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High-density planting increases banana yield and brings hope

M. J. Prabu



GOOD GROWTH: one of the beneficiary farmers in the demonstration field. Photo: Special Arrangement

Almost 90 per cent of Israeli technologies are field-oriented

Compared to several western countries, India though endowed with a lot of natural resources, lags behind in agricultural production.

“The main reason for this is that developed technologies are not percolating to the farmers.

“They remain mere project theses on paper. The main reason for Israel doing so well in agriculture is that almost 90 per cent of their technologies are field-oriented and aimed at helping farmers earn more,” says Dr. Prabhukumar, Zonal Project Director, ICAR, New Delhi.

Able to deliver

“We can claim to be farmer oriented only if we are able to transform the developments in labs to the open fields. Our recent research on high density banana planting on the farmers’ fields in Pathanamthitta district of Kerala proves that farmers readily accept new techniques if they are genuinely going to help them get a better yield and income,” he says.

Today apart from rubber, banana is the most popular crop grown by farmers in the region. According to latest statistics available, the crop is grown in an area of 4,642 hectares.

The steady demand for banana due to its varied uses and wide adaptability to different farming situations makes it the small farmer’s favourite crop. The dwindling farm holdings also make this a practical alternative to other crops.

Among several varieties, the Nendran variety occupies the first choice among Keralites as the fruit is in good demand in the State.

Compared to varieties as Grand Nain (golden yellow coloured) that can produce bunches weighing more than 45 kg, Nendran variety produces bunches with an average weight of 7-10 kg only, pushing down productivity and profits.

Since more than 70 per cent of banana cultivation is done on leased lands by resource-poor farmers, obtaining maximum income from a unit area under cultivation assumes utmost importance.

Different technologies

Several research institutes developed different technologies for pushing up productivity. High density planting developed by Kerala Agricultural University helps the farmer to earn better.

In 2007, the Christian agency for rural development, Krishi Vigyan Kendra, Pathanamthitta district, Kerala offered this trump card to farmers.

By organizing farmer participatory research trials, demonstrations, seminars, training, and field visits in the subsequent years, the

institute effectively perfected the technology for easy adoption by the farmers.

According to Mr. Rajan Nair Vavolil, Naranganam, the technology helped him obtain a yield of more than 27t/ha while his fellow farmers got only 8tonnes per hectre.

“From the small demonstration plots of 0.25 ha in 2007, the technology has spread rapidly and in 2012 occupies more than 150 hectares under cultivation involving more than 1,500 farmers in the Pathanamthitta district alone.

“By planting Nendran at a recommended spacing about 2,500 Nendran suckers can be planted in one hectare of land,” says Rincy K Abraham, Horticulturist working at the institute.

In high density planting, banana rows are made at a distance of 3mts and pits of 50 cm x 50cm x50cm size are taken at a spacing of 2mts in each row.

Increased suckers

Then banana plants are planted in each pit at a spacing of 30-45 cm, perpendicular to the direction of rows. The modified plant spacing reduces pit numbers to 1,666 hectares but increases the total number of plants planted to 3,332 in a hectare of land.

Mr. Mohanan Pillai Varikolil, an award-winning farmer says, “double planting helps the plants to utilize water and fertilizer more efficiently through increased root density. It also helps the plants resist winds more effectively and cost for staking was considerably reduced.”

He was able to avoid stakes by tying two plants together or by using only one stake for both the plants.

Uniform growth

Uniformly growing tissue cultured Nendran plants are the best planting material for doing high-density banana cultivation.

“However, sucker plantations can also be raised successfully if due care is given to planting equal weighing suckers in the same pits.

“Planting banana suckers of different sizes in the same pits lead to uneven growth and reduction in yield,” says Rincy.

For more information, Contact Rincy K Abraham, Subject matter Specialist (Horticulture), CARD Krishi Vigyan Kendra, Pathanamthitta email. cardkvk@gmail.com, Ph: 0469 2662094.

Management of Anar butterfly in pomegranate

D. N. Kambrekar

S. B. Kalaghatagi

Remove and destroy affected fruits

Cultivation of high yielding varieties of pomegranate with intensive care and management in the recent past under irrigated condition led to certain severe pest problems.

Among them, infestation by Anar butterfly (fruit borer), *Deudorix isocrates* results in reduction of pomegranate fruit yield and heavy loss for growers. The farmers suffer loss in terms of quantity and quality of fruits.

Black excreta

Adult butterflies lay eggs at the time of fruit setting on flowers and fruits.

Larvae develop inside the fruit and these larvae bore out of the fruits.

Black excreta of caterpillars are commonly seen on fruits.

Its damage is noticed in thirty to fifty days old fruits of pomegranate and the adults prefer thirty to fifty days old fruits for egg laying and most of the eggs are laid on the calyx portion of the individual fruits.

Maximum damage

Fourth and fifth instar larvae caused the maximum damage to fruits and total rejection of fruits is not uncommon on infestation by these insects.

The major constraint in increasing export potential is the quality of pomegranate fruit in terms of size, colour, freedom from blemishes and pesticide residue levels.

Pest management

— Application of physical barriers such as covering the thirty to fifty days old fruits with bags of butter paper in isolated and small scale.

- Removal and destruction of all the damaged fruits showing exit holes
- Clipping off calyx cup of flowers immediately after pollination will help to reduce the egg load on the fruits and damage level.
- Clipping off calyx cup immediately after pollination and two rounds of spraying with neem oil at 3 per cent also controlled pest infestation effectively.
- Two sprays of Emamectin benzoate 5 SG at the rate of 0.25 gms/lit or Spinosad 45 SC at the rate of 0.20ml/lit has recorded highest reduction in the fruit damage, with maximum benefits to the growers.

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

August 23, 2012

Growing rice in soil poor in phosphorus possible

R. PRASAD



The Hindu VALUABLE TRAIT: Scientists are already working on improving phosphorus efficiency in rice crops.

The rare gene found in the roots can improve yield by 60 per cent

A gene present in a specific (aus-type) rice variety, Kasalath, which has its origin in eastern States of India, holds the key to improving yield across the world. This includes soil deficient in natural phosphorus, a mineral essential for food crops.

Natural reserves of the mineral in the soil are limited in “almost half of world’s soil.” About 60 per cent of rain-fed lowland rice is cultivated in phosphorus-poor soil. The compulsion to use phosphorus fertiliser therefore becomes inevitable. But rock phosphate, which is the source of this precious mineral, is limited in quantity and is a non-renewable source.

But growing rice even in such poor and problematic soil without totally depending on phosphorus fertiliser can soon become a reality. Rico Gamuyao from the International Rice Research Institute, Manila, Philippines and his colleagues have successfully identified the gene that provides phosphorus-deficiency tolerance in rice. The results are published today (August 23) in *Nature*.

Though the locus of phosphorus-deficiency tolerance in the aus-type variety, Kasalath was identified a decade ago, the specific gene (PSTOL1) that provides the tolerance remained elusive.

ENCODING

The gene encodes for a protein kinase enzyme that vastly improves rice yield even when the crop is grown in soils deficient in phosphorus.

If the expression of PSTOL1 is pronounced in the roots of rice that have the phosphorus uptake (Pup1) genomic region, it becomes all the more enhanced when the rice is grown in phosphorus-deficient soil conditions.

“This gene is absent from the rice reference genome and other phosphorus-starvation-intolerant modern varieties,” they write. “The absence of PSTOL1 from modern rice varieties underlines the importance of conserving and exploring traditional germplasm.”

To understand and quantify the effect of PSTOL1 in rice grown in phosphorus-deficient soil, the scientists inserted the gene into two rice varieties that naturally lack the gene.

The two rice varieties chosen represent two distinctly different types of modern irrigated varieties. The field trials were conducted in soil that was phosphorus deficient.

What they observed was a truly significant effect of the gene — the yield improvement was as high as 60 per cent. They also found that “expression” of PSTOL1 above a “certain threshold” was essential to “confer tolerance to phosphorus deficiency.”

So how does PSTOL1 help the plants to grow in phosphorus-deficient soil? PSTOL1 expresses itself at high levels in the roots of the plants. This results in these plants having a “significantly higher” total root length and root surface area. PSTOL1 expression also leads to increased root growth and root proliferation.

Though much more has to be known, the scientists are already “attempting to translate their discoveries into improved phosphorus efficiency in rice crops by use of targeted inter-variety breeding,” notes a news piece in the same issue of the journal.

BANGALORE, August 23, 2012

Market intervention scheme sought for milk powder, butter

S. RAJENDRAN

H.D. Revanna, floor leader of the Janata Dal (Secular) in the Legislative Assembly and former chairman of the Karnataka Milk Federation (KMF), has requested that the government approve a market intervention scheme for milk and milk products since stocks of milk powder and butter in the milk unions coming under the aegis of the KMF have shot up in recent months.

It is for the first time that the State government is facing such a request from milk producers and their representatives; Karnataka has for long faced a milk deficit. Mr. Revanna called on Chief Minister Jagadish Shettar and submitted a memorandum urging the government to intervene in the market and seek assistance from the Centre to help milk producers.

Mr. Revanna said the total stock of milk powder in the KMF was 3,597 tonnes (worth Rs. 171 crore) and that of butter was 11,418 tonnes (worth Rs. 65 crore). As milk powder and butter could not be stored for long periods, the government had to intervene immediately.

Delay in payment

Owing to the huge stocks of milk powder and butter, the milk unions across the State had delayed paying milk producers. The dues to the milk producers were increasing by around Rs. 50 crore a week and, currently, the total dues to the producers stood at Rs. 250 crore. Mr. Revanna suggested to the Chief Minister that a loan of Rs. 250 crore be extended to the KMF.

KARUR, August 23, 2012

Fertilizer monitoring cells set up

Fertilizer monitoring cells have been set up in the district to prevent hoarding and smuggling, according to Collector V. Shobana. Farmers could contact the cells established in the district and at the block level to get information on availability and pricing of fertilizers.

KRISHNAGIRI, August 23, 2012

Farmers demand rollback of fertilizer price

The Tamizhaga Vivasaiygal Sangam has demanded the State Government to rollback the price of potassic fertilizers, as it had hit the farmers, especially the paddy cultivators, in the district, said M.R. Sivasamy, State President, said here on Wednesday.

Addressing a demonstration near the new bus stand in Krishnagiri to press 11- point charter of demands, he said that ever since the Union Government introduced the nutrient-based subsidy policy on decontrolled phosphatic and potassic fertilizers in February 2011, the price of fertilizers had witnessed an unprecedented rise.

The others demands of the association included waiver of entire loan obtained by the farmers.

The association also urged the Government to extend Rs. 50,000 per acre as production subsidy to bail out the farmers from the present situation. Even farmers who had dug bore well could not irrigate their fields due to lack of power availability.

TANGEDCO extended only three hours of three-phase supply a day. Farmers having agriculture field in the vicinity of Reserve Forests were also hit, as their produce were damaged by the wild boars.

The association also opposed the move of the government in releasing water from Kelevarapalli Dam well ahead of opening water from KRP Dam and Barur Dam.

Protest

The association also demanded immediate withdrawal of cases registered against 34 farmers who were protest against release of water from Barur dam recently.

Over 300 farmers, including women members participated in the demonstration. K.M. Ramagoundar, State general secretary, Tamizhaga Vivasayigal Sangam, presided.

NAMAKKAL, August 23, 2012

Poultry farmers make marginal profit after two months

M.K. ANANTH

(In Rs.)

Steady rise	
July 20	2.70
July 21	2.72
July 23	2.75
July 26	2.80
August 4	2.86
August 6	2.93
August 9	3.04
August 11	3.07
August 13	3.09
August 20	3.11
August 21	3.21
August 22	3.25

Poultry farmers from this egg production centre have reasons to smile as the heavy loss to the tune of several crores of rupees that they suffered for close to 10 weeks – due to escalating feed rates for egg laying birds – came to an end on Wednesday.

For the first time since mid-June, farmers realised a slight profit of about four paise an egg as the egg rate was revised to Rs. 3.25 on August 22.

The wholesale price of an egg was increased by 10 paise on Tuesday was fixed at Rs. 3.21 before it was increased by four paise to Rs. 3.25 at the National Egg Coordination Committee (NECC) Namakkal Zone's price fixation committee meeting that was held, here today. The price revision, on Tuesday, was the highest increase (by 10 paise in one day) after the NECC here fixed minimum wholesale price for the perishable item at Rs. 2.72 for the year 2012 (on July 21). Since then, the price of an egg has steadily climbed by 54 paise (close to 20 per cent) in 10 stages. State president of the Tamil Nadu Poultry Farmers Association R. Nallathambi told The Hindu that mounting price of the various feed ingredients for egg-laying chicken resulted in a giant leap, in the cost of egg production, from about Rs. 2.25 an egg in June 2011 to Rs. 2.94, in mid June 2012.

According to him, cost of production is now around Rs. 2.96 as feed rates have increased from what it was in June. "For the first time in more than two months, farmers managed to break even when egg rate was fixed at Rs. 3.21 yesterday. The farmers got only about Rs. 2.96 as cash in hand because traders deducted 25 paise per egg – towards packing and handling – from the board rate fixed by the NECC. The price revision on Tuesday and Wednesday has given farmers the hope to make up for the loss suffered by them," he added.

NECC, Namakkal Zone, chairman P. Selvaraj, said that the existing practice of fixing the price of egg every day – based on prevailing market prices and movement of egg – would continue till traders' rollback the packing and handling charges to the standard 20 paise for an egg. On regular days, the price is fixed thrice a week – on Mondays, Thursdays and Saturdays.

Mr. Selvaraj expressed confidence that the price of egg will continue to rise in the coming days.

CHITRADURGA, August 23, 2012

'Ban machine harvesting of paddy'

The former Chief Minister B.S. Yeddyurappa has appealed to the State government to pass an order banning machine harvesting of paddy in Shimoga, Raichur, Bellary, Koppal and Davangere districts.

He told presspersons here on Wednesday that the government should include harvesting of paddy under works that could be carried out under the Mahatma Gandhi National Rural Employment Guarantee Act. The former Chief Minister appealed to Chief Minister Jagadish

Shettar to issue a circular cancelling holidays of all government employees in drought-hit districts. Minister for Cooperation and district in-charge B.J. Puttaswamy, Janardhanswamy, MP; B. Chandrappa, MLA; D. Sudhakar, MLA and G.H. Tippareddy, MLC, were present.

DAVANGERE, August 23, 2012

Farmers in Karur demand compensation

Farmers in Karur, whose lands were acquired in 2000 for a textile park and the Deputy Commissioner's new office complex, staged a protest here on Wednesday. They climbed on top of the complex and demanded the district administration compensate them adequately and give them residential sites. Led by Tejasvi Patel, farmers' leader and general secretary of the State Sugarcane Growers' Association, farmers demanded the district administration pay adequate compensation and allot sites in any residential extension in the city to farmers who lost sites in Karur. The district administration had acquired over 143 acres and 25 guntas in Karur, to build the new office complex and the textile park. Mr. Patel said as the proposal to set up the textile park had been dropped, the district administration should either give back the land to farmers or compensate them as per the prevailing market rate.

August 23, 2012

Yeddyurappa wants waiver of all farm loans

Seeks special package for tackling drought in State



Making a point: Former Chief Minister B.S. Yeddyurappa speaking at Nayakanhatti village in Chitradurga district on Wednesday.

The former Chief Minister B.S. Yeddyurappa has demanded that the Union government waive all farm loans and declare a special package for the State in view of the drought.

He was speaking after reviewing the drought situation at villages in Challakere, Hiriur and Molakalmuru taluks here on Wednesday. Mr. Yeddyurappa said irrespective of their political affiliations, all elected representatives in the State should join hands in tackling the drought .

He said the State government had taken steps to waive Rs. 3,500 crore in farm loans and added that the Union government should reimburse the amount so that more could be done to tackle the drought .

Mr. Yeddyurappa, who visited a farm in Challakere taluk, said the government should solve the problems of shepherds. He said that in Chitradurga alone, there were 5.29 lakh head of sheep that did not have sufficient fodder. He said the State government had opened goshalas for cattle, but not taken steps to provide fodder and water to sheep and goats. "The issue will be brought to the notice of State government and it will be discussed with the officers ," he added

During his visit to Meersabihalli village, he appealed to people to make full use of job opportunities provided under the Mahatma Gandhi National Rural Employment Guarantee Act.

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- *'All elected representatives must work together to tackle drought'*
 - *State government urged to solve the problems of shepherds*
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hindustantimes

■ Thu,23 Aug 2012

weather

Chennai - INDIA

Today's Weather



Sunny

Thursday, Aug 23

Max Min

33.6° | 27.1°

Tomorrow's Forecast



Rainy






Friday, Aug 24

Max Min

34° | 27°

Rain: 0	Sunrise: 05:57
Humidity: 70	Sunset: 06:25
Wind: normal	Barometer: 1008

Extended Forecast for a week

Saturday Aug 25	Sunday Aug 26	Monday Aug 27	Tuesday Aug 28	Wednesday Aug 29
				
31° 27°	33° 26°	32° 26°	32° 27°	31° 27°
Rainy	Rainy	Rainy	Rainy	Rainy

THE ECONOMIC TIMES

22 AUG, 2012, 04.28PM IST, REUTERS

Soybean, soyoil climb on overseas cues; rapeseed flat

MUMBAI: Soybean and soyoil futures extended gains on Wednesday following a similar trend in overseas markets, while rapeseed was steady as heavy rainfall in the top producing Rajasthan state is likely to help the sowing starting from October.

Malaysian palm oil futures were up 3.04 percent at 3,052 ringgit per tonne by 0811 GMT, while U.S. soybean eased 0.32 percent to \$17.27 per bushel, after rising 2.9 percent in the previous session.

"Rally is continuing in the world market. Every week forecasters are cutting soybean production estimate for the U.S. That is the main reason behind the upside," said Prasoon Mathur, senior analyst with Religare Commodities.

"Local fundamentals are bearish. Madhya Pradesh received good rainfall, which was good for soybean. Now Rajasthan is getting heavy rain. It will help rapeseed sowing."

The October soybean contract on India's National Commodity and Derivatives Exchange jumped 1.48 percent to 4,059 rupees per 100 kg.

The September soyoil contract rose 1.05 percent at 801.3 rupees per 10 kg, while rapeseed edged up 0.3 percent to 4,392 rupees per 100 kg.

Indian farmers have cultivated soybean on 10.64 million hectares as on Aug. 16, compared with 10.23 million hectares at the same time a year earlier, farm ministry data showed.

At the Indore spot market in Madhya Pradesh, soyoil rose 5.25 rupees to 787.5 rupees per 10kg, while soybean climbed by 53 rupees to 4,572 rupees per 100 kg. At Sri Ganganagar in Rajasthan, rapeseed fell 75 rupees to 4,143 rupees per 100 kg.

India's vegetable oils industry has called on the government to press China to lift a ban on imports of Indian rapeseed meal, a key industry official said on Wednesday, ahead of the arrival by end-August of a delegation from Beijing.

22 AUG, 2012, 04.01PM IST, PTI

Pepper futures down 1 pc on sluggish export, spot demand

NEW DELHI: Pepper prices declined by 0.86 per cent to Rs 41,600 per quintal in futures trade today as speculators indulged in trimming their positions amid sluggish export and weak spot demand. At the National Commodity and Derivatives Exchange, pepper for delivery in August fell by Rs 360, or 0.86 per cent, to Rs 41,600 per quintal, with an open interest of 5,182 lots. Similarly, the spice for delivery in October lost Rs 195, or 0.46 per cent, to Rs 42,160 per quintal, with an open interest of 1,987 lots. Analysts said off-loading of positions by speculators due to sluggish exports and weak demand at domestic spot markets, mainly weighed down on the prices.

22 AUG, 2012, 03.54PM IST, PTI

Cardamom futures extend losses on profit-booking

NEW DELHI: Cardamom prices fell further by Rs 24.60 to Rs 1,028 per kg in futures trade today as speculators booked profits amid subdued spot demand. increased arrivals from producing regions also kept pressure on cardamom futures prices. At the Multi Commodity Exchange, cardamom for delivery in September fell by Rs 24.60, or 2.33 per cent, to Rs 1,028 per kg, with a business turnover of 1,445 lots. It had lost four per cent in yesterday's session.

The spice of October delivery also eased by Rs 6.70, or 0.62 per cent to Rs 1,067 per kg, with a business volume of 370 lots.

Marketmen said continued profit-booking by speculators at prevailing higher levels and slackened demand in the spot market against increased arrivals from producing belts mainly kept pressure on the cardamom prices at futures trade.

22 AUG, 2012, 04.25PM IST, REUTERS

Chana extends fall on weak demand

MUMBAI: India's chick peas, or chana, futures fell the fourth straight day on Wednesday tracking sluggish spot market, weak demand from millers and improved rains over parts of kharif pulses-cultivating states.

Rajasthan and Madhya Pradesh have been receiving good rains for the last few days, which would help kharif-sowing. The cultivation of chana, a rabi crop for which sowing starts in October, depends on soil moisture.

Monsoon rains picked up in the past week, bringing some respite to farmers.

At 0825 GMT, the most-active chana for September delivery on the National Commodity and Derivatives Exchange fell 0.27 percent to 4,779 rupees per 100 kg.

"Demand is almost negligible from millers in spot on fears of further fall in prices. But at this level, prices should stabilise because festival buying would again pick up," said Arun Kumar Goel, a trader from Delhi.

In the Delhi spot market, chana fell 67 rupees to 4,800 rupees per 100 kg.

Demand from millers and retailers eases around the 5,000-rupee level on hopes of some dip in prices. However, the festival season is seen supporting buying on lows.

Farmers have completed sowing of kharif pulses on 8.53 million hectares by Aug. 16, down from 9.74 million hectares a year earlier.

22 AUG, 2012, 04.12PM IST, PTI

Sugar output may slip to 23 mn tonnes in 2012-13: KV Thomas, Food Minister

NEW DELHI: Sugar output could fall by three million tonnes to 23 million tonnes (MT) in the 2012-13 marketing year starting October on account of poor rains, but supply would be enough to meet demand, Food Minister K V Thomas said.

The annual domestic demand of sugar is about 22 MT. Sugar production in the ongoing 2011-12 marketing year (October- September) would be little over 26 MT.

"My personal feeling is that sugar production in 2012-13 could be 23 million tonnes. Even some section of industry is estimating production to be at this level," Thomas told PTI.

"I do not worry about availability as production would be more than the demand. We will not require to import. But the only thing is the country may not have surplus sugar for export like we have in the current year," he said.

In May, sugar exports were freed and put under the Open General Licence (OGL). Prior to that the government had allowed two million tonne exports for the 2011-12 marketing year.

About 1.35 MT of sugar have been shipped in the first six months of the current marketing year.

For the entire 2011-12 marketing year, Indian Sugar Mills Association (ISMA) has estimated total exports at 3.5 MT against 2.8 MT in the previous year.

At present, export of sugar has become less lucrative due to a sudden rally in domestic prices on apprehension about production drop in the next year. Global prices are ruling lower than the domestic rates at present.

Sugar production in the next marketing year is expected to decline as a result of likely fall in sugarcane productivity, especially in Maharashtra and Karnataka, due to drought-like situation. Monsoon is deficient by 15 per cent so far.

Thomas' projection of 23 MT of sugar production is much lower than ISMA's initial forecast of 25

MT for the 2012-13 marketing year.

Leading sugar-refiner Shree Renuka Sugars has pegged sugar output between 23.5 MT and 24.5 MT for the next year on account of poor rains in some states.

Business Standard

Thursday, Aug 23, 2012

Potato falls 1.3% on increased supply

Lower demand influences prices

Press Trust of India / New Delhi August 22, 2012, 14:38 IST



Potato prices fell by Rs 16.50 to Rs 1,258 per quintal in futures trade today on increased supplies from producing belts against lower demand.

At the Multi Commodity Exchange, potato for delivery in October fell by Rs 16.50, or 1.29%, to Rs 1,258 per quintal, with a business turnover of 28 lots.

September potato declined by Rs 7.90, or 0.65%, to Rs 1,190.20 per quintal, with a business turnover of 19 lots.

Experts said increased supplies from producing belts in the spot markets against lower demand kept pressure on potato futures.

Chana remains weak on sluggish demand

September contract falls over 1%

Press Trust of India / New Delhi August 22, 2012, 14:15 IST



Chana prices fell further by Rs 52 to Rs 4,740 per quintal in futures trade today on sluggish demand at prevailing higher levels against adequate stocks.

At the National Commodity and Derivatives Exchange, chana for delivery in September month fell by Rs 52, or 1.09%, to Rs 4,740 per quintal, with an open interest for 78,870 lots.

The October contract declined by Rs 48, or 0.98%, to Rs 4,842 per quintal in 25,790 lots.

Traders said sluggish demand at prevailing higher levels against adequate stock availability weighed on the commodity.

Increased supplies, driven by improved rains in Rajasthan and Madhya Pradesh, which would help kharif-sowing, influenced prices, they added.

Pepper down 1% on sluggish exports, spot demand

October contract falls 0.46%

Press Trust of India / New Delhi August 22, 2012, 14:08 IST



Pepper prices declined by 0.86% to Rs 41,600 per quintal in futures trade today as speculators indulged in trimming their positions amid sluggish exports and weak spot demand.

At the National Commodity and Derivatives Exchange, pepper for delivery in August fell by Rs 360, or 0.86%, to Rs 41,600 per quintal, with an open interest of 5,182 lots.

October pepper lost Rs 195, or 0.46%, to Rs 42,160 per quintal, with an open interest of 1,987 lots.

Analysts said off-loading of positions by speculators due to sluggish exports and weak demand at the domestic spot markets, weighed down on pepper prices.

Cotton Advisory Board may lower output estimate

Anindita Dey / Mumbai August 23, 2012, 0:22 IST

The Cotton Advisory Board (CAB) may lower the production estimate of cotton for the October-September (2011-12) season to 34-34.5 million bales from the earlier estimate of 35.2 million bales.

This is due to the commodity's lower arrivals in the market, mainly affected by erratic rains, especially in Gujarat, the leading cotton producing state in the country. CAB will meet this week to review the output estimates.

Industry sources, however, said the meeting is too early for predicting the production estimate for the 2012-13 season. The meeting is also likely to take up other policy issues, such as rising prices of cotton, import of raw cotton, additional supply sources of cotton for the local market and issues with the proposed Cotton Trade Bill.

Sources said the estimate for the 2012-13 was expected to be not more than 32-32.5 million bales based on the total area of production which is around 10 per cent less at 11 million hectares this year. While Gujarat is yet to receive sufficient rainfall, cotton growing parts of Vidarbha (Maharashtra) and Karnataka are receiving excess moisture due to delayed rains.

The country till date has exported a total of around 13 million bales of cotton. However, due to rising domestic prices, imports also started towards June-July. Till date, a total of around 1-1.2 million bales have been contracted for imports.

For 2011-12, while the ministry of agriculture estimated total cotton production at 35.2 million bales, the private industry has predicted 34.7 million bales. Sources added that in order to avoid such discrepancies in estimates, the Cotton Trade (Development and Regulation) Bill, 2012, has been proposed, which seeks to have complete control, even overriding the existing

state laws, over the entire process of production, processing and manufacturing by imposing monetary penalty and imprisonment for violation of any rule.

The draft regulations require all ginning, pressing and processing factories, as well as traders and manufacturers of yarn to register themselves afresh with the textile commissioner within three months of the enactment of the Act and get permanent bales identification system installed at their premises.

Besides, in order to better manage cotton availability for the local market, the textiles ministry wants to regulate cotton exports. Last year, the jurisdiction of cotton export registration process was shifted from the textile ministry to the commerce ministry following complains by exporter associations, said sources. The textile ministry has written to the ministry of commerce and the Directorate General of Foreign Trade (DGFT) on this issue.

In all likelihood, cotton would be taken off the open general licence (OGL) in the ensuing season commencing from October, sources said . The commerce ministry had put cotton under OGL in 2011 for the cotton season ending September 2012.

Until recently, India was a big exporter of cotton. The country's annual harvest was pegged at 35.2 million bales, while domestic requirement was just 26 million bales. Currently, there is hardly any stock in the domestic market to feed the domestic industry, which is a peculiar situation, said officials.

Commodities enter bull market after drought hits crops

Bloomberg / August 23, 2012, 0:19 IST

Commodities entered a bull market, gaining 21 per cent from a June low, as grain prices surged after the most severe US drought in half a century and as crude oil rallied amid increased tension in the Middle East.

The Standard & Poor's GSCI Spot Index of 24 raw materials rose 0.9 per cent to end at 675.55 yesterday in New York. The gauge has jumped from this year's lowest close of 559 on June 21. A gain of more than 20 per cent is the common definition of a bull market. Crude accounts for more than 50 percent of index.

Soybeans rose to a record yesterday, and corn soared 66 per cent since mid-June. The US

Department of Agriculture has declared almost 1,600 counties in 32 states as natural-disaster areas after the drought seared millions of acres of cropland. “There have been weather-related supply disruptions, and as long as you have any type of global growth, you’re going to have increased demand for grains,” said Walter “Bucky” Hellwig, who helps manage \$17 billion at BB&T Wealth Management in Birmingham, Alabama. “Given that the US is the bread basket for grains, that’s going to have a significant impact.”

GLOBAL RALLY

- Soybeans rose to a record yesterday, and corn soared 66% since mid-June
- The oilseed jumped 43% in 2012, wheat in Chicago climbed 41%, and corn was up 30% yesterday
- The jump in grains and oilseeds sent world food prices up 6.2% in July, the biggest rise since November 2009, the United Nations Food & Agriculture Organization said on Aug 9

Soybeans and grains have led advances this year in the GSCI measure. As of yesterday, the oilseed jumped 43 per cent in 2012, wheat in Chicago climbed 41 per cent, and corn was up 30 per cent.

Through yesterday, the commodity gauge gained 4.8 per cent in 2012, while the MSCI All-Country World Index of equities climbed nine per cent and the dollar was up 2.1 percent against a basket of major currencies. Treasuries returned 1.3 per cent, a Bank of America Corp index shows.

Mideast Tension

Crude has rallied since late June on speculation that Israel may strike Iran to delay its nuclear program, and on concern that fighting in Syria may draw in neighboring states in a region that supplies about a third of the world’s oil. Yesterday, futures in New York climbed to a three-month high on speculation that euro-area leaders will make progress in resolving the region’s debt crisis this week.

Front-month futures ended at \$96.68 a barrel on the New York Mercantile Exchange yesterday, 24 percent higher than the year's lowest close on June 28. Brent oil in London is on course for the eighth weekly gain in the past nine. Commodities, which traded little changed at 674.87 at 11:37 am in Singapore, have rallied on speculation that the economies in China and the US will rebound.

Chinese Premier

Wen Jiabao said that there's "growing room for monetary policy operation" amid easing inflation, state television said August 15. Confidence among US consumers improved in August, and an index of leading indicators climbed more than forecast in July, separate reports showed on August 17. China is the biggest consumer of everything from copper to pork, and the US is the largest user of crude oil and corn.

Food Prices

The jump in grains and oilseeds sent world food prices up 6.2 per cent in July, the biggest increase since November 2009, the United Nations Food & Agriculture Organization said on August 9. The gauge, which tracks 55 food items, slid seven per cent in the previous three months on the outlook for bumper world harvests and ample dairy and meat supplies.

In mid-June, Goldman Sachs Group Inc moved to a "near- term overweight" recommendation in commodities. On August 10, the bank maintained forecasts for a rally in corn to \$9 a bushel in three months, adding that soybeans may climb to \$20 a bushel, while wheat may reach \$9.80 a bushel. Yesterday, soybean futures for November delivery rose 2.9 per cent to settle at \$17.325 on the Chicago Board of Trade, after reaching an all-time high of \$17.34.

Corn's Record

Corn for December delivery jumped 1.8 per cent to \$8.3875 in Chicago. The price earlier reached \$8.40, the highest since rallying to a record \$8.49 on August 10. Wheat futures for December delivery advanced 2.1 per cent to \$9.22 in Chicago. The price increased for five straight sessions and was up 47 per cent since June 15.

"We expect soybean prices to outperform to ration resilient export demand in the face of critically low US supplies, corn prices to rally to secure sufficient ethanol demand destruction, and wheat prices to underperform corn prices on relatively higher supplies," Goldman analyst Damien Courvalin wrote in the August 10 report.

US corn production may drop to 10.78 billion bushels, a six-year low, while the soybean harvest at 2.69 billion bushels would be the smallest since 2007, the USDA said on

August 10. Crops are in the worst condition since 1988, a year when the corn harvest tumbled by 31 per cent because of drought. "The grains have been the strongest-performing subsector in commodities the past few months, and that has purely been driven by supply-side considerations and the US drought in particular," said Sudakshina Unnikrishnan, a London-based analyst at Barclays Plc.

In the week ended

August 14, hedge funds held wagers on a rally across 18 US futures and options contracts near the highest in 11 months, according to the most-recent US Commodity Futures Trading Commission data. A measure of 11 US farm goods showed speculators' bullish bets in agricultural commodities rose 0.6 per cent.

Cocoa, gasoline, silver, gold and cattle also have posted gains this year.

THE HINDU **Business Line**

Pepper futures continue to fall

G. K. Nair

Kochi, Aug 22:

The pepper market continued its downward trend on Wednesday with the first two active contracts dropping and ending below the previous day closing while the third moving up marginally.

There was circular trading to push the market down. Liquidation and switching over were also seen.

No selling pressure was there on the ready pepper as the banks remained virtually closed following the strike call given by several bank trade unions.

Hence, no arrivals were there from the primary markets.

In the past, there used to be some selling pressure before the Onam but this year so far nothing of the sort has happened, market sources told *Business Line*.

September contract on the NCDEX dropped by Rs 255 to the last traded price of Rs 41,705 a quintal. October declined by Rs 55 to the LTP of Rs 42,300 while November moved up by Rs 100 to the LTP of Rs 42,850 a quintal.

Turnover

Total turnover increased by 1,881 tonnes to close at 3,835 tonnes. Total open interest declined by 10 tonnes to 7,019 tonnes. September open interest decreased by 330 tonnes to 4,907 tonnes while Oct and Nov increased by 314 tonnes and 6 tonnes respectively to 2,062 tonnes and 45 tonnes. Spot prices in tandem with the futures market trend declined by Rs 100 a quintal to close at 38,900 (ungarbled) and Rs 40,400 (garbled) a quintal. Indian parity in the international market was at \$7,800 a tonne (c&f) Europe and \$8,100 a tonne (c&f) for the US. Exporters who have made commitments made earlier to the origin specific buyers would have to fulfill their commitment now by burning their fingers, trade sources said. The available stock here is enough to meet the domestic demand and that of the exporters with pending commitments, they said. According to an overseas report today the current reported firmness in the market in Brazil is entirely due to the lack of working capital. "The money is tied up in stocks and shipping documents," the report said.

Mixed trend in spot rubber

Kottayam, Aug. 22:

Spot rubber continued to show a mixed trend on Wednesday. The undercurrent was weak as there were no genuine buyers to support the prices even at lower levels. According to observers, the market is slowly moving in to a holiday mood prior to Onam and the commodity is expected to remain under the grip of bears in the days ahead.

Sheet rubber moved down to Rs 169 (170) a kg both at Kottayam and Kochi, according to traders and the Rubber Board. There was no visible selling pressure from dealers or growers and the prices retreated amidst low volumes.

RSS 4 declined at its September series to Rs 166.20 (169.01), October to Rs 164 (167.75), November to Rs 163.26 (167.12) and December to Rs 164.15 (167.71) a kg on the National Multi Commodity Exchange.

RSS 3 (spot) weakened to Rs 153.50 (154.77) a kg at Bangkok. The August futures slipped to ¥213 (Rs 149.06) from ¥213.5 a kg during the day session but then bounced back to ¥214 (Rs 149.77) a kg in the night session on the Tokyo Commodity Exchange.

Spot rates were (Rs/kg): RSS-4: 169 (170); RSS-5: 160 (160); ungraded: 153 (153); ISNR 20: 148.50 (150) and latex 60 per cent: 113 (113).

Sugar slips on selling pressure from mills



Mumbai, Aug 22:

Sugar prices at Vashi market dropped by Rs 40 – Rs 60 a quintal in spot on Wednesday due to higher selling pressure.

Local demand remained routine while to finish the free sale quota in time mills continued selling at reduce rates.

Weak sentiments at producer level weighed on naka trade with decline of Rs 20 – Rs 60. Mill sold sugar Rs 40 –

Rs 50 lower as overall sentiments in physical and futures markets was bearish said traders.

Sources said local retail demand was need based and routine while heavy selling pressure mounted at producing

level as millers have to sell off allotted free sale quota in time before month end. Government has released additional

quota of 6.66 lakh tonnes in two tranche over and above free sale quota of 45 lakh tonnes initially declared for

July – September quarters for which producers are directed to sale 70 % of the quota means 31.50 lakh tones

till August end. As per traders total about 20 lakh tonnes of sugar flow is expected in August. As half of the month

is passed away it seems that mills are under pressure to sale the quota.

In Vashi market new business remained routine while arrivals were slightly higher. Freight rates were steady after

decline by Rs 5 per bags last week. Sugar prices crossed Rs 3900 marks in Vashi market on 4th August with the

jump of Rs 250 in week then additional release of free sale quota has erased the same in a week due to improve

selling by mills.

Analyst said, in International markets sugar futures prices slid to a fresh two and a half month low on Tuesday on investor and producer selling, as the market remained under pressure from harvesting in top producer Brazil. Favourable weather in Brazil had enabled harvesting to pick up and that producer selling weighed on prices. Brazil cane crush data is expected from industry group Unica later this week. On Tuesday October -12 futures dropped by \$ 18.30 to \$547.90 (\$566.20) lowest since 8th June. December -12 futures declined by \$13.90 to \$548.20 (\$562.10) per ton.

In Vashi market arrivals were 55 - 56 truck loads (Each of 100 bags of quintal each) and local dispatches were about

51-52 truck loads. On Tuesday about 19 – 20 mills offered tenders and sold about 48,000 – 50,000 bags (Each of 100 kgs)

to local stockiest in the range of Rs. 3,350-3,400 (Rs 3,380-3,430) for S-grade and Rs 3,460-3,500 (Rs 3,460-3,550) for M-grade.

Bombay Sugar Merchants Association's spot rates: S-grade Rs 3,501-3,575 (Rs 3,540-3,612) and M-grade Rs 3,562- 3,701

(Rs 3,622- 3,731). Naka delivery rates: S-grade Rs 3,450 -3,470 (Rs 3,470-3,500) and M-grade Rs 3,500-3,620 (Rs 3,560-3,650).

Tur and its dal



Indore, Aug. 22:

Tur and its dal ruled firm on strong buying support from the millers. Tur (Maharashtra) ruled at Rs 5,000 a quintal, while tur (Indore variety) was quoted at Rs 4,200-4,500. Tur (lemon) ruled at Rs 4,450. Given improved buying support from the millers and lower crop output this year, future of tur appears to be bullish in the coming days.

According to traders, with deficient rainfall in tur growing States of Andhra Pradesh, Karnataka, Maharashtra and Uttar Pradesh, sowing of tur in the country this year has been comparatively less as compared to the last year.

As a result of this, production of tur in the country, according to trade sources, here is expected to decline by 15 per cent. With decline in domestic stock (which is barely 10%) and delay in

arrival of new crop of tur from Karnataka and Maharashtra which is expected to hit the mandis by December and January 2013, dependency on imported tur will increase, leading to rise in its prices in the coming days, said Prakash Vora, a local wholesale pulse trader. Compared with its minimum support price in tur which is currently Rs 3,840 a quintal, tur prices in the physical market is ruling over Rs 1,000 a quintal. Tur dal ruled stable even as demand in pulses remained slack. In the spot, tur dal (full) ruled at Rs 6,700-6,800 a quintal, tur dal (sawa no.) at Rs 6,300-6,400, while tur marka ruled at Rs 7,600.

Moong: Moong and its dal continue to rule stable despite sluggish demand and arrival of new moong with high moisture content and inferior quality. In the spot, moong (best quality) ruled at Rs 4,900-5,000 a quintal. Moong dal also ruled stable on subdued demand with moong dal (medium) being quoted at Rs 6,100-6,200, moong dal (best) at Rs 6,600, while moong mongar ruled at Rs 7,000-7,100.

Poultry feed firm on high input costs



Karnal, Aug. 22:

Following a steady trend in the prices of key ingredients, prices of poultry feed products remained unchanged. Subhash Sharma, Financial Head, Sarvottam Poultry Feed Supply Centre Pvt. Ltd, said that despite a fall in the prices of soyameal last week, prices of feed products have been kept unchanged because it is still ruling on the higher side, even after the recent fall. Huge export of soyameal is a reason behind the high prices prevailing in the domestic market. India exported 40 lakh tonnes of soyameal in 2011-12. On the other hand, an increment

in the prices of maize and bajra last week is also not allowing us to slash the feed products at present, Sharma added. Prices of the key ingredients of the poultry feed have been ruling range-bound, since last weekend. Soyameal quoted at around Rs 4,200-4,250 a quintal. Maize ruled around Rs 1,500 a quintal, bajra was at Rs 1,300 a quintal, DCP went for Rs 43 a kg, while fish oil sold at Rs 98 a litre.

Poultry feed products

Broiler concentrates feed quoted at Rs 2,010 for a 50-kg bag while broiler starter mash was at Rs 1,490 for a 50-kg bag. Broiler pre-starter concentrate 30 per cent sold at Rs 1,700 for a 30-kg bag, while layer concentrate cost Rs 1,530 for a 50-kg bag. Pre-lay mash quoted at Rs 1,050 while broiler finisher sold at Rs 1,470 for a 50-kg bag. Prices of poultry feed products have been ruling unchanged since August 8 and may continue to rule around current levels even the next week, said Sharma.

North-East unrest takes colour off turmeric



Erode, Aug. 22:

Spot turmeric prices witnessed downtrend today on lack of buying support from North India.

“Turmeric exporters here failed to get fresh orders from Assam and other North-eastern States due to unrest there. Usually during this season Erode exporters will get orders from these places. Further, many North-based traders have purchased at Rs 4,000-4,500 a quintal some days back. Now that they have built the stocks, they are now conducting resale policy of

bringing the already procured turmeric to the market in north India and selling them for Rs 6,000 and odd. So they are not placing any fresh orders now”, said R.K.V. Ravishankar, President, Erode Turmeric Merchants Association. He said only 5,000 bags of turmeric arrived for sale. The turmeric grower farmers are expecting increased prices and hence holding back their produce. Similarly, only the stockists have purchased the turmeric. Of the arrival of 5,000 bags, only 60 per cent were sold. Prices showed a slight decrease of Rs 100 a quintal, including the hybrid variety for want of demand. At the Erode Turmeric Merchants Association Sales yard, the finger variety was sold at Rs 3,499-6,409 a quintal, root variety at Rs 3,109-6,139.

Salem Hybrid Crop: The finger variety fetched Rs 6,209-6,819, root variety Rs 6,199-6,499. Of the 721 bags that arrived, 371 were sold. At the Regulated marketing Committee, the finger variety was sold at Rs 6,172-6,625; root variety Rs 5,867-6,316. Of the 544 bags arrived, 435 bags were sold. At the Erode Cooperative Marketing Society, finger variety was sold at Rs 5,779-6,444, root variety at Rs 5,472-6,200. All the 620 bags of turmeric were sold. At the Gobichettipalayam Agricultural Cooperative Marketing Society, finger variety fetched Rs 5,369-6,469, root variety Rs 5,121-6,181. All the 85 bags were sold.

Castor seed slips on profit-booking



Chennai, Aug. 22:

Castor seed futures on the NCDEX declined by three per cent today on account of speculation and profit-booking.

Castor seed futures for September delivery were down 3.4 per cent at Rs 4,492 a quintal while the October and November series dropped by 3.3 per cent to Rs 4,635 and Rs 4,770 respectively.

Castor seed prices had earlier declined drastically by 37 per cent during October 2011-May 2012 on account of record production that resulted in a supply glut.

However, lower sowing of castor seeds coupled with firm export demand for its oil led prices to bounce back.

Acreage of castor seed as on August 9 stood around 2.75 lakh hectares, which is just 35 per cent of the total normal area.

Gujarat, Andhra Pradesh and Rajasthan are the three major castor producing States accounting for around 60 per cent, 19 per cent and 14 per cent share, respectively, of total output.

India is the largest producer of castorseeds in the world and the biggest exporter of castor oil. Castor oil is used mainly to manufacture lubricants, cosmetics, synthetic nylon, specialised chemicals and pharmaceutical products.

Due to surplus production and low domestic consumption, the nation is in a position to export almost 80-85 per cent of its production in the form of castor oil.

According to the Solvent Extractors' Association of India, castor oil exports were up 17.5 per cent during the first three months of the FY 2012-13 with June witnessing a 47 per cent jump to 67,000 tonnes, compared with the same period a year ago.

In the spot market at Disa (Gujarat), castor seed was quoted at Rs 4,271 a quintal.

Lower area, coupled with robust export demand for castor oil from China and some countries from Europe, may keep castorseed prices firm.

However, a sharp upside may be capped because India has sufficient stocks from last year's bumper harvest.

Soyabean futures up on global cues

Vishwanath Kulkarni



Business Line Soyabean prices are ruling firm as the worst drought in 56 years has trimmed the US crop by 12 per cent to 2.692 billion bushels.

New Delhi, Aug 22:

Soyabean futures were up in early trade tracking global cues.

On the National Commodity and Derivatives Exchange Ltd (NCDEX), the new crop soyabean contract for October 19 gained about a per cent and was seen trading at Rs 4039 a quintal on Wednesday morning.

Similarly, the November contract was higher by 1.35 per cent to trade at 4,030 a quintal.

The December and January 2013 contracts were also trading higher by over 1.5 per cent each pointing to the bullish trend in the soyabean prices.

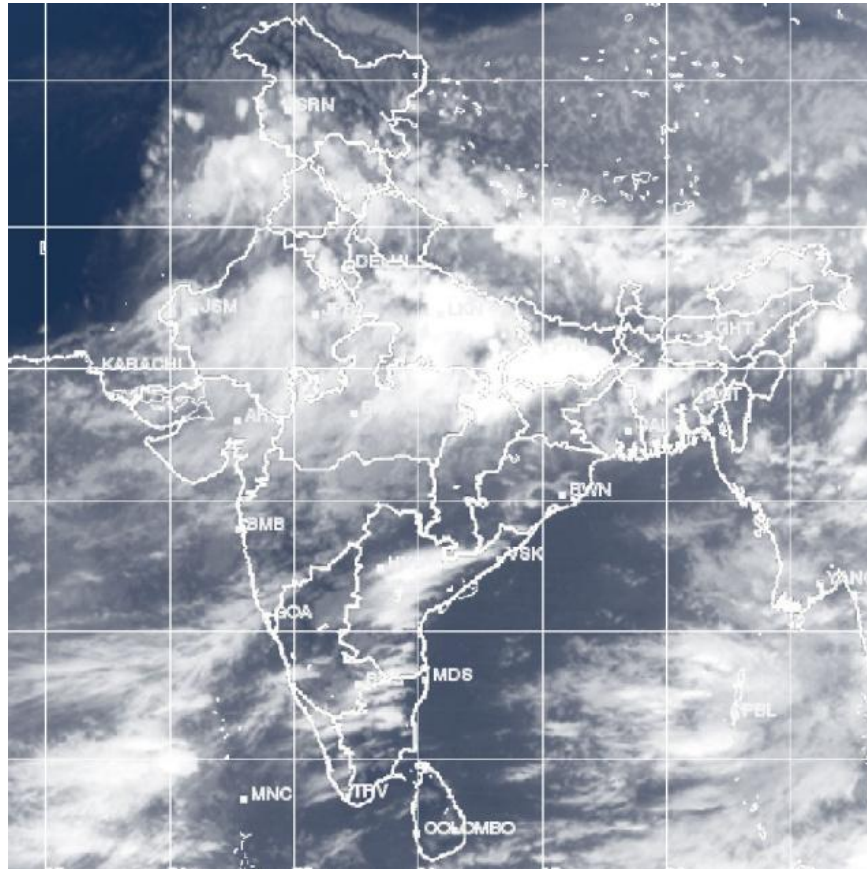
Soyabean prices are ruling firm as the worst drought in 56 years has trimmed the US crop by 12 per cent to 2.692 billion bushels (one bushel equals 27.215 kg), according to latest USDA estimates.

The Indian farmers, lured by attractive returns last years, have planted an all-time high acreage this year.

Soyabean acreage as per latest estimate stands at 106.40 lakh hectares against 102.27 lakh ha in the previous year.

Heavy monsoon spell over north, east India

Vinson Kurian



Thiruvananthapuram, Aug 22:

The expansive monsoon session continued over northwest India, east and northeast India during the 24 hours ending Wednesday morning.

Global model forecasts suggest heavy rains would continue to last parts of these regions over the next couple of days.

PACIFIC TYPHOONS

Two back-to-back typhoons, 'Tembin' and 'Bolaven,' have been churning up the East China Sea to sustain the monsoon flows over the past few days.

Models forecasts persist with the already articulated view that a comparatively drier climes over Central India would migrate to north India by the weekend (August 25).

Ongoing rains in the north are expected to lose in intensity and withdraw themselves to the fringes of the north India adjoining the Himalayan foothills.

Rains would also have lifted from West Rajasthan and adjoining Gujarat, even beginning to sign off from these regions marking end of the season here.

In the meantime, some rain would find its way into peninsular India. It is expected to be more pronounced towards the east coast along Chennai and adjoining south coastal Andhra Pradesh coast.

SOUTHERN SPELL

The wet spell is forecast to hold until midweek next week, these models suggest.

India Meteorological Department (IMD) said in an update that the monsoon was active over Arunachal Pradesh, Assam, Meghalaya, sub-Himalayan West Bengal and Sikkim until Wednesday morning.

Over northwest India, similar conditions persisted over Himachal Pradesh, Uttarakhand, Haryana, Delhi, Chandigarh and west Madhya Pradesh.

The causative 'low' was located to over south Uttar Pradesh and adjoining north Madhya Pradesh.

RAIN ALERT

A rain alert said that heavy to very heavy rainfall would lash the Jammu division, Himachal Pradesh, Uttarakhand and east Rajasthan during the next two days.

Heavy rains have been forecast for Punjab, Haryana, Chandigarh, Delhi, Uttar Pradesh and Madhya Pradesh.

An extended outlook by the IMD valid for the next seven days predicted some rain for the western Himalayan region, the west coast, east and northeast India.

Coonoor tea auction volume hits 11-week low

P.S. Sundar

Coonoor, Aug. 22:

Thirteen lakh kg has been catalogued for Sale No: 34 of Coonoor Tea Trade Association auctions to be held on Thursday and Friday, reveals an analysis of brokers' listing.

This is the lowest offer in the last 11 weeks barring last week when the volume was 12.91 lakh kg. It is about 76,000 kg less than the offer this time last year.

Of the 13 lakh kg on offer, 9.57 lakh kg belong to the leaf grades and 3.43 lakh kg to the dust grades. As much as 12.1 lakh kg belong to the CTC variety and only 0.9 lakh kg to the orthodox variety. The proportion of orthodox teas continues to be low in both the leaf and dust grades.

On the leaf counter, only 0.56 lakh kg belong to orthodox while 9.01 lakh kg to the CTC. Among the dusts, only 0.34 lakh kg belong to orthodox while 3.09 lakh kg to the CTC.

Fresh teas comprise 12.31 lakh kg of the offer. Only about 69,000 kg comprise teas unsold in previous auctions. Last week, in the leaf tea auction, Hindustan Unilever Ltd (HUL) bought good medium varieties. Duncans Tea Ltd showed some interest in brokens. Tata Global Beverages Ltd and Godfrey Philips India Ltd were selective.

In the dust tea auction, HUL, Godfrey Philips and Tata Global were selective while Duncans Tea did not operate.

'Move to ban oilmeal exports counter-productive'

Mumbai, Aug. 22:

The Government proposal to ban export of oilmeals will jeopardise all the efforts made by the industry to promote exports, said Sushil Goenka, President, Solvent Extractors' Association of India (SEAI).

The Department of Animal Husbandry recently said it will recommend a complete ban or impose duty on oilmeals to improve domestic supply and bring down prices.

"The industry is not interested in export for the sake of export. There is a limited demand for oilmeal in India and therefore, the industry has to tap other avenues," said Goenka.

The total production of oilseeds and oil-bearing material in the country is about 481 lakh tonnes and the availability of oilcake/meal is 330 lakh tonnes. India exports about 15 per cent of its total oilmeal production.

The exports have helped farmers realise better price for oilseeds and also the vegetable oils obtained by solvent extraction adds to the domestic pool of vegetable oil production, he said.

The oilmeal export ban, if implemented, will be counter productive as it will not only hit the crushing industry but also the solvent extraction plants that could face a shut down resulting in lesser vegetable oil production. A situation like this would lead to larger import of edible oil and higher prices of oilmeal in the domestic markets, Goenka said.

In order to bring down domestic oilmeal prices, the Central Government should swiftly notify its decision to allow duty free import of oilcake. If this is done, he said, the industry can explore the possibility of importing copra cake from the Philipines and Indonesia, palm kernel cake from Indonesia and Malaysia, sunflower cake from Ukraine and other east European countries and canola cake from Australia.

This will not only augment supply of de-oiled meals but also encourage higher capacity utilisation of the solvent extraction plants.

Now, soyabean farmers in M.P. pray for sunshine

Vishwanath Kulkarni



New Delhi, Aug. 22:

Farmers in Madhya Pradesh, who have planted a record area under soyabean, are now looking up to the Sun god to reap a good harvest.

The prevailing cloud conditions in central India for the past few weeks have triggered some concerns among the farming community, which is anticipating better prices than last year.

Soyabean prices have almost doubled in the past one year to the current levels of Rs 4,000 a tonne on tight global supplies following drought in Brazil and Argentina and now in the US.

In India, farmers have planted soyabean on an all-time high acreage of 106 lakh hectares this year against 102 lakh hectares last year. The crop is currently in the flowering stage in Madhya Pradesh, the largest growing State, which saw an excess downpour of 15 per cent, especially in the western parts.

“The trickle is still on and the cloud condition has been there for almost a month. Unless there is some sunshine in the next 8-10 days, plant growth could be stunted,” said Rabindra Thakur, a farmer in his mid-50s from Semlya Chau in Indore district.

However, scientists at the Indore-based Directorate of Soyabean Research (DSR), said the cloud condition in central India is not unusual during this time of the year.

“The crop is in good condition so far, as the rainfall is very well-distributed. There is no major threat of any pest attack, but a sunny grace will definitely help the crop,” said V.S. Bhatia, Principal Scientist at DSR.

Thakur, who has planted four different varieties in his family holding of 15 hectares, is expecting better prices this year. “The global crop is short this year mainly because of the drought in the US. We expect prices in the range of Rs 3,500-4,000 a quintal,” he added.

Thakur, who earned between Rs 1,700 and Rs 2,300 a quintal last year, said the cost of cultivation had gone up to around Rs 18,000/hectare, as prices of fertilisers, labour and fuel have risen.

Maharashtra crop

“The crop is as good as last year, or better” said Rajesh Agarwal, spokesperson for the Soyabean Processors Association of India. He expected the final area to be higher by up to 2 lakh hectares from the reported 106.40 lakh hectares, as the industry believes there could be some under-reporting of acreage especially in Maharashtra.

Farmers in Maharashtra, especially Vidarbha, have planted more soyabean as compared to cotton last year. The total area is up by 1.8 lakh hectares to 31.8 lakh hectares. In MP, the total area this year may exceed the last reported number of 58.12 lakh hectares.

Price trend

Agarwal said the uptrend in prices in recent months would depend on the climate in US. The USDA has already forecast a 12 per cent decline in this year's crop to 2.692 billion bushels (one bushel equals 27.215 kg).

"If the drought in US persists and the crop gets trimmed further, there will be high demand for the Indian soyabean and meal this year," he said.