THE HINDU

MYSORE, August 3, 2012

The untiring efforts of a crop breeder

C.H. Lakshmanaiah singularly pioneered the development of many hybrid varieties of ragi

Pioneering work:Thanks to Lakshmanaiah's efforts, the yield per hectare of ragi has increased manifold.— Photo: M.A.SRIRAM

Selected as a clerk in the Indian Railways, in what was a "coveted job" during the 1950s, he chucked it to pursue his passion for agriculture.

While it may not have been the Railways' loss, it was definitely a gain for agriculture and helped popularise ragi as the mainstream diet in the rural areas of south Karnataka.

And at a time when farmers in drought-affected areas in the district and rest of the State are making a switch to ragi for sustenance, it is appropriate to recall the contributions of the late C.H. Lakshmanaiah who singularly pioneered the development of many of its hybrid varieties.

Thanks to his untiring efforts as a crop breeder, ragi, which was known to be cultivated only in dry conditions as a kharif crop, can today be cultivated under any climatic conditions throughout the year. The average yield of this drought-resistant crop, which was stagnant at three to four quintals a hectare for centuries, has increased to 15 to 18 quintals now.

The story of Lakshmanaiah is the stuff that legends are made of and his work in ragi breeding is no less important that the pioneering work on wheat by Norman Borlaugh. But since ragi for long has been perceived as a "poor man's crop", Lakshmanaiah neither got international laurels

— the way Borlaug received encomiums and was capped with Nobel Prize — nor was he accorded due importance during his lifetime. Born in a poor agricultural family of Harohalli in Mysore taluk on May 15, 1921, Lakshmanaiah went through the grind for his education, learning to write alphabets on sand-spread.

After completion of intermediate course from the Maharaja's College in Mysore, he joined the Central College, Bangalore, for a degree with Botany as one of the subjects.

On completion of his graduation, Lakshmanaiah got an appointment in the Railways as a clerk. But he found his calling in agriculture and was selected as a Junior Botanist at the VC Farm in Mandya where he was in charge of the crop museum. It was here that Lakshmaniah decided to take up crop breeding with thrust on ragi.

As Lakshmanaiah's son Vasanthkumar, an agriculture scientist himself, explained to *The Hindu* : "My father was discouraged by his superiors on the grounds that Lesli Coleman, the then Director of Agriculture Department in the erstwhile Mysore State, had given up ragi breeding in the absence of an established and tested method. Lakshmanaiah persisted and came out with what is called 'contact method' which was a major breakthrough."

But since Lakshamanaiah was "not qualified enough" and his superiors scoffed at him, he hesitated to make his findings public and silently worked in the kitchen garden at Ponnampet. What followed was nothing short of miracle.

"In the late 1950s and early 1960s came varieties such as Poorna, Sampurna, Annapoorna, Udaya, Shakti, Aruna etc , This was followed by the path-breaking Indaf series which was a combination of Indian and African variety of ragi while Indaf-7 was developed exclusively for cultivation in cold conditions," Mr. Vasanthkumar said.

As a result of this pioneering development, ragi spread to other parts of the State and is now recognised as an important source of food security and is recommended even for diabetics. Though no individual has bred so many varieties of crops, Lakshmaniah died relatively unknown on May 14, 1993. But, a biography detailing his work is under preparation and is likely to be released this year and will help rescue him from obscurity.

THIRUVANANTHAPURAM, August 3, 2012

More schools take up farming

SEEDS OF SELF-RELIANCE:Saplings being planted on the premises of Bharatiya Vidya Bhavan Senior Secondary School, Kodunganoor, in Thiruvananthapuram on Wednesday.

More and more schools are implementing a comprehensive project launched by the Department of Agriculture to promote vegetable cultivation on school premises and the homes of students. The latest school to take up farming is Bharatiya Vidyabhavan Senior Secondary School, Kodunganoor.

K. Muraleedharan, MLA, inaugurated the ‘Munshi Harithotsavam’ project by planting saplings on the school premises on Wednesday.

Speaking at the function, Mr. Muraleedharan pointed out how Kerala depended on neighbouring States such as Tamil Nadu to meet its food demands.

A lion’s share of the vegetable requirement in the State was met by supply from the neighbouring States.

It was high time that the people learned to cultivate vegetables in their own soil for day-to-day consumption to lead a healthy and self-sufficient life, Mr. Muraleedharan said.

Kits distributed

As part of the scheme, with the twin objectives of self-sufficiency and self-sustenance, vegetable seed kits, comprising vegetables which could be grown with minimal care, were distributed to students for cultivation on the premises of their houses and schools.

G.S. Sheena, councillor of Kodunganoor, distributed seed packages to the students of the school.

The scheme also aims at imparting skill and enthusiasm of growing vegetables among school students.

Besides government, aided and unaided schools, the vegetable farming scheme is being implemented in selected CBSE schools and private educational institutions as well.

HYDERABAD, August 3, 2012

Fruits go out of bounds this festive season

ASIF YAR KHAN

IN DEMAND:Following short supply and deficient rainfall, the prices of fruits have gone up significantly during the holy month of Ramzan.— PHOTO: K. RAMESH BABU

The high prices of fruits are making people think twice before going for big purchases. Prices of a majority of the fruits have increased since the beginning of Ramzan month. Prices of a few varieties of fruits increased by hundred per cent.

As a practice people use some amount of fruits at the time of breaking fast but going by the current prices their intake has considerably reduced. Instead people are taking in more snacks.

For instance bananas which are usually priced between Rs. 25 and Rs. 30 a dozen are now being sold at Rs. 40 and Rs. 45 a dozen. Its price has seen a significant increase a few weeks before the beginning of Ramzan. “The supplies are less due to scanty rainfall. Also, there is heavy demand for fruits due to the ongoing ‘Shravana’ month when Hindus conduct special poojas,” said Amiruddin, a fruit commission agent at Kothapet fruit market. Bananas are brought from Guntur, Warangal, Kadapa and Nanded in adjoining Maharashtra.

Apart from banana, the prices of apples, papaya, grapes and pomegranate have seen a significant increase. Apple is priced between Rs. 25 and Rs. 45, Sweet lime (Mosambi) is priced between Rs. 120 and Rs. 200 a dozen, while papaya is sold for Rs. 30 a kilogram in the retail market. “A small pomegranate that was sold for five rupees before Ramzan is sold for Rs. 10 and even more,” laments Zubair Ahmed, of Hussaini Alam.

M. Tajuddin, president, Wholesale Fruit Commission Agents Association, says, “There is a rise in prices of unseasonal fruits due to less supply and more demand. But it is the hawkers who are adding up their bit to it in the hope of earning big.” He hopes the prices of apples will scale down after the Shimla variety start arriving in the city from next week onwards.

However, the retail fruit vendors blame the main suppliers for jacking up the prices to cash in on the demand. “The variety of apples that was priced at Rs. 2,400 a carton is now being sold to us at Rs. 3,000 forcing us to increase prices,” says Mohd. Muneeb, a fruit vendor, at Chaderghat.

ONGOLE, August 3, 2012

Collector advises farmers to foray into fish rearing

Prakasam district Collector Anita Rajendra and Fisheries AD A. Balaram releasing fish into a water tank at Koppulu on Thursday.

Prakasam district Collector Anita Rajendra on Thursday urged farmers to diversify into fish farming to insulate themselves from losses sustained in agriculture in the event of natural calamities or depressed market condition. “Fish farming is a profitable venture, thanks to subsidy being provided by the National Fisheries Development Board to tap the tremendous potential that exists in fresh water acquaculture,” she said after releasing Indian Major Carps fish into the fish pond at Koppolu on the city outskirts. “Farmers should not be dependent just on agriculture. They should go for allied activities so that when there is loss in one venture, the other venture could come to their rescue,” she underlined. Giving details of the NFDB scheme, Fisheries Assistant Director A. Balaram said while farmers belonging to the SC community could get 25 per cent subsidy for setting up fish pond, others could get 20 per cent of the project cost as subsidy.

Dalit farmer T. Moshe said he started rearing fish in 1.20 acres obtained from the SC Corporation. “Now, I have increased the farm extent to 10 acres. A profit of Rs. 1.50 lakh can be earned by rearing fish in one acre,” he added.

Koppulu residents sought the Collector’s intervention for cleaning the polluted Koppulu Chervu. “The tank spread over 64 acres is the only source of drinking water that was merged into Ongole at the time of its upgradation into a Municipal Corporation,” the villagers told her.

COIMBATORE, August 3, 2012

‘Coconut price will be stable’

The Domestic and Export Market Intelligence Cell of Tamil Nadu Agricultural University has forecast that the price of coconut in August-October will be between Rs. 6 and Rs.8. There will be marginal increase in price in September-October.

According to a release, the price of coconut over the last 10 years was studied at the Pollachi Regulated Market.

Major districts cultivating coconut are Coimbatore, Tirupur, Tanjavur, Dindigul, Kanyakumari, Vellore, Theni, Tirunelveli, Krishnagiri, Salem and Madurai. In India, coconut production was 10.82 million tonnes during 2010.

BANGALORE, August 3, 2012

Opposition stages walkout over farm varsity in Shimoga

The University of Agricultural Sciences and Certain Other Law (Amendment) Bill–2012, seeking to carve out a new agricultural and horticultural university with headquarters in Shimoga, that got the Assembly's nod on Wednesday, was passed in Legislative Council on Thursday, amid a protest and walkout by the Opposition.

Besides urging the government to withdraw the Bill and refer it to a joint select committee , the Opposition suggested strengthening the existing agricultural, veterinary and horticultural varsities, instead of setting up another varsity in Shimoga.

Leader of the Opposition S.R. Patil demanded an explanation from the government on the need to bifurcate and integrate horticultural and agricultural faculties in the existing varsities.

Basavaraj Horatti (JD-S) accused the government of creating confusion among the student community.

Problems

Detailing the problems faced by various universities opened after the BJP came to power, he urged the government to make all agricultural universities into integrated varsities by including horticulture and veterinary faculties.Even Arun Shahapur (BJP) criticised the government for including horticulture faculty in the new university in Shimoga.However, he clarified that he had no objection to the opening of the farm varsity.Minister for Agriculture Umesh Katti said the varsity was being set up to help farmers and horticulturists in Malnad districts of Shimoga, Hassan and Chikmagalur, and Udupi, Dakshina Kannada, Kodagu and Davangere districts.

BIJAPUR, August 3, 2012

UAS offers help in increasing fodder production

R.R. Hanchinal, Vice-Chancellor of the University of Agricultural Sciences, Dharwad, has advised the government to manufacture fodder bricks as was being done in Gujarat to tackle the fodder shortage owing to drought.

He suggested that the government take up extensive production of fodder and set up fodder banks to help farmers, for which Prof. Hanchinal said the university was ready to offer support.Speaking at the 14th Scientific Advisory Committee meeting held at the Agriculture Research Centre, Hitnalli, on Wednesday, he said it was the primary responsibility of the university to come to the rescue of farmers during a natural crisis such as drought.Prof. Hanchinal advised the members of the committee and the centre's authorities to educate farmers on alternative methods of farming during drought, set up fodder banks on the premises of the centre and take up large-scale production of fodder on a pilot basis.He also advised them to conduct workshops for women farmers on supplementary agricultural activities and ensure programmes to equip them with marketing knowledge for their products.Prof. Hanchinal instructed the officials of the centre to prepare a proposal to set up a community radio station to broadcast information to farmers about agriculture and other supplementary activities. He said the government had reserved a grant of Rs. 54 lakh for the purpose, and added that the project had been taken up in association with the Department of Agriculture and the Agriculture Research Centre.Officials were instructed to identify land for the project before preparing the proposal. Urging officials to make full use of the facility, he said the university would assist in appointing the staff required to operate and maintain the community radio station.*Call to educate farmers on alternative methods of farming*

WARANGAL, August 3, 2012

KU reaps dividends from water harvesting

University taps nearly two crore litres from recharge structures on the sprawling 650 acre campus

Conservation:A check dam brimming with water on the Kakatiya University campus.— Photo: By arrangement

The Kakatiya University officials reaped a rich harvest of rainwater this season. They successfully found a permanent solution to the severe shortage of drinking water on the campus.

Thanks to the Central Ground Water Board which sanctioned Rs. 75.18 lakh to the university authorities to construct artificial recharge structures on the sprawling 650 acre campus.

Showing around the check dams brimming with rainwater, Prof. R. Mallikarjun Reddy, one of the coordinators of the project, said that of the approximate eight crore litres of rainwater received on the campus, they created structures that would be tapping nearly two crore litres. “We constructed nine check dams and four percolation tanks which are all full of water now due to recent rain. There are 40 borewells on the campus, of which 10 became defunct. Now all the 30 borewells are fully recharged,” he told *The Hindu*.

Every year, the KU officials either conducted the examinations before May or after reopening in June or July for want of drinking water. The staff quarters, hostels, departments and others offices experience severe shortage of drinking water every year. The Department of Geology faculty came up with the proposals to tap the rainwater and applied for the financial assistance. Luckily, the Ministry of Water Resources has agreed to fund the project which took off on November 22, 2011.

The department constructed a chain of check dams ending with a sprawling but small percolation tank behind the Girls Hostel which now has turned into a beautiful spot as it witnessed rejuvenation of biodiversity around.

The project also envisaged construction of 69 rooftop rainwater harvesting structures of which 44 were already completed. According to Mr. Mallikarjun Reddy, the campus needs 4.15 lakh litres per day but only 3.16 lakh litres were available from all sources. Now, the campus would be in a position to meet all its demand for the present and also in future without any problem.

hindustantimes
Fri,03 Aug 2012

weather

Chennai - INDIA

Today's Weather

Rainy

Friday, Aug 3

Max	Min
36o	27o

Rain: YES
Humidity: 0
Wind: 0

Sunrise: 0
Sunset: 0
Barometer: 0

Tomorrow's Forecast

Rainy

Saturday, Aug 4

Max	Min
35o	27o

Extended Forecast for a week

Sunday	Monday	Tuesday	Wednesday	Thursday
Aug 5	Aug 6	Aug 7	Aug 8	Aug 9
34o | 27o	34o | 27o	33o | 28o	33o | 27o	32o | 27o
Rainy	Rainy	Rainy	Rainy	Rainy

THE ECONOMIC TIMES

2 AUG, 2012, 02.37PM IST, PTI

Cardamom futures hit lower circuit,down 4 pc on profit-booking

NEW DELHI: Cardamom futures prices today extended initial losses and dropped further to hit lower circuit with prices falling by 4 per cent, to Rs 1,431 per kg as speculators booked profits at prevailing higher levels amid sluggish demand.

Adequate stocks position in the physical market following increased arrivals from producing regions also put pressure on cardamom futures.

At the Multi Commodity Exchange, cardamom for delivery in August fell further by Rs 59.60, or 4 per cent to Rs 1,431 per kg in business turnover of 3,172 lots.

Similarly, the spice for delivery in September lost Rs 49.50, or 3.59 per cent, to Rs 1329.70 per kg in 948 lots.

"Emergence of profit-booking after recent gains and fall in demand at current prices, pulled down cardamom prices at futures trade," said an analyst.

2 AUG, 2012, 01.59PM IST, PTI

Chilli futures gain 1.70 pc as demand picks up

NEW DELHI: Chilli futures prices today gained 1.70 per cent to Rs 5,734 per quintal on speculators increasing their positions driven by a firming spot demandagainst thin supplies.

At the National Commodity and Derivatives Exchange, chilli for delivery in August gained Rs 96, or 1.70 per cent, to Rs 5,734 per quintal, with an open interest of 4,595 lots.

Likewise, the spice for delivery in September traded higher by Rs 88, or 1.50 per cent, to Rs 5,948 per quintal in 8,720 lots.

Marketman said pick-up in demand in the spot market and thin supplies from producing regions mainly pushed up chilli futures.

2 AUG, 2012, 12.56PM IST, PTI

Chana futures extend gains on thin supply, output concerns

NEW DELHI: Chana futures prices today extended upward trend with prices rising further by Rs 50 to Rs 4,923 per quintal as speculators created positions amid thin supplies.

Besides, deficient rains in key growing regions also pushed up prices.

At the National Commodity and Derivatives Exchange, chana for delivery in September added Rs 50, or 1.03 per cent, to Rs 4,923 per quintal, with an open interest of 78,640 lots.

Likewise, the commodity for delivery in August gained Rs 44, or 0.92 per cent, to Rs 4,807 per quintal in 35,320 lots.

Market analysts said besides rising demand in view of festive season, thin supplies and a likely decline in production due to weak rainfall in key growing areas, also kept chana futures higher.

THE NEW INDIAN EXPRESS

Cheap tomatoes: Cheer to consumers, misery to ryots Published Date: Aug 3, 2012 9:14 AM Last Updated: Aug 3, 2012 10:07 AM

The price of tomatoe decreased by 1,200 percent at Madanapalle market in a span of a fortnight with increased supply from Tamil Nadu and Karnataka, as well as from farms in the Anantapur region.

The price of tomatoe decreased by 1,200 percent at Madanapalle market in a span of a fortnight with increased supply from Tamil Nadu and Karnataka, as well as from farms in the Anantapur region.

During mid-July, the price of tomatoe at Madanapalle market had reached a high of Rs 30 per kg when farmers and traders reaped high profits.

As a drought-like situation prevailed in the state and neighbouring Tamil Nadu and Karnataka due to poor monsoon, the tomato farmer got unexpectedly high return for his produce in July.

The price of tomato at Madanapalle market in June was just Rs 2.50 per kg. With increased supply from the two neighbouring states following good rains there in July, the cost of tomatoes came down again to Rs 2.50 per kg on Thursday. Increasing from Rs 2.50 per kg to Rs 32 per kg and reverting back to Rs 2.50 per kg has occurred in a month's time.

Speaking to Express, K Lakshmi, a housewife in Tirupati who came to purchase tomatoes at the market, said the price of tomato at the Tirupati vegetable market 10-days ago was Rs 32 per kg and that it had come down to Rs 10 per kg on Thursday, which surprised her pleasantly. Lakshmi said the price in June was less than Rs 10 per kg in the retail market, but touched the Rs 32 per kg mark in a short time.

Farmers, particularly from Krishnagiri, Dharmapuri in Tamil Nadu, Chintamani in Karnataka, as well as from Anantapur in the state are supplying tomatoes in large quantities to the Madanapalle market, which is the main reason for the fall in prices. The price fall has brought cheer to households in the state, but the farmers, middlemen and retailers are a dejected lot as their profits have crashed.

Madanapalle marketing yard chairman Nasiruddin said the prices at Madanapalle market reflect not only the situation in the state but also in the neighbouring two states. The price of tomato will come down in Hyderabad, Chennai and Bengaluru. The Madanapalle market influences the prices of vegetables in all the three states, he said.

Business Standard

Friday, Aug 03, 2012

Coffee exports slip 5.3% in January-July period

Mahesh Kulkarni / Chennai/ Bangalore August 3, 2012, 0:30 IST

India’s coffee exports have declined 5.3 per cent to 228,212 tonnes for the first seven months of the present calendar year (January to July 2012) compared to the corresponding period last year. This includes 45,762 tonnes of Arabica and 126,676 tonnes of Robusta and 55,636 tonnes of instant coffee.

The decline in exports is largely due to a drop in Arabica prices and lower production of Robusta beans during the last crop season. However, the weakened rupee against the dollar helped exporters recover some of the losses during the first seven months of this year, analysts said. “Actually, we were expecting about 10-15 per cent decline in exports during the period. Thanks to weaker rupee and higher demand for value-added coffee, the decline in exports during this period was trimmed. Till June 2012, the exports were down by 10 per cent. However, still we expect to close the current calendar year with about 10 per cent drop in overall exports compared to last year,” Ramesh Rajah, President, Coffee Exporters’ Association of India said.

During 2011, India’s coffee exports stood at 343,224 tonnes valued at Rs 4,827 crore.

The export of Indian origin coffee was, however, declined by 7.2 per cent to 195,531 tonnes between January and July 2012 as against 210,791 tonnes during the same period last year. The export of value-added coffee stood at 32,681 tonnes, a growth of 8 per cent over 30,242 tonnes exported during the first seven months of last year.

The Robusta Parchment (washed variety) has seen good demand in the international markets, especially Europe. As a result the prices of this variety have almost doubled to Rs 7,900 per 50 kg bag compared to about Rs 4,300 per bag in July 2011. The European markets have been consuming higher quantity of Robusta as the percentage mix of Robusta in the blended coffee has gone up from 30 per cent to 50 per cent this year, an exporter of coffee said.

In value terms, the total coffee exports were flat at Rs 3,383 crore as against Rs 3,382 crore. “Even though the rupee weakened against dollar, there was no gain for exporters as the prices of Arabica have declined by about 35-36 per cent this year from a high of 250 cents per lb in December last year to 160 cents per lb in June this year. Because of this drop, the growers were reluctant to export their produce this year,” M P Devaiah of Allanasons Ltd, an exporter of coffee said.

India exports coffee to Italy, Germany, Russian Federation, Belgium, Slovenia, Jorda, Spain, Malaysia, USA and Greece among others. Italy accounts for about 27 per cent of the total exports from India, followed by Germany and Russian Federation. The top ten exporters from India include NKG Jayanti Coffee Pvt Ltd, Allanasons Limited, Amalgamated Bean Coffee, Tata Coffee Ltd and ITC Limited among others.

Veg oil refiners to gain from better capacity utilisation on upward tariff revision

Dilip Kumar Jha / Mumbai August 3, 2012, 0:12 IST

The government's decision to revise import tariffs on refined, bleached and deodorised (RBD) palmolein is set to change the fortunes of domestic vegetable (veg) oil processors, including Ruchi Soya Industries, Liberty Oil, Adani Wilmer and Cargill India.

Apart from a boost in capacity utilisation, processing margins would significantly go up to make the companies more profitable.

Stepping ahead with the Cabinet's decision to defreeze the six-year-old $484 tariff and make it market linked, the government yesterday raised the rate of RBD palmolein significantly to $1,053 a tonne. It also banned the export of branded edible oil in consumer packs, which was restricted at 10,000 tonnes for several years.

VOICES

"Our bottom line was hit in the last few quarters due to under-capacity utilisation; we were operating at 75% due to lower import of crude palm oil. Import would go up with the increase in tariff. Hence, our operating capacity will improve to 100%"

DINESH SHAHRA

MD, Ruchi Soya Industries Ltd

> *“We were operating at 30-40% of our refining capacity. But, now the operating capacity would increase to 50-60% with the import of CPO”*
>
> SIRAJ CHOUDHARY
>
> CEO (refined oils), Cargill India Ltd

“Ruchi Soya’s bottom line was severely hit during the last few quarters due to under capacity utilisation as the company was operating at 75 per cent due to lower import of crude palm oil (CPO). The import of CPO would go up with the increase in tariff. Hence, our operating capacity will improve to 100 per cent and make our business more profitable,” said Dinesh Shahra, managing director of Ruchi Soya Industries Ltd.

During the first quarter (April–June) import of crude palm oil witnessed only 3.26 per cent increase; whereas import of refined palmolein saw a jump of more than 90 per cent. The edible oil refining industry was reeling under the dual pressure of the adverse export tax regime imposed by Indonesia since October 2011, and the fixed rate for import of refined palmolein was frozen for the past six years.

The Cabinet Committee on Economic Affairs recently approved the proposal of the ministry of consumer affairs, food & public distribution to defreeze the tariff value on imported RBD palmolein. This will help Ruchi Soya in better capacity utilisation of refining and improve margins, he said.

“We were operating at 30-40 per cent of our refining capacity for the last few months. But, now the operating capacity would increase to 50-60 per cent with the import of CPO,” said Siraj Choudhary, chief executive officer (CEO) (refined oils), Cargill India Ltd.

According to Atul Chaturvedi, CEO of Adani Wilmar Ltd, the ban on export of 10,000 tonnes of branded consumer pack of edible oil (up to five kg) would have a minuscule affect on Adani’s business, the quantity being very low.

As the tariff value remained unchanged for about six years, though import duty on refined oil is 7.5 per cent, the effective rate is only about 3.6 per cent on current prices. In September 2011, Indonesia the largest exporter of CPO to India increased the export duty on CPO from 15 per cent to 16.5 per cent and reduced the export duty on refined palmolein from 15 per cent to eight per cent, which further affected the domestic refining industry.

During November 2011 to April 2012, 919,000 tonnes of RBD refined palmolein was imported against 487,000 tonnes during corresponding period in previous year (increase of 88.7 per cent), whereas imports of CPO increased marginally from 217,200 tonnes to 24.93 tonnes (increase of 14.8 per cent).

India's total import of veg oil was recorded at 8.7 million tonnes out of total consumption of 15 million tonnes last year. This year (November 2011-October 2012), however, total import of veg oil is estimated at around 9.2 million tonnes. India imports palm oil mainly from Indonesia and Malaysia and soybean oil from Argentina and Brazil.

Cardamom hits lower circuit, down 4% on profit-booking

Increased arrivals weaken prices

Press Trust of India / New Delhi August 02, 2012, 14:50 IST

Cardamom futures prices today extended initial losses and dropped further to hit lower circuit, with prices falling by 4% to Rs 1,431 per kg as speculators booked profits at prevailing higher levels amid sluggish demand.

Adequate stocks position in the physical market following increased arrivals from producing regions put pressure on cardamom futures.

At the Multi Commodity Exchange, cardamom for delivery in August fell further by Rs 59.60, or 4%, to Rs 1,431 per kg in business turnover of 3,172 lots.

September cardamom lost Rs 49.50, or 3.59%, to Rs 1329.70 per kg in 948 lots.

"Emergence of profit-booking after recent gains and fall in demand at current prices, pulled down cardamom prices at futures trade," said an analyst.

Southern spinners opt for cotton imports

Sharleen D'Souza / Mumbai August 3, 2012, 0:14 IST

Cotton imports by mills in the south have picked up considerably in the last one month on the back of lower international prices and expected delay of fresh arrivals in the domestic cotton market.

Bannari Amman Spinning Mills, a leading cotton spinner from the south, is importing 10 per cent of its annual consumption from Africa. “Importing is cheaper at a time when domestic supply of new cotton has delayed,” said S V Arumugam, managing director (MD) of the company.

The mills are sourcing the raw material from west Africa, Uganda and Tanzania. A total of 1.5 to two million bales (a bale=170 kg) are expected to be imported by November after India’s new crop cotton enters the market.

Since May, export orders have remained almost stagnant. During October-May, 11 million bales were exported. However, since then, only one million bales were exported.

Also, this year, the area under cotton cultivation is lower compared to last year. This will push up the price of cotton eventually. In the next two to three weeks, 300,000 to 400,000 bales are supposed to flow in.

Traditionally a cotton exporting country, it is unusual for India to import the commodity. The last time India had imported cotton heavily was in 2004, as the area under cotton was lower due to poor rainfall.

According to the Confederation of Indian Textile Industry, so far, 500,000 bales have been imported and another 100,000 bales are expected to come in from Africa by the end of

September.

Last year, 700,000 bales of cotton, most of which was long staple, was imported. This season, including the long staple, cotton imports are expected to cross two million bales.

Landed cost of imported cotton is Rs 35,000 a candy (a candy = 356 kg) of average quality, while the benchmark local variety, Shankar 6, is quoted at Rs 37,000 a candy.

Since June 15, the price of Shankar 6 has gone up by 12.5 per cent to Rs 10,320 per quintal, while cotlook index, reflecting benchmark international cotton prices, has fallen 1.6 per cent to 81.65 cents per pound.

Sarvanan Subramaniam, MD, TRK Textiles, a Tirupur-based mills, said, “When it comes to producing cotton yarn, we cannot pass the price rise of domestic cotton, which is not the case with imported cotton as it is cheaper.”

THE HINDU Business Line

Egg prices set to rise as austere season ends

Our Bureau

Chennai, Aug. 2:

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

Egg prices ruled flat at Rs 2.80 a piece this week but the National Egg Coordination Committee, Namakkal zone, has decided to hike the floor price at its upcoming stakeholders' meet on Saturday. Egg prices have already been hiked in Delhi, Barwala and Kolkata – major consuming markets in the North.

Moreover, soaring feed costs, too, are prompting the industry to effect a price rise. Prices of soyameal, a key ingredient in poultry feed, has more than doubled this year to Rs 42,000-42,500 a tonne from last year. Maize prices, too, are up by 1.8 per cent at Rs 1,490 a quintal. Oil and oil meal prices, too, are way high, making feed an expensive commodity for poultry industry.

Meanwhile, to offset losses incurred by farmers, the NECC fixed minimum guarantee price at Rs 2.72 - which means prices will not go down below this level at any time. On the other hand, broiler prices have been cut by Rs 9/kg to Rs 46 owing to consumer resistance and lower demand. Prices of layer birds have been retained at Rs 35.

With weather changing, mustard oil buying slackens

Indore, Aug. 2:

With mandis in Madhya Pradesh and Rajasthan being closed on Thursday on account of *Raksha bandhan*, mustard seeds and oil remained stable. In Indore mandis, mustard oil ruled flat at Rs 825, while it was Rs 820 at Neemuch, Rs 830 at Moorena. Similarly, at Kota and Shree Ganga Nagar it was quoted at Rs 830 each, while it ruled Rs 845 in Jaipur and Rs 820 in Gujarat respectively.

In the past one week, mustard oil either ruled stable or declined marginally on weak futures and slack buying support on account of change in weather condition. With decline in stock and drought-like situation in many States, both the stockists and speculators had pushed up prices to a record level of Rs 850 for 10 kg sometime ago. However, recent showers and the Centre’s move to rein in soaring prices in the futures market has dampened trading sentiments among the speculators leading to a decline in mustered oil prices in the past few days.

Mustard seeds in Indore and Neemuch was quoted at Rs 4,500 and Rs 4,300 a quintal respectively. Besides, weak buying support, decline in futures in the past few days have also added to bearish sentiment in mustard. Plant deliveries has also declined on weak demand from the crushers with plant deliveries for Jaipur line on Wednesday declining to Rs 4,420-50 a quintal. However, as compared to its prices in the past 2-3 days, mustard seeds futures on the NCDEX gained marginally with its contracts for August and September closing marginally higher. According to Mr Kamlesh Nahta, a Neemuch-based trader, bearish sentiment in both mustard and its oil in the long run appears unlikely given lower crop output this year which stands at 55 lakh tonnes, 15 lakh tonnes less compared to last year and rise in further demand in the coming months (as consumption of mustard oil picks up during the winter season) and delay in arrival of soyabean crop which is still two months away.

Rice rallies on improved demand

Karnal, Aug. 2:

Prices of aromatic and non-basmati varieties rallied again on Thursday.

Amit Chandna, Proprietor of Hanuman Rice Trading Company, told *Business Line* that despite the fact that traders are holding huge stocks with them and new stocks will be in the market in September, the market is doing well and prices are moving upwards.

Traders expect that market may rule firm at current levels for the next few days and then, it may witness another spike, he said.

In the physical market, Pusa-1121 (steam) increased by Rs 200 and quoted at Rs 7,000-7,200 a quintal, while Pusa-1121 (sela) sold at Rs 6,100, up Rs 100 from previous level.

Pure Basmati (raw) went up by Rs 150 and quoted at Rs 7,100 while pure basmati (sela) ruled around at Rs 5,950, up Rs 100. Duplicate basmati gained Rs 300 and quoted at Rs 5,400 a quintal.

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

Similarly, non basmati varieties moved up on improved demand. Sharbati (steam) improved by Rs 300 and quoted at Rs 4,200-4,300 a quintal while Sharbati (sela) sold at Rs 4,100-4,200 .

PR-11 (sela) went up by Rs 50 to Rs 2,950 a quintal, while PR-11 (Raw) was at Rs 2,700. Permal (raw) increased by Rs 50 and sold at Rs 2,250-2,350 while Permal (sela) went for Rs 2,300-2,400.

Bullish futures sweeten sugar

Mumbai, Aug. 2:

Sugar prices on the Vashi wholesale market shot up by more than Rs 100 a quintal on Thursday tracking bullish futures. Sugar futures were up by Rs 50-80 a quintal till noon on the National Commodity and Derivatives Exchange (NCDEX).

Arrivals and local dispatches were negligible as the market was closed for *Raksha Bandhan*. In the physical market, prices shot up by Rs 100-150 tracking similar rise in naka rates. Mills sold sugar at Rs 80-100 higher resulting in a sharp rise in spot market.

A wholesaler said that there were no fresh activities except some loading and unloading of commodity in the market. Due to holiday most brokers and traders stayed away. M-grade prices touched a record Rs 3,750/quintalmark in retail due to continuous rise in futures price. In Vashi market, thin arrivals were unloaded till noon but there were no local dispatches. On Wednesday evening, only 14-15 mills offered tenders and sold about 74,000-75,000 bags (of 100 kgs each) to local stockists in the range of Rs 3,450-3,520 (Rs 3,370-3,425) for S-grade and Rs 3,540-3,600 (Rs 3,435-3,520) for M-grade.

In spot prices were (Rs/quintal): S-grade Rs 3,600-3,650 (Rs 3,491-3,572) and M-grade Rs 3,690- 3,740 (Rs 3,531- 3,651).

Naka **delivery rates were:** S-grade Rs 3,560 -3,625 (Rs 3,460 -3,510) and M-grade Rs 3,660-3,720 (Rs 3,510-3,600).

Pepper falls on limited activity

G. K. Nair

Kochi, Aug 2:

The pepper market on Thursday dropped on bearish sentiments. The first two active contracts dropped and ended below the previous closing.

There was an utter confusion prevailing in the market, sources said.

There was not much activity on the spot as the State was observing a ‘hartal’. August contract on the NCDEX decreased by Rs 430 a quintal to the last traded price (LTP) of Rs 43,525 a quintal. September dropped by Rs 210 to the LTP of Rs 43,570 a quintal while October moved up by Rs 20 a quintal to the LTP of Rs 43,935 a quintal.

Turnover

Total turnover fell by 8,051 tonnes to close at 3,073 tonnes showing limited activities. Total open interest also decreased by 119 tonnes to close at 7,552 tonnes showing plain liquidation, they said.

August open interest decreased by 255 tonnes while that of September and October moved up by 172 tonnes and 3 tonnes respectively to close at 3,316 tonnes and 567 tonnes, showing liquidation and switching over.

Spot prices notionally reduced in tandem with the futures market trend by Rs 300 a quintal to close at Rs 40,500 (ungarbled) and Rs 42,000 (garbled) a quintal.

Indian parity in the international market was at around $8,100 a tonne (c&f) Europe and $8,400 a tonne (c&f) USA.

Mixed trend in chana futures

Chennai, Aug. 2:

Chana (gram) futures today witnessed a mixed trend with the near-month contracts extending their losses, while the November and December futures increased.

August contracts on the NCDEX were quoted at Rs 4,755 a quintal (down Rs 8 from the previous closing), while September futures slipped by Rs 4 to Rs 4,869. Chana for October delivery dropped by Rs 12 to Rs 4,951.

Trades said slack demand from retailers and millers coupled with profit-booking were the reasons for the downtrend. However, thin supplies, output concerns and a delayed monsoon limited the downside.

In the spot market at Indore, Madhya Pradesh, chana was quoted at Rs 5,119.7 a quintal.

Chana could undergo further correction amid lack of demand at the higher levels. However, prices may rebound owing to lower acreage in kharif pulses sowing, coupled with the possibility of strong demand for the festive season.

Chilli turns hot on export demand

Lower arrivals coupled with export demand have resulted in the commodity gaining sharply in the last one month. Photo: P.V. Sivakumar

Chennai, Aug 2:

Chilli has become a hot commodity with prices increasing by 15 per cent in the last fortnight. In fact, chilli futures hit the Rs 6,200-mark on Thursday before paring gains.

Export demand is the primary mover of the spice besides deficit monsoon that is providing an added thrust.

Export demand have emanated from Bangladesh, Pakistan, Malaysia and Sri Lanka. Besides, China is reported to have bought some 50,000 tonnes of the premium 'Teja' variety during April-June.

Exports have increased almost 50 per cent during April. According to Spices Board data, chilli exports in April more than doubled to 30,000 tonnes from around 12,093 tonnes.

The deficit monsoon has given rise to fears, mainly on account of lower water storage level in the reservoirs. Up to July 31, monsoon deficit has been pegged at 19 per cent.

Spot prices gained sharply in Guntur market on Thursday despite higher arrivals. The modal price or the rate at which most trades took place for the Red variety increased to Rs 4,200 a quintal from Rs 3,700 on Wednesday. The Red New variety was stable at Rs 4,200, while the Red Top variety was up Rs 100 at Rs 7,700. The Sannalu variety increased by Rs 200 to Rs 6,300.

On the National Commodities and Derivatives Exchange, October contracts ended up by Rs 90 at Rs 6,188, while September contracts were up Rs 40 at Rs 5,900. August series were up at Rs 5,690.

A question mark over the prospects of the next crop is likely to keep prices firm.

Castorseed futures trade firm

Chennai, Aug. 2:

Carrying forward their strong undertone, castorseed futures for the far month contracts almost hit the upper ceiling on the NCDEX, rising by 3.78 per cent in early trading on Thursday.

Castorseed futures had hit their maximum permissible limit on the NCDEX on Wednesday also.

Concern over the deficit monsoon and export demand along with industrial demand supported the uptrend.

Scanty rain in Gujarat, which accounts for 79 per cent of the total output, has raised concern about the crop for the coming oilseeds year beginning November.

In a normal year, the area under castorseed is 7.40 lakh hectares. There are fears that the acreage could fall by 10 per cent on the deficient monsoon this year.

The August contract was up Rs 73 at Rs 4,467 for a quintal, while the September contract increased by Rs 75 to quote at Rs 4,658. The October contract was up Rs 84 at Rs 4,756 and the November contract was up Rs 176 at Rs 4,838.

Spot castor prices on Wednesday were at Rs 750-Rs 765 for a maund of 20 kg in Rajkot, Gujarat.

Edible oils export in consumer packs banned

Our Bureau

The Government has banned export of edible oils in branded consumer packs in view of deficient monsoon impacting the kharif oilseeds output.

New Delhi, Aug. 2:

The Government has banned export of edible oils in branded consumer packs with immediate effect. The move is aimed at boosting domestic supplies and over come any supply shortage in view of deficient monsoon impacting the kharif oilseeds output.

The Directorate-General of Foreign Trade issued a notification to this effect late on Wednesday night. The Government had permitted export of edible oils last year in branded consumer packs of up to 5 kg, within a ceiling of 10,000 tonnes, till October 31. "Now, with immediate effect, even such export of edible oils is prohibited," the DGFT notification said.

The Government expects a shortfall in kharif oilseeds output as groundnut sowing has been affected in in Saurashtra (Gujarat), parts of Karnataka and Maharashtra due to scanty rain. Till July last week, groundnut was sown on about 25.46 lakh hectares against 33.09 lakh hectares during the corresponding period a year ago.

Coconut Board peeved at bulk import of palm oil

Kochi, Aug. 2:

The Coconut Development Board has expressed concern over bulk import of palm oil, saying that this will affect prices of coconut.

The excessive import of edible oils, especially palm oil, during the peak coconut production season would definitely trigger price crash of coconut oil.

As imported edible oils enjoy tariff concession as well as subsidy, its market price at retail level is low which makes a significant dent on the marketability of coconut oil in various markets in India.

During November 2011 to May 2012, import of refined oil (RBD Palmolein) increased by 97 per cent and reported at 10,84,033 tonnes compared to 5,51,327 tonnes during the corresponding period last year.

During the same period, crude palm kernel oil import increased by 82 per cent and crude palm oil by 14 per cent.

Current year import is 64,692 tonnes while last year the import was 35,564 tonnes only, the Board said in the statement.

In order to meet vast demand and interests of farmers and processors, customs duty on crude edible oils has been reduced to zero per cent with effect from March 24, 2009.

Small tea growers' body seeks creation of single brand for their produce

Santanu Sanyal
Kolkata, Aug. 2:

The Small Growers' Development Directorate (SGDD) of Tea Board, which is to start functioning shortly, must try to create a single brand for small growers' tea for promotional purposes both within the country and outside, according to the Confederation of Indian Small Tea Growers' Association (CISTA).

"Low cost, high quality produce of small tea growers have the potentials to dominate not only the domestic market but also the markets in Egypt, Pakistan, Iran and Iraq provided all small growers are regrouped into primary producers' societies and their produce is developed into a single brand", Bijoy Gopal Chakraborty, President of CISTA, has stated in a memorandum to the Tea Board Chairman.

The memorandum identifies several tea growing areas such as North Dinajpur in West Bengal, Kokrajhar in Bodoland and States such as Meghalaya, Mizoram, Arunachal Pradesh and Himachal Pradesh, which have concentration of small tea growers capable of producing high quality Orthodox tea . "We will need dedicated workforce", the memorandum observes.

Also, an advisory cell should be formed under the proposed SGDD, with representations from the small growers, to enable them to express their views on various issues facing them.

The other suggestions, as contained in the memorandum, include introduction of extension programmes covering training for small tea growers, providing advisory services, organising inter-State tours, use of technology for instant communication with Tea Research Association and other such bodies and establishing linkages with National Bank for Agriculture and Rural Development and other financial institutions.

There should also be research cell under SGDD to teach the growers about the latest developments and the best practices to be followed and a business development cell for proper pricing of the produce.

Greens see red over duty-free soyameal imports

Vishwanath Kulkarni

Aditi Nigam

New Delhi, Aug. 2:

The Government's move to allow duty-free imports of soyameal for livestock feed has not gone down well with the green brigade.

Environmentalists fear such imports could result in genetically modified (GM) material landing up in the food chain, as most of the soyameal produced overseas is of the GM variety.

The Empowered Group of Ministers (EGoM) early this week decided to scrap 15 per cent customs duty on imports of de-oiled cakes of soyabean, sunflower, mustard and canola, among others.

This was done to augment feed supplies to livestock as drought-like conditions have hit fodder availability in some areas.

"Given that most soya in the world is now GM, the oilmeal will be genetically modified. It is not in the jurisdiction of the EGoM to make this decision," said Vandana Shiva, noted environmentalist.

“This decision needs to be made by the Genetic Engineering Appraisal Committee (GEAC). And the Supreme Court has set up a high-level technical committee to which I have made submissions to elaborate the full bio-safety testing. The EGoM decision is thus *ultra vires*,” she said.

India is yet to approve GM food crops on safety concerns.

“There is definitely a concern on the safety aspect, as most of the soyabean import will be GM and there are studies showing the impact of such feed on animals,” said Kavita Kuruganti of Alliance for Sustainable and Holistic Agriculture.

“This obviously has to go through the regulatory approval procedures since any import has to be cleared by the regulatory body/GEAC and should also be declared as GM in line with DGFT guidelines, after passing through GEAC approval processes. Also, the regulators have to look at the health implications before they clear it,” she said.

Kavita Kuruganti said that even in 2006, when the GEAC was seeking to give approval to import of soyaoil and de-gummed soya crude oil, they found residues of glyphosate to be a problem.

In that sense, apart from the GM issue, there is the issue of herbicide health impacts also, she added.

Eminent Scientist and Parliamentarian, M.S. Swaminathan, however, called for transparency.

“So far, there has been no adverse report on the feeding of soyabean cake from genetically modified varieties. However, there should be proper labelling indicating that the de-oiled cake is from genetically modified varieties,” he said.

In fact, he sought a ban on export of soyabean meal and other animal feed concentrates.

“We are the only country which has non-GM soyabean on such a largescale. Instead of exporting our meal and importing genetically modified ones, it will be prudent that we conserve all our animal protein sources to take care of the needs of over a billion farm animals in our country,” Swaminathan said.

Fearing an adverse impact on the domestic oilseed industry, Vandana Shiva said, “In 1998, the Government allowed duty-free imports of soya oil, which has replaced our healthy oils with unhealthy soya. Now the import of oilmeal will further destroy the oilseed sector.”

Govt bans export of branded edible oil in small packs

PTI

New Delhi, Aug 2:

The government has banned export of edible oils in branded consumer pack of up to five kilos on concern that productivity of some oilseeds may take a hit on account of 20 per cent deficit rains so far.

“Export of edible oils is permitted only in branded consumer packs of up to 5 Kgs, within a ceiling of 10,000 tonnes, for the period November 1, 2011 to October 31, 2012. Now, with immediate effect, even such export of edible oils is prohibited,” the Directorate General of Foreign Trade (DGFT) said in a notification issued yesterday.

Export of the consignments handed over to the customs up to August 1, 2012 will be permitted, it added.

The country, which meets 50 per cent of edible oil demand through imports, exports small quantities of groundnut, sunflower and rapeseed oils to cater to expatriate demand.

To ensure domestic supply and contain price rise, India banned export of unbranded edible oils in 2008 and extended it year after the year till September 2012.

Last year, exporters were however given relaxation on branded small consumer packs.

Market experts said the ban on export of branded edible oil in small packs would be irrelevant as the country exports a meagre quantity.

The government has taken this step fearing price rise in some of the edible oils in the wake of poor monsoon likely to hit Kharif production including some of the oilseeds like groundnut, they said.

Overall area sown under oilseeds stands at 13.83 million hectare till July 27 of the current Kharif season, which is close to last year's level.

However, less acreage under groundnut is a cause of worry because of drought-like situation in key growing states - Gujarat, Karnataka and Rajasthan.

Area sown under soyabean (which has less oil content) is, however, higher at 10.15 million hectare from 9.43 million hectare in the review period.

The country imports about 9 million tonnes of edible oils.

Onion shortage looms large on patchy monsoon

Onion crop withering owing to scanty rainfall in Chitradurga district (file photo).

New Delhi, Aug 2:

Patchy monsoon has its shadow over onion cultivation with major producing regions in Maharashtra and Gujarat witnessing drop in sowing area of the key kitchen item almost by half.

Decline in area would affect supply of onion during October-December period and could trigger its price rise in the domestic market.

Onion is selling at Rs 10-15 a kg at present in retail in Delhi and other parts of the country.

“Almost 50 per cent fall is witnessed in sowing area of onion in Nashik in Maharashtra and areas under the crop in Gujarat,” R.P. Gupta, Director National Horticulture Research Development Foundation (NHRDF), an arm of ICAR, told PTI.

Asked if rains now would improve the situation, he said this could help in sowing of late kharif onion which would be harvested only in December.

“We have sufficient stocks of onion which will cater to domestic requirements till October. But, inadequate reinforcement after October due to poor sowing of kharif onion will create shortfall of the crop from October to December,” Gupta said.

Sowing of kharif onion that started from July 15 will end by August 15.

The NHRDF Director said the country has around 18 lakh tonnes of onion in stock. About 3-4 lakh tonne of the bulb is required every month for the domestic market besides some amount for export.

Gupta and Chairman, APMC, Pimpalgaon, Dilip Rao Bankar, said due to poor rain and also lower price of the crop, some farmers in Nashik regions have sown soyabean and coarse grain in place of onion in their field.

A senior officer of agri-cooperative Nafed, which is the principal agency to provide NOC for onion export, said the estimate of onion crop would come only by the end of August.

Exports

He said outbound shipment of the bulb saw only a marginal increase after the government decided to do away with minimum export price for the vegetable in early May.

Onion exports rose only 32,000 tonnes in the first three months of 2012-13 compared to same period last year.

India exported 4,61,854 tonnes of onions during April-June period this year, according to month-wise data on onion exports collected by agri-cooperative Nafed. In the same period last year, a total of 4,29,802 tonnes were exported.

Gulf countries, Far East countries, Bangladesh, Sri Lanka and Malaysia are the major destinations for Indian onion.