## THE MINDU

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Woman farmer extracts record oilpalm yield from a hectare

M. J. Prabu



Special Arrangement Guiding force: Suma Kumar from Mysore taluk, Karnataka.

A record yield of 53.20 tonnes in three years has been achieved

Whatever the crop, it is the price that matters to farmers. "Getting a good price is essential for a farmer and especially for those growing crops like oilpalm, the price to a large extent depends on the international market over which we may not have much control.

Nevertheless we are trying our best to guide oilpalm farmers in India to get a good yield," says Dr. S. Arulraj, Director, Directorate of Oil Palm Research, Pedavegi, Andhra Pradesh.

#### New start

Research on oil palm under irrigated conditions means practically a new start and the Indian Council of Agricultural Research established the National Research Centre for Oil Palm at Pedavegi in West Godavari district of Andhra Pradesh in 1995.

It was upgraded as Directorate of Oil Palm Research (DOPR) to cater to the location specific programmes across the country.

The institute serves as a centre for conducting and co-ordinating research on all aspects of oil palm conservation, improvement, production, protection, post-harvest technology and transfer of technology. It also has a research centre at Palode near Thiruvananthapuram, Kerala.

"While it is true that in some areas of Andhra Pradesh and adjoining States farmers cut down their oil palm plantations in frustration of not being able to get a good price, there are also farmers like Mrs. Suma Kumar who has been able to get a record yield of 53.20 tonnes and also a good price from a hectare in three years," says Dr. Arul Raj.

The Directorate of Oil Palm Research honoured her with the best farmer award during the recent Kisan Mela celebrations.

"This is the highest yield recorded so far in India," says Dr. Arul Raj and adds the main reason being the innovative practices adopted by the farmer.

#### Intercropping

Suma Kumar planted the trees on 0.56 hectare 15 years ago.

She also cultivated banana as intercrop during the first and second year of planting to generate income.

Trenches were cut across the slope in the garden for draining excess water during monsoon. Mulching the palm basins using the cut fronds was also done to conserve moisture. Fertilizers were applied to the oilpalm crop in six split doses, thus, maximizing the fertilizer use efficiency.

In addition, she applied poultry manure mixed with neem cake available locally at low cost.

The poultry manure was kept for 2-3 months for decomposition in the trenches along with trash and cut leaves, and well decomposed material was applied in palm basins.

Care was taken to apply the manures and fertilizers within an area of three metre radius in the basin. In addition, tank silt was applied, once in five years, to the garden to improve the soil physical conditions.

#### Harvested tonnage

The farmer harvested 58.24 tonnes in 2009-10, followed by 46.71 tonnes in 2010-11 and 54.68 tonnes per hectare on January, 2012. Thus, during the last three years, she could achieve an average yield of 53.20 tonnes per hectare over a period of three years.

"We are ready and eager to address any issue or grievance from oilpalm farmers in the country.

"They can contact me on my mobile or office phone and our institute will try its best to solve any problem an oil palm farmer is facing," assures Dr. Arul Raj.

#### Ready to guide

Oilpalm farmers can contact Dr. S. Arulraj, Director, Directorate of Oil Palm Research, Pedavegi - 534 450, Andhra Pradesh, email:dopr2009@gmail.com, Phone: 08812-259532 and 259409, mobile: 09491198244 and Mrs. M.S. Suma Kumar, Marse Village, Mandakahalli (P.O.), Varuna (Hobli), Mysore taluk and district, Karnataka, Mobile: 09986962289.

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#### Biological control of papaya mealy bug

A. Suganthi

S. Nanthakumar

Papaya mealy bug has created havoc in Tamil Nadu in the past two years. It infests nearly 60 host plants including Papaya, Tapioca, Mulberry, Bhendi, Brinjal, Tomato, Turmeric, Cotton, Jatropha, Kapak, Teak, Sugarcane etc.,

Because of its damage, papaya production came down by 60 – 80 per cent. Chemical pesticides have been able to provide only temporary relief and farmers went for repeated sprayings and pesticide cocktails which resulted in ecocidal effects.

Natural enemies were considered the only last resort for management of this pest. Available natural enemies like *Cryptolaemus montrouzieri* and *Scymnus coccivora* were also not able to keep the pest population under check.

#### Imported varieties

The National Bureau of Agriculturally Important Insects (NBAII), Bangalore took efforts in importing three exotic papaya mealy bug parasitoids such as *Acerophagus* apayae, *Pseudleptomastix mexicana* and *Anagyrus loecki* from Puerto Rico during July, 2010.

NBAII, Bangalore and TNAU, Coimbatore have standardized the mass production techniques of these parasitoids. Various Research Stations, Krishi Vigyan Kendras and Colleges under TNAU started mass multiplication of these parasitoids and distributed them to farmers for field release, free of cost.All the three tiny parasitoids are solitary, species specific, have good host searching capability and attack only papaya mealy bug.

#### Good result

All these three parasitoids proved highly successful in Tamil Nadu. These parasitoids especially *Acerophagus papayae*, established very well and brought significant control of papaya mealy bug not only on papaya, but also on other crops. The released parasitoids should be conserved by avoiding use of chemical pesticides and maintaining alternate hosts like weed crops such as parthenium, acalypha, plumeria etc. and tree crops like kapak, teak etc. This classical biological control programme has become popular among large sections of farmers in Tamil Nadu.

(A. Suganthi, Asst Prof and S. Nanthakumar, programme co-ordinator, Krishi Vigyan Kendra, TNAU, Virinjipuram, Vellore, Tamil Nadu, Phone:0416-2272221.)

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#### An unfair terrain

Ajitha Menon



*The Hindu*Fuel and fire wood are a big problem in the Kumaon hills.

Subsistence livelihood stalks the bountiful topography for the women of the Kumaon region

Suryagaon is a small village in the Kumaon hills, perched above the picturesque seven lakes, Sattal, in Nainital district of Uttarakhand. When Pushpa, 18, came here as a young bride she was awestruck by the blue lakes, the green forests, and the spectacular sight of the setting sun. But soon a new reality emerged: Behind all this natural beauty lay the grim realities of the everyday life of a hill woman.

In her research paper, *Colonialism and Development: Reinventing 'Tradition' and Gendered Work in Kumaon, India*, for the University of Oregon, American scholar Elena M. Fracchia points out that the women in this region are continuously foraging for "subsistence livelihood – generally in the form of gathering forest resources, agricultural practices and animal husbandry".

Pushpa's mother-in-law, Vimala Devi, 53, endorses this observation. She says, "Our way of life involves women working from dawn to nightfall. Be it gathering fuel, food and even medicines from the forest, to tending to our farms to feeding and taking care of the cattle, all these duties fall on the woman."

The men here are mostly involved in tourism related activities. Suryagoan boasts of an adventure camp that is run in collaboration with the Delhi-based travel company Wildrift Adventure. The day-to-day activities of the camp, which provides tent accommodation and organises adventure sports are managed by the village youth. The older men run tourist souvenir shops or food stalls down at Sattal. "In such a situation, the women are automatically forced to do the outdoor household chores as well," says a visibly pregnant Pushpa. Women cutting across age barriers chip in and complete all these chores, including the risky business of fetching drinking water sourced from underground springs for which they have to climb down to water tanks situated at different levels on the hills. Fuel is the other big problem here. Gas connections are rare so most women depend on wood to keep home fires burning. With the tightening of forest restrictions due to environmental conservation concerns, the trek for firewood is getting more gruelling for women by the day.

Women are now doing most of the farming in the hills as well. This is because the large farms of an earlier era have given way to small holdings. The men no longer find it worthwhile to cultivate these small plots, leaving the job of managing them to the women.

Fracchia's paper takes note of the impressive knowledge base of these women – they know the land and have developed impressive strategies to gain livelihoods. No wonder then that these resilient women can climb trees with alacrity, go fearlessly into dense forests and walk uphill for miles together even as they carry heavy loads. But there's a heavy price they are paying for this hard work. Women often suffer from chronic aches of the lower back and migraine. In Kumaon, development plans are focused on improving public transportation and road building. But even today a hospital or a market is a good eleven kilometres away from Suryagaon, at Bhimtal and the villagers have to make do with a makeshift clinic in Sattal.

Things are slowly changing fortunately and the fact that women are now heading local bodies is making a difference. Says Leela Devi, 49, who has been the gram pradhan for the last two years of Suryagaon, "I encourage the adventure camp enterprise run by the village boys on land leased to them by the panchayat making sure that a share of the profits go towards community development. (WFS)

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#### Farm labourers may not feel the pinch of kuruvai crop loss

#### G. Sathyamoorthy

NREGA ensures 100 days of employment and Rs. 132 a day



Eight to nine male workers and 15 to 18 female workers being required per acre of paddy.

Though kuruvai, considered the cash crop of the Cauvery delta, is as good as lost, lakhs of agricultural labourers depending on it may not feel the pinch this year, thanks to the National

Rural Employment Guarantee Act (NREGA) which ensures 100 days of employment and Rs. 132 a day.

S. Ranganathan, general secretary of the Cauvery Delta Farmers' Welfare Association, feels that impact of kuruvai loss this year on labourers would be minimal.

He points out that 38 per cent of the population in the composite East Thanjavur has been identified as landless farm workers even during 1970s. With eight to nine male workers and 15 to 18 female workers being required per acre of paddy, the loss of kuruvai on about four lakh acres means a loss of employment for lakh of workers.

K.P. Gandhipithan, secretary, Cauvery Delta, points out that most of the labourers would be required for the maximum of 30 to 40 days because kuruvai is a 90-105 day crop.

Thanks to the NREGA and the acute shortage of labourers, the wages have gone through the roof, laments P. Viswanathan, State president of the Thamilaga Eri Matrum Aatrupasana Vivasayigal Sangham. "Now a male worker demands a minimum of Rs. 250 a day and female worker Rs. 150. The landlords are no more in the driver's seat as they can get no work done unless they coax and cajole them," he observes. "Nobody comes forward to take up agricultural work now," he adds.

Mr. Rangnathan points out that in the early 1980s the male workers had been given just Rs. 19 a day and female workers Rs. 18.

He says that labour scenario remains extremely murky in Tamil Nadu with the older generation finding it difficult to strain themselves any more and the younger ones looking for greener pastures in places like Kochi and Tiruppur. "Some have left even for Singapore."

While he is happy that these labourers are able to get assured employment for 100 days a year, he wants the government to allocate job to them in such a way that it does not clash with the farming season.

"We are prepared to pay more than what the government gives. But without labourer it would be impossible for us to complete the farming." Both kuruvai and samba seasons put together, all that the labourers would be able to get employment is only for about 120 to 130 days a year. Hence, if NREGA employment is in addition to these 130 days, they would be productively employed at least for about eight months a year, he contends.

Mr. Viswanthan has appealed to the government to issue a directive to panchayat presidents to provide labourer for farming operations through NREGA.

Of the total cost of cultivation, which is about Rs 8,000- Rs 9000 per acre, the labour component alone is 25 per cent.

G. Kanagasabhai, president of the Cauvery Delta Farmers' Welfare Association, feels that the future of agriculture is so bleak, both because of water and labour, that people have started selling fertile lands to realtors.

Farm mechanisation is the only way out, asserts Mr. Ranganathan.

As most of the operations could be mechanised, some corporates have evinced interest in contract farming of paddy in delta region, he adds.

Published: July 5, 2012 00:00 IST | Updated: July 5, 2012 04:46 IST

#### New climate risk management school to help farmers in cultivation

#### **Special Correspondent**

Climate change is the major challenge confronting farmers and they have to rework cultivation practices to suit the environmental changes, said T.Jayaraj, director, Tamil Nadu Rice Research Institute (TRRI), at Aduthurai near here on Tuesday.

He inaugurated the Climate Risk Management Farmers Field School. Mr.Jayaraj said that global warming, rise in sea level, and melting of snow in polar regions are some of the climate changes witnessed in the world.

It is predicted that there will be four per cent increase in temperature in course of time. Every year, there is 0.2 per cent increase in world temperature. The level of CO2 emission which was 228 Parts Per Million (PPM) in 1828 has increased to 383 Parts Per Million (PPM) in 2004.

This is very high as the permissible limit is only 350 Parts Per Million (PPM).

To face the challenges of climate change, a research project Climarice has been taken up by agriculture institutions such as Tamil Nadu Agriculture University (TNAU) on climate change adaptations and rice production, livelihoods and food security in India. The main emphasis of the project is to develop local ownership through active participation of stakeholders in the design, implementation, and management of adaptation strategies to ensure sustainable rice production.

The overall project goal is to reduce uncertainties in monsoon projections and demonstrate the applicability of select adaptation techniques and enhance stakeholders' adaptation capacity to climate change in rice production, Mr.Jayaraj said.

Explaining about the Climate Risk Management Farmers Field School, Venkatesan, former joint director of agriculture, said that Regional Integrated Multi-Hazard Early Warning System (RIMES), has been set up in Thailand and 26 countries in Asia and Africa are its members.

Taking the help of the Centre for Ecology and Research in Thanjavur, RIMES has created the Climate Risk Management Farmers Field School at TRRI at Aduthurai.

The school will teach farmers to appreciate the benefits of climate forecast information and assess the economic value of such information in their farming operations. Information of the seasonal climate forecast can be used to design planting strategies so that the damage to plants due to drought and floods can be prevented. A booklet on climate forecast information was released by Mr.Jayaraj.

T.N.Balasubramaniyan, Consultant on Climate, and S.Balachandran, Scientist E, Regional Meteorology Centre, Chennai, spoke.

Published: July 5, 2012 00:00 IST | Updated: July 5, 2012 05:08 IST

#### Rs 9-crore relief to be disbursed to cyclone-hit farmers

#### Special Correspondent

The State government has released a sum of Rs 9.05 crore to be disbursed to 'Thane' cyclone-affected farmers, who had been enlisted but are yet to get relief, said V. Sampath, Collector.

Addressing an official meeting here, he said the cyclone destroyed agricultural and horticultural crops and fishing resources in Vanur, Marakkanam, Koliyanur, Kandamangalam, Thirunavalur and Thiruvennainallur panchayat unions in the district.

Of the allotted funds, a sum of Rs. 7.96 crore was earmarked for farmers whose casuarina groves were decimated by the cyclone. As many as 2,417 farmers who lost horticulture crops would be given relief to the tune of Rs. 1.08 crore.

Mr. Sampath further noted that 24 fish farms established by inland fishermen also suffered damage and they would be given relief to the tune of Rs. 1.52 lakh.

Four fishermen who lost their fishing nets would get a relief of Rs. 7,000.

The Collector further noted that the entire amount would be entrusted to the Special Officer of Villupuram Central Cooperative Bank for depositing the requisite relief amount in the personal accounts of farmers maintained in the respective Primary Agricultural Cooperative Bank.

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#### e-Pest surveillance planned in Tirupur

#### R. Vimal Kumar

It will help improve yield of crops

Infestation of pests has been one of the main hurdles encountered by pulses growers in the district when it comes to sustaining the yield at optimum levels.

To combat the pest attacks and thereby, improve the productivity of pulses, the Department of Agriculture is all set to introduce e-pest surveillance system in the district shortly. Initially, the system is going to be set up on a pilot basis over an expanse of 1,000 hectares spread over 10 clusters with primary focus on 'green gram' crop, a main variety of pulses.

To monitor its implementation, block level committees comprising agriculture department officials, farmers and few other stakeholders will be constituted.

Under the methodology, area wise data on pests and beneficial insects will be captured and fed into the computer which is a prerequisite for reliable pest forecasting and judicious application of pesticides for the said region.

#### Data

The data thus compiled will be helping the crop-pest relationship, including the information on the presence of various pests prevailing on the area and the intensity of attacks from each type of pest.

Joint Director of Agriculture P. Thangaraju told *The Hindu* that e-pest surveillance would not only help develop a geo-referenced database but could also enable the experts to analyse the quantity of pesticides needed for each farmer.

"Minimal use of pesticides will increase the profit margin for the growers and also give valueaddition to the produce at the consumers end," he pointed out. To assess the exact quantity of pesticides usage, the block-level monitoring team will be adopting 'Economic threshold' concept by which the level of attack (number of insects on certain number of plants) was compared with the cost of treatment.

"If the level of attack falls below the threshold, the cost of treatment will exceed the benefits and farmers can end up registering losses," agriculture officials pointed out.

Published: July 5, 2012 00:00 IST | Updated: July 5, 2012 04:59 IST

#### Cooperatives to give interest-free farm loans

#### **Special Correspondent**

Minister for Cooperation C.N. Balakrishnan said in the Assembly on Wednesday that cooperatives would advance all short-term agriculture loans as interest-free loans.

Replying to the debate on the demand for grants, the Minister said the loans would be available to farmers from this financial year itself.

Mr. Balakrishnan announced that government would form a deposit guarantee board to ensure security of deposits in cooperatives. A scheme for reduction of deposit arrears would be implemented from this month. The Kerala Cooperative Societies Act would be amended. A mission on the lines of Information Kerala Mission would be started for computerisation of all cooperatives and unification of accounting standards.

He said the cooperatives would organise about 25,000 fairs in connection with the Onam, Ramzan and Vishu. The school and college cooperatives would be revamped. About 400 Neethi medical stores would be started in panchayats.

The Consumerfed would set up a mineral water plant, godowns and others facilities. It would also start door-delivery of consumer items. A retail management institute would be started in Idukki district. A Cooperative Congress would be organised for review of the cooperative sector and policy formulation. An international cooperative exhibition would be organised. A scheme for revival of cooperatives for Scheduled Castes and Scheduled Tribes would be undertaken.

A health check-up scheme would be introduced for senior members of all service cooperative societies.

After the Minister's reply, the House passed the demand for grants amounting to Rs.175.32 crore.

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Poor rainfall hits sowing in Yadgir district

Correspondent

Scanty rainfall in the district has seriously affected sowing, particularly of the short duration cash

crops such as green and black gram.

Farmers have completed sowing on 53,606 hectares of the targeted area of 2.68 lakh ha fixed

for the district for the kharif season.

Against the average rainfall of 339.90 mm in June, the district received only 129.61 mm.

All the three taluks in the district have received deficient rainfall. While Surpur recorded 107.46

mm rainfall against the average of 291 mm in June, it was 141.19 mm in Shahpur (369 mm) and

140.99 mm (359.6 mm) in Yadgir taluk.

Farmers have completed sowing of green gram on only 10,525 ha in the district, as against the

targeted of 38,000 ha.

Farmers have not taken up the cultivation of black gram in Surpur and Shahpur taluks, while in

Yadgir taluk, sowing of black gram has been completed on 1,450 ha. The sowing period for both

green and black gram is almost over. The unsown area under these two crops would be shifted

to other pulses, including the red gram and oilseeds.

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**Special Correspondent** 

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#### THIRUVANANTHAPURAM, July 5, 2012

#### Call for special budget for agriculture

Kerala Congress (Anti-merger faction) chairman P.C. Thomas has called for a special budget for agriculture. Noting that separate budgetary process existed for Railways, he said that the same priority needed to be given to farm sector in a largely agricultural country like India. "It's an year-long homework that precedes the presentation of the budget, and studies and discussions that specifically focus on agricultural sector is a must to revive it," said Mr. Thomas. He added that while four per cent growth was envisaged in this sector, not even one per cent was achieved, a troublesome statistic for a sector that accounted for the most employment in the country.

He said that agriculture in India was in dire need of a "treatment" that the separate budget could hope to provide.

Regarding Kerala, Mr. Thomas pointed out that coconut prices had dipped significantly, affecting farmers and the State as a whole.

Moreover, rising input costs, including the price of fertilizers, severely affected the farmers still engaged in this sector.

#### NELLORE, July 5, 2012

#### Sugarcane farmers want payment of dues

The AP Rythu Sangham Nellore district committee demanded that the management of Kovur Sugar Factory immediately clear the dues of Rs.10.10 crore to 850 sugarcane farmers without further delay.

Rythu Sangham district president G.Ramanaiah said the dues should have to be cleared within 15 days of receiving sugarcane at the factory but there has been no payment in the past five months.

If the payment is not made in a week, farmers will begin an agitation. Several representations to the managing director and the Collector went in vain, he said.

#### BIJAPUR, July 5, 2012

#### Cane farmers demand release of pending compensation



Seeking action: Sugarcane farmers staging a dharna in in Bijapur on Wednesday.

Demanding the government to release pending compensation of Rs. 15 crore, a large number of sugarcane farmers from across Bijapur district staged a dharna outside the Deputy Commissioner's office here on Wednesday.

In a memorandum submitted to Chief Minister D.V. Sadananda Gowda through the district administration, the farmers said that in 2006-07, the government had promised to give compensation of Rs. 25,000 per hectare to sugarcane crop that remained uncrushed.

It said the former Chief Minister B.S. Yeddyurappa had promised to release the amount. The issue was also mentioned in the BJP's election manifesto.

Farmers in 14 districts were supposed to get a total compensation of Rs. 30 crore for the sugarcane that remained uncrushed. Of this, Mr. Yeddyurappa got Rs. 15 crore released in 2010, that too after several rounds of agitations across the State, the memorandum said.

While distributing cheques to farmers in 2010, Mr. Yeddyurappa had promised that the remaining amount would be released on priority. However, farmers were waiting for the promise to be fulfilled even after two years, it said.

Farmers were fearing crop loss this season owing to slackening of monsoon. Moreover, their financial condition was poor. The government should come to the rescue of farmers by releasing the pending compensation immediately, the memorandum said.

#### Deadline

Setting August 1 as deadline to release the compensation, the farmers said if the government failed fulfil their demand, they would intensify their agitation.



■ Thu,05 Jul 2012

#### weeter

#### Chennai - INDIA

Humidity: 71%

Wind: Normal

Today's Weather		Tomorrow's Fo	Tomorrow's Forecast	
Sunny	Thursday, Jul 5 Max Min 38.6°   27.3°	Rainy	Friday, Jul 6 Max Min 35°   27°	
Rain: 00 mm in 24hrs	Sunrise: 5:45			

#### Extended Forecast for a week

Saturday	Sunday	Monday	Tuesday	Wednesday
Jul 7	<b>Jul 8</b>	<b>Jul 9</b>	<b>Jul 10</b>	<b>Jul 11</b>
جي	٨	٨	٨	4
34°   28°	33º   28º	32º   28º	33º   27º	33°   27°
Rainy	Rainy	Rainy	Rainy	Rainy

**Sunset:** 18:39

Barometer: 993

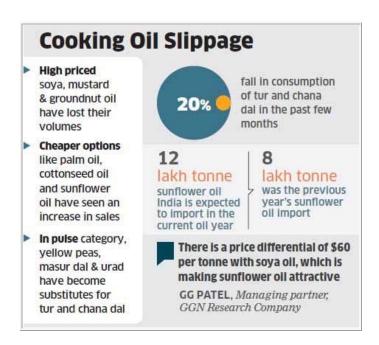
### THE ECONOMIC TIMES

### 5 JUL, 2012, 07.02AM IST, MADHVI SALLY & SUTANUKA GHOSAL, ET BUREAU Consumers turn to cheaper food items like palm, sunflower oils, cottonseed

AHMEDABAD | KOLKATA: <u>Consumers</u> with limited budgets have started downtrading from expensive soya and groundnut oil to more affordable palm, <u>cottonseed</u> and <u>sunflower oils</u> that are cheaper by almost Rs 30 per kg.

Sales of private labels and the smaller regional brands that often offer promotions have also picked up. In pulses, yellow peas and urad have become substitutes for tur and chana dal at the dinner table. Leading cooking oil brands say, in June, retail prices rose by Rs 5 per kg due to expensive imports.

In the last one week, benchmark Malaysian <u>palm</u> oil rose by almost \$100 per tonne but consumers have been shielded by a 6% appreciation in the rupee during the same period. "High priced soya, mustard and groundnut oil have lost their volumes and cheaper options like palm, cottonseed oil and sunflower oil have seen an increase in sales," said Angshu Mallick, COO, Adani Wilmar.



Adani Wilmar, which markets oil under the brand name Fortune, is the leader in the 'refined oil in consumer packs' (ROCP) segment with a share of about 18%. The edible oil industry saw a

dull first quarter owing to peak summer and no major festive season.

"A marginal drop in sales is seasonal. Currently, the change in buying pattern was seen from the lower-income group," said Siraj Chaudhary, chairman, Cargill India.

"Several promotional offers in the market (such as discount on clubbing commodities like rice, wheat, oil and sugar in the modern trade outlets) have helped us attain better penetration," said Dinesh Shahra, MD of Ruchi Soya, India's largest vegetable oil company with brands like Ruchi Gold, Nutrela, Sunrich and Mahakosh.

Sandeep Bajoria, CEO of Sunvin Group, a vegetable oil consultancy, said: "Imported soyabean oil has gone up to \$1,250 per tonne from \$1,150 over the past one week. Similarly, palm oil price has gone up to \$1,025 per tonne from \$925. But over the last one week, we have not seen companies increasing prices."

#### 5 JUL, 2012, 03.45AM IST, TAPASH TALUKDAR, ET BUREAU

#### Investors shun gold as poor monsoon spoils rural demand

MUMBAI: Delayed monsoon and recovering equity markets have turned investors away from gold.

A large section of traditional gold investors has moved to equity markets that rose by 9% in June compared to 2% rise in gold prices.

"Weak monsoon will most likely hamper gold demand in <u>rural India</u>, which usually contributes 60% to total consumption. Also, investors are putting their money in fixed deposits that give them more than 9% returns," says Prithviraj Kothari, president of Bombay Bullion Association.

Trading volume in futures market has seen a fall of 10% during June 1-15, dropping to 657 tonne against 736 tonne during May 1-15.

"There is not much enthusiasm in gold trading these days. It is unable to give a clear direction on prices front but will remain subdued in next few weeks. Largely, it is driven by international sentiments but people are waiting for a drop in domestic prices," says T Gnanasekar, director,

Commtrendz Research and Fund Management.

Open interest for August gold contract has fallen by 11% from 16,590 to 14,739 on MCX. More traders are betting on silver because they believe silver may give better returns than gold in the short term.

"Gold hasn't moved much in the last two weeks because prices have been too volatile and largely supported by rupee depreciation," says Naveen Mathur, associate director (commodities & currencies), Angel Broking.

Instead of buying gold, most consumers are booking profits. Scrap gold sales have almost reached 10 kg per day. The higher supply of scrap gold could reduce India's dependence on the world market. Imports in June have been halved to 35 tonne against 70 tonne.

### **Business Standard**

Thursday, Jul 05, 2012

Packing dilution proposal opposed by jute industry

Jayajit Dash / Bhubaneswar July 5, 2012, 0:01 IST

The jute industry has taken exception to the standing advisory committee under the Union textiles ministry recommending dilution in the mandatory jute packaging rules.

The committee has suggested relaxing the compulsory jute packaging norms by up to 80 per cent for sugar and 20 per cent in the case of foodgrain, in favour of HDPE (high density polyethylene) and PP (polypropylene) bags. Besides, the panel has pitched for fixing of rate contracts for HDPE/PP bags before August-end.

Alarmed, a section of the industry has sought the intervention of Prime Minister Manmohan

Singh to stymie the proposal. Stating that jute sacks constitute 68 per cent of total jute goods production and provide livelihood to 30 million jute farmers and industrial workers, the mill owners say the dilution move would spell disaster for the industry.

"The committee has made the case for dilution based on the assumption that the jute industry would fail to supply bags for packing sugar and foodgrain. But these concerns are misplaced. Production is always higher than consumption and there is no case for dilution or de-reservation," said a leading jute mill owner.

While a million tonnes of jute sacks are needed to pack foodgrain, 0.2 million are necessary for packing sugar. The jute industry has the capacity to churn out 1.5 mt of sacks.

The Jute Packaging Materials Act (JPMA) of 1987 says all foodgrain and sugar meant for government procurement must be packed in jute bags. The Cabinet Committee on Economic Affairs, chaired by the Prime Minister, takes a decision on any dilution, under the rules allowed. It had earlier turned down all recommendations for dilution, in the interest of farmers and workers.

In every agriculture season, the Food Corporation of India packs 27-29 per cent of the 250 million tonnes of foodgrain produced in jute sacks, on behalf of 12 state food-procuring agencies.

#### Govt may soon scrap basmati rice MEP

there is no MEP fixed on non-basmati rice

Press Trust of India / New Delhi July 04, 2012, 19:07 IST

The government may soon abolish minimum export price (MEP) on basmati rice to boost exports.

"We are thinking of abolishing MEP on basmati rice. A notification in this regard will be issued soon," a senior Commerce Ministry official said.

Earlier this year, the government had lowered MEP on basmati rice to USD 700 a tonne from USD 900 a tonne to make it more competitive in the global market.

Exporters said they are selling basmati rice at an average price of USD 950 a tonne in the overseas market.

If the MEP on basmati rice is abolished, the aromatic rice will be treated on par with non-basmati rice, which is currently been exported in the range of USD 375-400 a tonne, they said.

The country has shipped 4.25 million tonnes of non- basmati rice since the export ban on the commodity was lifted in September, 2011, according to the industry data.

At present, there is no MEP fixed on non-basmati rice.

India ships the premium aromatic rice variety to Gulf countries, including Saudi Arabia, Iran, Kuwait and Yemen.

Total basmati rice exports stood at 2.4 million tonnes in the 2011-12 fiscal, according to industry data.

India, the world's second biggest producer of rice, had harvested 103.41 million tonnes in the 2011-12 crop year (July-June).

#### India's coffee exports decline by 10% in Apr-Jun quarter

The country had shipped 1.15 lakh tonnes of the brew in the April-June quarter of last fiscal Press Trust of India / New Delhi July 4, 2012, 18:06 IST

India's coffee exports declined by almost 10% to 1.04 lakh tonnes in the first quarter of this fiscal, according to the Coffee Board.

The country had shipped 1.15 lakh tonnes of the brew in the April-June quarter of last fiscal.

In terms of value, the exports fell marginally to Rs 1,560.76 crore in the first quarter of 2012-13 fiscal against Rs 1,580.03 crore in the year-ago period.

According to market analysts, coffee exports have gone down as farmers are holding their crop due to low global prices of arabica and sluggish demand from Europe following the economic slump.

In the first nine months of the current coffee year (October-September), the exports fell by 5% to 2.63 lakh tonnes from 2.78 lakh tonnes in the corresponding period of 2010-11 marketing year.

In the January-June period of the current calender year, coffee shipments fell by 4% to 2.05 lakh tonnes from 2.13 lakh tonnes in the year-ago period.

#### FMC may decide on re-listing guar futures by mid-Aug

India is the the world's biggest exporter of the commodity and accounts for 80% of the world's guar production

Press Trust of India / New Delhi July 04, 2012, 17:58 IST



Forward Markets Commission (FMC) today said it will take decision on re-listing of the banned guar futures by mid-August after assessing the sowing of the crop.

"We are waiting for sowing data of guar. We will take decision on re-listing of guar futures by mid-August after seeing the data," FMC Chairman Ramesh Abhishek told reporters on the sidelines of a FICCI event.

Earlier this year in March, the commodities market regulator had banned futures trading in guarseed and guargum, which is increasingly used in oil and gas industry, to curb price volatility and speculation.

Analysts said guar gum price in the futures market had crossed Rs 90,000 per quintal in March, while rates were ruling at around Rs 8,000 per quintal prior to 2009.

Guar, which needs less water, is usually planted after June 15 till around July-end. Due to rise

in guar prices and delay in monsoon, farmers in major producing states Rajasthan, Gujarat and Haryana have sown guar this year, experts said.

They further said that guar acreage is expected to increase by 28% to 45 lakh hectares in the ongoing Kharif season from over last year.

Guar gum is extracted from guar seed, production of which is around 10 lakh tonnes in the country.

India is the the world's biggest exporter of the commodity and accounts for 80% of the world's guar production.

Sowing of cotton, groundnut to fall up to 15% on poor monsoon

Seed demand for short-duration crops like millets, pulses expected to rise

Rutam Vora / Ahmedabad July 5, 2012, 0:59 IST

With the wait for the southwest monsoon getting longer in the country's key growing regions, farmers are expected to prefer short-duration crops this kharif season (May-August), such as millets, pulses and vegetables. The sowing for longer-duration crops such as cotton, groundnut and paddy is feared to drop about 15 per cent.

Details from the Union ministry of agriculture showed of the normal cropped area of 105.7 million hectares during the entire kharif season, sowing was complete on 14.8 per cent of the area so far, against 16.2 per cent during the same period last year. "The next 10 days are crucial for sowing. However, at many places, farmers have already started shifting from cotton to other crops like pulses or millets. Some of the key growing states like Uttar Pradesh, Bihar and Andhra have received much less rain, affecting seed demand," said Uday Singh, former president of the National Seed Association of India and managing director of Namdhari Seeds Pvt Ltd, Bangalore.

"Many states have already prepared their contingency plans on a delay in rain. Farmers in many states would go for short-duration crops requiring lesser resources, including water, as they are faster to mature. We expect the demand for such seeds to go up sharply," informed

a senior official at the government-owned National Seeds Corporation.

Adding: "We have about 60,000 quintals of seeds, while little over 1,000 quintals of vegetable seeds are available. We have several private sector partners, so there would not be an availability issue."

According to Monsanto India Ltd, the company does not see any adverse impact on the demand for seeds with the high possibility of farmers shifting to shorter duration crops or preferring hybrid varieties within the crop. "Farmers choose to plant a crop based on several factors, including commodity prices, returns and convenience. In this kharif season, we expect farmers to increase planting of corn, soybean, castor and groundnut, and some reduction in cotton, chillies and paddy acres as compared to the kharif season last year," said a Monsanto India spokesperson.

"Sowing has taken place in some parts of the irrigated regions. But in most parts, crops are largely dependent on the southwest monsoon. A delay in it would prompt a change in cropping pattern because viability is also a major concern for farmers," said a scientist at Anand Agricultural University, Anand.

Nuziveedu Seeds, the country's largest by sales (of Rs 1,100 crore last year), sees some impact of the delayed monsoon on cotton seed sales. "Last year, total cotton seed sales was about 42.5 million packets (each weighing 450g), which may fall 15 per cent this year," said a company official. Earlier this week, Union agriculture minister Sharad Pawar had said the monsoon delay had affected sowing of coarse cereals in Rajasthan, Maharashtra and Karnataka but provided an opportunity to increase the area under pulses and oilseeds, grown as contingent crops in such areas.

#### States plan to promote cotton output

Anindita Dey / Mumbai July 05, 2012, 0:44 IST

With funds for cotton from the central government shrinking, some of the cotton producing states are devising schemes to promote production of the commodity. States like Gujarat, Maharashtra and Haryana have either launched separate schemes or have joined hands with

private companies to boost the area under production.

The Central annual allocation for the technical mission on cotton now hovers around Rs 12-15 crore against an allocation of Rs 60-70 crore earlier. Official sources say the government is in the process of winding up the mission.

"The centre will focus on areas of national importance, mostly from the point of view of highend agriculture and food security," said official sources.

Gujarat, where cotton is one of the major commercial crops, for instance, has launched a separate project called "intensive project for distribution of Bt cotton seeds with micro nutrients" for 2012-13. "The project is run with funds from the state and the centre. It is aimed at developing the crop intensity per area rather than increasing the overall acreage," said a state government official.

Maharashtra, meanwhile, has adopted the the public-private partnership mode for all major commercial crops like oilseeds, cotton and sugarcane. Under this mode, funds have been pooled in from the state, centre (Rashtriya Krishi Vikas Yojana), private companies and farmers. The farmers will pay a subsidised rate for utilities like seed distribution and drip irrigation, among others.

Haryana, on the other hand, has launched a state-specific technical mission on cotton fearing discontinuation of the present central government sponsored mission. According to officials, this will be the first time a state has gone ahead with a state-sponsored technical mission for a crop.

In fact, Punjab and Haryana have shifted focus on cotton and sunflower as commercial crops, since the soil productivity of these states for rice and wheat has been declining. Moreover, for food crops, the focus of the central government has shifted to the eastern region where the states are being given incentives to increase food crop production as part of the second green revolution in eastern India.

According to the latest data from the Union ministry of agriculture, cotton sowing across the country at the start of the kharif season for 2012-13 has taken a beating. It has fallen to 1.3

million hectares, down 200,000 hectares from 1.5 million hectares in the previous year.

To cope with the decline in sowing, the government is looking to increase production per unit area rather than increase the absolute area of cotton production.

Taking a cue from Brazil, India is aiming at high density planting with a target production per unit area of 550 kg/hectare.

In collaboration with the government of Maharastra, a pilot project in this regard has already been launched in Nagpur.

# Business Line

#### Pepper steady

G. K. Nair

Kochi, July 4:

The pepper market on Wednesday ended nearly steady with marginal difference in the prices of active contracts.

There was switching over of good quantity to August and additional purchase of around 60 tonnes. The staggered delivery system will come into force tomorrow.

The estimated stock in the exchange platform is at 1,600 tonnes while of this 1,000 tonnes are held by big operators leaving a balance of 600 tonnes.

It is likely that the operators might take delivery, trade sources told *Business Line*. They said the small and medium players were switching over from July to August. "There could be a squeeze if the sellers opted for delivery," the sources said.

On the spot, 7 tonnes of farm grade pepper arrived and that was traded at Rs 384-388-390 a kg depending upon the quality, moisture content and the area of production.

July contract was decreased by Rs 35 a quintal to the last traded price (LTP) of Rs 40,680 a quintal. August and September moved up by Rs 90 and Rs 75 respectively to the LTP of Rs 41,210 and Rs 41,500 a quintal.

Total turnover was down by 91 tonnes to close at 5,053 tonnes. Total open interest moved up by 59 tonnes to 6,021 tonnes.

Spot prices were steady at previous levels of Rs38,400 (ungarbled) and Rs39,900 (MG 1) a quintal on limited activities.

Indian parity in the international market was at \$7,800 a tonne (c&f) for Europe and \$8,100 (MG 1) a tonne for the US and remained much above other origins, they said.

#### Overseas trend

Lasta was offered at \$6,500/6,550 a tonne (fob) or \$3,05/lb CFR New York, according to an overseas report. Vietnam was reportedly easier with faq 500 G/L at \$6,070; faq 550 G/L \$6,340 per tonne all fob and V Asta \$6,750 a tonne. Brazil black pepper prices: B Asta \$6,400/\$6,500 a tonne fob Vitoria/Belem respectively and B1 560 G/L was at \$6,350 a tonne fob.

#### Run up in cotton futures likely



Sowing in Gujarat, one of the largest cotton producing states, is trailing at 0.95 million hectares as of July 2.

Mumbai, July 5:

Cotton (kapas) futures on NCDEX may trade on the higher side as production is expected to fall sharply this year. Most farmers have shifted from growing cotton to other remunerative crops such as guar, castor, pulses and millets.

Cotton sowing has fallen from 1.5 million hectares to 1.3 million hectares for the kharif season 2012-13, according to the Union Ministry of Agriculture. Cotton production is expected to decline by 7.8 per cent to 32.2 million bales in the fiscal 2012-13, said CMIE.

Sowing in Gujarat, one of the largest cotton producing states, is trailing at 0.95 million hectares as of July 2. It was at 1.2 million hectares in the same period last year, said the Agriculture Department of Gujarat. Sowing in most of the other cotton growing States has also fallen. In Punjab, it was 60,000 hectares, Rajasthan, 54,000 hectares, and Haryana, 59,000 hectares.

Arrivals have already declined in many markets as farmers and ginners are holding back their stock to get a better price.

The Government has revised textile export target of \$40.5 billion for FY'13 against \$38 billion fixed at the start of the fiscal.

#### Overseas buying, slow sowing lift castorseed

#### Our Correspondent



Rajkot, July 4:

Castorseed prices moved up on the back of strong castor meal demand. Moreover, slow sowing due to delay in onset of monsoon supported castor price.

According to a latest release from Solvent Extractors' Association of India, there is almost a 101-per cent spurt in castormeal exports.

During April- May, shipments touched 1.17 lakh tonnes. This is mainly due to strong demand from South Korea and Taiwan.

Moreover, sowing for kharif is progressing slowly, leading to further gains in the castorseed market.

On the National Commodity and Derivatives Exchange (NCDEX), castor July contracts gained by Rs 47 to Rs 3,298 a guintal with an open interest of 8,930 lots.

August contracts moved up by Rs 63 to Rs 3,381 a guintal with an open interest of 48,040 lots.

On Rajkot Commodity Exchange, castor September contract rose Rs 52 to Rs 3,448 a quintal and RCX spot castor was traded atRs 3,125 a quintal.

About 40,000-45,000 bags of castorseed arrived in Gujarat quoting Rs 610-630 for a *maund* of 20 kg and around 2,100-2,200 bags arrived in Saurashtra atRs 590-630.

A Rajkot-based commodity trader said, "Shrinking arrival is also a reason for gain in castor.

Price may continue to move up in this week."

#### Rice range-bound in lacklustre trade

Our Correspondent

Karnal, July 4:

Rice prices remained range-bound in a dull market on Wednesday. Prices of aromatic and non-basmati rice continued to rule around at previous levels.

The market moving range-bound within a negative territory, said Mr Amit Chandna, Proprietor of Hanuman Rice Trading Company.

Traders expect rice prices to fall in the near future, he said.

In the physical market, Pusa-1121 (steam) quoted at Rs 5,750-5,800 a quintal, while Pusa-1121 (sela) sold at Rs 4,800-4,850.

Pure Basmati (raw) quoted at Rs 5,450-5,500, while pure basmati (sela) ruled around at Rs 5,000 a quintal. Duplicate basmati quoted at Rs 4,500-4,600.

For the brokens of Pusa-1121, Tibar sold at Rs 3,400, Dubar at Rs 2,800-2,900 and Mongra at Rs 2,100-2,200 a quintal.

PR-11 (sela) went for Rs 2,500, PR-11 (Raw) was at Rs 2,350-2,450 a quintal, Permal (raw) sold at Rs 2,000-2,100 a quintal while Permal (sela) went for Rs 1,900-21,00.

PR-14 (steam) went for Rs 2,650-2,850 a quintal.

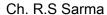
Sharbati (steam) quoted at Rs 3,650-3,700 a quintal while Sharbati (sela) sold at Rs 3,400-3,500 a quintal.

#### **Paddy Arrivals**

Around 3,000 bags of Sathi variety arrived at the Karnal Grain Market Terminal and sold at Rs1,050-1,085 a quintal.

Farmers and a few market experts believe that dry monsoon may not have a big impact on rice production in Haryana and Punjab, as 93 per cent of the agriculture land is irrigated. About 50 per cent of sowing has been completed in the Karnal region.

#### West Godavari tobacco fetches the maximum





Guntur, July 4:

The maximum price of Rs 145.60 a kg was realised for Virginia tobacco this season in Andhra Pradesh on the auction floors in West Godavari district on Wednesday, according to Mr G. Kamala Vardhana Rao, Chairman of the Tobacco Board.

He said that so far 112.52 million kg of tobacco had been sold on the floors in the State at an average price of Rs 98.51 a kg. He said the Board had authorised 162 mkg of crop in the State and there was no surplus. Roughly 50 mkg more needed to be sold. "The auctions are going on at a faster pace this season. During the corresponding period last year, only 78 mkg could be

sold at an average price of Rs 107.67. In West Godavari, in the northern light soils (NLS), the maximum prices are realised. Exports have picked up of late and the performance has been encouraging in the first quarter. It has had a positive impact on the auction prices," he said.

He said that the Tobacco Board had taken up a campaign to educate the farmers of Andhra Pradesh and Karnataka on the need to exercise discipline and stick to the crop size prescribed, as it would have a positive impact on the auction prices. "It is yielding results in both the States," he said.

He said after the completion of the auctions in AP, the auctions in Karnataka would be taken up sometime in September.

Referring to the standing crop in Karnataka, he said the rains were not very encouraging and it would have to be seen whether it would have any negative impact. The Tobacco Board had authorised 98 mkg of crop in the State.

Mr Kamala Vardhana Rao said the board had exerted pressure on the trade to increase the prices on the five auction floors in West Godavari district and the results could be seen on the floors. The lowest average prices so far were realised on the Keesara floor in Krishna district (Rs 68.52/kg) and Torredu in East Godavari (Rs 83.65).

#### FMC may decide on lifting guar futures ban next month

Our Bureau

New Delhi, July 4:

The Forward Markets Commission (FMC) may decide on lifting the ban on guar futures trading some time in August.

"We are waiting for the sowing of guar seed to be completed and then take a call on the relaunch of futures," said Mr Ramesh Abhishek, Chairman of FMC. He was speaking to reporters on sidelines of a seminar on commodity markets.

The futures trade in guar was banned in March after a ten-fold surge in prices on speculation. The guar seed prices had touched a high of over Rs 30,000 per quintal early this year on strong overseas demand for guargum, an extract of guar seeds.

Guargum is used a thickening agent and additive in food products such as instant soups, ice creams and processed meat products. Guargum has also been increasingly used for

applications in paper, textiles, ore floatation, explosives and fracturing of oil and natural gas formations. It is expected that the strong verseas demand for guargum could lead farmers to plant more guarseed in states such as Rajasthan, Haryana and Punjab this year.

#### Heavy showers a fillip to Goa's paddy production

#### Press Trust of India



Panaji, July 4:

Goa's Agriculture Department is predicting good paddy production this season as the state has been receiving the continuous rainfall required for its cultivation.

Goa has had rains without a dry patch for the last seven days and the heavy downpour is expected to continue for the next couple of days.

Rainfall crossed the 50-inch mark yesterday, according to the Director of the Indian Meteorological Department – Goa, Mr K.V. Singh.

Paddy cultivation has received good response this year from farmers as the State Government has already announced a minimum support price of Rs 17 a kg, Agriculture Director, Mr Satish Tendulkar, told PTI.

Goa produced a good crop the last two years due to favourable environmental conditions, Mr Tendulkar said, adding that the trend will continue this year too considering the initial signs.

The State produced 110 lakh tonnes of paddy during the last rainy season, with almost 30,000-32,000 hectares of land under cultivation. Around 70,000 farmers are engaged in paddy farming, Mr Tendulkar said.

Parts of taluks such as Sattari, Tiswadi, Bardez, Canacona, Salcette, Sanguem have begun farming along with the onset of the monsoons.

The agriculture officers are already on the field interacting with farmers, providing them the necessary support, Mr Tendulkar said.

#### Maharashtra irrigation to get Rs 500 cr

#### **NEW DELHI, JULY 4:**

The Cabinet Committee on Infrastructure on Tuesday approved a one-time grant of Rs 500 crore to the Bodwad Parisar Sinchan Yojana of Maharashtra. Considering the backwardness of the Vidarbha region and water scarcity in Jalgaon district, this additional assistance will assist the State Government to impart sufficient momentum to this project, the Committee said in a release.

The project was approved by the Planning Commission in May 2011 at an estimated cost of Rs 2178.67 crore (2009-10 prices). It is likely to be completed in the FY 2015-16.

#### Rain wave in central parts may recede from tomorrow



#### THIRUVANANTHAPURAM, JULY 4:

A couple of global weather models have indicated that the current wet session over central India may start receding as early as from Friday.

Most parts of north-west (Rajasthan, Punjab and Haryana) would be left in the lurch as rains would be confined to the Himalayan foothills, east India and the west coast.

#### 'NEAR BREAK'

Seasonal rains would thus forfeit the ongoing surge in east and central India, and withdraw to conditions closely resembling 'break-monsoon'.

This is a condition in which rains get increasingly confined to the Himalayan foothills, east India and parts of South-East.

But full break-monsoon cannot be declared unless rain on the west coast die out, which, in this case, may not happen at least until July 10.

Extended forecast for this period indicate that rains would linger over the west coast, though not very heavy.

Along with north-west India, adjoining central and peninsular India also is forecast to progressively dry up or receive less than normal rain during this period.

#### MONSOON ADVANCE

On Wednesday, an India Meteorological Department (IMD) update said that the monsoon has advanced into west Gujarat, entire Maharashtra and more parts of Madhya Pradesh.

Its northern limit passed through Jamnagar, Ahmadabad, Ratlam, Sagar, Satna, Varanasi and Gorakhpur.

Conditions are favourable for its further advance into entire Gujarat, Madhya Pradesh, Uttar Pradesh, parts of Uttarakhand, Himachal Pradesh, Jammu and Kashmir and east Rajasthan during the next three days.

#### **RAIN WARNING**

A warning valid for the next two days said that heavy rainfall would break out over Konkan, Goa, south Gujarat, Assam, Meghalaya and Arunachal Pradesh.

Its extended forecast valid until July 11 said that rain or thundershowers would lash many places over west coast, east and central India, the North-eastern States and Uttar Pradesh.

A few places over Punjab, Haryana and east Rajasthan may receive rain or thundershowers during this period, the IMD outlook added.

#### NECC seeks 10 lakh t wheat for poultry feed

#### **HYDERABAD, JULY 4:**

The National Egg Coordination Committee (NECC) has asked the Union Government to allocate 10 lakh tonnes of wheat for poultry industry. The Committee felt that this was necessary to help the poultry farmers to meet the feed requirements, following sharp increase in prices of maize and soya meal – the essential feed ingredients. "The price of maize has gone up to Rs 1,400 from Rs 950-1,000 a quintal last year. The price of soya meal has increased to Rs 3,750 from Rs 1,800 a quintal. The prices of other coarse grains such as jowar and bajra too have gone up significantly," the Committee said here in a press release on Wednesday. It alleged that forward trading, speculation and hoarding were the reasons for the sharp increase in prices of these feed ingredients. As a result, the break-even level for egg production has gone up to Rs 3 from Rs 2.25 a year ago. The break-even price level for broiler production has increased to Rs 61 from Rs 53 a year ago. "In the absence of corresponding increase in farm-gate prices to offset the increase in input costs, lakhs of farmers are making losses," it said. It appealed to the Union Ministry of Consumer Affairs, Food and Public Distribution to intervene and ensure allocation of wheat for the poultry industry.

#### FMC hikes margin on turmeric futures

#### MUMBAI, JULY 4:

The commodity markets regulator, Forward Markets Commission, has imposed an additional margin of 20 per cent on turmeric futures from Friday. The total margin on this contract now works out to 30 per cent. Investors have to set aside about Rs 65,000 to take a position in turmeric contract. On Wednesday, turmeric for July delivery on NCDEX gained 0.88 per cent at Rs 4,108 a quintal; the August contract was up 1.1 per cent to Rs 4,170, while the September contract rose 1.41 per cent to Rs 4,248. Turmeric prices have been rising steadily in the last few weeks in the futures market on expectations that the production will fall sharply next year due to farmers shifting to other crops in view of poor remuneration.

#### Prayag mulls ornamental fish export

#### AYAN PRAMANIK

#### **KOLKATA, JULY 4:**

The Kolkata-based Prayag Group is eyeing export of ornamental fish. The company has recently set up an ornamental fishery jointly with Marine Products Export Development Authority (MPEDA).

Located at Naihati, nearly 40 km away from Kolkata, the Fish Breeding Unit is expected to produce five lakh fish a year, Mr Avik Bagchi, Managing Director, Prayag Group, said.

The unit breeds 60-65 varieties of ornamental fishes, including popular ones such as Gold Fish, Shark, Angel, Barb, Tetra and Danio.

India has a Rs 200-250 crore ornamental fish market. Exports are made primarily to countries in Asia and Europe.

Apart from various species of aquarium fishes, Prayag has set up a separate unit for fresh water fish such as Rohu, Catla, Mrigel, Silver carp, Grass carp, Pangas, Chitol.

According to Mr Bagchi, the group is also planning to set up fisheries in other eastern and northeastern States, which have several water bodies.

#### Japanese firm launches new fungicide

#### **HYDERABAD, JULY 4:**

Insecticides (India) Ltd (IIL), a listed agro chemicals manufacturing company, today introduced Pulsor, a new generation fungicide from the Japanese Nissan Chemical Industries Ltd in Andhra Pradesh.

Pulsor is effective against sheath blight caused which affects various crops such as paddy. It is important in paddy-growing states such as Andhra Pradesh, Karnataka, Punjab, Chhattisgarh, Orissa, and West Bengal.

Top officials from Nissan Chemical Industries Ltd, Japan, including their Managing Director, Mr Kiminori Hirata, were present at the launch. Large number of farmers and dealers attended the event.

In India, the total market size for all kinds of fungicides related to paddy is estimated at Rs 800 crore, where sheath blight preventive fungicides have a market share of Rs 200 crore.

With the launch of Pulsor, the company targets to capture a third of the sheath blight preventive fungicides market in the next three years, said Mr Rajesh Aggarwal, Managing Director (IIL).

The company has already launched Nuvan, a popular international insecticide and Hakama, an herbicide in Andhra Pradesh. In a press release, Mr V. K. Garg, General Manager (Marketing), said last year the company did a one-day safety awareness drive on November 11, 2011 with 120 meetings across South.

"We plan to replicate the same in a big way this year again for a full week from July 9-16 wherein 1,300 farmer meets will be conducted and about 30,000 farmers covered," he added.

#### Mixed trend in rubber



Kottayam, July 4:

Physical rubber prices continued to be mixed on Wednesday. The undercurrent was choppy as reports from the domestic and international futures were negative. ISNR 20, the gainer of the day, improved further on supply concerns. Overnight monsoon rains had disrupted tapping in most of the plantation areas.

Sheet rubber weakened to Rs 187 (187.50) a kg, according to traders. The grade slipped to Rs 187.50 (188) a kg at Kottayam and Kochi, according to the Rubber Board.

The July series dropped to Rs 185.62 (187.64), August to Rs 185.51 (187.47), September to Rs 183.30 (184.42) and October to Rs 182.70 (183.57), while the November series improved to Rs 184.59 (183.08) a kg for RSS 4 on the National Multi Commodity Exchange.

RSS 3 (spot) declined to Rs 180.41 (183.22) a kg at Bangkok. The July futures for the grade increased to ¥250.8 (Rs 171.01) from ¥244.8 a kg during the day session but then surrendered to ¥247 (Rs 168.39) a kg in the night session on the Tokyo Commodity Exchange.

**Spot rates were (Rs/kg):** RSS-4: 187 (187.50); RSS-5: 181.50 (181.50); ungraded: 176.50 (176.50); ISNR 20: 181.50 (180.50) and latex 60 per cent: 133 (133).

#### Halmari Estate teas fetch record prices

Santanu Sanyal

Kolkata, July 4:

The produce of Halmari tea estate located in Morang district of Assam continues to attract record price at auction.

At Kolkata auction on Wednesday, a line of Halmari Orthodox (grade GTGFOP1, clonal, invoice 198, J Thomas list), totalling 110 kg in six packages, were sold at the record price of Rs 3,300 a kg.

The buyer was Raghunath Exports of Kolkata and the entire quantity will be exported to Germany, according to tea industry sources.

This was the highest price ever commanded by Assam orthodox so far in any auction in the country, sources observed.

On Tuesday at Kolkata auction, a line of Halmari CTC (Grade BOP, invoice C210, J Thomas list), totalling 540 kg in 20 bags, were sold at a record price of Rs 365/kg and the buyer was Agromet Corporation for exports to Japan, it is learnt.

Recently, the Halmari CTC had fetched Rs 330 at Guwahati auction.

The produce of single tea estate commanding record price in auction for two consecutive days is considered a rare event by many in the tea industry.

#### Govt not to export wheat in haste as global prices firm up



The Union Minister of State for Food, Prof K.V. Thomas.

Our plan is to get a better price, says Food Minister

#### **NEW DELHI, JULY 4:**

The firm trend in global wheat prices has prompted the Union Government not to rush with exports from its stocks.

"We are not in a hurry to export wheat," said the Union Minister of State for Food, Prof K.V. Thomas. "We are looking at the international situation as prices in global market are firming up and getting better and better," Mr Thomas told reporters on the sidelines of a commodity seminar organised by FICCI.

The Food Minister's statement comes a day after the Cabinet Committee on Economic Affairs approved the export of 2 million tonnes of wheat from the Central stocks at a floor price of \$228 a tonne (approximately Rs 12,400 a tonne). The move to dispose of excess stocks with Food Corporation of India through exports was mainly to create storage space for the wheat crop from the 2011-12 rabi season.

"Our idea is to get better price for exports," Prof Thomas said, adding that the Government would not export the entire 2 million tonnes at one go.

#### **GLOBAL PRICES ZOOM**

Global wheat prices have shot up in recent weeks on dry conditions impacting production in countries such as Russia, Ukraine and Australia.

The Chicago Board of Trade (C-BOT) futures for July delivery ended higher on Tuesday at \$7.82 a bushel of 27.215 kg. The September futures closed higher at \$7.99 and December futures at \$8.13. The March 2013 futures closed higher on Tuesday at \$8.26.

At current rupee exchange rate of 54.37 to a dollar, global wheat prices for delivery this month translate to around Rs 15,622 a tonne. In May, when the State Trading Corporation issued a tender for exports from Government stocks, the CBOT prices for July delivery were around \$6 a bushel (or Rs 11,700 a tonne at then exchange rate of Rs 53 to the dollar). The maximum bid received by STC was at \$230 a tonne.

#### **EXPORT TREND**

On Tuesday, the CCEA decided to set up an empowered committee under the chairmanship of the Commerce Secretary to decide the modalities of export such as determining the price from tender to tender and other operational issues.

The Government had opened up wheat exports in September last, after a gap of three years.

The export trend is sluggish with about 13 lakh tonnes being shipped out to countries such as Bangladesh and West Asia.

#### Floor price on basmati exports off

#### **NEW DELHI, JULY 4:**

The Government has removed the \$700 per tonne minimum export price (MEP) or floor price on basmati rice shipments. "Basmati rice can be exported without any minimum export price," said a Director General of Foreign Trade (DGFT) notification.

Rice exporters had been lobbying for the removal of MEP on export of the aromatic rice as global prices had crashed early this year on bumper harvest. The Government had then lowered MEP to \$ 700 a tonne from \$ 900 a tonne to make it more competitive in the global market.

India is the largest producer of basmati rice. Its exports in 2011-12 stood at around 2.5 million tonnes, a growth of about 15 per cent over the previous year's 2.18 million tonnes.

#### NIIST offers 'clear' banana fibre extraction knowhow

#### THIRUVANANTHAPURAM, JULY 4:

The National Institute for Inter-disciplinary Science and Technology (NIIST) is offering a technology for clear extraction of banana fibre on a non-exclusive basis.

NIIST is an affiliate of the Council for Scientific and Industrial Research (CSIR) based here.

#### PATENT SOUGHT

The indigenously developed process know-how is for 'clean extraction of banana fibre from pseudo stems and empty bunches' (leftover banana trunk after harvest).

An international patent has been sought for the process know-how vide PCT/IN2009/000075, a spokesman for NIIST said. It has already been licensed to three parties, including a foreign one (based in the Philippines).

NIIST would like to see the same being popularised locally, the spokesman said.

The banana fibre is in good demand and is used in making of cordage, yarns, paper and paper cups, tea cups and tea bags, cloth, handbags, purses and even shoes.

Banana fibres are generally extracted through a cumbersome manual process. By using a metal scraper (flat and blunt blade), the pseudo stem sheaths are scraped and the fibre is separated.

#### POLLUTION-FREE

An individual at work can expect to extract just about 500 gm in this manner; the mechanical process delivers 10 times more but with heavy damage to the fibre.

The NIIST process involves an anaerobic process mediated through microbial action and is completed in four to six days of soaking in water.

Organic wastes get converted into biogas in this process, which is pollution-free. Under optimum conditions, separation of the fibres gets completed in a week's time.

Water washing of the separated fibres removes residuals of the pith prior to drying. The clean fibres are dried in sunlight to bring down the moisture content considerably.

The fibre obtained is brilliant white in colour and has little pith residues. More details can be had on phone 0471-2515388 (NIIST, Thiruvananthapuram).

#### Coonoor tea auction volume continues to be high

#### P.S. SUNDAR

#### **COONOOR, JULY 4:**

A volume of 20.91 lakh kg will be offered for Sale No: 27 to be held on Thursday and Friday, reveals an analysis of brokers' listing.

It is the second highest volume to be offered so far this year being just 23,000 kg less than the hitherto highest volume offered last week. It is as much as 4.08 lakh kg more than the offer this time last year.

Of the 20.91 lakh kg on offer, 15.56 lakh kg belongs to the leaf grades and 5.35 lakh kg belongs to the dust grades. As much as 19.67 lakh kg belongs to CTC variety and only 1.24 lakh kg, orthodox variety. The proportion of orthodox teas continues to be low in both the leaf and dust grades. In the leaf counter, only 0.79 lakh kg belongs to orthodox while 14.77 lakh kg, CTC. Among the dusts, only 0.45 lakh kg belongs to orthodox while 4.90 lakh kg, CTC.

The substantial portion of this huge volume comprises fresh teas totalling 17.07 lakh kg. About 3.84 lakh kg comprises teas that had remained unsold in previous auctions.

The increased offer is due to Nilgiri harvest being high arising from periodical showers and the arrival of teas for the auctions from other districts fuelled by the encouraging prices of the last few weeks.