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Farmers resort to irrigation to save crops

D. Radhakrishnan

They were dependent on South-West Monsoon



Sprinklers being used to irrigate a field in Udhagamandalam.— Photo: M. Sathyamoorthy

With many parts of the Nilgiris experiencing drought conditions, dependence on irrigation has increased considerably.

Consequently drenching of standing crops with the help of sprinklers has become a common sight.

Pointing out that the farmers have no other go, the Deputy Director of Horticulture A.J. Jagadeesh Kumar told *The Hindu* here on Tuesday that crops particularly potato have started wearing a dry look.

Stating that the main crop season is generally dependent on the Summer showers and the South West Monsoon, he said that due to the latter playing truant this year the farmers have started tapping sources like streams and springs. In many areas farmers are joining hands and operating their sprinklers on a turn basis.

To a question, he said: “We don’t know how long the water in the streams and springs will last” and added, “the department is monitoring the situation.”

Pointing out that during the main season normally about 1,500 hectares are brought under various annual crops like potato, cabbage, and carrot, he said that it was estimated that about 50 percent are not getting adequate water.

Delayed

Owing to the abnormal weather the Autumn crop season is being delayed.

Many cabbage growers are now preparing nurseries in the hope that the weather will soon turn favourable for transferring the seedlings.

ESH

ATMAKUR (WARANGAL DT.), August 1, 2012

Mechanisation to beat farm labour shortage

GOLLAPUDI SRINIVASA RAO

Paddy transplanter can handle everything from ploughing to harvesting



Technical aid:Farmers witnessing the functioning of a paddy transplanter at Pulukurthy village in Warangal district on Tuesday.— Photo: M. Murali

As the mini tractor hurried past with its fist-like levers picking and pitching the paddy saplings, scores of farmers witnessed at it in awe wondering at its speed and precision in Pulukurthy village here on Tuesday.

Money saver

The District Agricultural Technology & Transfer (DATT) centre presented a demonstration of paddy transplanter for the first time explaining the farmers how they could save time, money and labour opting for mechanisation. “Now you can grow paddy without using manual labour. This crop is totally mechanised now from ploughing to harvesting,” explained centre coordinator Dr. R. Uma Reddy as the farmers listened in rapt attention.

The severe shortage of agricultural labourers, increased costs and scant rainfall compounded the problems of the farmers in the district. The Rural Employment Guarantee Scheme eroded the supply of labour in villages and as a result, many small and marginal farmers were forced out of farming.

Now, the DATT centre has come up with a promise to such farmers urging them to form into a society or Farmers Club where they can obtain loans to purchase paddy transplanters, harvesters and weeders at subsidised rates. Mr. Uma Reddy said that the State government had sent two transplanters for the purpose of demonstration and to educate the farmers in the district.

Collective loan

“This is a very modern equipment which has lot of advantages. As the cost is high at Rs. 11 lakh, we are encouraging farmers to form clubs to take collective loan,” he said. The DATT centre had come forward to plough and plant paddy seedlings in one acre for Rs. 3,500 as part of its farmers education programme.

A farmer, A. Raju of Pulukurthy speaking to *The Hindu* said it would cost Rs. 6,000 per acre for transplantation and they require 12 women per day. “This is really a boon to us. It costs Rs 3,500 per acre and work is done in just one hour,” he said amazed at work of transplanter.

CUTTACK, August 1, 2012

Scientists join hands to boost farming

Agricultural scientists of both State and Central research institutes along with officers of related departments, NGOs, industries and farmers have come together to identify the problems afflicting agriculture in the State and evolve ways to solve them. This is an initiative taken at the

behest of the Indian Council of Agricultural Research (ICAR), New Delhi, and a two-day seminar on it was organised for the first time at Central Rice Research Institute (CRRRI).

Briefing newsmen on the concluding day of the seminar here on Tuesday, CRRRI director Trilochana Mohapatra said that a committee for the purpose had been set up under the chairmanship of Odisha University of Agriculture and Technology (OUAT) Vice-Chancellor D P Ray.

“The committee after having an interface with all the stakeholders for two days has taken note of certain problems afflicting the agricultural scenario of the State and very soon a recommendation would be sent to ICAR”, disclosed Prof Mohapatra, who is the convener of the Committee. While identifying the problems affecting the State agriculture, the scientists stumbled upon to see that the cultivation of pulses is in a very poor state among the farmers. Lack of cold tolerant varieties is said to be the cause of such a scenario and steps would be taken in this regard to overcome the problem, the scientists observed during their discussions.

Similarly, sugarcane cultivation in Odisha is equally at a dismal state where the water logging tolerant varieties are not available to the farmers. Most of the sugarcane growing areas in the State are shallow low land and the productivity is affected due to water logging.

The scientists from different research institutes of ICAR and OUAT also expressed concern over the lack of interest among farmers in adopting integrated farming where the farmers could reap rich dividends by growing rice, fish, vegetables and poultry.

MANGALORE, August 1, 2012

'Israel has expertise in water, agri-technology to offer'



Orna Sagiv, Consul General, Consulate General of Israel, Mumbai, speaking at a meeting at the Kanara Chamber of Commerce and Industry in Mangalore on Tuesday.— Photo: R. Eswarraj

India and Israel could work together in water technologies. “We have to cooperate at the government and business levels on water,” said Orna Sagiv, Consul General, Consulate General of Israel, Mumbai.

Ms Sagiv was speaking on the topic “20 years of the Israel-India link” organised by the Kanara Chamber of Commerce and Industry (KCCI) in the city on Tuesday.

She said that the country is number one in the world in technology for desalination plants (which is expensive). In Israel, 85 per cent of the water is reused. Other than water technology, it has expertise in agritechology, which is related to food security and renewable energy.

The country is also rich in technology. In Haifa, the technology companies include Google, Intel, Microsoft, GE and IBM. In Tel Aviv, the companies present are Motorola, Cisco, Google, Check Point, SAP, Microsoft and Oracle. She said that mobile telephony technology was developed by Motorola Israel, voice over IP (VOIP) telephony was invented by Israeli founders of VocalTec, four Israelis developed ICQ while Check Point had worked on network firewall and VPN technology.

At present, half of the trade between India and Israel is in garments and precious stones. How to take it to the next stage is the next step. The trade crossed 5 billion US dollars in 2011.

Israel has a GDP of 214.2 billion dollar and a per capita GDP of 31,005 dollar. Its exports are 91.9 billion dollar and imports are 91 billion dollar, she said. Israel had 6 lakh people in 1948 when it gained independence and at that time, 65 per cent of its people were farmers. Today, it has a population of 78 lakh and 2.5 per cent of them are farmers.

Innovation, creativity and entrepreneurship are three qualities common to the people of Israel and India.

The country does not get rains. Half of it is desert. “We have no natural resources,” she said. The only natural resource available is salt. “God gave many lemons to Israel but the country has made some good lemonade,” she said.

KRISHNAGIRI, August 1, 2012

Farmers demand water release from dams

In view of Adi Perukku celebrations on August 2



Bone dry: The river bed of the South Pennar River between Kummanur and Ombalakkattu near Krishnagiri. -Photo: N. Bashkaran

The Tamizhaga Vivasayigal Sangam, an apolitical forum representing farmers, has asked the district administration to release water from Kelevarapalli Dam, KRP Dam and also Eeachampadi dam, keeping in mind the Aadiperukku celebrations, normally celebrated on the 18th day of Tamil month Aadi on August 2 on the banks of the water bodies in the district. In a memorandum submitted to Collector C.N. Maheshwaran here on Tuesday, K.M. Ramagoundar, State General Secretary, Tamizhaga Vivasayigal Sangam, demanded immediate release of water from the dams, as it will help farmers to celebrate Aadiperukku on the banks and starting cultivating crops after offering pooja to their deities in temples. In his memorandum, Ramagoundar stated that the South Pennar between Kelaravarapalli Dam and KRP dam was completely dry. Similar was the case upto Hanumantheertham from Eachampadi Dam. The Hanumantheertham is a place where thousands of people take a holy dip. Keeping in mind the traditional festival, a minimum of 600 cubic feet of water should be released from Kelevarapalli, Kelaarapalli and Eeachampadi dams in the district.

KARUR, August 1, 2012

Agriculture department hopes to achieve pulses production target

Department of agriculture hopes to meet the current year's pulses production target of 11,093 tonnes in the district and is extending subsidies and other benefits to growers in a bid to

encourage them. Last year in Karur district, 12,770 hectares were brought under pulses and the total yield was arrived at 7,700 tonnes. That was 4,966 tonnes more than the previous year's achievement. In the current year, it has been planned to bring 16,490 hectares under various pulses and the department hopes that the farmers will reap 11,093-tonne produce, according to Collector V. Shobana.

Farmers are encouraged to take up red gram cultivation under transplanting method and a subsidy of Rs.15,000 would be provided to farmers to cover 114 hectares, she said in a release on Tuesday. Under the Rashtriya Krishi Vikas Yojana, the district has been sanctioned Rs.17.10 lakh as subsidy to cultivate red gram under irrigated conditions. The fund would be utilised also for conducting field demonstrations and disbursal of agricultural implements.

Through the regular method of red gram cultivation, farmers would be given Rs.7,500 as incentive to cover 601 hectares for a total sanction of Rs.45 lakh through the same Yojana. Under the National Food Security Mission Pulses Programme, farmers would be given Rs.5,000 as subsidy and that would be available for 200 farmers involving a cost of Rs.10 lakh.

Through transplantation method of raising red gram, farmers could reap a harvest of 2.5 tonnes per hectare and by taking recourse to the method farmers could avoid delay in cultivation by making use of the available moisture content in the soil and the method would be especially useful when there is lesser rainfall. Since 25-day-old seedlings are to be transplanted, there is a saving of one month for the crop and since roots would be developed in the nurseries itself, declining moisture content might not affect the growth of plants as they could draw water even from deeper layers.

hindustantimes

Wed, 01 Aug 2012

weather

Chennai - INDIA

Today's Weather



Partly Cloudy

Wednesday, Aug 1

Max Min

35° | 27°

Tomorrow's Forecast

Rain: 0
Humidity: 49
Wind: normal

Sunrise: 05:54
Sunset: 06:35
Barometer: 1008



Rainy

Thursday, Aug 2

Max Min

33° | 27°

Extended Forecast for a week

Friday Aug 3	Saturday Aug 4	Sunday Aug 5	Monday Aug 6	Tuesday Aug 7
35° 27°	34° 28°	33° 27°	33° 28°	32° 27°
Rainy	Rainy	Rainy	Rainy	Rainy

THE ECONOMIC TIMES

31 JUL, 2012, 02.19PM IST, REUTERS

Indian soybean recovers from 2-week low on global cues

MUMBAI: Indian soybean rose 1 percent on Tuesday, recovering from their lowest level in more than two weeks, on account of strong gains in the U.S. soybean market, though fears of government intervention limited the upside.

The most-active soybean contract for August delivery on the National Commodity and Derivatives Exchange (NCDEX) was up 0.82 percent at 4,510.50 rupees per 100 kg at 0753 GMT, recovering from a low of 4,404 rupees, a level last seen on July 14.

The contract shed 5.4 percent in the previous two sessions.

U.S. soybeans rallied nearly 3 percent on Monday on fears that the crippling U.S. drought would further shrink the crop in the world's top grains exporter.

The most-traded soyoil contract for August delivery was 0.06 percent higher at 779.30 rupees per 10 kg while rapeseed contract for August delivery was up 1 percent at 4,331 rupees per 100 kg.

However, the upside was limited on fears that the government could ban futures of some farm commodities to curb inflation.

"Soybean will come down in the short-term, as market is in overbought condition," said an analyst with JRG Wealth Management, adding soybean may trade in the range of 4,300-4,650 rupees.

In the Indore spot market in Madhya Pradesh, soyoil eased 0.95 rupees to 777 rupees per 10 kg, while soybean fell 99 rupees to 4,493 rupees per 100 kg. At Sri Ganganagar in Rajasthan, rapeseed rose 94.25 rupees to be at 4,305 rupees per 100 kg.

Indian farmers have cultivated soybean on 10.15 million hectares as on July 27, compared with 9.43 million hectares during the same time a year ago, farm ministry data showed. Soybean is a summer crop sown in June and harvested in October.

31 JUL, 2012, 02.34PM IST, PTI

Chana futures rise 1.26 pc on spot demand

NEW DELHI: Chana prices rose by Rs 58 to Rs 4,657 per quintal in futures trading today as speculators created fresh positions, driven by pick up in spot market demand.

Concerns over reduced output due to less monsoon rains in major summer-sown pulses cultivating regions also supported the rise in chana prices.

At the National Commodity and Derivatives Exchange, chana for delivery in August rose by Rs 58, or 1.26 per cent, to Rs 4,657 per quintal, with an open interest of 49,180 lots.

In a similar fashion, the commodity for delivery in September moved up by Rs 58, or 1.23 per cent, to Rs 4,771 per quintal in 61,310 lots.

Marketmen said fresh positions created by speculators on the back of a rise in demand in the spot market mainly pushed up chana prices at futures trade.

'No development sans agriculture'

SATURDAY, 28 JULY 2012 22:55

STAFF REPORTER N BHOPAL

Chief Minister Shivraj Singh Chouhan has said that agricultural and industrial growth will help the State to join the category of the most developed States of the country. Chouhan was addressing Samridhi function of the Business Standard newspaper here on Saturday.

Chouhan said that development of the country and the State cannot be imagined without agricultural growth. Therefore, stress is being laid on value addition of agricultural products by setting up food processing industry. Besides, efforts are also being made to run industrial activities in every village.

Agricultural growth rate has been 18 per cent in Madhya Pradesh. The State is second in production of wheat after Punjab. Investment is being encouraged in every sector in Madhya Pradesh. Special attention is being paid to investment in education and health sectors. He said that 20 thousand hectare lands have been identified for industries in

Madhya Pradesh.

Industrial corridors are being developed in the State between Bhopal and Bina, Bhopal and Indore and Jabalpur-Satna-Singrauli. Requisite basic infrastructure for industries has been strengthened in the State. Power is being supplied 24 hours to industries. Power will be supplied for 24 hours in the rural areas from next year so that small industry can be developed there. The Chief Minister also referred to immense potential in tourism sector in the State.

Chouhan said that skill development programme is being run as a campaign in the State to ensure that maximum number of better educational institutions from the country and abroad come to Madhya Pradesh. It is his dream that every youth of the State gets employment. He said that loan scheme for higher education has been simplified. As many as 113 skill development centres have been opened in the State and 200 more will be opened. ITIs will also be opened in the State under PPP mode.

The Chief Minister said that investors' role is important in making Madhya Pradesh a developed State of India. Every section should come forward to cooperate in efforts to this end.

In his welcome address, Editor of Business Standard Bhupesh Bhandari said that there is immense potential of investment in Madhya Pradesh. Investment proposals worth `471 crore have been sanctioned under the leadership of Chief Minister Chouhan. Per capita income in the State has increased from `16,000 to `33,906. Madhya Pradesh is also very rich in resources. Additional Chief Secretary PK Dash was also present on

Jamshedpur MP promises better irrigation facilities

MONDAY, 30 JULY 2012 23:35

PARVINDER BHATIA N JAMSHEDPUR

If everything goes as per the plan, Steel City and its adjoining areas will soon turn into vegetable producing area.

Jamshedpur MP Ajoy Kumar has roped in Chennai-based water harvesting project expert KRG Foundation for preparing a project on construction and repairing of old ponds and improving the height of ground water levels in different areas of the East Singhbhum district.

Shedding more light on his project, the JVM MP went on to add that plans have been made for construction of 2,000 ponds out of which work will commence from August at

80 places.

Ajoy Kumar said that they have worked out a total project estimated at Rs 60 lakh for construction of ponds in semi-urban areas, under MP local area development fund.

"Yes we are working over the project, which is very ambitious for us. If we achieve success than probably from the next season we would encourage more farmers to take up vegetable plantation for commercial purpose," he said.

He went on to add that vegetable cultivation can be a fruitful source of income for the famers. Plans are also on the anvil to involve experts and concerned agencies to promote commercial plantation in the district. "Integration of the farmers with the commercial market is a must and in this connection we are keen to exploit all avenues worth required," he added.

According to East Singhbhum horticultural office, the area has a potential for cultivation of cabbage, potato, tomato, brinjal, raddish, carrot, capsicum, spinach and garlic.

The Jamshedpur MP has also convinced the Durga Puja Committees to spare funds for construction of ponds. The MP said that the mukhiyas across the district will be consulted on construction of check dams in different villages. The construction of check dams will be done with funding from Centre bearing 90 per cent of the expense while State Government will shoulder the remaining 10 per cent.

“We are confident that with 2,000 ponds along water recharging models and 150 check dams to the existing infrastructure the farmers will find it easy to take keen interest in vegetable cultivation for commercial purpose. The initiative will help to make the city and its area vegetable growing hub,” Kumar said.

Adding further, he said success of the vegetable plantation will help boost further initiatives in experimenting with other plantation.

Business Standard

Wednesday, Aug 01, 2012

Chana rises 1.26% on spot demand

Output concerns push up prices

Press Trust of India / New Delhi July 31, 2012, 15:20 IST



Chana prices rose by Rs 58 to Rs 4,657 per quintal in futures trading today as speculators created fresh positions, driven by the pick up in spot market demand.

Concerns over reduced output due to less rains in major summer-sown pulses cultivating regions supported the rise in chana prices.

At the National Commodity and Derivatives Exchange, chana for delivery in August rose by

Rs 58, or 1.26%, to Rs 4,657 per quintal, with an open interest of 49,180 lots.

September chana moved up by Rs 58, or 1.23%, to Rs 4,771 per quintal in 61,310 lots.

Marketmen said fresh positions created by speculators on the back of a rise in demand in the spot market pushed up chana prices at futures trade.

Potato down 1.22% on fresh arrivals

Low spot demand contributes to fall

Press Trust of India / New Delhi July 31, 2012, 14:05 IST



Potato prices fell by 1.22% to Rs 1,327.80 per quintal in futures trading today as traders offloaded positions due to low demand in the spot market amid fresh arrivals from the producing belts.

At the Multi Commodity Exchange, potato for delivery in August fell by Rs 16.20, or 1.22%, to Rs 1,327.80 per quintal, with a business turnover of 15 lots.

September potato declined by Rs 17, or 1.20%, to Rs 1,399 per quintal in 24 lots.

Market experts said traders offloaded their positions due to low demand in the spot market against fresh arrivals from producing belts, putting pressure on potato futures.

THE HINDU Business Line

Rise in feed prices harming livestock sector

Kolkata, July 31:

Animal resource development minister of West Bengal, Mr Nure Alam Choudhury, on Tuesday said the 'alarming increase' in feed prices was affecting the livestock sector.

According to Mr Choudhury, the steep increase in feed prices due to forward trading of corn and soya bean, the acute shortage of green fodder, weak linkages between the producer and marketer and the adverse impact of climate change are some of the major challenges faced by the livestock sector.

He was addressing an interactive session on challenges and opportunities in animal husbandry organised by the city-based Bengal National Chamber of Commerce and Industry.

Mr Choudhury also said that livestock farming received meagre funds.

"Livestock gets only 12 per cent of the total funds allocated for agriculture industry," he said.

Stating that there was need for more insurance coverage for the animal husbandry sector, he said, "Only four to six per cent of the animal farms are provided with insurance services."

Nilgiri tea prices rise



P.S. Sundar

Coonoor, July 31:

The 12-day long riot in Assam has resulted in a rise in Nilgiri tea prices although reports have it that the riots have not directly affected the movement of Assam tea.

There is a noticeable increase in the demand for Nilgiri tea from upcountry buyers. "It is all right to contend that tea movement has not been hit in Assam but until normalcy returns, we don't see wisdom in investing on teas there. We are procuring teas from other markets, the Nilgiris included, to sustain our business", a trader told *Business Line*.

Following higher demand, prices have moved up at the auctions of Coonoor Tea Trade Association. Prices now average Rs 78.58 a kg against Rs 76.43 a fortnight ago, that is, before the Assam riots. In particular, prices of dust grades have risen sharply from Rs 77.45 a kg to Rs 81.83. The prices of leaf grades have risen to Rs 77.48 from Rs 76.07.

"Internal buyers are fairly active in both the dust and leaf auctions. They have been exerting marked pressure on exporters as well," an auctioneer said.

Collectively, about 93 per cent of the teas on offer were sold at this week's auction against about 90 per cent last week and 89 per cent a fortnight ago.

This week 81 marks of CTC teas got Rs 100 and more. Homedale Estate tea, auctioned by Global Tea Brokers, topped the CTC market at Rs 155 a kg. Darmona Estate got Rs 151, Vigneshwar Estate Rs 147, Shanthi Supreme Rs 140, Blue Monte Speciality Rs 137 and Professor Rs 134. Among orthodox teas from corporate sector, 34 marks got Rs 100 and more. Chamraj got Rs 208, Curzon Rs 166, Havukal Rs 161, Kairbetta Rs 158, Glendale Rs 150, Devashola and Highfield Estate Rs 146 each and Corsley Rs 134.

Coconut oil prices drop on arrivals, lower demand



Kochi, July 31:

Sizeable arrivals of coconut at Tamil Nadu markets and a delay in onset of Onam festival demand from Kerala have dragged coconut oil prices this week.

Mr Prakash B. Rao, Vice-President, Coconut Oil Merchants Association (COMA), said that prices of coconut oil and copra witnessed a bearish trend due to a lower-than-expected demand for the festival season in Kerala.

Prices of coconut oil declined to Rs 60 a kg against Rs 62 quoted last week. The copra prices also declined to Rs 4,100 a quintal in Malabar area, which is the main producing centre in the State. Copra prices in Kerala stood at Rs 4,300 a quintal last week, he said.

In Tamil Nadu, coconut oil rates dropped to Rs 58 a kg from Rs 59 quoted last week and copra prices also remained weak to Rs 3,800 a quintal on higher arrivals. Copra prices in Tamil Nadu last week ruled at Rs 4,000 a quintal.

However, there were only few enquires from corporates and industrial buyers as prices of palm kernel oil, which is a substitute of coconut oil, crashed to Rs 62 a kg from Rs 70 a kg quoted last week, he said.

Most of the industrial buyers, mainly soap manufacturers, have shifted to palm kernel oil, which is likely to affect the coconut oil prices in the short-term, he added.

Mr Thalath Mahamood, President, COMA, said that local demand is expected to pick up in the coming weeks due to Onam and Ramzan. However, he expressed concern over the move of the Government to distribute edible oils at subsidised rates, saying that this will affect local demand for coconut oil.

Mr Bharat N. Khona, former Board Member, COMA, said that market is weak due to deficit monsoon. Good rains in the coming weeks are expected to help the market sentiments. Due to a daily decline, he said traders are reluctant to enter the market for purchases.

Meanwhile, a report prepared by the Agricultural Market Intelligence Centre of the Kerala Agriculture University revealed that the market anticipation of demand for coconut oil or copra from North India towards Diwali festivities is likely to be lower.

On the other hand, the mounting edible oil imports to contain a possible price rise during the festival time may hurt the coconut oil prospects because the lion's share of such imports are RBD palmolein.

Quoting Solvent Extractors Association of India, the report said that the import of vegetable oils during the first 8 months of the current oil year from November 2011 to October 2012 is 6.39 lakh tonnes compared with 5.13 lakh tonnes last year. This represents an increase by more than one lakh tonnes, whereas the import of refined palm oil has more than doubled during the corresponding period.

Mixed trend in spot rubber



Kottayam, July 31:

Spot rubber was mixed on Tuesday. Major grades continued to remain unchanged, while ISNR 20 and latex turned weak on buyer resistance amidst scattered transactions. Sheet rubber finished unchanged at Rs 181 a kg at Kottayam and Kochi, according to traders and the Rubber Board. Volumes were poor.

August futures declined to Rs 177.90 (179.47), September to Rs 175.52 (176.50) and October to Rs 174.90 (176.23) and November to Rs 174.35 (176.29) a kg for RSS 4 on the National Multi Commodity Exchange.

The key Tokyo rubber futures edged lower as players liquidated their positions ahead of the US Federal Reserve and the European Central Bank meetings. Sentiments were weak after prices

finished below the major support level of ₹225. The commodity might fall further in the absence of positive signals from the US and EU meetings, reports said.

RSS 3 (spot) closed marginally higher at Rs 168.91 (168.84) a kg at Bangkok. August futures dropped to ₹213.7 (Rs 152.01) from ₹215.6 a kg during the day session and then to ₹213.5 (Rs 151.86) in the night session on the Tokyo Commodity Exchange.

Spot rates were (Rs/kg): RSS-4: 181 (181); RSS-5: 174.50 (174.50); ungraded: 168 (168); ISNR 20: 167 (167.50) and latex 60 per cent: 126.50 (127.50).

AVT Natural announces arm to market tea products



Kochi, July 31:

AVT Natural Products Ltd has decided to start AVT Tea Services Ltd, London (AVT TSL) as a wholly owned subsidiary to be based in London.

The details of the subsidiary are being worked out and the company expects the new unit to be operational by October 1 this year, Mr Ajit Thomas, Chairman, AVT Natural and AVT Group of Companies, said in a statement.

The subsidiary will allow AVT Natural to offer its decaffeinated tea and instant tea to its customers all over the world through a cost-efficient supply chain, he said.

AVT TSL, London will enable AVT Natural to take their tea-based products – decaffeinated tea and instant tea – direct to market. Mr Richard Darlington, a tea veteran with over 32 years of experience, will head the AVT TSL operations as Managing Director.

According to Mr Thomas, AVT TSL is a logical extension of AVT Natural's proven competency in value-added beverages manufacturing in India. The new subsidiary will offer a compelling value proposition to the customers by maximising supply chain efficiencies.

Meanwhile, the net profit of AVT Natural in Q1 rose by 23 per cent from Rs 11.58 crore to Rs 14.28 crore ending June 30. The Q1 sales grew to Rs 72.44 crore from Rs 47.84 crores of same period last year.

AVT Natural Products Ltd is part of AV Thomas Group of Companies. The group has been growing tea in South India since 1925 and produces 10 million kg annually. AVT Natural specialises in extraction of natural products such as marigold, spices and value-added teas.

AVT Natural is the market leader in marigold extracts and has established a competitive manufacturing base for decaffeinated tea in India with experience of close to 10 years. AVT Natural also markets speciality spice oils and oleoresins.

Pepper falls on correction

G. K. Nair

Kochi, July 31:

The pepper market on Tuesday was double floored in correction after moving up sharply to much higher levels in recent days. All the active contracts decreased to much below the previous day's closing.

"It is a very necessary correction as the market has been pushed up to such levels that nobody was able to cover at those rates. In fact, it has got a feel of the reality," market sources told *Business Line*.

There were deposits at the exchange. Some were unwinding their positions and switching over to Oct. Good liquidation was also there in August.

On the spot, about 45 tonnes of farm grade pepper arrived and of this some 25 tonnes were traded at Rs 400, 403 and 410 depending upon the quality, grade and area of production, they said.

August contract on the NCDEX decreased by Rs 1,785 a quintal to the last traded price (LTP) of Rs 42,895 a quintal. September and October were down by Rs 1,775 and 1,780 respectively to the LTP of Rs 42,715 and Rs 42,955 a quintal.

Turnover

Total turnover increased by 468 tonnes to 8,801 tonnes. Total open interest dropped by 295 tonnes to 8,075 tonnes.

August open interest fell by 559 tonnes to 4,714 tonnes while September declined by 9 tonnes to 2,795 tonnes. October increased by 262 tonnes to 545 tonnes. Spot prices fell in tandem with the futures market trend by Rs 1,000 to close at Rs 40,300 (ungarbled) and Rs 41,800 (garbled) a quintal. The spot pepper dropped by Rs 10 a kg while August delivery fell by around Rs 18 a kg.

Indian parity in the international market fell to \$7,850 a tonne (c&f) Europe and \$8,150 a tonne (c&f) for the US and still remained out priced.

Wheat futures down on profit-booking



Karnal, July 31:

Wheat futures fell on Tuesday as speculators preferred to book profits after scoring hefty gains recently, while the spot market remained supportive following good demand. On the National Commodity and Derivatives Exchange, wheat for August delivery decreased by Rs 7 to Rs 1,426 a quintal; it had touched a low at Rs 1,416 earlier on Tuesday. September contracts went down by Rs 7 to Rs 1,457 a quintal. On the other hand, spot prices at the MCX improved by Rs 18.3 a quintal on low arrivals and good demand and ruled at Rs 1,418.3 a quintal. Wheat futures may see further correction in the coming weeks as the prices have surged during this month, said market experts. Dara and flour prices, having witnessed a rally last weekend at the physical market, remained almost unchanged. Following domestic demand for flour, interest in dara wheat remained firm, said Mr Satish Kumar, a wheat trader. Only 40 tonnes of dara variety arrived from Uttar Pradesh and the stocks were directly offloaded at the mills. Mill delivery was at Rs 1,250-1,255 a quintal while delivery at the *chakki* was at Rs 1,260 a quintal. Similarly, desi wheat varieties continued to rule flat: Tohfa sold at Rs 2,000 a quintal, Bhojan King quoted at Rs 2,100, while the Nokia variety traded at 2,020 a quintal.

Flour Prices

With a steady trend in wheat, flour too remained unchanged and quoted at Rs 1,225-1,230 for a 90-kg bag. Similarly, Chokar ruled flat and sold at Rs 650 for a 49-kg bag.

Lower selling pressure brightens sugar



Mumbai, July 31:

Sugar prices at the Vashi market gained further by Rs 10-20 a quintal on Tuesday, taking total increase in the month to Rs 475-525. The commodity continued its bullish trend as mills' month-end offloading pressure in July is lower. Arrivals and local dispatches improved on expectations of higher demand usual during the beginning of a month. Sugar futures prices at domestic level were range-bound despite a slight improvement in international markets. The sentiment was positive, said sources.

Vashi-based wholesalers said the undercurrent of the market will remain positive ahead of festivals. Rakshabandhan, Janmashthami, Independence day and the ongoing celebration of Ramzan are expected to spur demand. On the other side, mills are holding back stocks as they continue to receive buying support. Possibilities of lower production next season and improved chances for sugar exports after a favourable turn in international prices support the sentiment.

The crushing season for 2011-2012 is now over and new season is two months away, traders said.

An analyst said sugar futures in the global market edged up above the key \$600-level on Monday, supported by deficit monsoon in India. October-12 futures closed higher by \$6.00 to \$620.20 (\$614.20) while December-12 futures price was up by \$3.90 to \$600.60 (\$596.70) a tonne.

At the Vashi market, arrivals were 55-56 truckloads and local dispatches were also higher at 54-55 truckloads on improved demand. On Monday evening, only 12-14 mills offered tenders and sold about 80,000-85,000 bags (each of 100 kg) to the local stockists in the steady range of Rs 3,350-3,410 (Rs 3,350-3,410) for S-grade and Rs 3,430-3,490 (Rs 3,430-3,490) for M-grade.

Bombay Sugar Merchants Association's spot rates: S-grade Rs 3,482-3,572 (Rs 3,452-3,552) and M-grade Rs 3,522- 3,625 (Rs 3,512- 3,611).

Naka delivery rates: S-grade Rs 3,440 -3,480 (Rs 3,430 -3,470) and M-grade Rs 3,480-3,580 (Rs 3,480-3,550).

Edible oils see mixed trend amid thin volumes

Mumbai, July 31:

The edible oils market witnessed a mixed trend on Tuesday due to need-based demand and thin volumes. Imported palmolein increased by Re 1, cotton refined oil up by Rs 3, groundnut oil edged by Rs 10 and rapeseed oil improved by Rs 7 for 10 kg. Soyabean refined oil dropped by Rs 3, tracking bearish sentiment at producing centres.

Market players were awaiting an official notification on revised tariff value on RBD palmolein. Monsoon rains in Maharashtra, Madhya Pradesh and some part of Gujarat have eased concerns over crops to some extent. Malaysian BMD crude palm oil futures closed lower by 25, 29 and 25 ringgits a tonne. Favourable weather for soyabean crop could lead to a higher supply of soyabean oil and draw the demand away from palm oil.

An analyst said the market is looking out for palm oil export data for July for consumption trends after earlier data showed signs of slowing demand. But slowing exports coupled with expectations of better production in Malaysia this month could boost palm oil stock levels and ease some pressure off tightening global oilseed supplies. A tighter supply outlook on persistent drought in the US Midwest has pushed soyabean oil prices to new high, fuelling worries of food inflation in top edible oil buyers India and China.

Market sources said need-based local demand at July-end kept volumes thin and isolated. Nearly 250-300 tonnes of palmolein and soyabean refined were traded during the day. Ruchi sold about 100 tonnes of soyabean oil at Rs 743 for August while resellers offloaded 150-200 tonnes of palmolein at Rs 613-615. Traders kept away from fresh bulk buying.

Monsoon rains in Gujarat, Maharashtra and Madhya Pradesh curbed bullish sentiment in indigenous oils.

End of the day Liberty was quoting palmolein at Rs 624-625 for August and Rs 627-628 for September; Super Palmolein at Rs 674, soya oil at Rs 752 and sunflower refined oil at Rs 772. Ruchi quoted palmolein for August at Rs 620 and Rs 623 for September delivery; Soya refined oil for August at Rs 743 and Rs 747 for September. Sunflower refined oil was quoted at Rs 757 for August and Rs 762 for September delivery. Allana's rate for palmolein was Rs 622 for 1-15 September. Vaibhavi quoted palmolein for August Rs 620 and Rs 622 for September.

In Saurashtra, sentiment was weak due to on cloudy weather. In Rajkot Groundnut oil was steady at Rs 1,920 (Rs 1,920) for Teliya tin and Rs 1,260 (Rs 1,260) for loose – 10kg. On the National Board of Trade, Indore, soya refined oil August-12 futures was up Rs 783.00 (Rs 778.50) while September -12 was at up Rs 784.80 (Rs 782.00).

Malaysia's crude palm oil August contracts settled higher at MYR 2,955 (MYR 2,980), September at MYR 2,965 (MYR 2,994) and October at MYR 2,980 (MYR 3,005) a tonne.

The Bombay Commodity Exchange spot rates were (Rs/10 kg): Groundnut oil 1,220 (1,210), soya refined oil 742 (745), sunflower exp. ref. 700 (700), sunflower ref. 760 (760), rapeseed ref. oil 897 (890), rapeseed expeller ref. 867 (860) cotton ref. oil 755 (752) and palmolein 615 (614).

Groundnut oil drops on weak demand



Rajkot, July 31:

On the back of weak demand, groundnut oil prices declined by Rs 5-10 at Rajkot on Tuesday. Loose groundnut oil was traded lower by Rs 5 to Rs 1,245-1,250 for 10 kg while groundnut oil for the 15-kg new tin was declined Rs 10 to Rs 2,085-2,090. Teliya tin was traded on Rs 1,909-1,910 per 15 kg. It was quoted at Rs 1,210 per 10 kg in Mumbai.

Cotton oil fell Rs 7 to Rs 717-720 for 10 kg and cotton oil “new tin” dropped by Rs 5 to Rs 1,225-1,235 for the 15 kg. About 150-200 tonnes of cotton oil were traded at Saurashtra mills.

According to Rajkot-based miller, groundnut oil traded lower in Rajkot on Tuesday due to lower demand and selling by an exporter.

A Keshod-based exporter sold groundnut oil meant for export in small packs to China anticipating a government-imposed ban on export in small packages.

In Gujarat, which accounts for the major part of groundnut production, sowing is at 25 per cent: 400,000 hectares against 650,000 hectares at this time last year.

Speculators inflate chana prices on strong futures



Indore, July 31:

In contrast to a sluggish trend in majority of pulses and pulse seeds, chana continues to rule higher on strong futures and a rise in festival demand. Besides, lower arrivals supported the bullish sentiment.

Cashing in on a steep rise in chana futures, speculators pushed up chana prices at Indore *mandis* by about Rs 100 to Rs 5,000-5,050 a quintal to book profits at the higher rate.

Similarly chana (desi) rose to Rs 4,900 a quintal. The apprehension that the Forward Market Commission would take measures on Tuesday to delist chana from futures trading also supported the price rise in the physical market, said a chana trader, Mr Rahul Vora.

Nevertheless, contrary to apprehensions chana escaped the FMC axe because its prices in the future currently are Rs 400 a quintal lower compared with its prices in the physical market, notwithstanding a steep rise in chana futures in the past two days.

With dwindling domestic stocks and a delay in the arrival of the next crop, the rally in chana is likely to continue in the coming days, more so due to the rise in demand ahead of the festival season beginning next month, said Mr Sanjay Bansal, a wholesale chana trader here adding that before the arrival of next crop in October, chana prices may touch Rs 5,500 a quintal mark in the near future.

The rise in chana also perked up its dal by over Rs 100 a quintal in the physical market with chana dal (average) on Tuesday being quoted at Rs 6,125-6,150 a quintal, chana dal (medium) at Rs 6,225-6,250 a quintal, chana dal (bold) at Rs 6,450-6,475 a quintal.

On the other hand, the dollar chana ruled stable at Rs 7,000-7,800 a quintal on slack demand. In the container version also, sluggish trend continued in dollar chana on weak export demand with dollar chana (42/44 count) being quoted at Rs 8,900 a quintal, 44/46 count ruled at Rs 8800, while 58/60 count ruled at Rs 7,800 a quintal.

Slack export demand has dragged dollar chana prices in the last one week by about Rs 500 a quintal.

Arrival of dollar chana at local *mandis* continues to be weak notwithstanding adequate stock.

On Tuesday, local *mandis* witnessed arrival of around 300-400 bags of dollar chana.

Anticipating a rise in demand after Krishna Janmashtmi festival, stockists are presently holding up dollar chana stock, primarily to get higher returns in the coming days, said Mr Ankur Pandya, a trader.

Turmeric prices slide on heavy arrivals



Erode, July 31:

Spot turmeric prices declined due to the arrival of 11,000 and odd bags for sale on Tuesday.

“Only a few stockists and one or two exporters have procured the turmeric. The market will be closed for five consecutive days from Wednesday and will open on Monday for *Rakshabandhan* and *Aadi 18th* festivals. Hence, most stockists and traders keep off trading. Some stockists quoted lower prices but the growers refused to sell at the quoted prices. So only about half the quotes became trades”, said Mr R.K.V. Ravishankar, President, Erode turmeric Merchants Association.

He said both varieties of turmeric were decreased by Rs 100 a quintal. But due to the arrival of fine variety hybrid Salem crop, the prices increased by Rs 200 a quintal. The exporters have purchased the variety for their orders by paying a higher price. The traders are expecting the prices to increase from next week as they hope to get local orders for the spice.

The farmers said that they are confident of an increase in prices as adverse seasonal conditions and failure of seasonal rains have dragged cultivation.

Prices increased by Rs 150 a quintal at the Erode Cooperative Society as the NAFED and some exporters have purchased the fine variety. Some local traders also purchased the same for their local masala firm orders.

At the Erode Turmeric Merchants Association sales yard, the finger variety was sold at Rs 3,499-6,639 a quintal, root variety Rs 3,496-5,548 a quintal.

Hybrid Salem Crop: The finger variety was sold at Rs 5,629-7,300 a quintal, root variety Rs 5,488-6,060 a quintal. Of the arrival of 1,719 bags of turmeric 890 bags were sold.

At the Regulated Marketing Committee, the finger variety was sold at Rs 6,046-6,681 a quintal; root variety Rs 5,768-6,291 a

quintal. Of the arrival of 1,404 bags of turmeric, 1,329 bags were sold.

At the Erode Cooperative Marketing Society, the finger variety was sold at Rs 5,616-6,529 a quintal; root variety at Rs 5,789-6,139 a quintal. All the 1,502 bags of turmeric kept for sales were sold.

At the Gobichettipalayam Agricultural Cooperative Marketing Society, the finger variety was sold at Rs 5,869-6,456 a quintal, root variety Rs 4,372-6,022 a quintal. All the 131 bags of turmeric kept for sales were sold.

Soyabean falls further on profit-booking



*Business Line*Rains in the soyabean growing areas of Madhya Pradesh have seen the acreage under the crop increasing.

Chennai, July 31:

Soyabean continued to decline on fears that the Forward Markets Commission will crack-down on speculation.

The FMC has in fact doubled the margin money investors have to pay for buying futures. The hike will come into effect tomorrow.

Besides rains in the growing areas of Madhya Pradesh have resulted in the acreage under soyabean increasing to 102 lakh hectares.

According to Mr Rajesh Aggarwal, spokesperson of the Soyabean Processing Association, the acreage is likely to increase by 2-3 lakh hectares given the monsoon showers in the growing areas.

All these factors have combined to trigger profit-booking sales by traders.

August futures were down Rs 40 and were quoting at Rs 4,434 for a quintal on the National Commodities Exchange of India. The October contract was down by Rs 34 at Rs 3,939 and the November contract by Rs 25 at Rs 3,768. The December contract declined by a similar margin to quote at Rs 3,780.

In the spot in Indore, the commodity quoted lower at Rs 4,592 for a quintal.