

NEW DELHI: F, August 14, 2012

Farmers to get online advice on fertilizer use

farmers can now get online information on the amount of fertilizers that they must apply to a particular kind of soil and crop. This will help them overcome the problem of over-use of fertilizer that is eroding soil health.

The Bhopal-based Indian Institute of Soil Science has developed a web-based system that calculates the quantum and quality of fertilizers that should be applied to the soil for targeted yield.

As of now, 11 States — Andhra Pradesh, Bihar, Chhattisgarh, Haryana, Himachal Pradesh, Karnataka, Maharashtra, Orissa, Punjab, Tamil Nadu and West Bengal — can avail themselves of the system. The soil testing laboratories in these States have shared data on the types of soils that are available.

The software takes into account the soil type in different districts of the country and available nutrient in the soil. It takes into consideration the crop and cropping season in calculating the nutrient requirement. In some cases, it even takes care of different available varieties of main crops. Finally, the system converts the nutrient data into specific quantities that should be used by the farmer.

Institute Director A. Subba Rao told *The Hindu* that they had undertaken fertilizer mapping of a variety of soils. By December this year, the institute will collect data in 170 districts of the general properties of micro-nutrients for which they were sanctioned a budget of Rs. 10 crore.

In the Soil Test Crop Response-based Fertiliser Recommendation System, a person has to key in data about soil type, crop, season, district, crop variety and area to get the quantum of fertilizer that is to be used.

• *It is a web-based system which calculates the quantum and quality of fertilizers to be applied*

• *The system is active currently in 11 States*

ERODE, August 14, 2012

Complaints keep pouring in against emu farms

S. RAMESH



Investors of TVS Emu Farms showing the documents issued by the firm before registering complaints with the Economic Offences Wing in Erode on Monday.— PHOTO: M. GOVARTHAN

The Economic Offences Wing registered cases against three more emu farms here on Monday following complaints from investors that they had been cheated of several crores of rupees. More than 50 investors lodged such against the Queen Emu Farms based in Perundurai, TVS Emu Farms of Sathyamangalam and Alma Emu Farms of Bhavani.

More than 200 investors thronged the wing's office in State Bank road here to register complaints. In Perundurai, complaints from the investors continued to pour in against the Susi Emu Farms India Private Limited. "We have got a little over 2,500 complaints in Perundurai alone. Over 4,000 complaints had been received against the firm across the State," a police official said.

Curiously, about 80 investors from different parts of the State submitted a petition to the district administration claiming that the firm did not cheat them and demanded its re-opening. They claimed that the firm was making the monthly payments promptly till it was closed in the first week of August.

The firm's chairman and managing director M.S. Guru moved a bail application in the Principal District Sessions Court.

The bail plea was expected to be taken up for hearing on August 16.

Our Special Correspondent writes from Coimbatore: On Monday, 10 investors lodged complaints with the Economic Offences Wing in Coimbatore, alleging that they had been defrauded by Queen Emu farms at Perundurai in Erode District.

At the grievances redress meeting at the Coimbatore Collectorate on Monday, two persons submitted petitions with similar complaints.

HOSUR, August 14, 2012

Water released from Kelevarapalli Dam

Use water judiciously, farmers told



Krishnagiri District Collector C.N. Maheshwaran releasing water from Kelevarapalli Dam, near Hosur, on Monday.

Farmers should use water released from the Kelevarapalli Dam judiciously, said District Collector C.N. Maheshwaran here on Monday.

Mr. Maheshwaran opened the sluice gates of the right main canal and left main canal of the dam, near Hosur, to release water for irrigation.

K.E. Krishnamurthy, and Manoranjitham Nagarajan, MLAs; K. Ashok Kumar, Chairman, District Panchayat; P. Balakrishna Reddy, Chairman, Hosur Municipality; were present on the occasion.

Mr. Maheshwaran said that water would be released for 150 days (from August 13 to January 10) from both the main canals and their branches.

Nearly 8,000 acres would benefit from this. Twenty-two villages including Thattaganapalli, Boodhinatham, Pethamuthali, Muthali, Aattur, Kathirepalli, Marasandiram, Kothur, Moranapalli, Thorappalli, Tiruchipalli, Kamanthotti, Thinnur, Subagiri, Koneripalli, Chinnakollu, Pethakollu, Samanapalli, Sennathur, Attakuriki Nallakanakothapalli, and Marthanapalli too would benefit.

Water would be released on a rotation basis for 10 days, with an interval of five days based on the water level in the dam. The level stood at 41.98 ft. The dam's full level was 44.26 ft.

The Collector said that the duration of release of water would not be extended.

V. Samraj, Assistant Executive Engineer, and presidents of Water Users Associations among others participated.

ALAPPUZHA, August 14, 2012

'Bio-fence' to fortify bunds on paddy fields

A 'bio-fence' is being created on the outer bunds of paddy fields on lake shores in Kainakary grama panchayat. The bunds of clay and mud are being fortified with a mat of geo-textiles with 'ramacham (vetiver) saplings planted on them.

Sunil P. Padmanabhan, health standing committee chairman of the panchayat, said that the geo-textile carpet fortified with vetiver were being laid for nearly six kilometres in Naduthuruth, Kuppappuram and R-Block areas of his ward, which also included paddy fields on lake shores. "Around 5,000 'ramacham' or vetiver saplings have been supplied by the Social Forestry Department, while the district panchayat had sanctioned funds of Rs.5 lakh. The work was done under the MGNREGS. This might emerge as a bio-fence option especially as the 'pile and slab' method adopted to strengthen outer bunds under Kuttanad package came under fire from various quarters," he said.

ALAPPUZHA, August 14, 2012

Dairy farmers plan protest

Dairy farmers under a farmers' society will soon begin an indefinite agitation demanding regulation of prices of cattle feed, increase in the price of milk and implementation of welfare measures for them.

Addressing a press conference here on Monday, association district president R. Sunil said that the farmers will march to the district collectorate here with their cows as part of indefinite agitation.

August 14, 2012

Falling chilli prices a cause for concern



Drop in value:Red lantern chilli being graded at a procurement unit at Labbakkada in Idukki district.— Photo: Giji K. Raman

Farmers here are worried about the fall in prices of red lantern chilli, also known as 'Mali Mulaku' because of its huge demand in Maldives, to where it is exported.

The chilli was priced close to Rs.100 two weeks ago. However, the prices plummeted to below Rs.50 after its supply increased in the procurement units at Labbakkada, Nedumkandam, Kattappana and Panikkankudy, in view of the Ramzan season when the chilli prices usually show an upward trend. The fall in prices has created a fear of further decline in prices.

Jose Thuruthikkara, who runs a procurement unit here, said the prices of red lantern chilli usually go up during the Ramzan season. However, there is high fluctuation in the prices this season, further changes in the price will depend on the export demand.

He said that he supplies red lantern chilli, a perennial crop which is also cultivated in Maldives, daily to export agents in Thiruvananthapuram. There is also a demand for the chilli in Kollam and Thiruvananthapuram as a few hotels there use it to prepare a few curry items. However, compared to the demand for the chilli in Maldives, the demand for it is only nominal in the open vegetable market here. Anoj Joseph, who has been cultivating the crop for the past six months, said that he is worried about the falling prices. The erratic rain has caused stunted growth in the plants and it is yet to provide the required yield. The fully matured red chilli is not exported but it is supplied in the internal markets after it dries up. The green chilly fetches the maximum price. There is no proper agency to streamline red lantern chilli's procurement and tap its potential in the domestic and foreign markets. Chillies grown in far away places reach the market here and prices are charged according to its export orders. "Export agents say that there is likelihood that the prices will stabilise as its supply has not risen considerably," said Mr. Thuruthikkara. Red lantern chilli is being cultivated as an intercrop by the nominal and marginal farmers because it provides them with additional income during the lean season of other crops. "The production this year has been less due to delayed monsoon; the declining trend in prices is worrisome," said Jose Kurien, a marginal farmer. Hundreds of farmers in the high range areas took to red lantern chilli cultivation nearly a decade ago when its prices rose above Rs.100 per kilogram. The procurement centres directly collect red lantern chilli from farmers.

NEW DELHI, August 14, 2012

Drought—like condition could hit crop output, prices, says Govt



CONCERNS MOUNTA view of a dry pond at Chikkanayakanahalli Taluk in Tumkur district of Karnataka, one of the drought affected areas. PHOTO: G R N SOMASHEKAR

The government on Monday said drought—like situation in some parts of the country could affect agricultural production and may have its impact on prices of essential commodities.

“The prevailing drought conditions could affect the crop prospects and may have its impact on the prices of essential commodities, such as shortfall in domestic supplies relative to demand,” Food Minister K V Thomas said in a written reply to the Rajya Sabha.

As per the Indian Meteorological Department (IMD), monsoon rain has been 17 per cent lower between June 1 and August 5, he said. Four states — Karnataka, Rajasthan, Gujarat and Maharashtra — are facing drought—like situation.

Noting that prices of certain essential items have risen in last three months, Thomas said the government, however, has taken steps to tackle food inflation in view of drought—like situation in some parts of the country.

According to the data place before Parliament, retail prices of some pulses, sugar, edible oil and tomato have risen in the last three months. Prices of rice, wheat and atta remained stable.

In Delhi, the retail price of gram dal has increased to Rs 67/kg now from Rs 53/kg three months back. Tur price has risen by Rs 4 to Rs 74/kg and masoor dal by Rs 8 to Rs 61/kg in the review period. Whereas sugar price has increased to Rs 39/kg now as compared with Rs 35/kg three months back. On various steps taken to curb food inflation, Thomas said the government has been closely monitoring the drought situation in coordination with the state governments to ensure timely availability of basic inputs like seed and fertilisers.

The Union Government has prepared contingency plans for a total of 320 districts

hindustantimes

■ Tue, 14 Aug 2012

weather

Delhi - INDIA

Today's Weather



Tuesday, Aug 14

Tomorrow's Forecast



Wednesday, Aug 15

Cloudy	Max	Min	Rainy	Max	Min
	32.1°	23.9°		33°	26°
Rain: 1	Sunrise: 05:50				
Humidity: 75	Sunset: 07:01				
Wind: normal	Barometer: 1001				

Extended Forecast for a week

Thursday	Friday	Saturday	Sunday	Monday
Aug 16	Aug 17	Aug 18	Aug 19	Aug 20
				
33° 27°	33° 26°	33° 26°	33° 25°	41° 30°
Rainy	Rainy	Rainy	Rainy	Rainy

THE ECONOMIC TIMES

13 AUG, 2012, 04.15PM IST, REUTERS

Oil hits 3-month high above \$114 on supply concerns

LONDON: Oil rose above \$114 per barrel on Monday to the highest in more than three months as concern about supplies and hopes that governments will roll out more stimulus measures trumped signs of weakening fuel demand.

Supply of the North Sea crudes underpinning the Brent crude contract is set to hit a record low. Iranian output has been curbed by sanctions while an intensification of debate in Israel on whether to go to war with Iran over its nuclear work added to concern about disruption in Middle East supply.

Brent crude hit \$114.46 a barrel, the highest since May 4, and by 0937 GMT was up \$1.30 at \$114.25. U.S. oil rose 60 cents to \$93.47.

"The likelihood of some sort of intervention to stimulate economies is supporting the market," said Christopher Bellew, an oil broker at Jefferies Bache in London. "Also, the North Sea, Iran and the Middle East are still a factor."

The supply concerns countered forecasts of weakening oil demand which have weighed on prices. The International Energy Agency on Friday cut its 2013 oil demand forecast by 400,000 barrels per day, citing a slowdown in global economic activity.

"We are seeing prices rise despite weak growth outlook numbers on Friday," said Ben Le Brun, a Sydney-based market analyst at OptionsXpress. "The Israeli comments, what you see in Israeli media, is a concern. A major concern."

Prime Minister Benjamin Netanyahu said on Sunday that most threats to Israel's security were "dwarfed" by the prospect of Iran obtaining nuclear weapons, which local media reports said Tehran had stepped up its efforts to achieve.

Brent is being supported in particular by a drop in output, sending the price of immediate supplies to a widening premium to oil for delivery later, a structure known as backwardation.

Output of the four North Sea crudes that underpin Brent will sink to a record low in September due to oilfield maintenance and natural decline. Output from 11 North Sea production streams is set to fall by 17 percent. [O/ LOAD]

On Monday, the premium at which the nearby Brent contract, currently September, trades against the second month jumped to \$2.02, the highest since October 2011.

"The backwardation in Brent is very big. I think that's because of the North Sea," Bellew said.

Supply concerns and the prospect of further government stimulus including a further round of quantitative easing by the U.S. Federal Reserve is likely to support a continued premium for

prompt supplies, say analysts.

"Exacerbated by the recent structural supply shortage in the North Sea, Iran and other countries, we could see a period of super-backwardation, analysts at Bank of America Merrill Lynch said in a report.

"We also believe that further unconventional monetary easing will likely keep prices supported."

13 AUG, 2012, 01.41PM IST, ET NOW

Turmeric futures recovers on short-covering

NEW DELHI: Turmeric prices recovered by 2.76 per cent to Rs 5,800 per quintal in futures trade today as speculators built-up fresh positions at prevailing levels.

At the National Commodity and Derivatives Exchange, turmeric for delivery in September traded Rs 156, or 2.76 per cent, higher at Rs 5,800 per quintal, with an open interest of 18,060 lots.

Likewise, the spice for delivery in October traded Rs 122, or 2.09 per cent, higher at Rs 5,948 per quintal, with an open interest of 5,920 lots.

Marketmen said the rise in turmeric futures was mostly due to fresh position created by speculators as current levels turned attractive after recent losses.

They said, however, subdued overseas enquires at prevailing levels, restricted the gains.

13 AUG, 2012, 01.45PM IST, REUTERS

India chana edges up on thin supply

MUMBAI: India's chick peas, or chana, futures edged up on Monday tracking firm spot demand in the festival season amid slack supplies, aided also by output concerns raised by lower sowing of kharif pulses.

Less rains in the pulses-cultivating regions could result in inadequate soil moisture that could impact chana sowing in October, analysts said.

Farmers completed sowing of kharif pulses on 7.45 million hectares by Aug. 9, down from 8.93 million hectares a year earlier. Chana is a winter crop sown from October to December.

At 0806 GMT, the most-active chana for September delivery on the National Commodity and Derivatives Exchange was up 0.10 percent at 4,883 rupees per 100 kg.

"Prices are expected to stay firm because of seasonal demand. Also lack of rains could impact chana sowing in October," said Chowda Reddy, senior analyst at JRG Wealth Management.

Domestic demand usually remains firm at this time of the season due to upcoming festivals and lower supply of fresh vegetables in the rainy season.

In the Delhi spot market, chana gained 18 rupees to 4,932 rupees per 100 kg.

However, millers were a little hesitant to buy at higher prices and waited for some correction, spot traders said.

The monsoon, which brings some 75 percent of India's annual rainfall, is 17 percent short of normal so far and threatening cereal and pulses production.



Fertiliser price hike: Naveen urges Centre for right policy

TUESDAY, 14 AUGUST 2012 00:17

PNS | BHUBANESWAR

Expressing his concern over the frequent upward revision in fertiliser prices, Chief Minister Naveen Patnaik on Monday sought the Central Government to formulate an appropriate fertiliser policy to keep the rising prices under control for the benefit of the farmers.

Patnaik, in a letter to Union Minister of Chemical and Fertilisers MK Alagiri, suggested that instead of leaving the issue of revision of fertiliser prices to the mercy of market forces, steps should be taken to maintain a constant price of fertilisers for at least a particular cropping season.

Patnaik also urged the Government of India to ensure the continued functioning of the cooperative supply chain by directing all the fertiliser companies, including private units, to extend 45 days' credit to cooperative organisations.

Stating that cooperative organisations play a vital role in the fertiliser supply chain in Odisha which are the bulwark against black marketing, Patnaik lamented that the recent directive of the Union Government that cooperative organisations should be given only one week's time for fund mobilisation has effectively crippled the cooperative supply chain.

Since IFFCO extends 45 days' credit to co-operative societies, he said it would have been definitely better if private companies were directed to extend the same duration of credit to the cooperative societies. Otherwise, Centers direction would hamper fertiliser distribution through co-operative supply chain.

THE HINDU Business Line

Turmeric futures September contract plunge 10% in last one week

Suresh P. Iyengar

Mumbai, Aug 14:

Turmeric futures on the National Commodity and Derivatives Exchange Ltd (NCDEX) had hit the upper circuit of four per cent on Monday and fell back sharply to the previous day's closing level of Rs 5,518 a quintal.

September delivery contract had fallen by about 10 per cent in the last one week after the commodity market regulator Forward Markets Commission imposed various restrictions to cool down prices.

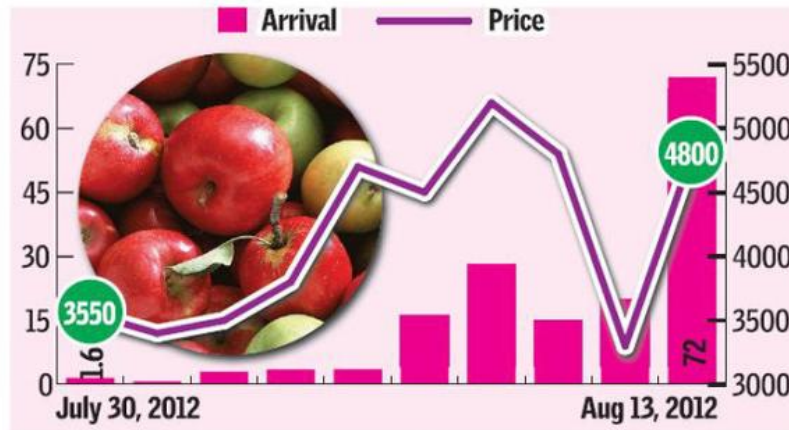
NCDEX has banned fresh positions in August contract till its expiry on Thursday.

Demand in the Nizamabad market was lacklustre with prices closing marginally lower at Rs 5,476 a quintal. Arrivals in Erode and Nizamabad mandis had stood at 8,000 and 2,000 bags, respectively on Monday.

Turmeric production for 2011-12 is projected at a historic high of 90 lakh bags (of 70 kg each) compared with 69 lakh bags in 2010-11.

Erode is expected to produce 55 lakh bags, a rise of 29 per cent. Turmeric was sown in 0.44 lakh hectares in Andhra Pradesh as on August 8.

Deficient monsoon sweetens apple further



*Arrival in Tonnes; modal price in Rs/quintal at Kullu (Patli Kuhal) APMC in Himachal Pradesh
Source: Agmarknet



Apple, agricultural produce, Kullu, Himachal Pradesh, Kullu APMC:

Apple is one of the agricultural produce that has gained sharply in the last few weeks. From around Rs 3,000 during mid-July, the fruit was quoted at Rs 4,800 on Monday at Kullu in Himachal Pradesh. In retail outlets in the South, apple costs between Rs 120 a kg (for Chinese) to Rs 180 (for US, Australian).

The surprising aspect of the rise in price is that it has been gaining despite higher arrivals. So far, some 166 tonnes have arrived at Kullu APMC against 78 tonnes during the same period a year ago.

According to reports, though apple production in Himachal Pradesh has been affected by frost and hail storm. Last week's rain has also affected the crop to some extent. However, production could be a little higher than last year in Himachal Pradesh that accounts for 30 per cent of the total production in the country. The crop has also been affected in Kashmir.

The apple season begins in August and gets over by November.

The main reason for apple to rise is deficient monsoon in the main growing States of Himachal Pradesh and Jammu and Kashmir.

Apple prices are likely to rule firm this season and could gain further with a slew of festivals coming up.

Pepper moves up

G. K. Nair

Kochi, Aug. 13:

The pepper futures market on Monday moved up on circular trading and despite some selling pressure on the spot. All the active contracts ended above the Saturday closing prices.

September contract witnessed circular trading with 83 per cent of the turnover on Monday. It was opened at a lower note and then moved up and traded with high volatility and went up by Rs725 a quintal in the closing hour and then slid to the last traded price of Rs 44,155 a quintal.

Total turnover increased by 205 per cent from that of the weekend closing, market sources said.

On the spot, 65 tonnes of pepper arrived probably because of the ensuing Onam and Eid and of this, 60 tonnes were traded at Rs 410, 414 and 416 a kg depending upon the quality, grade and area of production. And yet the spot prices moved up, they told *Business Line*.

August contract on the NCDEX increased by Rs 250 a quintal to the last traded price (LTP) of Rs 45,500 a quintal. September and October went up by Rs 255 and 95 respectively to the LTP of Rs 44,155 and Rs 44,225 a quintal.

Turnover

Total turnover increased by 2,209 tonnes to close at 3,283 tonnes. Total open interest moved up by 103 tonnes to close at 6,815 tonnes showing additional buying.

August open interest decreased by 166 tonnes while that of September and October increased by 178 tonnes and 89 tonnes respectively to close at 4,650 tonnes and 933 tonnes.

Spot prices which remained unchanged during the entire last week increased by Rs300 today in tandem with the futures market trend and despite selling pressure to close at Rs41,000 (ungarbled) and Rs42,500 (garbled) a quintal.

Indian parity as per Aug prices would come to \$8,450 a tonne (c&f) Europe while at Sep prices it was at \$8,200 a tonne (c&f).

Cotton slides as mills reduce purchases



Rajkot, Aug. 13:

Weak demand from mills dragged down cotton on Monday. Besides, most markets in Gujarat were closed for festivals.

According to market analysts, bearish US Department of Agriculture data continued to weigh on the sentiment, although tight supplies are likely to support prices. The new A grade S-6 variety traded at Rs 38,300-38,700 a candy of 356 kg and B grade at Rs 38,000-38,300. The new V-797 was offered at Rs 30,500-31,000 a candy. In Maharashtra, A grade low micronaire (29 mm) quoted at Rs 38,000-38,300 a candy and high micronaire at Rs 38,300-38,700. About 2,000-3,000 bales of 170 kg each arrived in Gujarat, while 5,000-6,000 bales arrived in the rest of the country.

The fibre was down in North India on slow demand and weak futures. Ginners were willing to sell at current prices. J-34 RG quoted at Rs 3,865-3,920 a quintal in Punjab, at Rs 3,810-3830 in Haryana and at Rs 3,810-3,820 in Rajasthan.

The crop in Gujarat, the largest producer, may plunge by as much as 30 per cent in the harvest starting October 1 from 12 million bales a year earlier, said the Gujarat State Cooperative Cotton Federation. The planted area in the State will probably slump by as much as 25 per cent from 3 million hectares in 2011-2012.

Imported oils rise as refiners quote higher



Mumbai, Aug. 13:

Imported palmolein and soya oil increased marginally by Re 1 and Rs 5 for 10 kg on Monday on higher rates quoted by local refiners despite weak foreign markets. Indigenous groundnut, cottonseed and sunflower oils ruled steady. Rapeseed oil declined by Rs 5 for 10 kg. In absence of new demand, volumes remained thin. Malaysian crude palm oil futures ended lowest since June 15 on sluggish palm oil exports while Chicago soya oil projection was weak despite bullish US Department of Agriculture data for soyabean and soya oil.

A Mumbai-based broker said the market was tepid in absence of fresh demand and higher sales in the resale market. About 50-60 tonnes of palmolein was traded in the resale market at Rs 606-607.

There were direct trades with refiners as they increased prices after the bullish USDA soya reports. Traders said 100-150 tonnes of palmolein was covered by Gujarat-based buyers at Rs 610 on stock-transfer basis.

A commodity analyst said Malaysian palm oil stocks hit a five-month high of nearly 20 lakh tonnes and weak Chicago projections resulted in heavy selling in Malaysian palm oil futures. Build-up of palm oil stocks could continue well into August on possible sluggish exports.

At the end of the day, Liberty quoted palmolein at Rs 610-612, super palmolein at Rs 651-653, soya oil at Rs 745 and sunflower refined oil at Rs 768. Ruchi quoted palmolein at Rs 608 for August delivery and at Rs 610 for September, soya refined oil at Rs 743-746, and sunflower refined oil at Rs 765-768.

Allana offered palmolein for Rs 610 and super palmolein for Rs 651. In Saurashtra and Rajkot, groundnut oil decline to Rs 1,880 (Rs 1,890) for a *telia* tin and to Rs 1,225 (Rs 1,240) for loose (10 kg) on satisfactory progress of monsoon in producing areas.

On the National Board of Trade in Indore, soya refined oil's August contracts declined to Rs 775 (Rs 777) while September was down to Rs 783 (Rs 786). **Malaysia's crude palm oil's** September contracts closed at MYR 2,830 (MYR 2,843), October at MYR 2,871 (MYR 2,882) and November at MYR 2,900 (MYR 2,909) a tonne.

The Bombay Commodity Exchange spot rates (Rs/10 kg): groundnut oil 1,220 (1,220), soya refined oil 740 (735), sunflower exp. ref. 700 (700), sunflower ref. 760 (765), rapeseed ref. oil 880 (885), rapeseed expeller ref. 850 (855), cottonseed ref. oil 740 (740) and palmolein 608 (607).

Punjab orders lend colour to root turmeric

Our Correspondent



Erode, Aug. 13:

Lack of new orders from North India pulled spot finger turmeric down by Rs 250-300 a quintal on Monday. In contrast, demand from Punjab lifted the quality root variety.

“The price of the finger variety was decreased by Rs 300 a quintal. Arrivals fell to 10,000-odd bags. We are expecting fresh orders by next week, when there are chances for improvement in price,” said R.K.V. Ravishankar, President, Erode Turmeric Merchants Association.

He said an exporter purchased some quantity and local traders bought the spice to fulfil orders received from spices firms in Madurai, Chennai and some other places in Tamil Nadu. There was some demand from stockists, too.

Some days ago, a few farmers sold some stocks that they had bought when prices were below Rs 4,000 at Rs 6,300 a quintal, said traders. The hybrid Salem crop also decreased by Rs 700 a quintal due to medium quality.

At the Erode Turmeric Merchants Association, the finger variety was sold at Rs 3,719 to Rs 6,364 a quintal, the root variety at Rs 3,599 to Rs 6,017 a quintal.

Salem hybrid crop: The finger variety was sold at Rs 6,211 to Rs 6,794 a quintal, the root variety at Rs 6,025 to Rs 6,410 a quintal. Of the 1,531 bags that arrived, 856 were sold.

At the Regulated Marketing Committee, the finger variety was sold at Rs 5,716 to Rs 6,315 a quintal, the root variety Rs 5,529 to Rs 6,039 a quintal. Of the 1,789 that arrived, 1,462 bags were sold. At the Erode Cooperative Marketing Society, the finger variety was sold at Rs 5,679 to Rs 6,529 a quintal, the root variety at Rs 5,329 to Rs 6,099 a quintal. Of the 975 bags that arrived, 945 were sold.

At the Gobichettipalayam Agricultural Cooperative Marketing Society, the finger variety was sold at Rs 6,069 to Rs 6,619 a quintal, the root variety at Rs 5,969 to Rs 6,186 a quintal. All the 277 bags kept for sale were sold.

Mixed trend at Kochi tea sale

V. Sajeev Kumar



Kochi, Aug. 13:

Tea prices were mixed at the auctions here last week. The quantity on offer in the CTC dust category was 12,30,500 kg.

There was a fair demand in CTC dust category and the market opened Rs 2-4 lower. Prices dropped further as the sale progressed. There were some withdrawals, too. In the orthodox dust category, 19,000 kg were on offer. Primary varieties remained steady. Others were irregular and saw some withdrawals. Bulk of the offerings was absorbed by exporters. In the best CTC dusts, PD varieties quoted the best prices of Rs 90-105, RD category was Rs 95-106, SRD ruled at Rs 100-108, and SFD at Rs 100-112. The leaf varieties at the auction witnessed good demand and the quantity on offer in orthodox varieties was 1,21,500 kg.

High-grown and medium bolder broken, and whole leaf smaller broken were irregular and lower by Rs 5-10. However, some well-made selected invoices sold around previous levels. High-grown as well as medium Fannings were fully firm to dearer. The quantity on offer in CTC leaf varieties was 91,000 kg. Bids for good liquoring teas were higher by Rs 3-5. Others were fully firm to dearer. In the CTC dust category, Injipara (Prm) SFD quoted the best price of Rs 155, followed by Injipara (Prm) SRD at Rs 150. In the leaf varieties, Pascos Hyson Green Tea quoted the best price of Rs 310 followed by Chamraj FOP – Green at Rs 286.

Rice sees correction on slack trading



Karnal, Aug. 13:

After hitting the peak for this season, the rice market witnessed some correction with prices of aromatic and Sharbati rice going down by Rs 70-150 a quintal on Monday. Due to lack of trading at all levels, aromatic and Sharbati varieties witnessed some correction, said Amit Kumar, proprietor of Ginny Rice. Despite a fall, there is hardly any buyer in the market. Traders don't want to take fresh positions at current levels and are looking for some more correction in the upcoming days, he said. Traders expect that rice market may witness further correction later this week and prices may decrease by another 100-150 a quintal, said Amit. In the physical market, pure basmati (raw) slipped Rs 70 and quoted at Rs 6,930 while pure basmati (sela) sold at Rs 5,550, Rs 150 down from previous level. Pusa-1121 (steam) eased by Rs 100 and quoted at Rs 6,900-7,100 while Pusa-1121 (sela) sold at Rs 5,980-6,000, Rs 120 down from previous level. Duplicate basmati decreased by Rs 150 and traded at Rs 5,250. Tibar was sold at Rs 3,800; Dubar at Rs 2,800-3,050 and Mongra at Rs 2,100-2,500. Sharbati (steam) and Sharbati (sela) eased by Rs 125 each and quoted at Rs 4,100-4,175 and Rs 4,000-4,075 respectively. PR varieties managed to maintain their prices amidst slack trading. 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 5,700 bags of Sathi variety arrived at the Karnal Grain Market Terminal and sold at Rs 1,120-1,220 .

Resale selling turns sugar bitter



Mumbai, Aug. 13:

Sugar fell by Rs 10-20 a quintal in the spot market, following weakness at the *naka* and mill levels. Tender rates at *naka* and mill levels dropped by Rs 20-40 a quintal due to higher sales in the resale market.

As stockists have already covered at a higher price, volume at the upper mill level remained normal. Weak futures price also weighed on the spot market. Retail demand is expected to drop in mid-August. A wholesaler in the Vashi market here said: "Sales in the resale market have gone up as due dates for lifting sugar — August 15 and 20 — near. Most stockists covered in the first week of the month when sugar had crossed Rs 3,700 at the mill level. Prices have crashed since then, keeping bulk buyers away despite festival demand. Traders are cautious as retail demand may drop. Moreover, the Government has released 4 lakh tonnes more sugar."

According to the Government, the area under sugarcane this year is 52.88 lakh hectares, against 50.59 lakh hectares last year. An industry association recently projected production for 2012-2013 (starting October) at 250 lakh tonnes. Uttar Pradesh has received sufficient rainfall, while Maharashtra and Tamil Nadu have received scanty rainfall.

In Vashi, 55-56 truckloads (each of 100 bags of a quintal each) and 52-53 truckloads were locally despatched. On Saturday, about 14-15 mills offered tenders and sold about 35,000-40,000 bags to local stockists at Rs 3,470-3,520 (Rs 3,470-3,550) for S-grade and Rs 3,550-3,620 (Rs 3,570-3,650) for M-grade.

Bombay Sugar Merchants Association's spot rates: S-grade Rs 3,591-3,676 (Rs 3,606-3,686) and M-grade Rs 3,651-3,811 (Rs 3,672-3,831).

***Naka* delivery rates:** S-grade Rs 3,540 -3,580 (Rs 3,570-3,620) and M-grade Rs 3,600-3,730 (Rs 3,620-3,760).

Soyabean, its oil slide on slack buying



Business Line

Indore, Aug. 13:

Soya oil and soyabean traded low on weak foreign markets and sluggish buying even as arrivals continued to remain weak on Monday. Soya refined ruled stable at Rs 735-740 for 10 kg. Soya solvent also ruled stable at Rs 735-740 for 10 kg on scattered buying support.

Contrary to the bearish sentiment in the physical market, soya oil traded higher in the futures market on improved buying. Soya refined's September contract on the National Board of Trade closed Rs 5.40 higher at Rs 788.10. The Board on Monday saw a second cut of the month at Rs 773.60. On the National Commodity and Derivatives Exchange (NCDEX), soya oil's August and September contracts closed at Rs 778.50 (up Rs 2.40) and Rs 787.20 (up Rs 1.40).

Given the rise in soya oil futures and improved foreign markets, soya oil may gain on rise in buying support on Tuesday. According to Mukesh Purohit, an Indore-based soya oil trader, any steep decline in soya oil prices appears unlikely given the upcoming festival demand and dip in demand for cotton and palm oil on account of chilly weather.

Soya seeds also traded lower at Rs 4,370-4,450 a quintal on sluggish demand for soyameal even as arrival remained weak at 10,000-15,000 quintals on account of rains in the State. In Indore *mandis*, 400 bags arrived; 800 bags arrived in Ujjain; 1,000 bags in Dewas; and 600 bags in Sehore. Plant deliveries of soyabean traded lower at Rs 4,500-4,550 a quintal on weak demand from crushers. As compared with three days ago, plant deliveries are ruling Rs 50 lower. Soyabean's August and October contracts on the NCDEX closed at Rs 4,566 (down Rs 47) and Rs 3,946 a quintal (down Rs 35). Soyameal continued to trade lower at Rs 40,500-40,800 a quintal in the domestic market on weak demand from poultry manufacturers.

Drought-like condition could hit crop output, prices: Govt



As per the Indian Meteorological Department (IMD), monsoon rain has been 17 per cent lower. Four states - Karnataka, Rajasthan, Gujarat and Maharashtra - are facing drought-like situation. New Delhi, Aug 13:

The Government today said drought-like situation in some parts of the country could affect agricultural production and may have its impact on prices of essential commodities.

“The prevailing drought conditions could affect the crop prospects and may have its impact on the prices of essential commodities, such as shortfall in domestic supplies relative to demand,” Food Minister K V Thomas said in a written reply to the Rajya Sabha.

As per the Indian Meteorological Department (IMD), monsoon rain has been 17 per cent lower between June 1 and August 5, he said. Four states - Karnataka, Rajasthan, Gujarat and Maharashtra - are facing drought-like situation.

Noting that prices of certain essential items have risen in last three months, K V Thomas said the Government, however, has taken steps to tackle food inflation in view of this situation in some parts of the country.

According to the data placed before Parliament, retail prices of some pulses, sugar, edible oil and tomato have risen in the last three months. Prices of rice, wheat and atta remained stable.

In Delhi, the retail price of gram dal has increased to Rs 67/kg now from Rs 53/kg three months back. Tur price has risen by Rs 4 to Rs 74/kg and masoor dal by Rs 8 to Rs 61/kg in the review period. Sugar price has increased to Rs 39/kg now as compared with Rs 35/kg three months back.

On various steps taken to curb food inflation, K V Thomas said the Government has been closely monitoring the drought situation in coordination with the State Governments to ensure timely availability of basic inputs like seed and fertilisers.

The Centre has prepared contingency plans for 320 districts and has advised states to prepare location specific alternatives along with state agri universities, he added.

To save standing crops, an empowered group of ministers had last month approved a diesel subsidy scheme to mitigate the hardships of marginal and small farmers.

It had also enhanced ceiling on seed subsidy to partially re-compensate the farmers for the expenditure in resowing or for purchasing drought-tolerant seed varieties.

According to the Agriculture Ministry data, farmers have sown kharif (summer) crops like paddy, pulses and coarse cereals in 80.2 million hectare till last week, down from 87.96 million hectare in the same period last year.

India produced record 257.44 million tonnes of foodgrains (rice, wheat, coarse cereals and pulses) in 2011-12 crop year (July-June), but the production is likely to fall in 2012-13 due to bad monsoon.

In 2009, the country faced a severe drought, lowering foodgrains output by 16 million tonnes in 2009-10 crop year.

Govt has stock of 76.02 mn tonnes of wheat, rice

PTI



New Delhi, Aug 13:

The government has a total stock of 76.02 million tonnes of rice and wheat as on August 1 this year, while storage capacity available for central pool is 70.50 million tonnes, Parliament was told today.

To overcome the storage problem, two million tonnes of wheat was exported, Food Minister K V Thomas said in reply to a question in Rajya Sabha.

The wheat stock was to the tune of 47.52 million tonnes and rice 28.50 million tonnes as on August 1, 2012.

The total storage capacity available with the Food Corporation of India (owned and hired) as on July 31, 2012 was for 36.43 million tonnes. Taking together FCI and state agencies, the capacity available is 70.50 million tonnes, he said.

He said the Centre has not written to state governments for creation of storage facilities through rural employment scheme MGNREGA.

To increase the covered storage capacity, the government had launched the Private Entrepreneur Guarantee (PEG) scheme in 2008, he said.

To encourage private sector in creating storage capacity under PEG scheme, various incentives, including a guarantee of 10 years will be provided to the private entrepreneurs for their godowns hired by FCI/nodal agency, regardless of capacity being utilised.

Cardamom loses flavour as demand weakens

G. K. Nair



The Hindu KOCHI, 02/07/2012. Cardamom kept for sale at a retail outlet in Kochi, Kerala.

Cardamom is hoping to regain its lost position in international trade fetching more value and volume. According to the statistics released by the Spices Board, cardamom export registered a phenomenal growth of 296 percent in volume and 175 percent in value in 2011-12 as the Indian spice export for the same period showed an increase of 9 percent in volume and 43 percent in rupee terms against the previous year..Photo:K_K_Mustafah

Kochi, Aug. 13:

The cardamom market, after remaining buoyant for sometime, lost flavour last week on slack demand at auctions held in Kerala and Tamil Nadu.

Lack of movement of cardamom, of late, gives an impression that the stocks held by all in the major marketing centres in the country, and even those held in the primary markets, have not been exhausted. Hence, fresh buying hasn't picked up as expected.

“Consequently, there has been a dullness in the market”, P.C. Punnoose, General Manager, CPMC, told *Business Line*.

Besides, cross-border trade has come to a grinding halt following closing of the borders as a security measure in view of the Independence Day. Export buying was also very negligible. There is not much buying for Ramzan this year and it shows that overseas dealers too are holding stocks. A ban “pan masala” has also affected the offtake of inferior grade cardamom estimated at around 2,000 tonnes a year, a trader said. “Add to these factors, it was a super bumper crop last season and 60-70 per cent of the material coming to the market still is of the previous crop.” The individual auction average has dropped to below Rs 760 a kg on Sunday from Rs 835 the previous week. Individual auction average which was Rs 811.38 a kg last Monday declined gradually to Rs 702.22 on Saturday. However, prices moved up on Sunday to Rs 756.97. Sources in Bodinayakannur said that bold 8mm good colour capsule was fetching Rs 1,200-1,250 a kg. The arrival of high quality material was limited. Officially, the new cardamom season has begun from Aug 1. Thus, total arrivals during the current season was at 674 tonnes against 671 tonnes during the corresponding period a year ago. Sales were 622 tonnes and 657 tonnes, respectively. Arrivals at the Sunday auction were 56 tonnes against 51 tonnes the previous Sunday and the entire quantity was sold out, Punnoose said. Maximum price on Sunday was at Rs 1,024.50 a kg and the minimum Rs 436.50. The individual auction average declined to Rs 757 from around Rs 835 a kg the previous Sunday, he said. The weighted average price as on August 12 was at Rs 828 a kg (Rs 619.77). **Official prices of graded varieties (Rs/kg):** AGEB 1,100-1,110; AGB 820-830; AGS 810-820 and AGS 1: 790-800.

Cocoa prices drop despite fall in production

G. K. Nair

ON THE DECLINE						
State	2011 - 12			2010 - 11		
	Area (ha)	Production*	Yield(kg/ha)	Area (ha)	Production*	Yield (kg/ha)
Kerala	12,283	5,900	600	11,583	7,105	663
Karnataka	10,633	2,000	350	9,533	3,367	464
TamilNadu	21,389	1,000	250	17,889	990	487
Andhra Pradesh	18,870	4,000	375	17,510	2,974	212
Total	63,015	12,900	400	56,515	14,436	424

Source: Directorate of Cashew and Cocoa Development (Union Ministry of Agriculture), Kochi

Kochi, Aug. 13:

Some cocoa growers in Kerala have begun to cut down trees and switch over to other crops such as mangosteen and rambutan. This is due to drop in prices this year, despite decline in output due to unfavourable weather conditions and black rot diseases.

However, according to official sources, such a situation hasn't emerged at present and if somebody wants to shift that may be for some other reason.

The total production of cocoa in the country stood at around 50 per cent of the total requirement of over 30,000 tonnes of dried beans by about 10 processing and manufacturing units. During 2011-12, total output stood at 12,900 tonnes from 63,015 hectares spread over the entire South India against 14,436 tonnes from 56,515 hectares in 2010-11, senior official sources said.

The balance requirement is met by imports for long, they said. Prices in the international markets were above the Indian prices last year due to demand-supply mismatch. But, now the situation has changed and world market prices for dried beans are at par with the domestic prices now, they said.

However, growers alleged that the prices they are getting now is around Rs 30 for wet beans and Rs 125 a kg for dried beans and that is not remunerative. They believe that imports of the commodity are the reason for the drop in prices.

Some of the growers in Pathanamthitta district, one of the main cocoa growing areas in Kerala have started cutting down the cocoa trees for replacing them with mangosteen, which, Josua Daniel, a cocoa grower of Konni, claimed is a lucrative crop with high returns. However, it would take seven years to start yielding, he said.

But official sources said that the growers were getting over Rs 45 for wet beans and Rs 160-180 for dried beans two years ago when there was a sharp fall in output. The prices are determined by demand and supply criteria. "Industry may have to import when the raw material is at short supply here and nobody would import at higher prices when the material is available cheaper indigenously," a senior official of the Ministry of Agriculture told *Business Line*.

Meanwhile, sources at Cadbury India, the major consumer of cocoa said the beans' quality has been inferior due to mixing of good with poor quality beans.

Tea prices rise at Coonoor auctions

P. S. Sundar



Coonoor, Aug. 13:

About 90 per cent of the nine-week low offer of 13.30 lakh kg offered at Sale No: 32 of Coonoor Tea Trade Association auctions were sold with average prices rising Rs 2 a kg over the previous week.

Homedale Estate tea, auctioned by Global Tea Brokers, topped the CTC dust market, when Paras Tea Co bought its Red Dust grade for Rs 171 a kg and the leaf market, when Paras Tea bought its Broken Orange Pekoe Fannings grade for Rs 164.

Vigneshwar Estate got Rs 145 and Shanthi Supreme Rs 143.

In all, 119 marks got Rs 100 and more.

Among orthodox teas from corporate sector, Chamraj got Rs 206, Havukal Rs 166, Kairbetta Rs 165 and Highfield Estate Rs 160.

In all, 28 marks got Rs 100 and more.

“Whole leaf orthodox grades were dearer by Rs 2-3 a kg. CTC leaf market gained Rs 2-3. Primary orthodox dust grades got Rs 2-4 more. High-priced CTC leaf was dearer up to Rs 4, and others, Rs 1-2”, an auctioneer told *Business Line*.

On the export front, Pakistan bought in a wide range Rs 67-93 a kg and the CIS, Rs 62-90.

There was some purchase for European ports at Rs 76-86.

Quotations held by brokers indicated bids ranging Rs 63-67 a kg for plain leaf grades and Rs 100-135 for brighter liquoring sorts.

They ranged Rs 69-75 for plain dusts and Rs 100-145 for brighter liquoring dusts.

Poor monsoon rains may hit coffee output

PTI



“With traditional coffee producing areas facing deficient rainfall, there is a major flare-up of white stem borer, which is severely impacting the output of the next coffee year,” says Karnataka Planters Association Chairman Marvin Rodrigues.

New Delhi, Aug 13:

Coffee production is expected to decline in 2012-13 crop year beginning October mainly due to poor monsoon rains in traditional growing areas of Karnataka, Kerala and Tamil Nadu.

“With traditional coffee producing areas of Karnataka, Kerala and Tamil Nadu facing deficient rainfall, there is a major flare-up of white stem borer (WSB), which is severely impacting the output of the next coffee year,” Karnataka Planters Association (KPA) Chairman Marvin Rodrigues told PTI.

The severity of damage to the crop can be analysed totally in October-November during the start of the harvest, he added.

White stem borer

White stem borer is one of the most deadly pests that infects arabica coffee plantations in Asia and Africa. Its larvae bores into the plant’s stem causing the death of young plants.

The older plants may survive but their yield is drastically reduced and susceptibility to diseases increases.

“That apart poor rains in November 2011-April 2012 period has also affected robusta plantations as irrigation has become a problem with depleted ground water reserves. The rains are important for the development of the beans and lack of it can result in smaller beans,” Rodrigues said.

Coffee Board estimates

According to state-owned Coffee Board, the output is pegged at 3.25 lakh tonnes in 2012-13 crop year (October-September), which includes 1.04 lakh tonnes of arabica and 2.21 lakh tonnes of robusta.

Echoing concerns, former KPA Chairman Sahadev Balakrishnan said that almost all arabica areas are facing the resurgence of white stem borer and poor rains have also affected robusta estates.

“Deficient rains are posing a problem in recharging of ground water reserves, rivers and springs that is leading to a problem in irrigation especially for robusta. That apart Karnataka is facing power crisis, which again is impacting irrigation,” he pointed out.

The government-run Central Coffee Research Institute (CCRI) had issued an advisory to coffee growers in July stating that a survey has indicated the incidence of white stem borer is more in marginal areas where the elevation is low, rainfall is less and there is not enough lower canopy of shade.