments in new plants, he added.

Jeera futures witness volatile trade

Suresh P. Iyengar



Export demand for Indian jeera variety is low due to high prices compared to that of competing countries. However, supply concerns from Syria and Turkey are keeping the prices high at the futures market.

Mumbai, Aug 10:

A series of regulatory measures and stiff margins have led to a sharp volatility in most agriculture commodity futures trading on Thursday.

Jeera for October contract on Thursday had opened lower at Rs 16,280 per quintal against the previous close of Rs 16,460. It hit a low of Rs 16,220, but recovered sharply to close at the day's high of Rs 16,790.

Similarly, September contract hit the three per cent upper circuit, touched the day's low of Rs 15,810 and closed at the day's high of Rs 16,382 against the previous close of Rs 16,060.

Export demand for Indian jeera variety is low due to high prices compared to that of competing countries. However, supply concerns from Syria and Turkey are keeping the prices high at the futures market.

Farmers are holding back their produce to reap better prices. Spot prices in Unjha were down one per cent at Rs 16,294.

According to sources, arrivals on Thursday were about 4,000 bags (each bag weighs 55 kg) in Unjha, about 2,000 bags lower compared to the previous day while offtake stood at 3,000 bags.

Carryover stocks at the domestic market were expected to be about 7-8 lakh bags compared with 4-5 lakh bags in the same period last year.

Pepper prices move up

Kochi, Aug. 9:

The pepper market moved up on Thursday despite fall in open interest amid limited activities.

First two active contracts increased while the third showed a marginal decline. Bull operators were seen squeezing the short positions (sales) in August delivery as they allegedly have no physical pepper with them against their sales. So far, only 651 tonnes of pepper have been marked for recently introduced staggered delivery system, trade sources claimed.

Rains for the last couple of days are said to have restricted the processing of the material for want of adequate and modern drying facilities. This in turn has created a fear psychosis about further squeezing of the supply, market sources told *Business Line*.

August contract on the NCDEX increased by Rs 325 to the last traded price of Rs 44,160 a quintal, while September increased by Rs 240 a quintal to the LTP of Rs 44,000 a quintal.

October contract declined by Rs 35 to the LTP of Rs 44,250 a quintal. Total turnover dropped by 182 tonnes to 1,999 tonnes. Total open interest decreased by 284 tonnes to 7,079 tonnes.

August and September open interest dropped by 143 and 143 tonnes, respectively, to close at 1,645 tonnes and 4,716 tonnes. October moved up by 1 tonne to 671 tonnes. Spot prices remained unchanged at Rs 40,700 (ungarbled) and Rs 42,200 (garbled) a quintal on limited activities.

Arrivals continued to remain very thin. On the spot, 15 tonnes were traded at Rs 407, Rs 411 and Rs 413 a kg, depending on the quality, grade and area of production, trade sources said. Indian parity in the international market has gone up to \$8,250 a tonne (c&f) for Europe and \$8,550 a tonne (c&f) for the US.

Egg set to rise on consumption

Gayathri G.



Chennai, Aug. 9:

With the austere *Shravan* season in the North coming to an end and *Aadi* getting over in the South, egg is set for a spike on hopes of a rebound in consumption.

Egg rose by 24 paise to Rs 3.04 a piece. The National Egg Coordination Committee of Namakkal zone has decided to hike the floor price steadily. Egg prices have already been hiked in Delhi, Barwala and Kolkata — major consuming markets in the North.

Moreover, soaring feed costs, too, are prompting the industry to raise prices. Soyameal, a key ingredient in poultry feed, has more than doubled this year to Rs 41,000-41,500 a tonne from last year. Maize, too, is up by 1.5 per cent at Rs 1,429 a quintal. Oil and oil meal prices, too, are way high, making feed expensive for the poultry industry.

Broiler price too has been increased by Rs 5 a kg to Rs 51 owing to a pick-up in demand. The price of layer birds has been revised up to Rs 45 (Rs 35).

Buying by spinners lifts cotton



Erode, Aug. 9:

Heavy demand from spinners buoyed cotton by Rs 300 a quintal this week. Arrivals have decreased as the season ends. Spinners, in need of huge stocks to meet orders from textile firms, quoted higher for the fibre.

Because of rain, Wednesday's auctions at Bhoodapady Regulated Marketing Committee were postponed

to Thursday. All the 6,000 bags (2,100 quintals) kept for sale were sold. Chellasamy, a farmer, said, "The present price is lower compared with a fortnight ago. Arrivals will fall from next week when we are hopeful of getting more the produce."

The fine variety Surabi was sold at Rs 5,900-6,500 a quintal, Bt cotton at Rs 4,600-5,300 a quintal. Of the 2,100 quintals, 800 quintal was Surabi.

At the Sathyamangalam Agricultural Cooperative Marketing Society, auctions were conducted on Wednesday, and 1,610 quintals arrived for sale. The prices were increased slightly. Brahma and Bt Cotton were sold at Rs 4,600-5,210 a quintal.

Mustard seeds, oil drop on slack offtake

Our Correspondent



Indore, Aug. 9:

Mustard seeds and oil continued to trade low the past week on slack demand.

In *mandis* here, mustard oil on Thursday ruled at Rs 822 for 10 kg, while it was Rs 815 in Neemuch and Rs 825 at Morena. In Rajasthan, mustard oil quoted at Rs 825 in Kota, Rs 828 in Sri Ganga Nagar and Rs 840 in Jaipur. In Gujarat, mustard oil ruled flat at Rs 812.

Compared with last week, mustard oil is ruling Rs 3 lower here, and Rs 5 down each in Neemuch and Morena. In Rajasthan, it is down Rs 5 in Kota and Jaipur, and Rs 2 down in Sri Ganga Nagar.

Moreover, sluggish soyabean and soya oil and the Centre's proposal to impose export duty on soyameal has also dragged down mustard oil. Heavy rains in Madhya Pradesh and Rajasthan have pulled down demand for mustard oil.

However, a pick-up in demand will check any further fall in mustard prices, said Mr Vinod Choudhary, an Indore-based broker.

Lower demand from crushers brought down plant deliveries of mustard oil for Jaipur by Rs 20 at Rs 4,450-4,470 a quintal. Plant deliveries for Alwar and Sri Ganga Nagar also closed lower at Rs 4,434 and Rs 4,200 a quintal.

Mustard seeds quoted at Rs 4,650 a quintal here and Rs 4,200 a quintal in Neemuch.

Seeds futures, however, closed marginally higher on improved buying support. August and September contracts for on the National Commodity and Derivatives Exchange closed at Rs 4,283 a quintal (up Rs 3) and Rs 4,460 (up Rs 19). On Thursday, 68,000 bags of mustard seeds arrived in the country, including 4,000 in Madhya Pradesh, 5,000 each in Uttar Pradesh, Punjab and Haryana, 3,000 in Gujarat.

Rice seen ruling range-bound



Karnal, Aug. 9:

The rice market witnessed a mixed trend on Thursday. Pure basmati varieties witnessed some correction, while all other aromatic and non-basmati rice varieties managed to maintain their previous levels.

Slack buying pulled pure basmati prices down, said Tara Chand Sharma, Proprietor of Tara Chand and Sons. Traders expect that rice prices may remain range-bound and continue to rule around current levels even the next week, he said.

Paddy transplantation in Haryana is lagging behind and farmers may not achieve the set target as sowing season is getting over, said Sharma.

In the physical market, pure basmati (raw) went down by Rs 100 and quoted at Rs 7,000 a quintal while pure basmati (sela) sold at Rs 5,700, Rs 250 down from previous level.

Pusa-1121 (steam) quoted at Rs 7,000-7,200 while Pusa-1121 (sela) sold at Rs 6,100.

Duplicate basmati was traded at Rs 5,400 a quintal.

Tibar was sold at Rs 3,800; Dubar at Rs 2,800-3,050 and Mongra at Rs 2,100-2,500 a quintal.

Similarly, non basmati varieties continued to rule flat. Sharbati (steam) quoted at Rs 4,200-4,300 while Sharbati (sela) sold at Rs 4,100-4,200.

PR-11 (sela) was at Rs 2,950 while PR-11 (Raw) was at Rs 2,700. Permal (raw) sold at Rs 2,250-2,350 a quintal while Permal (sela) went for Rs 2,300-2,400.

Paddy Arrivals

Around 5,000 bags of Sathi variety arrived at the Karnal Grain Market Terminal and sold at Rs 1,100-1,225 a quintal.

Poor spot demand pulls down edible oils



Mumbai, Aug. 9:

Need-based spot demand and range-bound overseas markets pulled down all edible oils on Thursday except groundnut oil which was unchanged.

Imported palmolein and soya oil declined by Rs 4 and Rs 5 for 10 kg each. Indigenous sunflower and rapeseed oil dropped by Rs 5 for 10 kg each, and cotton refined oil eased by Rs 2 for 10 kg.

There was some stock buying at lower rates for forward delivery, but volumes were thin in the ready market. Range-bound Malaysian crude palm oil futures closed slightly higher even as expectations of higher July-end stocks weighed on sentiment.

The Malaysian Palm Oil Board will release official stock and output data on Friday.

Local refiners reduced palmolein prices further, tracking a weak trend, said a wholesaler here. While Liberty sold about 600-700 tonnes of palmolein at Rs 607-608 for August delivery, Ruchi sold about 700-800 tonnes at Rs 605-608 for August-September delivery.

Resellers traded about 100-150 tonnes the oil at Rs 603-604. At the close of the day, Liberty was quoting super palmolein at Rs 647, soya oil at Rs 738 and sunflower refined oil at Rs 765.

Ruchi quoted soya refined oil at Rs 735-738 and sunflower refined oil Rs 760-763. Allana offered palmolein at Rs 609 and super palmolein at Rs 647.

In Saurashtra and Rajkot, groundnut oil dropped by to Rs 1,890 (Rs 1,900) for a *telia* tin and to Rs 1,240 (Rs 1,235) for loose (10 kg).

On the National Board of Trade in Indore, soya refined oil's August futures was Rs 770.50 (Rs 771) while September was Rs 777.30 (Rs 775). **Malaysia's crude palm oil's** September contracts settled at MYR 2,827 (MYR 2,821), October at MYR 2,865 (MYR 2,864) and November at MYR 2,884 (MYR 2,886) a tonne.

The Bombay Commodity Exchange spot rates (Rs/10 kg): groundnut oil 1,220 (1,220), soya refined oil 735 (740), sunflower exp. ref. 705 (705), sunflower ref. 760 (765), rapeseed ref. oil 880 (885), rapeseed expeller ref. 850 (855) cottonseed ref. oil 740 (742) and palmolein 606 (610).

Castorseed futures keep bearish tone



Chennai, Aug. 9:

Castorseed futures continued to slip with last week's rally ending on profit-booking and slack demand from shippers. Moreover, talk that the commodity market watchdog, the Forward Markets Commission, may impose more curbs on trade to limit speculation has fuelled a bearish trend.

On the NCDEX, August futures fell by Rs 169 to close at Rs 4,077 a quintal, while September and October series were at Rs 4,230 and Rs 4,355, down by Rs 157 and Rs 181 respectively.

The oilseed witnessed a rally last week on concerns over the deficit monsoon and export demand along with industrial demand. But the FMC's vigil has set a cautious tone in the market, resulting in profit-booking.

Spot castor prices on Thursday were at Rs 4,052 at Disa, Gujarat.

The FMC has already banned introduction of new contracts in Tarakeshwar potato, while August contracts in turmeric have been suspended on the NCDEX.

Fresh retail demand sweetens sugar



MUMBAI, AUG. 9:

Sugar prices on Vashi market rebounded on Thursday after witnessing an uninterrupted drop of Rs 200 a quintal in last three days. Spot prices rose by Rs 30-50 on improved retail demand. Naka rates edged up by Rs 20-40 tracking a firm trend at mills level as producers held back expecting higher price and higher demand in the coming days.

Domestic sugar futures prices also corrected as speculators bet taking fresh long positions on fears of lower production next year. A Vashi-based wholesaler said the market corrected on Thursday on fresh retail buying support.

Prices in last three days have come down by Rs 200, attracting fresh stockists covering at lower level. In Vashi market, arrivals were 54-55 truckloads (each 100 bags of a quintal each) and local dispatches were about 52-54 loads.

On Wednesday evening, merely 7-8 mills offered tenders and sold about 45,000-50,000 bags routine quality (of 100 kg each) in the range of Rs 3,420-3,480 (Rs 3,420-3,480) for S-grade and Rs 3,520-3,550 (Rs 3,500-3,540) for M-grade. Mills tenders were expected Rs 20-30 higher late evening.

Bombay Sugar Merchants Association's spot rates: S-grade Rs 3,551-3,651 (Rs 3,512-3,621) and M-grade Rs 3,621- 3,761 (Rs 3,581- 3,711).

Naka delivery rates: S-grade Rs 3,500 -3,550 (Rs 3,480-3,510) and M-grade Rs 3,570-3,670 (Rs 3,570-3,670).

Disclose details of clients' trade on websites: FMC

NEW DELHI, AUG 9:

To ensure greater transparency, the commodities market regulator, Forward Markets Commission (FMC) has asked national bourses to make public the information about trade undertaken by brokers and individual traders on their platforms from next week.

In a directive issued to five national-level commodity exchanges, FMC said, "The commission has decided that the exchanges should display the information (about percentage of proprietary and clients' trade) on their websites on the day following the trading day before trading hours."

This directive should be implemented with effect from August 13, it added. The regulator specified that the exchanges should upload the information on their websites in a particular format with details about date, the commodity traded on each exchange by proprietary (brokers) and clients (individual traders) and their percentage of trade in total traded value.

The FMC said such a step has been taken after seeking views from the exchanges to ensure there is greater transparency in the futures trading of commodities.

At present, there are five national commodity bourses - MCX, NCDEX, NMCE, ICEX and ACE. They together made a business of Rs 6,55,535 crore in the first fortnight of July, 2012.

Apart from national level bourses, there are 16 regional commodity bourses in the country.

Turmeric futures crash on panic sales



CHENNAI, AUG. 9:

Turmeric futures declined to their near maximum permissible limit on panic sales. Turmeric futures have been dropping in the last two days after the NCDEX stopped trading in August futures. On Wednesday, futures had crashed by their maximum permissible limit of 4 per cent.

The bearish effect spread to the spot market too with prices dropping by Rs 200-400 a quintal at Erode.

The decision to discontinue August futures has led to the soft trend and buyers in the spot market are quoting lower prices.

The September futures were down Rs 230 at Rs 5,862 a quintal, and the October futures dropped by Rs 202 to Rs 6,082.

With rain lashing the growing areas in Karnataka, prices have begun to ease a little. However, concerns remain over the dry weather in the growing areas of Tamil Nadu.