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Farmers take to new paddy variety



Handful: S. Rajan, a progressive farmer of Sholandur, showing the well grown paddy crop to K. Sakthimohan (right), Joint of Director of Agriculture, on Tuesday.— Photo: L. Balachandar

The move to popularise the alternative and successful paddy variety for the existing BPT 5204 has caught the imagination of farmers, who have started cultivating Jothi paddy variety in various parts of the district.

Though BPT 5204 is still the favourite paddy crop of many farmers due to its high commercial value, it has become unpopular among a section of farmers owing to it being less resistant to pest and disease attack, which would ultimately affect the productivity. Several farmers, who raised the variety in the recent past, bite the dust as they failed to achieve break even due to low productivity. The Agricultural Department and Tamil Nadu Agricultural University had issued advisories to the farmers not to patronise the variety at least in the rainfed cultivated areas.

Armed power with the National Food Security Mission, the Agriculture Department convinced a number of farmers in the district to raise Jothi paddy variety, which is one of the most wanted red rice varieties in Kerala.

Though a large number of farmers have raised the Jothi variety this season, S. Rajan, a progressive farmer of Sholandur near here, in fact has become a torch bearer of the variety. He has raised Jothi on his entire 25 acres of land holding and he has followed System Rice

Intensification method to raise the crop. He is about to reap the benefit in a few days from now. The healthy growth of the crop has brought cheer to him.

“Except basal and top dressing of fertilizers I have not applied pesticides and other insect killers as the crop is not affected with pest attack. It has suited to the climatic condition and soil of the region,” says Mr. Rajan.

K. Sakthimohan, Joint Director of Agriculture, told 'The Hindu' that the Jothi variety had the potential to replace the pest-prone BPT 5204 variety. The efforts to convince the farmers had borne fruit. There were indications that productivity would be around 100 percent more than the BPT variety. More and more farmers would adopt Jothi variety in the next year.

S. Mohamed Abdul Nazeer, Assistant Director of Agriculture, R.S. Mangalam and S.S. Shaik Abdullah, Agriculture Officer said that enough space between the paddy hills had facilitated the crop to get much needed sunlight, aeration and other natural nutrients. It had prevented the multiplication of pests and diseases except beneficial pests.

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New horticultural facilities to aid farmers

R. Krishna Kumar



Blooming trade:The College of Horticulture is expected to play a catalytic role in boosting floriculture and horticulture in Mysore.— PHOTO: M.A. SRIRAM

Horticulture and floriculture in the region is set to receive a boost with the College of Horticulture setting up a campus at Yelchanahalli in Yelwal.

The foundation stone for the new campus of the institute, which is currently functioning from the Government Silk Farm, Tandavpura, will be laid later this month.

It will be established on a 74-acre farm off the Mysore-Hunsur highway, near Gomatagiri, Dean of the institute J. Venkatesha and Head of the Horticultural Extension Unit B.G. Prakash said.

Source of information

The new campus will house not only classrooms and laboratories, but also have a farm for extension activities.

Mr. Prakash pointed out that Mysore was ideal for both horticulture and floriculture, and farmers could hope to earn good income from exports, especially of jasmine and rose. However, there was lack of adequate scientific information and guidance. The college would seek to address this, and ensure that farmers get information and assistance from qualified entomologists and fruit scientists.

Both officials said farmers around Mysore and Nanjangud already consulted them.

“Some farmers get information and solutions over the phone, while others bring samples of pest-infected fruits or flowers. Our staff helps to ascertain the nature of the disease and provide them a solution,” Mr. Prakash said.

The college would be a “catalyst”, encouraging farmers to take up cultivation of crops that were in demand in the international market. “We are gearing up to organise field extension programmes on coconut, ginger, turmeric and other spice-based crops in view of their potential,” Mr. Prakash said.

Nanjangud rasabale, Mysore beetle leaf, Erengere brinjal and Mysore mallige, which have earned a Geographic Indication tag, would be popularised through field extension programmes, he added.

Changing attitude

According to the official, farmers increasingly kept an open mind to horticulture. A significant number were growing horticultural crops in addition to conventional ones, he said.

This was indicated at the ‘Banana Field Day’ conducted in collaboration with the Department of Horticulture, Nanjanagud. “Farmers were given information about G9, Nanjangud rasabale, and yelakki varieties of banana. The focus was on treating common diseases that afflict the crop ,” Mr. Prakash said.

GUNTUR, February 8, 2012

Chilli farmers pin hopes on Kanna

Low price and loss incurred in fire accidents worry them

A few hours before his portfolio was changed from Housing to Agriculture, chilli farmers urged Minister Kanna Lakshminarayana to ensure a better price, as it was the only way to mitigate the impact of sudden slump in the export market.

Steep fall

The average price of the Badiga variety came down last month to approximately Rs. 5,500 per quintal and there was a steeper fall in the prices of common varieties which slid to as low as Rs. 3,000 per quintal. The prices have since increased, but they are still far below the record levels touched late last year. Badiga had commanded a peak price of nearly Rs. 11,000 quintal in the second half of 2011.

The volatility in prices is attributed to a downtrend in exports and a glut in the market due to bumper crop in Madhya Pradesh.

The Government of Madhya Pradesh has successfully brought up chilli crop on a massive scale and it matched the quality of the commodity available in these parts of Andhra Pradesh. It is against this backdrop that farmers are pinning their hopes on Mr. Kanna Lakshminarayana to do something that would alleviate their plight. When farmers narrated their woes at a programme in the Agricultural Market Yard (AMC) here on Monday, he promised to do his best by taking their problem to the State Government's notice.

He could not obviously give any assurance more than that as the prices depend on policies framed by the Ministries of Agriculture and Commerce and are prone to fluctuations in the market. Another big grievance of chilli farmers is the delay in paying compensation for the colossal loss (nearly Rs. 70 crore) suffered by them due to three successive fire accidents in cold storages last year.

More than 2,000 farmers were affected by fire that broke out in Nandini, Sai Surya, and Vengamamba cold storages on April 16, 26, and May 15, 2011, and they have since been

making rounds of the departments concerned and insurance companies for compensation but to no avail.

The delay is partly attributed to the procedural issues involving third party surveys commissioned by the insurance companies.

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Water released from Vaigai dam

A total of 2,000 cusecs of water has been released from Vaigai dam for irrigation of traditional cropping areas in Madurai, Sivaganga and Ramanathapuram districts here on Tuesday.

Releasing water from the dam, Minister for Handlooms and Textiles S. Sundararajan said that the water will be discharged from the dam continuously for the next nine days to fill irrigation tanks in these districts.

Around 1,36,109 acres of traditional ayacut will benefit.

About 27,529 acres in the first cluster between Peranai sluice and Viraganur sluice will benefit.

In the second cluster, 40,743 acres between Viraganur and Parthibanur sluices will get water for irrigation and in the third cluster 67,837 acres between Parthibanur sluices and Big Tank in Ramanathapuram will receive water, he added.

Three hundred and seventy four tanks in Madurai, Sivaganga and Ramanathapuram districts will be filled with the water released from the dam. Water will be supplied for irrigation through these tanks, Dr. Sundararajan stated.

The Minister appealed to farmers to use water judiciously and get better yield. Collector K.S. Palanisamy accompanied him.

ERODE, February 8, 2012

Arrival of copra to regulated market picks up

The arrival of copra to the regulated market in Avalpoondurai in Erode district has picked up, with the farmers bringing in more than 6500 bags weighing over 250 tonnes last week. The market conducts auction on Monday and Friday of every week.

A large number of farmers in Kodumudi and various other blocks in Erode and neighbouring Tirupur district depend on the market for selling the copra.

“The arrival is expected to cross 8,000 bags a week by the end of February as the price of copra remains stable and the production is likely to increase in the coming weeks,” Market Superintendent P. Dhandapani says.

The market has received a little over 10,800 tonnes of copra till January 31 this fiscal. “We expect the figure to touch 15,000 tonnes by the end of March,” Mr. Dhandapani adds. In the previous financial year, a total of 16,321 tonnes of copra had been sold through the market for around Rs. 60 crore. In 2009-10, farmers brought over 22,000 tonnes of copra. “Many farmers are now selling it to the traders directly, which is the main reason for the decline in the total quantity of copra received at the market in the last two years,” market sources said.

Mr. Dhandapani, however, expressed the hope that more farmers would bring copra to the market this year as there were several advantages in selling it through the regulated market. “Farmers can sell their produce at competitive rates as a large number of buyers participate in the auction,” he points out. The price of copra now hovers around Rs. 40-a-kg. The first grade copra fetches around Rs. 43.25-a-kg while the second grade Rs. 35 to Rs. 40.

NEW DELHI, February 8, 2012

“Climate critical to farm policy decisions”

The impact of climate change needs to be factored in development programmes so as to tackle the long-term requirement of mitigation and adaptation. This was highlighted at an international conference on Climate Change, Sustainable Agriculture and Public Leadership here on Tuesday.

Underscoring the need for adopting a multidimensional strategy, Minister of State for Agriculture Harish Rawat appealed to agriculture scientists to document the indigenous wisdom of Indian farmers who had been adapting to climatic variability over the centuries.

Climate was central to critical agricultural decisions, ranging from the farm to policy level, he said. The Union government had taken a stance to address climate issues by fully participating in international conventions such as the United Nation Framework Convention on Climate

Change. On the domestic front, the government was developing policies to mitigate the impact of climate change,” Mr. Rawat said after inaugurating the two-day conference organised jointly by the Indian Council of Agriculture Research and the National Council for Climate Change, Sustainable Development and Public Leadership (NCCSD). Earlier, International Crops Research Institute for the Semi Arid Tropics Director-General William D. Dar said climate change was affecting every region in the world and to feed the growing population, production should be increased by 75-100 per cent by 2050. While National Academy of Agricultural Sciences President R.B. Singh called for a “multidisciplinary system approach” to tackle the impact on the farm sector, NCCSD's B.P. Singh and Kirit Shelat underscored the need for strengthening community leadership through suitable training, capacity building and awareness programmes. “Unless people are involved, we cannot succeed,” they said.

Application of resource conservation technologies and effective land use management are some of the strategies suggested by scientists.

- *Development programmes should factor in climate change impact: Rawat*
- *'Production must increase by 75-100% by 2050'*

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Wed, 08 Feb 2012

weather

Delhi - INDIA

Today's Weather



Partly Cloudy

Wednesday, Feb 8

Max Min

20.5° | 8.5°

Rain: 00 mm in 24hrs

Sunrise: 7:14

Humidity: 62%

Sunset: 17:48

Wind: Normal

Barometer: 1013

Tomorrow's Forecast








Sunny

Thursday, Feb 9

Max Min

20° | 8°

Extended Forecast for a week

Friday Feb 10	Saturday Feb 11	Sunday Feb 12	Monday Feb 13	Tuesday Feb 14
				
19° 6°	21° 8°	21° 9°	22° 10°	23° 13°
Sunny	Sunny	Sunny	Cloudy	Cloudy

First Published: 22:19 IST(7/2/2012)

Last Updated: 22:21 IST(7/2/2012)

Farm sector growth set to plunge to 2.5%

India's farm sector is set to expand by a moderate 2.5% during 2011-12 and all hopes to sustain growth are on this year's monsoon rains. Last year the farm sector grew by 7% but that was on the previous drought year's output. A strong farm sector output is critical to bringing down food inflation.

While food inflation has slumped to negative levels in recent weeks, costlier fruits and protein-based items such as milk, egg, meat and fish could jack up prices to higher levels in the coming weeks. Adequate monsoon rains are crucial for the summer kharif crop that accounts for more than half of annual food output. Economists expect farm sector output to be revised upwards when final estimates are released in May. "The details of the advance estimate indicate that agriculture output growth will likely be revised up following the final crop estimate," said Rajeev Malik, senior economist at CLSA. Finance minister Pranab Mukherjee said that there have been some encouraging signs in the recent weeks including the possibility of a bumper rabi crop.

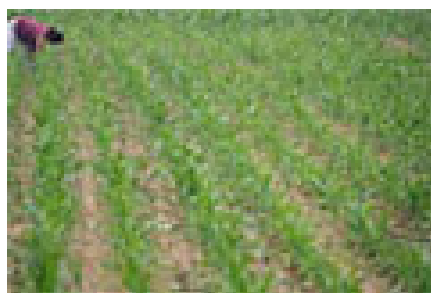
<http://www.hindustantimes.com/StoryPage/Print/808174.aspx>

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Govt pegs economic growth at 6.9%

Agencies Posted online: Tue Feb 07 2012, 12:24 hrs



New Delhi : Economic growth is likely to fall to a three-year low of 6.9 per cent in 2011-12, mainly due to sharp slowdown in manufacturing, agriculture and mining sectors, against 8.4 per cent expansion in the last fiscal.

Agriculture and allied activities are likely to grow at 2.5 per cent in 2011-12, compared to a robust growth of 7 per cent in 2010-11, according to the Advanced Estimates released today by the Central Statistical Organisation (CSO).

Manufacturing growth is also expected to drop down to 3.9 per cent in this fiscal from 7.6 per cent last year.

The CSO's GDP growth projection is a tad lower than the 7per cent forecast made by the Reserve Bank of India in its quarterly monetary policy review last month.

In its mid-year Economic Review, the government had also pegged growth at around 7.5 per cent. The current estimate is a sharply lower than the 9 per cent growth projection for 2011-12 made by the government in its pre-Budget survey in

February last year.

The latest GDP (Gross Domestic Product) growth estimate of 6.9 per cent for the entire fiscal means that the pace of economic expansion slowed in the second half of 2011-12, given that GDP growth in the April-September, 2011, period stood at 7.3 per cent.

According to the advance estimates, mining and quarrying is likely to witness a decline of 2.2 per cent, compared to a growth of 5 per cent a year ago.

Growth in construction is also likely to slip to 4.8 per cent in 2011-12, against an 8 per cent in 2010-11.

Furthermore, the finance, insurance, real estate and business services sectors are likely to grow by 9.1 per cent this fiscal, against 10.4 per cent last fiscal.



Budget plans for development of State agricultural resources

TUESDAY, 07 FEBRUARY 2012 23:50

STAFF REPORTER | BHOPAL

State BJP chief spokesperson Vijesh Lunawat said that the State budget preparations are an ambitious attempt for the development of the agricultural resources which will create a new attraction amongst the farmers.

The format of the State budget expresses the concerns regarding the provision of water at dry land, provide quality electricity facilities, increase the commercial industries for farmers and growth in plan expenditure for planned development.

Lunawat further said that the format of the budget illustrates the facts to provide relief measurements to the farmers if any natural calamity occurs. As a whole, under the guidance of Chief Minister Shivraj Singh Chouhan the Cabinet of Ministers has approved the format of the budget keeping in view the interest of farmers, labourers and consumers.

Lunawat said that the work plan of the yearly budget 2011-2012 was Rs65,000 crore. The budget is increased by 22 per cent and the plan of the budget is made for Rs80,000 crore this year. The assumption of Rs30,000 crore in the format reflects the outlook of the State Government for the State's development.

As electricity being the most important issue for the farmers most funds will be expended to complete the work of feeder separation. The starting assessment is of Rs3,000 crore for the same. A provision of Rs8,000 crore is proposed for agriculture. The provision of Rs4,000 crore is proposed for water irrigation in the fields.

The State Cabinet cleared the budget plant on Monday and it would be presented in the State Assembly in the last week of February.

Business Standard

Wednesday, Feb 08, 2012

Chilli sheds 1.5% on profit-taking

Press Trust of India / New Delhi February 7, 2012, 12:40 IST



Chilli prices fell by Rs 90 to Rs 5,886 per quintal in futures trade today, as speculators indulged in booking profit at existing higher levels.

At the National Commodity and Derivative exchange, chilli for delivery in March, the most active contract, fell by Rs 90, or 1.51%, to Rs 5,886 per quintal, with an open interest of 1,690 lots.

February chilli declined by Rs 78, or 1.27%, to Rs 6,080 per quintal, with an open interest of 2,705 lots.

Market experts said besides profit-taking fall in demand in the spot market, mainly led to the decline in chilli prices at the futures market.

Pepper gains 0.4% on spot demand

Press Trust of India / New Delhi February 07, 2012, 15:23 IST



Pepper prices rose by Rs 110 to Rs 30,090 per quintal in futures trade today as speculators enlarged their positions, supported by pick-up in spot market demand.

At the National Commodity and Derivatives Exchange, pepper for delivery in February was up Rs 110, or 0.37% to Rs 30,090 per quintal, with an open interest of 4,440 lots.

March pepper gained Rs 55, or 0.18%, to Rs 30,220 per quintal, with an open interest of 2,679 lots.

Market analysts said lower stocks in the market, rise in demand in the spot market mainly helped pepper prices to trade higher at futures trade.

Potato gains 1.2% on spot demand

Press Trust of India / New Delhi February 7, 2012, 12:20 IST



Potato futures prices rose by Rs 9.10 to Rs 760.50 per quintal today, as traders created their fresh positions on the back of firm domestic demand for the ongoing marriage season.

The trading sentiment improved as a result of the restricted arrivals from producing regions.

At the Multi Commodity Exchange, potato for delivery in April rose by Rs 9.10, or 1.21%, to Rs 760.50 per quintal, with a trading volume of 36 lots.

The March contract traded higher by Rs 8.60, or 1.12%, to Rs 775 per quintal, with a business volume of 251 lots, while the May potato rose by Rs 8.20, or 1.06%, to Rs 783.40 per quintal, with a trading volume of 17 lots.

Marketmen said increased buying by traders and speculators on pick-up in spot market demand mainly led to the rise in potato prices at futures trade.

Coriander down 0.7% on subdued demand

Press Trust of India / New Delhi February 7, 2012, 12:36 IST

Coriander futures prices fell by Rs 28 to Rs 3,796 per quintal today, as traders and speculators remained net sellers, driven by weak spot demand. At the Multi Commodity Exchange, coriander for February contract fell by Rs 28, or 0.73%, to Rs 3,796 per quintal, with a trading volume of 11,870 lots, while March delivery prices eased by Rs 12, or 0.52% to Rs 4,017 per quintal, with an open interest of 12,050 lots. The fall in coriander futures prices was mostly attributed as traders and speculators were remained net sellers due to weak demand in the spot market, traders said. They said increased arrival in the physical market also put pressure on the prices.

THE HINDU Business Line

Growers hold back old turmeric crop



Erode, Feb. 7:

Spot turmeric prices gained Rs 100 a quintal on Tuesday as farmers held back their old crop, hoping for a rise in prices.

“About 4,200 bags of turmeric arrived for sale on Tuesday. As the auspicious *Thai Poosam* was on Tuesday, some traders purchased limited quantity paying a higher price. Of the total arrivals, 80 per cent was new crop. Buyers purchased about 60 per cent of the total arrivals,” said Mr R.K.V. Ravishankar, President of Erode Turmeric Merchants Association. Still turmeric farmers are holding on to the old stock, but brought new crop. Bulk buyers' too quoted higher price in tenders for the new crop. Traders said that they are spending some amount for drying and polishing for the new crop before despatching them to Gujarat and Delhi by the middle of March when they expect to get reasonable profit. Prices of the hybrid Salem crop dropped by Rs 180 a quintal as arrivals were of fair quality only. Very few bags of the crop arrived for sale. The new crop fetched a higher price of Rs 4,899 a quintal at the Erode Cooperative Marketing Society and Rs 4,849 a quintal at the Regulated Marketing Committee. At the Erode Turmeric Merchants Association Sales yard, the finger variety (new crop) was sold at Rs 2,700-4,266 a quintal, the root variety Rs 2,695-3,989. The finger variety (old crop) was sold at Rs 3,638-4,839, the root variety Rs 3,634-4,299.

Salem crop: The finger variety fetched Rs 4,069-5,229, the root variety Rs 4,019-4,339. Totally, of 2,364 bags (new 1,626 and old crop 738 bags) that arrived for sale, 1,029 were sold.

At the Regulated Marketing Society, the finger variety (new crop) Rs 3,919-4,479, the root variety Rs 3,509-4,169. The finger variety (old crop) was sold at Rs 4,279-4,849, the root variety Rs 4,091-4,289. Around 869 bags were sold out of 877 kept for sale. At the Gobichettipalayam Agricultural Marketing Society, the finger variety sold at Rs 4,060-4,717, the root variety Rs 4,006-4,310. All 73 bags that arrived were sold.

Tight supplies lift prices of groundnut oil



Rajkot, Feb. 7:

Groundnut oil increased by Rs 10 a tin (15 kg) due to shortage of nuts for crushing even as demand was limited on Tuesday. Cottonseed oil remained unchanged.

Loose cottonseed oil rose by Rs 5 for 10 kg to Rs 1,065-1,070, and a 15-kg new tin of groundnut oil increased by Rs 10 to Rs 1,785-1,790 its 15-kg *tella* tin traded at Rs 1,635-1,638. About 50-70 tonnes of groundnut oil were traded in Saurashtra.

Groundnuts rose by Rs 10-15 for 20 kg on lower arrivals to Rs 880-945. Daily about 18,000-20,000 bags of groundnuts arrive in Gujarat.

Groundnuts have become scarce as trading consumes most stocks and prices may remain high, millers said. Retailers said demand has decreased as prices are too high. People are buying according to requirement.

According to Indian Oilseeds And Produce Export Promotion Council's data, India exported 3.5 lakh tonnes of groundnut during April-September 2011. In 2010-11, 4.19 were exported in total.

Cottonseed oil was unchanged at Rs 1,040-1,050 for a 15-kg new tin, while cottonseed oil (wash) sold at Rs 595-598 for 10 kg. About 400-500 tonnes of cottonseed oil were traded in Saurashtra.

Coconut oil continues to rule low



Kochi Feb. 7:

Coconut oil prices continue to rule at lower levels in Kerala and Tamil Nadu markets. The much-awaited demand-led rally is still to materialise as traders continue to hold on to fair amount of stocks.

The market expects industrial demand to pick up in the coming weeks as the demand for coconut oil-based hair oils, shampoo, soaps and cosmetics will revive at the end of the winter season.

But a section of the trade said that the industry was also holding on to fair amount of stocks and that the revival in demand and price could be delayed further.

Coconut oil was quoting at Rs 6,800 a quintal in Kerala markets, while copra was ruling at Rs 4,600 a quintal.

Copra prices have once again dropped below the minimum support level of Rs 5,100 a quintal, sources in the trade said. Copra prices are quoting even lower in Tamil Nadu markets.

cyclical nature

The cyclical nature of coconut oil has been decisively broken and there is round-the-year supply. While this has enabled more or less uniform availability throughout the year, the earlier period of consolidation and revival of prices during the lean period is no longer the norm.

Also, various alternatives to coconut oil have emerged in recent yearsholding prices under leash.

According to trade estimates, copra production might touch 10.5 lakh tonnes this year. Of this, the share of Tamil Nadu is expected to be 40 per cent, Kerala 30 per cent, Karnataka and Andhra Pradesh together at 25 per cent and the rest, put together, five per cent.

However, the actual picture will emerge only after February when the peak production season sets in over the coconut-growing southern States, Mr N Ananthan, former Secretary of the Cochin Oil Merchants Association, said.

Growers are expecting the nodal agency NAFED to authorise the State marketing federations in southern States to start procurement of copra at the minimum support price without any delay.

The trade estimates that procurement of around one lakh tonnes of copra was needed to revive and support prices. cj@thehindu.co.in

Imported oils fall on thin demand



Mumbai, Feb. 7:

Imported palmolein and soya oil extended losses by Rs 2 and Re 1 for 10 kg on weak local demand on Tuesday. Groundnut oil rose by Rs 5 for 10 kg, despite a decline in Saurashtra. Cottonseed refined oil and rapeseed oil increased sharply by Rs 9 and Rs 7 for 10 kg on reduced arrivals and renewed demand in producing centres.

Groundnut oil, after rising by Rs 60 in the last five working days, fell by Rs 10 for 10 kg on higher sales. In Mumbai, stockists preferred to take deliveries of old commitments. Only needy buyers bought palmolein as prices were low.

A broker said resellers traded about 80-100 tonnes of palmolein at Rs 552-554. Demand was thin. Retail demand being need-based, wholesalers stayed away from new bulk buying. Resellers are under pressure as they have to fulfil old commitments. Liberty quoted palmolein at Rs 558-559. Ruchi offered it at Rs 558-560, soya refined oil at Rs 653-655 and sunflower seed refined oil at Rs 661-663. Allana quoted palmolein at Rs 558. In Saurashtra and Rajkot, groundnut oil declined to Rs 1,635 (Rs 1,645) for a *telia* tin and to Rs 1,065 (Rs 1,075) for loose (10 kg).

Malaysian markets were closed for a public holiday. Local futures market fell as speculators liquidated long positions. On the National Board of Trade in Indore, soya refined's February contracts closed lower at Rs 695 (Rs 696.50) and March at Rs 684.80 (Rs 687).

Bombay Commodity Exchange spot rates (Rs/10 kg): groundnut oil — 1,050 (1,045), soya refined oil — 654 (655), sunflower seed exp. ref. — 605 (600), sunflower seed ref. — 670 (670), rapeseed ref. oil — 752 (745), rapeseed expeller ref. — 722 (715), cottonseed ref. oil — 616 (607) and palmolein — 557 (559).

Sugar prices extend gain amidst caution; traders await outcome of crucial meeting

Our Correspondent



Mumbai, Feb. 7:

Sugar prices extended gain further by Rs10-12 in Vashi wholesale market on Tuesday. Naka rates ruled firm tracking unwillingness of millers to sell at lower rates ahead of very crucial meeting to be held at Delhi late evening of the day. Volume in physical market was at routine on continued retail demand in the beginning of the month.

Market sources said naka rates improve by Rs10-15 while mill tender rates remain unchanged with firm under tone as some mills sold last year's production at lower rates. Traders were cautious before outcome of Tuesday's meeting that will set the trend for future.

Election process and rally of candidates in producing areas of Maharashtra may limit the arrivals in consuming market for some days. For the second day, small number of mills offered tenders to improve the market sentiment further, sources added.

Routine volume

A wholesaler said, though volume was at routine level due to month beginning retail demand, market players are now waiting for the outcome of meeting to be held at Delhi. Any decision on additional sugar exports or decontrol of sugar sector will fuel the market sentiment. Maharashtra's mills continued selling in local markets because of lack of demand from neighbouring States for the past one month. Additional export permission may help them positively being a leading sugar producing State of India. Analyst said mills are holding ample stocks as production is higher than last year. Secondly, since world sugar prices are showing firm trend, if more exports are allowed, it will be beneficial for the producers.

Government has permitted exports of 10 lakh tonnes under open general licence out of which release orders for export of 8.54 lakh tonnes have been issued so in the current season. The deadline for seeking permits for export for merchant exporters is February 15. In world market, sugar futures prices continued its bull run on third consecutive day with rise of more than \$7 a tonne. On Monday, March-12 futures closed higher by \$7.40 to \$642.50 (\$635.10) and May-12 futures increased by \$7.70 to \$627.60 (\$619.90). Arrivals in Vashi market were 50-52 truckloads and local dispatches were around 48-50 truckloads. On Monday, nearly 15-17 mills offered tenders and sold about 85,000-90,000 bags in the range of Rs 2,810-2,850 (Rs 2,810-2850) for S-grade and Rs 2,900-2,950 (Rs 2,900-2,950) for M-grade. Bombay Sugar Merchants Association's spot rates: S-grade Rs 2,912-2,961 (Rs 2,926-2,962) and M-grade Rs 2,991-3,091 (Rs 2,980- 3,092). Naka delivery rates: S-grade Rs 2,860 - 2,940 (Rs 2,880 - 2,940) and M-grade Rs 2,970-3,060 (Rs 2,940-3,050).

Govt to allow more sugar exports, reduce export price for basmati



New Delhi, Feb. 7:

The Government has decided to allow export of an additional one million tonne of sugar and has cut the minimum export price (MEP) for basmati by \$200 a tonne.

The Empowered Group of Ministers under the Finance Minister, Mr Pranab Mukherjee, on Tuesday decided to permit further sugar exports while reducing the MEP on basmati to \$700 a tonne from \$900 a tonne, officials said.

A formal announcement to this effect is likely to be made after seeking the Election Commission's approval. This is mainly due to the ongoing assembly elections in Uttar Pradesh, where sugarcane is a major crop.

The Government had allowed sugar exports of 1 million tonne on November 22. So far the Directorate of Sugar has issued release order for export of 8.5 lakh tonnes. Tuesday's approval to export an additional one million tonne will help the sugar millers take advantage of the relatively high export prices, which were of late on a downward trend.

The Indian Sugar Mills Association (ISMA) said the one million tonne export will help the sugar mills realise an additional Rs 3,000 crore, which should help them to pay farmers at a time when crushing is in full swing. In a bumper cane season, sugar millers are already reeling under the impact of high cane prices as liquidity pressures build-up prompting them to default on payments to farmers. ISMA expects the 2011-12 sugar output to be a minimum of 26 million tonnes on higher cane area and better recovery in largest producing state of Maharashtra. In the October-January period of the current sugar season, the production has grown by 17 per cent to 13.27 million tonnes.

“The industry would need some more exports as soon as possible to take care of the balance surplus,” ISMA said.

Welcoming the move to reduce MEP on basmati, Mr Vijay Sethia, President of All India Rice Exporters Association, said “it was a long awaited decision.”

A decline in basmati prices on higher output was seen hurting new contracts as buyers were not willing to pay a higher price. The prices of basmati, over the past one year, had crashed from an average of \$1100 a tonne to around \$650 a tonne, triggering a demand from exporters to abolish the MEP. The MEP was introduced a couple of years ago to ensure that non-basmati is not exported as basmati.

Dollar chana seen bearish cheaper imports



INDORE, FEB. 7:

Dollar chana or chickpea was firm at Rs 6,000-6,500 a quintal on Tuesday, though some traders quoted Rs 6,600 in the evening. In local *mandis*, 2,000 bags of dollar chana arrived. According to local traders, it will remain bearish as prices of dollar chana from Argentina and Mexico continue to fall. Moreover, local arrival will pick up soon.

Chana (kanta) gained marginally on improved buying support from millers, with old chana (kanta) quoting at Rs 3,275-3,300 a quintal (Rs 3,250-3,275) and new chana (kanta) at Rs 2,800-3,150 (Rs 2,800-3,100). Chana (desi) gained Rs 25 at Rs 3,225 a quintal. Chana (annagiri) sold at Rs 3,100-3,200, chana (mausmi) at Rs 3,200-3,400, chana (gulabi) at Rs 3,300, *kabuli bitki* at Rs 3,900-4,000, chana (turki) at Rs 4,800-5,000 Russian chana at Rs 4,100-4,300 a quintal. Seven hundred bags of new chana arrived in local *mandis*. Barring Indore, most *mandis* in Madhya Pradesh were closed on Tuesday for *Ravidas Jayanti*.

Raw cashew market shows signs of revival



Kochi, Feb. 7:

Cashew market remained quiet last week. There was no change in price levels from that of the previous week.

Offers were made in the range of \$3.80 to \$3.90 for W240; \$3.35 to \$3.50 for W320; \$3.25 to \$3.35 for SW450 and SW320, Splits and Butts from \$2.25 to \$2.50, Pieces from \$2.10 to \$2.25 per lb (f.o.b.), according to trade sources in Mumbai.

There were reports of sales by some Vietnam processors at lower levels but, in general, processors were not pushing to sell.

After a long period of inactivity, there was some movement in the Indian domestic market but from a few consuming centres only, Mr Pankaj N. Sampat, a Mumbai-based dealer told *Business Line*. "Prices inched up a bit, but there was no major movement in volume or prices," he said.

Last fortnight saw revival of some interest in the raw cashew nut (RCN) market. Good volume of spot RCN in India was traded and prices moved up by about \$100-\$150 a tonne, depending on origin and quality. About 10,000 tonnes of Tanzanian RCN have been traded for prompt shipment in the \$1,325-\$1,350 range.

Stocks of last year's crop in Ivory Coast (IVC) and Guinea Bissau failed to generate buying interest despite reduced offers and the interest was for nuts for immediate delivery for Feb/March processing. There are reports of some contracts for Benin at around \$950 and IVC at around \$850 C&F. "We feel that these forward sales are speculative and do not reflect what the actual prices will be," Mr Pankaj said.

Overseas buy

In the first two weeks of January, the US and Europe buyers bought some quantities albeit volumes were not large. Although coverage for April forwards is much lower than normal, they seem to be prepared to wait to see how things develop with the new crops and on kernel offtake in the first quarter before buying more. Both regions report double digit declines in usage – especially in the latter part of 2011. Despite lower prices, there is uncertainty about future usage because of the economic situation, especially in Europe. Asian, mainly Indian, usage is expected to be higher because these markets respond faster to price changes.

Some buyers want to buy for April-September deliveries but they are looking for a discount from current levels. Reliable processors are not willing to sell at lower levels, unless RCN prices

come down substantially in the second quarter, they do not see much scope for kernel prices to ease from current levels.

Overall, there is nothing on the horizon to change expectations for next few months, he said.

Wheat recovers on higher offtake by mills



Karnal, Feb. 7:

After witnessing a decline last week, dara wheat and flour prices recovered, while desi wheat varieties continued to rule at their previous levels on Tuesday.

Traders said increased offtake by flour mills to meet the rising demand strengthened wheat prices. Except for arrivals from Uttar Pradesh, flour mills are procuring stocks from FCI at Rs 1,170 plus VAT.

The dara variety went up by Rs 10 a quintal and was quoting at Rs 1,215-1,220 a quintal.

In the physical market, just around 30 tonnes of dara variety arrived from Uttar Pradesh. Mill delivery of dara was at Rs 1,215 a quintal while delivery at chakki was at Rs 1,220 a quintal.

On the other hand, desi wheat varieties continued to rule flat. Among desi wheat varieties, Tohfa was quoting at Rs 2,300 a quintal. On Tuesday, the February wheat contract on the National Commodity and Derivatives Exchange increased by Re 1 to Rs 1,249 quintal. On MCX,

spot prices went up by Rs 0.40 to Rs 1,250 a quintal. Flour was up Rs 20 at Rs 1,200 for a 90-kg bag.

Harvest-training scheme: Coconut Board nears target



Kochi, Feb. 7:

Friends of Coconut Tree, a new scheme introduced by the Coconut Development Board to develop a group of young professionals for harvest of and plant-protection operations for coconut, is getting encouraging response in the State.

According to the board's officials, already the number participants in the training programme has reached 4,190 as on Tuesday; the board has set a target of training 5,000 unemployed youth by March, covering 10 coconut-growing districts of Kerala. The board has fixed Rs 15 as wage for climbing a 40-ft tree and Rs 20 for over 40-ft trees in villages, and Rs 20 for any tree in the urban areas. As part of extending the programme to other states, the board has also started imparting training to 20 youths in Maharashtra.

The programme coverage includes climbing techniques, harvest, pollination and plant-protection measures and entrepreneurship development skills. The training will be conducted in batches of a minimum of 20 for a week and will be residential. The training includes technical, managerial and practical sessions.

Acute shortage

Though the board is also training unemployed youth in coconut-palm-climbing, there is a reluctance to enter this field because of the occupational risk and the arduous labour involved in climbing tall trees. However, in the recent past an array of climbing devices have been developed, which are claimed to be safe and easy to operate. Despite all these efforts, there is still an acute shortage of trained coconut-palm climbers for harvest and plant-protection activities.

With a view to tackle this problem, the board started the training program to develop special skills and confidence in coconut-palm-climbing and plant protection for the benefit of the coconut community as a whole, officials of the board said.

Coconut-tree climbers are a rarity these days in Kerala and other growing States of Karnataka, Tamil Nadu, Andhra Pradesh, Maharashtra and Goa, with few taking up the traditional profession.

Tea demand down on global sentiment

R.K. Radhakrishnan



Colombo, Feb. 7:

Last week's auctions here reflected the general mood across world markets: there is less demand for the 7m/kg that came under the hammer.

Ex-Estate totalled 1.3m/kg and recorded a marginal increase over that of the previous week.

Quality of Westerns showed a general improvement and in this context, the overall demand was disappointing, said Forbes & Walker Tea Brokers.

Low Grown's constituted 3.6 m/kg in the leafy/tippy catalogues. There was fair demand but at lower levels. Main buyers were from CIS, Dubai, Muwait, Saudi Arabia and Iraq.

Coconut Development Board seeks Rs 2600-cr fund for 12th Plan

PTI

Alappuzha, Feb 7:

The Coconut Development Board (CDB) has sought an allocation of Rs 2,600 crore for the 12th Five-Year Plan for implementing various developmental programmes.

“We have sought Rs 2,600 crore from the Agriculture Ministry for the next five-year Plan to develop the industry and promote it both domestically and globally,” a CDB official told reporters on the sidelines of the Coir Kerala International Trade Fair here today.

During the 11th Five-Year Plan (2007-12), the fund allocation to the board was Rs 395 crore and up to December 31, 2011, expenditure reached Rs 354 crore, according to the estimates of the CDB.

The official said the board plans to spend these funds on enhancement of productivity, expansion of cultivation to newer areas in the non-traditional belts, promotion of value-added coconut items, development of innovative technology and increasing exports of coconut and its by-products. “Interest towards coconut farming is coming up in non-traditional and North Eastern states. In Odisha and West Bengal, more farmers are turning to coconut cultivation,” the official said.

The council is looking at coconut-based integrating farming system which could address the problem of unemployment and also ensure sustainable development in districts of Chhattisgarh, Jharkhand and Odisha. At present, the average productivity of coconut in the country is 8,303 nuts per hectare (i.e. 48 nuts per palm a year). The official said the production could be increased significantly so that it could help in bringing down the cost of production and make coconut items and its by-products internationally competitive.

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