

TIRUPATI, July 25, 2012

'Peg cane price at Rs. 3,000 per tonne'

A delegation of farmers representing Chittoor district unit of the Kisan Service Organisation (KSO) called on Minister for Agriculture Kanna Lakshminarayana in Tirumala, where he was on a pilgrimage on Tuesday, and discussed with him threadbare the problems being faced by sugarcane growers on two counts, non-payment of arrears for the cane supplied to the government and the private sugar factories in the district for crushing season, 2011-12, and secondly un-remunerative prices being paid by the factories.

The KSO functionaries represented to the Minister that though the cost of sugarcane cultivation had gone up by 300 to 400 per cent, the government is still paying them the old and highly un-remunerative price and demanded that the cane price be pegged at Rs. 3,000 per tonne, as otherwise cultivation of sugarcane would be rendered further uneconomical and unviable.

The delegation comprised among others, T. Adikesavulu Reddy, D. Gunasekhar Naidu and Akula Sathish Kumar .

NEW DELHI, July 25, 2012

Tamil Nadu allowed to carry out Mullaperiyar dam repair

The Supreme Court has permitted Tamil Nadu to carry out repair and maintenance works on the Mullaperiyar dam in the presence of the Superintending Engineer of Kerala and an independent member nominated by the Chairman of the Central Water Commission.

A five-judge Constitution Bench of Justices D.K. Jain, R.M. Lodha, Deepak Verma, C.K. Prasad and Anil R. Dave passed this order on an application filed by Tamil Nadu for a direction to permit it to undertake certain maintenance works on the dam.

The Bench passed the order after hearing senior counsel Vinod Bobde for Tamil Nadu and senior counsel Harish Salve for Kerala.

The Bench accepted Kerala's plea for copies of the test reports that formed the basis for the Empowered Committee, headed by former Chief Justice of India A.S. Anand, to submit its report.

The Bench said that Tamil Nadu could take up the work of re-laying the wearing coat on top of the baby dam. It permitted Tamil Nadu to clear the entry to the leading channel and the tunnel by removing silt and debris for ensuring the free flow of water.

While allowing Tamil Nadu to lay an approach road from the Mullaperiyar dam to Vallakadavu, the Bench said that the work should be carried out after getting necessary clearances from the Union Ministry of Environment and Forests.

The Bench also allowed Tamil Nadu to clean the stilling basin for filling the eroded pockets with epoxy concrete, ream the holes in the drainage galleries and carry out other routine maintenance work.

In its application, Tamil Nadu stated: "When we proceeded to carry out routine maintenance work to fill the soil trial pits put up downstream the baby dam with earth, Kerala Police personnel stationed at the dam site stopped the work. It has become imperative for the applicant State to approach this court for appropriate decision to the State of Kerala to instruct the Kerala Police and the forest guards, rangers and officers of Kerala not to obstruct the officials of the State of Tamil Nadu from carrying out the works, which are urgently required to be done.

"The State of Kerala is persisting with its obstructionist attitude to carrying out the maintenance work, even though this will amount to violation of this court's order dated November 10, 2009, wherein it has been ordered that status quo will not be an impediment to carry out maintenance and repairs for proper upkeep of the dam."

Further hearing

The Bench directed the matter to be listed for further hearing on August 31. It asked Chief Justice of India S.H. Kapadia to reconstitute the Bench since one of the judges was due to retire by then.

- *Bench accepts Kerala's plea for copies of test reports*
- *Tamil Nadu can re-lay wearing coat on top of baby dam*

AKRON (OHIO), July 25, 2012

Goodyear tests tyres made with soybean oil

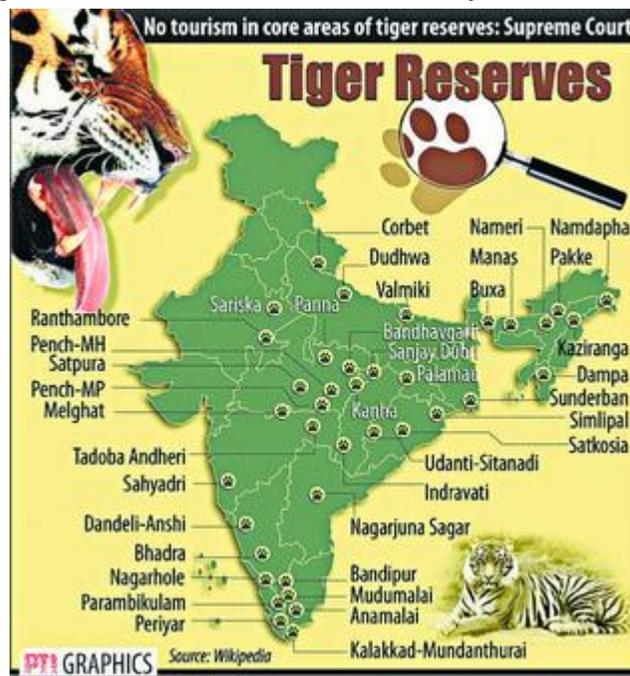
Goodyear is testing tyres made with soybean oil as it tries to cut its use of petroleum and extend tread life. The company said, on Tuesday, its researchers had found that the tread on tyres made partially with soybean oil could last 10 per cent longer than current tyres. The soybean oil, which comes from a renewable resource, could cut Goodyear's use of petroleum by up to 7 million gallons (26.6 million litres) a year, the company said in a statement.

NEW DELHI, July 25, 2012

Supreme Court bans tourism in core areas of tiger reserves

J. VENKATESAN

Supreme Court warns gives three weeks to States that are yet to issue notification



To protect tigers, the Supreme Court on Tuesday banned all tourism activities in the core areas of the tiger reserve forests.

A Bench of Justices Swatanter Kumar and Ibrahim Kalifullah passed the order on a petition filed by conservationist Ajay Dubey that sought a directive to the States to notify the buffer and peripheral areas of the tiger reserves, under the Wildlife (Protection) Act, to prevent tourism in the core areas.

In April, the court heard senior counsel and *amicus curie* Raj Panjwani and asked Jharkhand, Rajasthan, Andhra Pradesh, Arunachal Pradesh, Uttar Pradesh, Tamil Nadu, Bihar, Karnataka and Maharashtra to issue the notification. On Tuesday, the court was told that except Jharkhand, Rajasthan and Arunachal Pradesh, the other States had not filed affidavits and were yet to notify the core areas.

Wasim A. Qadri, counsel for the National Tiger Conservation Authority, which works under the Ministry of Environment and Forests, submitted the guidelines framed for ecotourism in and around the protected areas.

After hearing counsel for the States, the Bench said: "Why should tourism be allowed in core areas? Tigers are practically on the verge of extinction, whatever the statistics is."

In its order, the Bench said: "Despite this court's order on April 3, several States have not issued notification for buffer and core areas ... During the course of the hearing, Jharkhand and Arunachal Pradesh have said they are ready with the notification, while the other States said they are attempting to do so." (Rajasthan has already issued the notification.)

Giving three weeks — as the last opportunity — to those States that have not yet notified the core areas and filed affidavits, the Bench imposed Rs. 10,000 in costs on them.

"If affidavits are not filed by these States [by then], this court will initiate contempt action and impose costs [on them] up to Rs. 50,000. Affidavits will have to be filed within three weeks. No further time will be given. The [National] Tiger Conservation Authority has placed its recommendation of guidelines."

"We will take up the guidelines for final hearing, so that the Centre can issue a notification for fixing [the] area and utilisation of [the] buffer and core area."

The Bench said: "We make it clear that till final directions of this court with reference to the ... guidelines, the core areas ... will not be used for tourism." The court directed the matter to be listed for further hearing on August 22.

GURGAON, July 25, 2012

'Pay Rs. 235 crore to farmers'

Maruti Suzuki's woes at Manesar are piling up with the Haryana government asking the company to pay Rs. 235 crore to HSIIDC as enhanced compensation to farmers for land acquisition under a Supreme Court order.

KURNOOL, July 25, 2012

Collector urges ryots to opt for alternative crops

Collector C. Sudarshan Reddy asked farmers to prefer alternative crops in view of the erratic seasonal conditions this year.

Talking to reporters here on Tuesday, he said even though the rainfall appeared to be normal, its uneven distribution caused adverse conditions.

While average normal rainfall in June was 77 mm, the district received only 39 mm with a deficit of 49 per cent, the Collector said.

GURGAON, July 25, 2012

Rainwater harvesting made mandatory in Gurgaon

ASHOK KUMAR

The district administration has now made it mandatory for houses with more than 100 square metres covered area to have a rainwater harvesting system in place. Twenty teams have been constituted to grant permission to install the systems and ensure their functioning.

The orders come in the wake of a recent Punjab and Haryana High Court directions barring Haryana Urban Development Authority (HUDA) from issuing fresh licences for housing projects without an undertaking from the builders not to draw ground water.

District Magistrate P.C. Meena has appointed Superintending Engineers concerned of HUDA and Municipal Corporation Gurgaon as overall in-charge to ensure implementation of orders and said that supervisory officers would be held responsible for any lapses or violations of the orders.

The teams have been directed to grant permission for installation of the rainwater harvesting system within 10 days of receiving the application and ensure that system is used only for recharge of aquifer and not for abstracting ground water. The applicant will have to give an undertaking along with the application showing the complete address of the registered owner or agency of boring machine before the injection of tube-well for the said system. The applicant will also have to give an undertaking saying that he would adhere to directions of the Central Ground Water Authority and the Supreme Court.

The teams have been directed to check the installation of the rainwater harvesting system in the premises of the applicant after completion of work and send progress report to the Member Secretary District Advisory Committee-cum-Hydrologist in the first week of every month.

The Hydrologist will in turn compile the progress report and submit consolidated report to the Deputy Commissioner's office for discussion at District Advisory Committee meeting.

According to the district administration, the total water supply to the city is just 60 MGD against the total demand of 200 MGD and hence daily withdrawal of ground water works out to be 140 MGD. The withdrawal of ground water at this rate has caused its level to plummet by 8 metres per annum posing a severe danger of ground water being completely exhausted in the next few years.

hindustantimes

Wed, 25 Jul 2012

weather

Chennai - INDIA

Today's Weather



Cloudy

Wednesday, Jul 25

Max Min

Tomorrow's Forecast



Thursday, Jul 26

Max Min

37.6° 27.9°	Rainy	35° 28°
Rain: 00 mm in 24hrs	Sunrise: 5:45	
Humidity: 62%	Sunset: 18:39	
Wind: Normal	Barometer: 993	

Extended Forecast for a week

Friday Jul 27	Saturday Jul 28	Sunday Jul 29	Monday Jul 30	Tuesday Jul 31
				
34° 28°	34° 28°	35° 28°	34° 28°	33° 27°
Rainy	Rainy	Rainy	Rainy	Rainy

THE ECONOMIC TIMES

24 JUL, 2012, 02.53PM IST, PTI

Coriander futures recover as demand picks up

NEW DELHI: Coriander prices recovered by Rs 78 to Rs 4,500 per quintal in futures trading today as speculators enlarged their positions, driven by pick-up in spotdemand against restricted arrivals from key growing belts.

At the National Commodity and Derivative Exchange, coriander for delivery in September rose by Rs 78, or 1.76 per cent, to Rs 4,500 per quintal with an open interest of 11,170 lots.

Similarly, the spice for delivery in the August contract edged up by Rs 53, or 1.23 per cent, to Rs 4,374 per quintal in 18,080 lots.

Market analysts said fresh positions created by speculators, driven by pick-up in spot market demand against less arrivals from producing belts, mainly led to rise in coriander prices at futures trade.

24 JUL, 2012, 02.22PM IST, PTI

Pepper futures rise on thin supply

NEW DELHI; Pepper prices rose by Rs 345 to Rs 43,890 per quintal in futures trade today as speculators created fresh positions, driven by lower supplies in the spot markets but slackened demand at higher levels, limited the gains.

At the National Commodity and Derivatives Exchange, pepper for delivery in September rose by Rs 345, or 0.79 per cent, to Rs 43,890 per quintal with an open interest of 1,122 lots.

Likewise, the spice for delivery in the August contract moved up by Rs 270, or 0.63 per cent, to Rs 43,420 per quintal in 5,457 lots.

Market analysts attributed rise in pepper prices at futures trade to thin supplies in the spot markets but fall in demand at prevailing levels and sluggish exports, restricted the gains.

24 JUL, 2012, 11.18AM IST, PTI

Crude palm oil futures remain weak on sluggish demand

NEW DELHI: Crude palm oil remained weak for the second straight day today as prices fell further by Rs 5.80 to Rs 571.90 per 10 kg in futures trade because of sluggish demand in the spot market.

At the Multi Commodity Exchange, crude palm oil for delivery in September month fell by Rs 5.80, or 1 per cent to Rs 571.90 per 10 kg in business turnover of 221 lots.

Likewise, oil for delivery in July contract shed Rs 4.80, or 0.85 per cent to Rs 569.90 per 10 kg in 75 lots.

Marketmen said sluggish demand against adequate stocks position in the physical market mainly kept pressure on crude palm oil prices at futures trade.

24 JUL, 2012, 02.31PM IST, PTI

Chana futures weaken on profit-booking

NEW DELHI: Chana prices declined by Rs 6 to Rs 4,900 per quintal in futures trading today on continued profit-booking by speculators but improved spot demand ahead of festivals and thin stocks limited the losses.

At the National Commodity and Derivatives Exchange, chana for delivery in September fell further by Rs 6, or 0.12 per cent, to Rs 4,900 per quintal with an open interest of 36,100 lots.

Likewise, the commodity for delivery in the August contract traded lower by Rs 4, or 0.08 per cent, to Rs 4,808 per quintal in 90,910 lots.

Market analysts said profit-booking by speculators at existing higher levels mainly kept pressure on chana prices at futures trade.

24 JUL, 2012, 02.33PM IST, PTI

Mentha oil futures slide on profit-booking

NEW DELHI: Mentha oil prices slide by Rs 6.10 to Rs 1,354.60 per kg in futures market today amid profit-booking by speculators and sluggish domestic demand.

Adequate stocks availability in the physical market following increased arrivals from major producing belt -- Chandousi in Uttar Pradesh -- also kept pressure on mentha oil prices.

At the Multi Commodity Exchange, mentha oil for delivery in August declined by Rs 6.10, or 0.45 per cent, to Rs 1,354.60 per kg in business turnover of 235 lots.

Similarly, the oil for delivery in the July contract shed Rs 5.80, or 0.43 per cent, to Rs 1,330.80 per kg in 582 lots.

Market analysts attributed the fall in mentha oil futures to profit-booking by speculators, driven by sluggish domestic demand.

DECCAN Chronicle

Published on *Deccan Chronicle* (<http://www.deccanchronicle.com>)

Price rise: Govt releases 2.9 lakh tons more sugar in open market

The government today decided to release 2.9 lakh tonnes of more sugar in the open market to control the sweetener's price that has risen by Rs 3 a kg in a fortnight. "Sugar prices are rising. We are taking steps to control the price and we have decided to allocate 2.9 lakh tonnes of sugar in the open market for the July-September quarter," Food Minister K.V. Thomas told reporters here. Pointing out that sugar rates have risen by Rs 5 to Rs 38 a kg in the last one year, he said government will release more quantity of sugar, if need arises, to control the prices. Sugar prices were ruling at Rs 34-35 a kg in the national capital a fortnight ago and now have touched Rs 37-38 a kg. Thomas said this 2.9 lakh tonnes of sugar was meant for supply through ration shops during 2008-09 and 2009-10 fiscal but the Food Ministry did not lift that quantity from mills. Now, mills have been asked to sell this quantity in the open market during this quarter. An order in this regard will be issued soon, he added. With this additional allocation of nearly 3 lakh tonnes, the total sugar availability in the current quarter would be 50 lakh tonnes. The Food Ministry had allocated 45 lakh tonnes of sugar for sale in the open market in the current quarter. That apart, mills were given permission to sell 2 lakh tonnes of sugar that was unsold in the last quarter, Thomas said. "All together, around five lakh tonnes of additional sugar has been allocated over and above 45 lakh tonnes for the current quarter," the minister said. The country's sugar production is estimated at 26 million tonnes in 2011-12 marketing year (October-September), against the annual demand of 22 million tonnes.

Source URL: <http://www.deccanchronicle.com/channels/business/news/price-rise-govt-releases-29-lakh-tons-more-sugar-open-market-390>

Business Standard

Wednesday, Jul 25, 2012

FoodMin for PDS subsidy extension in edible oil

Anindita Dey / Mumbai July 25, 2012, 0:47 IST

The Union ministry of food has recommended continuing the subsidy for edible oil distribution, given the rising trend in prices and anticipated shortfall in final production in the kharif season.

The subsidy scheme under the public distribution system involves distributing edible oil at Rs 15 per kg to individual states. The scheme is to end in September.

Sources say barring seven to eight states, this scheme is not being used by others. For instance, Kerala does not want to upset the price of coconut oil, widely used in the state. Similarly, West Bengal is not part of the scheme. Maharashtra, Andhra Pradesh and Karnataka are among those using it. The ministry has started talks for the scheme's wider acceptance, as edible oil prices are expected to go up in the coming months.

The fourth advance estimates released by the government last week had forecast production of 30 million tonnes of oilseed, as compared to the targeted production of 33.6 mt. The final estimate for output in 2010-11 is 32.4 mt. While this forecast includes both the kharif and rabi crops, estimates for the former project an output of 20.8 mt (target of 22.1 mt). Last year, the kharif final estimates were 21.9 mt, ahead of the fourth advance estimates of 20.8 mt.

Besides, after a tariff increase on the import of palmolein oil, its prices are up in the domestic market by 10-20 per cent across the country. The government defroze the tariff value on imported RBD palmolein from \$484 a tonne, and aligned it with current international prices and scrapped the proposal to lower import duty rate on refined oil.

Barring groundnut oil, which ruled steady, all other edible oils have shot up, at par with higher import parity due to revision of tariff values.

Official sources said even if palmolein prices in the international markets had been rangebound, the rupee's sharp depreciation against the dollar was another factor which was increasing the import cost and, subsequently, cost to the domestic consumer.

In the domestic market, according to the fourth estimates, the affected oilseeds are groundnut, rapeseed, mustard seed and sunflower.

For the kharif, groundnut production estimates are 5.1 mt (target of 6.8 mt), while total production is estimated at 6.9 mt (8.8 mt). Similarly, for rapeseed and mustard seeds, the estimated production was 6.7 mt (target of 8.2 mt). The sunflower kharif crop estimate is 141,000 tonnes (276,000 tonne target).

Rubber import surges, prices sag

George Joseph / Kochi July 25, 2012, 0:46 IST

Reports on the upward trend in production and sluggish global demand have further strengthened the bear phase in the natural rubber (NR) market. The benchmark RSS-4 grade on Tuesday dropped to Rs 168/kg in the Bangkok market and to Rs 180/kg in local trade.

Domestic rubber prices have dropped 22 per cent after a peak of Rs 240 about 15 months earlier. According to experts, prices are expected to stay subdued for the rest of the year, on sluggishness in the global automobile market and increase in production. Leading traders in Kochi and Kottayam said the price had already dipped to the psychological mark of Rs 180 a kg and was likely to fall further.

Just a month before, the Kochi market quoted Rs 190 and it was Rs 196 in the first week of May. In December-January, it was above Rs 200 a kg. Likewise, the Bangkok market quoted Rs 191 a kg just four weeks earlier and it was Rs 198 a kg in mid-May. The bear phase persists mainly on account of the poor offtake by rubber-based industries, especially automobile companies, and the latest forecasts on global output.

Production from the Association of Natural Rubber Producing Countries might rise 4.9 per cent to 10.9 million tonnes (mt) for 2012-13. The earlier estimate was 10 mt. The rise is on the back of increased output from Indonesia, the world's second largest producer, which is likely to go up to 3.26 mt, in Malaysia to 1 mt and Vietnam's 915,000 tonnes. These countries are planning to

form a cartel and regulate production by reducing the number of tapping days. N Radhakrishnan, former president of the Cochin Rubber Merchants Association, said the sharp increase in acreage in Thailand, Indonesia and Vietnam caused an increase in production and this would continue. But the global economic turmoil has badly impacted NR demand across the globe. Experts believe the price would further reduce, with the peak of the bear market in 2013-14. International market conditions strongly favour more imports to India in this and coming years. On an average, the local prices are higher by Rs 11/kg than the international counterparts. Expectedly, in the first quarter of this financial year, imports were 21,189 tonnes as against 19,118 tonnes in the same period last year. Imports during 2011-12 was 205,433 tonnes and experts feel this is likely to cross 250,000 tonnes in 2012-13. Import is likely to cross 20,000 tonnes this month, said leading Kottayam-based dealers. Crumb rubber is available abroad at Rs 160/kg and the landed cost is Rs 187/kg. The domestic cost is Rs 195 -196 kg, after including valued added tax, cess, etc. So import is a much cheaper route in the existing global market conditions.

THE HINDU Business Line

Weak futures pound wheat



Karnal, July 24:

Wheat futures witnessed some correction on profit booking on Tuesday, while spot market remained supportive following low arrivals.

A correction in wheat futures was anticipated as prices have risen sharply, since the beginning of July, said market experts. Traders have started booking profit following the apprehension that government may release stocks to pull prices down, said experts. According to the market sources, wheat futures may fall further this week. On the National Commodity and Derivatives Exchange, wheat for August delivery decreased by Rs 15, to Rs 1,388 a quintal. It had touched a low of Rs 1,378 earlier on Tuesday. September contracts went down by Rs 19 to Rs 1,435. Spot prices on the MCX increased marginally by Rs 0.3 to Rs 1,395.1. In the physical market, after witnessing a good rally last weekend, dara and flour prices remained almost unchanged. The Dara variety was quoted at Rs 1,220-1,230. Only 35 tonnes of dara variety arrived from Uttar Pradesh and the stocks were directly offloaded at the mills. Mill delivery was at Rs 1,220-1,225 a quintal while delivery at the chakki was at Rs 1,230. Following good domestic demand for flour, interest in dara wheat remained firm, said Mr Ram Kumar, a wheat trader. Prices have been ruling firm since last weekend, he added. Low arrivals are also supporting the market at current levels. On the other hand, desi wheat varieties continued to rule flat. Tohfa sold at Rs 2,210 a quintal, Bhojan King at Rs 2,100, while the Nokia variety was at Rs 2,020.

Flour Prices

With a steady trend in wheat, flour too ruled flat and quoted at Rs 1,215-1,220 for a 90-kg bag. Similarly, Chokar remained unchanged and sold at Rs 620-635 for a 49-kg bag.

Demand pulls up turmeric prices to Rs 7,000



Erode, July 24:

Both varieties of turmeric have touched Rs 7,000 a quintal on Tuesday. The prices of the both varieties of turmeric have increased by Rs 700 a quintal due to demand. "Within 35 days, finger variety prices have increased by Rs 3,200 a quintal, as it was sold at Rs 4,069 on June 18 . On July 24, it is selling at Rs 7,730. This is due to the large scale buying of the turmeric by the stockists. But for the past couple of days, the exporters have received orders from North India, some exporters have quoted increased price, purchased the turmeric." "This increased price will stand for some days as they are getting new orders", said Mr R.K.V. Ravishankar, President, Erode Turmeric Merchants Association. Salem Hybrid variety prices increased on Tuesday by Rs 1,100 a quintal while the others at Rs 700 a quintal. The prices touched Rs 7,330 in the Regulated Marketing Committee. Of the total arrival of 6,700 bags, 80 per cent were sold. Of this, 90 per cent were purchased by the stockists. At the Erode Turmeric Merchants Association, the finger variety was sold at Rs 3,409-6,810, root variety Rs 3,009- 5,910.

Salem Hybrid: The finger variety fetched Rs 7,089-7,729. Root variety Rs 6,009-6,589. Of the arrival of 1,117 bags, 670 were sold. At the Regulated Marketing Committee, the finger variety was sold at Rs 6,499-7,330, root variety Rs 6,419-7,189 a quintal. Of the arrival of 1,218 bags, 1,155 were sold. At the Erode Cooperative Marketing Society, finger variety was sold at Rs 6,199-6,799, root variety Rs 5,272-6,190 . All the 886 bags were sold. At the Gobichettipalayam Agricultural Cooperative Marketing Society, finger variety was sold at Rs 5,272-6,910, root variety Rs 5,100-5,899 a quintal. All the 52 bags were sold.

Sugar rules steady amid profit booking



Mumbai, July 24:

Sugar prices on the Vashi market ruled steady above Rs 3, 600 on Tuesday after witnessing a sharp rise of Rs 450-500 a quintal this month.

In spot, S-grade declined by Rs 5-10 while M-grade ruled steady. *Naka* rates were unchanged as mill tender rates continued ruling higher with firm morale.

Traders said, as sugar prices rose by more than Rs 250 in last one week most traders kept away from fresh buying and preferred booking profits.

Fear about announcement of additional quota cooled down the sentiment for a while but fundamentals remain bullish.

There was routine demand from Madhya Pradesh, Rajasthan and Gujarat for fine variety M-grade in Kolhapur line. Mr Mukesh Kuwadia, Secretary of Bombay Sugar Merchants' Association, told *Business Line*, " despite taking steps to increase more supply by announcing additional quota as there is a sufficient sugar stock available in country, the Government has recently given comments on steps such as stock control, put 10 per cent duty on raw sugar imports.

"Sugar futures on the National Commodity and Derivatives Exchange (NCDEX) gained Rs 25 till noon ignoring the Centre's intention to control prices by imposing certain curbs.

Given the dry weather in leading producing States such as Maharashtra and Karnataka, the general trend is bullish.

In Vashi market, arrivals were 54-55 truck loads and local dispatches were 52-53 truck loads. On Monday evening, 15 -16 mills offered tenders and sold about 70,000 – 75,000 bags (of 100 kgs each) to the local stockists in the range of Rs 3,320-3,400 (Rs 3,320-3,400) for S-grade and Rs 3,420-3,450 (Rs 3,420-3,450) for M-grade.

Bombay Sugar Merchants Association's spot rates: S-grade Rs 3,461-3,531 (Rs 3,472-3,535) and M-grade Rs 3,521- 3,621 (Rs 3,521- 3,621). ***Naka* delivery rates:** S-grade Rs 3,450 -3,500 (Rs 3,450 -3,500) and M-grade Rs 3,500-3,570 (Rs 3,500-3,570).

Groundnut oil flares up on lower availability of nuts



Rajkot, July 24:

Groundnut oil gained Rs 15 a tin due to lower availability of nuts for crushing and lower arrivals. Moreover, delay in rain in production area and less sowing in the State have added to the bullish morale .

A miller said, "Groundnut arrival is very weak and it is divided among peanuts trade and crushers. But mills are getting very low stock of the groundnut which pushed up the groundnut oil price in recent time."

With price rise, demand in groundnut oil is also declining. According to edible oil traders in retail market, demand for groundnut is quite below the normal trend as prices have gone up.

Groundnut oil loose traded higher by Rs 15 to Rs 1,220-1,225 for 10-kg while groundnut oil new tin for 15-kg increased Rs 15 to Rs 2,065-2,070. About 20-30 tonnes of groundnut oil were traded in mills.

About 5,000-6,000 bags groundnut arrived in Saurashtra and quoted Rs 860-1,050 for 20 kg.

On the other hand, cotton oil price declined due to poor demand. During last week, cotton oil price went up Rs 30 a tin due to lower cotton seed availability. Cotton oil declined Rs 10 to Rs 1,230-1,240 for 15-kg tin and cotton oil wash was down Rs 7-8 to Rs 617-620 for 10 kg.

Edible oils slip on poor local offtake

Our Correspondent



Mumbai, July 24:

Imported palmolein and soya refined oil dropped by Rs 4 and Rs 7 for 10 kg each along with sunflower oil which declined by Rs 5 on Tuesday on poor local demand and extended loss in Malaysian palm oil futures.

Monsoon deficit and concern over new crop pushed up groundnut oil by Rs 10 and mustard oil by Rs 20 for 10 kg. Cotton refined oil ruled steady. An analyst said Malaysian BMD crude palm oil futures dropped to the lowest in five weeks on Tuesday, extending losses as forecast for rains in the U.S. Midwest improved production outlooks for soyabeans. Malaysian CPO August futures closed below 2,900 ringgits-mark, the lowest since June 19.

A Mumbai-based wholesaler said tracking weak futures and poor demand despite festivals activities remain limited during the day. Traders preferred to fulfil old commitments. Merely 80-100 tonnes of palmolein were resale traded at Rs 620-621.

Industry sources said key oilseeds growing States – Maharashtra, Madhya Pradesh, Rajasthan and Gujarat – have so far received lower rainfall than average since the beginning of the monsoon. Indian farmers have cultivated summer-sown oilseeds on 108.84 lakh hectares as of July 20 down from 121.42 lakh hectares during the same time a year ago, Agriculture Ministry data showed. Liberty was quoting palmolein at Rs 633-634 for August and Rs 639-640 for September, super palmolein at Rs 683, soya oil at Rs 770 and sunflower refined oil at Rs 770. Ruchi quoted palmolein at Rs 625, JNPT at Rs 628-632, Patalganga for August. Soya refined oil was at Rs 755-759 for August. Sunflower refined oil was at Rs 761-765 for August. Allana's rate

for palmolein was at Rs 637 and Bunge's was at Rs 630. Vaibhavi's quoted palmolein at Rs 635 for September 1-10.

In Saurashtra-Rajkot, absence of rain pushed up groundnut oil by Rs 30 to Rs 1,870 for *Telia* tin and by Rs 20 to Rs 1,220 (Rs 1,200) for loose - 10kg. On the National Board of Trade – Indore, soya refined oil August futures dropped to Rs 790 (Rs 800) while September was at Rs 800 (Rs 810).

Malaysia's crude palm oil August contracts settled lower at MYR 2,898 (MYR 2,962), September at MYR 2,912 (MYR 2,976) and October at MYR 2,926 (MYR 2,990) a tonne.

The Bombay Commodity Exchange spot rates were (Rs/10 kg): groundnut oil 1,190 (1,180), soya refined oil 755 (762), sunflower exp. ref. 705 (710), sunflower ref. 765 (765), rapeseed ref. oil 905 (885), rapeseed expeller ref. 875 (855) cotton ref. oil 755 (755) and palmolein 622 (626).

Traders stock copra on fears of supply crunch

V. Sajeev Kumar



Kochi, July 24:

Copra prices are likely to firm up in the short-term as large scale manufacturers have started stocking copra at current levels, according to Mr Prakash B. Rao, Vice-President, Coconut Oil Merchants Association (COMA),

Traders are also stocking copra in anticipation of a drop in supply as monsoon progresses. Mr Rao said that the off season for coconut and copra would start from September and extends till December-end.

Mr Thalath Mahamood, President, COMA, said though the market is ruling steady, local demand on account of festival season is likely to impact the market in a small way. Usually coconut oil demand will increase in Kerala due to higher consumption in households in festival season, he said.

Coconut oil market in Kerala continues to rule steady in the last two consecutive weeks. Prices were flat at last week's level of Rs 62/kg, while in Tamil Nadu it was Rs 59 against last week's Rs 58.75.

Mr Rao said that prices are expected to remain stable in the next couple of weeks on anticipation of festival demand.

He said that copra prices are also ruling firm at Rs 4,300 a quintal in Kerala against last week's Rs 4,200; while in Tamil Nadu it remained static at Rs 4,000 quoted last week.

Substitute oils such as palm oil and palm kernel oil are trading at Rs 64 and Rs 70 a kg respectively. Compared to other edible oils, coconut oil is still cheaper, he said.

Mr Bharat N. Khona, former Board Member, COMA, said that the market is ruling steady and upcountry demand is low because of poor monsoon.

Meanwhile, the Coconut Development Board has announced additional support for coconut farmers in Karnataka. A press statement issued here said that there would be an additional support of Rs 700 a quintal for ball copra and above the already existing minimum support price of copra under Price Support Scheme at the rate of Rs 5,350 during 2012.

Coconut farmers will get additional benefit of Rs 7/kg. The Karnataka Government has earmarked Rs 5 crore in this regard and the fund will be released to Karnataka Co-operative Marketing Board. It has been decided to procure 5,000 tonnes of copra during 2012 by the Karnataka Government. Each coconut farmer can supply 10 quintals of copra to the procurement agencies, the statement said.

Chana may zoom to Rs 6,000/quintal on festive demand



Indore, July 24:

The chana rally ended today on slack buying support even as arrival remained negligible. In the spot, chana (kanta) on Tuesday ruled at Rs 5,075-5,100 a quintal, while chana (desi) ruled at Rs 5,000. Chana (kanta,) on Monday, in the local mandis, had gone as high as Rs 5,150 a quintal on slack arrival and robust buying support from the millers but later in the evening with decline in futures and profit booking at the higher rate, it slipped to Rs 5,100. Though fresh bout of rains have given new lease of life to the standing crop, bearish sentiment in chana appears unlikely. With steep decline in domestic stock and delay in arrival of the next crop, chana may witness a rally in the coming days, more so due to rise in demand during the festive season beginning next month, said Mr Sanjay Bansal, a wholesale trader adding that before the arrival of next crop in October, chana prices in the coming days may soar to Rs 6,000 a quintal and even more.

Besides weak domestic cues, higher price of imported Australian chana also added to the bullish sentiment . With steep rise in spot chana, chana dal in the past one week has also risen by about Rs 200 a quintal with prices of chana dal (average) in the local mandis being quoted at Rs 6,200-25, chana dal (medium) at Rs 6,300-25, while chana dal (bold) ruled at Rs 6,500-25. Improved buying support both in the domestic and export markets has also pushed up dollar

chana in the past week by about Rs 500 a quintal. In local mandis, dollar chana on Tuesday ruled at Rs 7,800-8500 a quintal. In the container dollar chana (42/44 count) was at Rs 9,400 a quintal, 44/46 count at Rs 9,200, while 58/60 count ruled at Rs 8,200.

Arrival of dollar chana remained weak with merely 300 bags being offloaded in local mandis. If traders are to be believed, future of dollar chana appears to be bullish given rise in demand and decline in stock.

Pepper moves up

G. K. Nair

Kochi, July 24:

The pepper market on Tuesday moved up on bullish activities on favourable market fundamentals after remaining volatile through out the day. All the active contracts increased substantially and ended much above the previous day closing.

Market opened on an easier trend and August was traded as low as Rs 43,050 a quintal from the opening price of Rs 43,155 a quintal.

Then it was traded with high volatility and during the closing hour it was pushed up from Rs 43,480 a quintal to Rs 44,050 a quintal to decline marginally and closed significantly above the previous day's closing price. Similar performance was seen in September also.

Some of the investors holding farm grade pepper but do not have processing facilities sold at Rs 25-28 below the August delivery price. They sold 20 to 25 tonnes to processors and investors who get them processed and then deposit them in the exchange platform.

Allegations

There were allegations that some of the EOUs importing pepper for value-addition and re-export were pushing the material into the exchange platform.

On the spot, some nine tonnes of pepper was traded at Rs 404, 408 and 410 a kg, depending on the quality, grade and area of production.

August contract on the NCDEX increased by Rs 440 a quintal to the last traded price (LTP) of Rs 43,590 a quintal. September and October prices went up by Rs 470 and Rs 420 respectively to the LTP of Rs 44,015 and Rs 44,360 a quintal.

Turnover

Total turnover dropped by 1,562 tonnes to 3,494 tonnes. Total open interest declined by 65 tonnes to 6,576 tonnes.

August open interest decreased by 174 tonnes to 5,287 tonnes while that of Sep and Oct moved up by 106 tonnes and 2 tonnes respectively to 1,208 tonnes and 74 tonnes.

Spot prices increased on buying support amid limited availability and in tandem with the futures market trend by Rs 300 to close at Rs 40,400 (ungarbled) and Rs41,900 (garbled).

Indian parity in the international market has shot up to \$8,100 a tonne (c&f) Europe and \$8,300 a tonne (c&) for the USA and remained much above other origins. The consistently high prices might force some of the supporting markets of MG 1 in the US, Europe, Canada, Australia and Japan which used to be ready to pay up to \$400 a tonne premium to other origins. Keeping these markets in our fold is inevitable for the future, the market sources told *Business Line*.

Maize prices ride up with corn



Maize prices are rising along with the rise in corn prices in the global market where futures are soaring on fears that the crop in the US, the largest producer, will be badly affected this year.

Chennai, July 24:

Maize (corn) prices continued to zoom North with the September futures topping Rs 1,600 a quintal on Tuesday.

Maize prices are rising in line with the rise in corn prices in the global market where futures are soaring on fears that the crop in the US, the largest producer, will be badly affected this year. The worst drought in the US in five decades is taking its toll on corn, wheat and soyabean, though the impact on the latter two crops is expected to be a little mild. Maize for September delivery increased to Rs 1,610 a quintal towards close of trade, up half a per cent from Monday. However, the October and November contracts dropped by over 1 per cent, taking cues from the Chicago Board of Trade futures, where prices fell on profit booking.

Corn prices on CBOT had increased due to concerns in the wake of the drought in the MidWest, the corn growing belt of the US.

NCDEX August maize was at Rs 1,568, down Re 1 from the previous close, while the October contract was down Rs 10 at Rs 1,565. In the spot market at Davengere in Karnataka, maize was quoted at Rs 1,395 a quintal.

Chilli futures gain 2%



Arrivals in Guntur market are higher but a matching demand is keeping the prices at higher level. Photo: P.V. Sivakumar

Chennai, July 24:

Chilli futures turned hot on the National Commodities and Derivatives Exchange with almost all contracts rising over 2 per cent by noon on Tuesday.

Data on April exports showing shipments more than doubling to 30,000 tonnes (12,963 tonnes) helped boost the sentiment in the market.

Fears of lower crop this year have already triggered an uptrend in the market.

In the Guntur spot market, chilli was quoted at Rs 5,847.60 a quintal.

On the NCDEX, the August contracts were up by 2.38 per cent at Rs 5,596 a quintal, while October contracts gained 1.23 per cent to top Rs 6,000 a quintal. They were quoted at Rs 6,084 a quintal. September contracts ruled at Rs 5,830, up 2.93 per cent over Monday's close.

Arrivals in Guntur market are higher but a matching demand is keeping the prices at higher level.

Fears over crop production have increased since a large number of farmers who had switched over to chilli from paddy last year are expected to revert to the foodgrain.

Soya futures fall as rains boost crop prospects



The Chicago market also reacted to reports that expected showers in the US would boost soyabean prospects.

Chennai, July 24:

Weekend rain in soya growing regions of Madhya Pradesh and forecast of more rains dragged soyabean futures on the National Commodities and Derivatives Exchange on Tuesday.

A 3 per cent drop on the Chicago Board of Trade soyabean futures also played a role in the counter dropping. The Chicago market also reacted to reports that expected showers in the US would boost soyabean prospects. There is hope that some rain in the next few days could save the soyabean crop there.

In the spot market at Indore, soyabean was quoted at Rs 4,958 a quintal.

On the NCDEX, the long-month contracts dropped sharply than the near ones.

August soyabean contracts dropped 1.86 per cent from Monday's close to Rs 4,819 a quintal, while October contracts slid 1.77 per cent to Rs 3,957. November contracts slid 2.4 per cent to Rs 3,824.50 and December by 2.21 per cent to Rs 3,848.

On the CBOT, soyabean for November delivery, the most active contract, dropped 3.8 per cent to \$16.22 a bushel. The front-month August contract declined 59 cents to \$16.98.

Tea output down by 31 mkg in H1

Shobha Roy



A worker plucks tea leaves at the Amchong tea estate in the northeastern Indian state of Assam
Kolkata, July 24:

Having lost significant crop in the first six months, including part of the monsoon crop, the tea industry may be headed for decline in production in 2012.

Data with the Tea Board till May, coupled with the Indian Tea Association's (ITA) June crop estimate in North India, indicate tea production is down by at least 31 million kg (mkg) during January-June 2012.

According to sources in ITA, except for a dramatic recovery in July-August, it will be difficult for the industry to maintain last year's production levels.

Crop loss

According to data available with Tea Board, the country's total tea production is down by 28 mkg or 11.5 per cent to 215.82 mkg during January-May this year.

ITA survey estimates further 3 mkg crop loss by member North Indian gardens in June, due to unfavourable weather conditions.

Unofficial estimates suggest combining small growers, the actual crop loss should be much higher. "June, July, August and September are the heavy cropping months.

A portion of the loss in crop can be made good if rainfall is adequate and weather is favourable during these months," an ITA official told *Business Line*.

It would, however, be difficult to make good for the entire loss in crop, he added.

Prices

The auction data from Kolkata indicate that average prices of both CTC and orthodox were higher by nine per cent and 47 per cent in sale 29 held in July this year as compared with last year.

In Kolkata, average orthodox prices were Rs. 236.70 a kg (Rs 160.66 a kg in sale 29 last year) and average CTC prices were at Rs 151.58 a kg (Rs 138.56 a kg last year) in sale 29 in July.

"Though the prices are ruling high but it is still not able to offset the drop in production. This is because costs have gone up this year.

Labour costs have increased by 35-40 per cent due to the wage re-agreement," the ITA source said.

Poppy seeds price heads north on short supply

G.K. Nair



Kochi, July 24:

Poppy seeds continue to zoom up in the domestic market, of late to Rs 375-410 a kg as the supply remained far below the demand following crop failure and reduction in areas under the crop in most of the growing countries.

Turkey crop

“Indian production is already exhausted while the crop in Turkey, the major producer and supplier to India is reportedly below 50 per cent of its normal output,” upcountry trade sources told *Business Line*.

If the current trend is any indication, prices may scale new heights, they said.

In India, demand from Bengal is huge and it has aided the price rise during the past couple of days, they said.

Market sources said the inventories held by many are thin. “Hence, buyers want delivery but physical cargo availability is reportedly very tight as the crop, apart from Turkey, in other origins such as China, Czech, Spain has also failed”, the trade said.

Due to halving of the area under the crop in Turkey this year coupled with the unfavourable weather, the “total crop would amount to between 8,000 and 10,000 tonnes, of which 5,000-7,000 tonnes would be white poppy seeds.

In 2011, Turkey produced an estimated 35,500 tonnes of poppy seeds comprising 30,000 tonnes of white, 3,500 tonnes blue and 2,000 tonnes yellow, a Public Ledger report said.

India is the major consumer of Turkish poppy seeds and, hence, the Indian demand has a significant influence on the commodity’s price.

India consumes 40,000 tonnes of poppy seeds every year and against this, the indigenous production is around 12,000 tonnes. The balance is met by imports mainly from Turkey, they said.

Availability, according to current estimates, will be around 50 per cent of the normal global output, upcountry trade sources said. “The next crop will come only in July 2013 and, hence, there is going to be a long gap till the arrival of the next crop”, they pointed out.

This year’s crop in all the producing countries is reportedly very low due to damages inflicted by cold weather and reduction in growing areas. Consequently prices have increased by 150 per cent in last three months, they added.

Coca-Cola, Jain Irrigation project looks to scale up AP mango yields



Demo plot: Farmer, Mr S. Bhaskarachari of Chittoor district, Andhra Pradesh, stands in front of his freshly planted field of Totapuri saplings.

Chennai, July 24:

Mr S. Bhaskarachari, a farmer in Chittoor district of Andhra Pradesh, surveys his freshly planted field with satisfaction.

The saplings of the Totapuri variety of mango are neatly laid out in the rich, red soil, the tubes of the drip irrigation system snaking through the field.

Around 670 saplings have been planted on the one acre farmland at an investment of Rs 80,000.

Mr Bhaskarachari will need to invest around Rs 1.75 lakh over four years.

He has reason to be pleased.

yield period

The mango trees will start yielding from the third year and he can expect to make Rs 20,000 an acre and when the trees are in full bloom by the fifth year, up to Rs 1.2 lakh an acre.

Mr Bhaskarachari's small farm of around four acres is one of the demo plots adopted by Project Unnati, a Coca-Cola and Jain Irrigation initiative to increase mango yield through ultra high density plantation methods, developed by Mr Jain. In traditional farming methods, Mr Anil Jain, Managing Director, Jain Irrigation Systems Ltd, says, only around 40 mango trees would have been planted and it would have taken at least 7-8 years to start yielding. As part of this Rs 11-crore project, 100 acres of mango farms, belonging to 62 farmers, have already been seeded.

Project Unnati intends to scale up the project to cover 300 acres of demo farms.

On Monday, a training bus was launched by the former Army Chief, General Ved Malik, who is the Chairman of an advisory council on environment and sustainability for Coca-Cola India.

Mr T. Krishnakumar, Chief Executive Officer, Hindustan Coca-Cola Beverages, said that the Unnati mobile classroom will offer training to farmers across Andhra Pradesh and cover 50,000 farmers over five years.

The bus will take along demonstrators and agronomists on the UHDP techniques for mango cultivation, which also includes pruning and fertigation.

Coca-Cola's fruit drink Maaza, which is among the largest juice brands in the country with Rs 1,500 crore in retail sales, is made from a blend of totapuri and alphonso mangoes.

Over 60 per cent of its mango pulp is sourced from the Chittoor region, a bulk of it from Jain's processing plant here.

Coca-Cola sources over 50,000 tonnes of pulp a year for Maaza, which is made across 22 plants in the country and retailed in PET bottles, returnable glass bottles and cartons.

Spot rubber prices drop with TOCOM

Our Correspondent



Kottayam, July 24:

Physical rubber prices declined on Tuesday. The market lost ground mainly following the sharp falls in the trend setting Japanese indices. The gap between the domestic futures on the National Multi Commodity Exchange (NMCE) and the overall bearish sentiments kept the commodity under pressure during the day.

Sheet rubber closed weak at Rs 179 (180) a kg, according to traders. The grade dropped to Rs 179.50 (180) a kg at Kottayam and Kochi, as quoted by the Rubber Board.

The August series improved to Rs 176.60 (175.70), September to Rs 175.90 (174.72), October to Rs 175.80 (175.53) and November to Rs 175.50 (175.20) a kg for RSS 4 on the NMCE.

The Key TOCOM rubber futures fell to the lowest in more than two and a half years, tracking the falls in oil and other commodities on concerns that lingering European debt crisis could curb the demand for the materials. Traders remained cautious after Moody's downgraded the outlook for Germany, delivering a stark warning that not even Europe's largest and most pivotal economy was immune from the rolling crisis.

RSS 3 (spot) weakened to Rs 168.93 (171.71) a kg at Bangkok. The July futures declined to ¥215.5 (Rs 154.66) from ¥223 during the day session and then to ¥210.5 (Rs 151.07) in the night session on the Tokyo Commodity Exchange.

Spot rates were (Rs/kg): RSS-4: 179 (180); RSS-5: 173.50 (175); ungraded: 167 (168.50); ISNR 20: 169 (172) and latex 60 per cent: 129 (129.50).

4 years on, Kuttanadu package remains grounded

G. K. Nair



The tardy progress in the implementation of Rs 1,850-crore Kuttanadu package has raised apprehensions among the farmers.

Kochi, July 24:

The Rs 1,850-crore Kuttanadu package that was announced four years ago is yet to make any perceptible progress on the ground.

It is learnt that there is no proper coordination among a dozen departments involved in its implementation.

Farmers' fears

The tardy progress in its implementation has raised apprehensions among the farmers. The package recommended by the Dr M.S. Swaminathan Research Foundation (MSSRF) is aimed at mitigating agrarian distress in Alappuzha and Kuttanad wetland ecosystem.

"It is not going to achieve the desired results and may cause irreparable damage to the entire system," some of the farmers who are attending a meeting in Kuttanad against the slow progress, told *Business Line*.

Tardy progress

Construction of outer bunds using granite around 19 "padasekharams" (large compartments of paddy field) has not been completed for various reasons, Father Thomas Peeliyanickal, executive director, Kuttanad Vikasana Samithy, said.

For controlling floods, the package recommended opening of the Alappuzha – Changanacherry (AC) Canal up to Pallathuruthy and this has not yet taken place in spite of support from the local people.

The package, he said, was approved by the Central Cabinet on July 24, 2008, and directed the concerned ministries to implement the components relevant to the respective departments.

But its implementation now appears to be without direction and almost departing from the recommendations of the MSSRF, Father Thomas, who played a key role in getting the package, said.

"As many as 12 government departments are concerned with the implementation of the package and each has started proposing its projects without any coordination among those involved and as a result it has become almost like the description of an elephant by a blind person after touching the pachyderm," Father Thomas said.

Threat to ecology

In the backwaters, concrete piling and placing concrete slabs on them appears to be detrimental to the region's ecosystem, Mr N.K.S. Nair, general secretary, Pampa Parirakshna Samithi, said.

Dumping several lakh tonnes of granite boulders and concrete pile and slabs in this fragile area will have serious ecological and environmental impact, .Mr Nair said.

On the other hand, for such a mega project, being implemented in a region that lies 2.5 metres below sea level, "no environment impact assessment is understood to have been made so far. It is an essential requirement and then only vulnerable areas could be identified, listed and accordingly all the major components of the project could be implemented," he said.

Campco seeks package for areca growers before implementing 'gutkha' ban



MANGALORE, JULY 24:

The Centre should ban cigarettes, if it wants to ban 'gutkha' consumption, according to Campco.

Addressing presspersons here on Tuesday, Mr K. Padmanbha, President of the Central Arecanut and Cocoa Marketing and Processing Cooperative (Campco) Ltd, said that there are lakhs of arecanut growers in 12 districts of Karnataka and five districts of Kerala.

Stating that tobacco is consumed in various forms, including cigarettes, *beedi* and gutkha, he said some people even chew tobacco. Arecanut is a major ingredient in the preparation of 'gutkha'.

Various State Governments have taken steps to ban only 'gutkha'. If 'gutkha' can be banned citing carcinogenic elements such as tobacco in it, why can't the Government ban cigarettes, he said.

RELIEF PACKAGE

He suggested that before banning 'gutkha' in the country, the Government should formulate a relief package for arecanut growers, and implement the package in phases. The sudden ban on 'gutkha' will be detrimental to the interests of arecanut growers in the country, he said.

Referring to the ban on 'paan masala' by some States, he said pure 'paan masala' is devoid of tobacco. There is no need to ban it. Some manufacturers unscrupulously add tobacco to market their products. Action should be taken against such people.

Added to the threat of 'gutkha' ban and its impact on arecanut growers, a large quantity of arecanut is being imported into the country below the floor price. In such a situation, the Government should initiate steps to ban the import of arecanut.

Otherwise, the Government should increase the floor price on imported arecanut to a minimum of Rs 87 a kg, Mr Padmanabha said. That is the minimum support price fixed by the Government for white arecanut, he said.

A delegation of arecanut cooperatives met the Karnataka Chief Minister in Bangalore yesterday seeking his intervention in protecting the interests of farmers in the State on the above-mentioned issues, he added.

Deficient rainfall hits sowing of pulses, paddy in Karnataka



It is feared that if the current weather pattern continues for a month, the State may see pulses production drop by 80 per cent.

BANGALORE, JULY 24:

Below-normal monsoon rains in Karnataka are expected to severely affect green gram, tur, paddy and groundnut production.

Because of delayed monsoon rains in many districts, sowing operations are slow and yet to begin at a few places.

Traders and agriculture scientists say that if the current weather pattern continues for a month, the State may see pulses production drop by 80 per cent.

SOWING DELAYED

“By mid-July, sowing has taken place in only 80,000 hectares as against the normal coverage of 1.75 lakh hectares,” said Mr Ramesh Chandra Lahoti, president, Bangalore Wholesale Food Grains and Pulses Association.

“Lack of rains in May-June period has already affected green gram (moong) production. Green gram is a 45-day crop and the early crop should have been in the market by now, which has not happened,” he added.

As per the agriculture department statistics, green gram sowing has taken place in 1.17 lakh hectares as against coverage of 2.32 lakh hectares last year. Normal up to July 16 is 3.6 lakh hectares. Key green gram growing regions in the State are Gadag, Bagalkot and Raichur.

EFFECT ON PRICES

“Delayed rains has affected cropping pattern in the State. This sequence change will have adverse effect on market arrivals and prices may fluctuate,” said Dr Balachandra K. Naik, head of Domestic and Export Market Intelligence Cell (Demic), UAS-Dharwad.

“Due to good amount of rains in the last one month, sowing has improved in short-term crops such as green gram, tur, maize and sunflower. But sowing of a few seasonal crops such as cotton and chilli is yet to begin,” he added.

Similarly, the tur sowing is also slow in north Karnataka (Gulbarga and Bidar). Tur is a 90-day crop and the regions need regular rains to save the crop for next one month.

About 2.43 lakh hectares has come under tur this year compared with 2.94 lakh hectares covered last year. Normal coverage up to July 16 is 3.77 lakh hectares.

PADDY SCENE

Mr Lahoti said, “As for paddy, it needs copious rainfall. We need to wait and watch as it is raining in a few pockets.”

“This water intensive crop is grown in all the major river basins in the State. At present, all the reservoirs are empty. Going by water availability, the situation is bleak and we may see 50 per cent shortfall in production,” he added.

About 1.78 lakh hectares of paddy sowing has been completed as on July 16 compared with 2.07 lakh hectares last year. Normal coverage is 2.83 lakh hectares.

Govt sets up panel on rubber trading

ARAVINDAN



KOTTAYAM, JULY 24:

The Union Government has constituted an expert committee under the chairmanship of Prof. K.K. Abraham, President, Pala marketing Cooperative Society, to examine the various issues in rubber futures trading and make suitable recommendations.

Ms Nutan Raj, Economic Advisor, Forward Marketing Commission, is the Member-Secretary. Currently, there are 11 members in the committee including Dr Sidharath Sinha, Mr Siby J. Monippally and Mr George Valy.

The expert committee would mainly examine the restriction on the daily volatility from four per cent to one or two per cent and study the transparency in the conduct of futures trading, said Prof K.K. Abraham.

The study also would be relating to quantity, quality and tenure and the details of the traders. It would also deliberate the manner of ensuring physical delivery at least 10 per cent of the trades transacted on the exchange. A second meeting of the committee, held at Kochi, has decided to inform all the stake holders and invite their views in the matter. Rubber growers, traders, manufacturers, brokers etc. could also offer their opinion. Two more members also would join the expert committee representing the tyre industry and the commodity exchanges.

Though the term of the committee has been fixed as three months, it would be further extended to six months. To a question about rubber prices, Prof Abraham said 'for the present, nothing goes wrong till the end of 2012, but beyond that future looks bit gloomy and prices might seek further lows as the situation changes due to recession in China, the big buyer of the rubber from international market. 'Most of the natural rubber producing countries are scared over the Euro zone debt crisis and the impact it has on natural rubber.

Kharif crops to take a hit from rain shortfall, says govt

PTI



New Delhi, July 24:

The deficit rainfall will take a toll on kharif production this year with coarse cereals like maize receiving the maximum hit, Agriculture Secretary, Mr Ashish Bahuguna said on Tuesday.

“It is certainly not possible to achieve 257.44 million tonnes of foodgrains production this year. It is too early to say how much would be the actual fall in production. Deficient rains will have some impact on productivity and production in kharif,” Mr Bahuguna told PTI.

The country harvested a record foodgrain production of 257.44 million tonnes in 2011—12 crop year (July—June) — 129.94 million tonnes from kharif (summer—sown) and 127.50 million tonnes from rabi (winter—crop).

The clear picture would emerge in the next 7—10 days, he said, adding the “major worry is coarse cereals”.

Karnataka is the worst affected by rain shortfalls. Other states impacted by water scarcity are Maharashtra, Gujarat and Rajasthan.

“Productivity will be low in Karnataka and Maharashtra and this is a major concern for us,” Mr Bahuguna said.

However, he said the situation is not as bad as 2009 when the country faced a severe drought leading to a decline of 16 million tonnes of foodgrain production.

“In 2009, at this point of time rains were deficient by 27 per cent, and today it is 22 per cent. This time, rainfall though deficient in Orissa, West Bengal and other states, the spread is not very bad. Spread should help us in good productivity,” he observed.

Rice sowing so far this year is down by 10 per cent, coarse cereals by 24 per cent, pulses by 31 per cent, oilseeds by 10 per cent and cotton by 9 per cent.

Yesterday, Prime Minister, Mr Manmohan Singh, directed concerned departments and ministries to coordinate with states to meet any eventuality by monitoring the monsoon situation on a weekly basis.