

ERODE, June 27, 2012

Farmers turn to copra as coconut price plummets

S. RAMESH



Erode district has over 10,000 hectares of coconut farms with more than 12,000 farmers depending on the crop for a livelihood- PHOTO: M. GOVARTHAN

The steep fall in the price of coconut has left the farmers in Erode district resort to value addition practices such as making copra that fetch slightly better income for them.

The price of coconut, which stood around Rs. 8 a nut a few months ago, fell down to Rs. 3 this season, leaving the farmers in a tight spot.

Even though the farmers are ready to sell them at cheaper rates, there are very few takers in the market.

The district has over 10,000 hectares of coconut farms with more than 12,000 farmers depending on the crop for their livelihood.

“We often sell the nuts to coconut oil producers in Kangayam and other parts of the State in bulk quantity, which was very convenient for us. After the steep fall in the price of coconut oil, very few producers buy nuts. As a result, many of us started producing copra by ourselves and sell it to the Tamil Nadu Cooperative Marketing Federation Limited,” A. Palanisamy, a farmer in Arachalur, here, said.

The government had fixed Rs. 51 a kg as minimum support price (MSP) and the TANFED procures copra. “Though the MSP is not remunerative, it is still the best price for copra when compared to the rates offered in the open market,” S. Arumugam, another farmer, said.

Meanwhile, farmers said that the fixing of MSP for copra alone was not sufficient to protect the interests of coconut-based industry. They wanted the government to come up with more measures to ensure remunerative prices for coconut and copra as they were facing a number of serious issues.

The cost of labour increased by 30 per cent this year and there was an acute shortage of labour. There were very few workers available today to climb the trees and pluck nuts.

The shortage has fuelled the labour cost. The cost of inputs had almost doubled. But the government had not taken any steps to address these issues, farmers lamented.

“The government imports palm oil and sells it through the public distribution system. But the coconut oil, which is produced locally, is not marketed through fair price shops. It is not fair,” said S. Nallasamy, president of Lower Bhavani Farmers’ Association.

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State encouraging farm mechanisation through ‘custom hiring centres’

Ravi. P. Benjamin

The centres will play a vital role in introducing high-tech machinery to farmers: official

The State Government, through the Department of Agriculture, is popularising the concept of ‘custom hiring centres’ as part of achieving the objective of farm mechanisation through upgradation of technology for raising agriculture and horticulture crops. The department is following a two-pronged strategy of encouraging big farmers or a group of farmers to come together for purchasing high cost machinery for running custom hiring centres. The custom hiring centres will give farm machinery on rental basis to farmers who cannot afford to purchase high-end agricultural machinery and equipment apart from servicing old machinery. The centres will play a pivotal role in introducing high technology agriculture machinery to even ordinary

farmers with the objective to boost crop production and improve quality of agriculture operations.

Agriculture Officer S. Sri Devi told *The Hindu* that the government has set apart Rs.2.70 crore for facilitating the establishment of custom hiring centres in the 2012-13 year as part of its efforts to set up the centres in every mandal in a phased manner in the district.

Last year about 2,759 farmers were benefited by the mechanisation initiatives of the government. A sum of Rs.1.03 crore was spent on farm mechanisation in 2011-12.

Initially the centres were set up in 10 agriculture divisions in the district but the strategy is to set up a centre in each of the 42 mandals in the district.

The second strategy is to encourage individual farmers to dispense with manual methods of land tilling, seeding, transplanting, harvesting and processing of paddy crop or any other crop for that matter.

Some of the high cost machinery that will be available in the centres includes laser-guided land levellers, soil pulverisers, 4 wheel tractor with rotovators (blades), nursery seedling machines, power weeders, and rice transplanters and combined harvesters.

The cost of the machinery is anywhere from Rs.26 lakh to Rs.80 lakhs with the government providing 50 per cent subsidy.

Besides for systematic sugarcane intensification (SSI) the hiring centres will acquire sugarcane planters, sub-surface drip laying machinery and sugarcane harvester.

The cost of each SSI centre is Rs.1.33 crore with a government subsidy of Rs.33.34 lakh and the remaining is to be borne by the farmers group.

Machines contributing to farm mechanisation include mini-tractor of 18 and 24 hp with rotovator, high capacity multi-crop thresher, cotton planter, power tiller, seed drills and paddy reaper. The scheme will be implemented every year on a continuous basis.

The customer hiring centres will also engage in servicing of agriculture implements and under the implement service station approach, each village will request for implements which are suitable for the village from either a group of farmers or individuals financially able to set up the centres.

The service station will also attend to repairs of the implements. Small farm implements like sprayers and cultivators will be supplied on 50 per cent subsidy.

The high-end machinery can service an area of 500 acres in a village and regular income can be earned by hiring the machines.

The sugarcane intensification system will help improve sugarcane yields and in effective water management apart from mechanised cutting of the sugarcane crop.

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- *The high-cost machinery includes laser-guided land levellers and soil pulverisers*
 - *The cost of the machinery is anywhere between Rs.26 lakh and Rs.80 lakh*
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Administration gears up for kharif season

The Prakasam district administration has assured the ryots to ensure that there was no shortage of subsidised seed or fertilizers in the district.

Briefing newsmen on kharif preparedness, she said the administration had positioned various crop seeds, including 1.40 lakh packets of BT cotton seed as against the requirement of 2.61 lakh packets.

Now, 77,736 packets were available with private seed dealers,

As much as 4,145 quintals of subsidised seeds of various crops including, greengram, blackgram, redgram, and sunhemp were positioned by the AP Seeds, she said.

The extent of crop coverage so far was 5.6 per cent of the normal extent of 2.38 lakh acre during the kharif season, she said.

Farmers were provided with crop loans worth Rs. 340 crore, she said.

She said 55,904 tonnes of fertilizers were received as against requirement of 1.51 lakh tonnes.

Now 47,329 tonnes of fertilizers available with Markfed and private dealers in the district.

The Vigilance and Enforcement department had seized 10.1 tonnes of fertilizers in two cases, while a 187.3 tonnes of fertilizer worth Rs 27.22 lakh was detained in six shops for lapses identified.

BT Cotton seeds worth Rs. 6.2 lakh had been seized during surprise raids by department staff, she added.

COIMBATORE, June 27, 2012

'Research not reflecting in production of sugarcane'

Average production remains only around 6.82 tonne per hectare in India



Chairman of Sakthi Sugars Limited N. Mahalingam (right) with N. Vijayan Nair, Director of Sugarcane Breeding Institute, at an interactive workshop to mark the Institute's centenary organised jointly with the South Indian Sugar Mills Association in Coimbatore on Tuesday.-
Photo: K. Ananthan

"In spite of the splendid accomplishments of our sugarcane scientists at our research stations, the average production of sugar harvested remains only around 6.82 tonne per hectare in the country," N. Mahalingam, Chairman of Sakthi Sugars Limited, said here on Tuesday.

Speaking at a national interactive workshop on "Sugarcane Breeding Institute – Indian Sugar Industry", held to commemorate the centenary of the institute, he said the production level could be attributed to a number of constraints, such as lack of awareness of proper cultivation practices at the field level, inadequate supply of nutrients and inadequate irrigation facilities.

"Irrigation is essential for cultivation of sugarcane. Lack of adequate irrigation pushes down the yield and quality of sugarcane. While 57.24 million hectares of land have been brought under

irrigated agriculture, 122.73 million hectares of cultivable land remains starved for irrigation. When an additional area of 120 million hectares can be brought under irrigation, area under sugarcane can be increased to 30 million hectares as against the five million hectares now,” Mr. Mahalingam said.

When Indian scientists adopt the Brazilian approach of utilising ethanol as fuel for automobiles it would be possible to conserve over Rs. 2.5 lakh crore spent on import of petroleum crude, he added.

N. Vijayan Nair, Director of the institute, said the institute had been responsible for several breakthroughs in the technological front, which offered new opportunities and options for developing better varieties and crop production technologies.

“The institute has used molecular technologies effectively in introgression of wild species and has also developed sugarcane transgenics incorporating gene constructs contributing to pest resistance. Sugarcane with its high biomass potential is also being developed as a biofactory to produce high value molecules. Developments in nano-technology offer scope for developing more efficient fertilizer and pesticide formulations and biosensors,” he said.

Pointing out that cane agriculture was facing serious challenges in terms of sustainability, the Director said the demand for sugar and sweeteners was ever increasing, consistent with the population growth. High cost of production, depleting natural resources, climate change, non-availability of labour, emerging new diseases, pests, etc., had a serious impact on cane productivity and sustainability, he added.

R. Viswanathan, Head, Crop Protection and Chairman of Centenary Seminar Committee, said, the future of sugar industry would decisively depend upon its cost competitiveness on the cane front.

This called for co-ordinated efforts between the industry and institutions like the Sugarcane Breeding Institute for well-intensified and clearly focussed developmental efforts.

M. Manickam, Vice-President of South Indian Sugar Mills Association (SISMA), N. Ramanathan, President of SISMA, and G.S.C. Rao, President of Sugar Technologist Association of India, spoke.

PUDUKOTTAI, June 27, 2012

Farmers demand high procurement price for coconut

Coconut farmers, all members of the Tamil Nadu Vivasayigal Sangam affiliated to the CPI (M), staged coconut breaking agitation in Alangudi Vadakadu mukkam on Tuesday demanding higher procurement price for copra and coconut.

They said that coconut price had fallen steeply in the recent past causing much hardship to farming community in state.

The price of each nut was fetching a paltry price of less than Rs.3. They demanded the government to fix procurement price of copra at Rs.70 per kg and that of coconut at Rs.15 per kg. S. Rajasekaran, former MLA, led the agitation, which was inaugurated by S. Ponnusamy, district secretary of the Tamil Nadu Vivasayigal Sangam.

M. Sebastian, district secretary of the Sangam, V. Duraichandran, district deputy secretary of the Sangam, and others spoke .

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Indian Bank conducts intensive farm credit campaign for benefit of cultivators in Salem district

Agricultural loans to the tune of Rs. 2.47 crore were distributed to 89 beneficiaries by Indian Bank at an 'Intensive Farm Credit Campaign' held at Thalaivasal, near Attur, recently.

Loans for getting crops loans under 'Kisan Credit Card' scheme, for getting tractor, rotavator, broiler unit and fother activities were given.

The aim is to provide credit requirement for farmers to meet kharif season crop production, said S. Chezian, Zonal Manager, Salem, of the bank.

He said that the zone, comprising Salem and Namakkal districts with 58 branches has given 46 per cent of total credit to agriculture as against the government stipulation of 18 per cent level of financing.

THENI, June 27, 2012

Novel protest by coconut farmers

They deplore poor procurement price for coconut and copra



In a nut shell: Farmers and members of Tamil Nadu Farmers' Association break coconuts near Sri Gnanambal Temple in Uthamapalayam near Thenion Tuesday.

Hundreds of coconut farmers and members of Tamil Nadu Farmers Association broke coconuts on Theradi ground near Sri Gnanambal Temple at Uthamapalayam near here on Tuesday in protest against poor procurement price for coconut and copra.

They raised slogans against the Central government for its anti-people policies.

Tamil Nadu Farmers Association State general secretary P. Shanmugam said that procurement price for copra was very low.

Even though the Central Government had fixed procurement price for copra at Rs.51 a kg, copra was being procured from farmers at Rs.34 a kg only.

Some of the major coconut manufacturing companies damaged the copra market by slashing procurement prices during peak production season and this resulted in poor procurement price for copra and ultimately huge loss to farmers.

One of these oil companies had been procuring 40 per cent of total copra produced in the country.

The Central Government should increase copra procurement price to Rs.70 a kg because present procurement price was insufficient to meet even the production costs. Prices of potash, main fertilizer for coconut cultivation, rose by 30 per cent and coconut plucking charges per tree shot up to Rs.10 from Rs.6, a 40 per cent hike. Transport expenses too had gone up manifold. So, hike in procurement price was most essential to help farmers meet production costs, he appealed. The State Government should procure coconut with husk (raw or green coconut) from coconut farmers directly as it was being procured in Kerala at the rate of Rs.14 a kg. Such measure would help farmers get better price for their produce.

Value addition

Except coir units, the State did not have much coconut-based industries for value addition. Agro-based industries like mat, brush, geo textiles and carpets should be encouraged in the State. The Centre should take immediate steps to procure raw coconut, he insisted. Coconut farmers could not shift to other crops immediately like paddy or groundnut growers. They should maintain the farm at least for 30 years, he added. Coconut growers in Uthamapalayam and nearby areas participated in the novel protests.

COIMBATORE, June 27, 2012

Counselling schedule for TNAU UG admissions

Rank list hosted on www.tnau.ac.in.

The first phase of counselling for admission to 13 undergraduate degree programmes of Tamil Nadu Agricultural University for the academic year 2012-13 will be held from July 2 to 8.

According to a university release, it will be held at Anna Auditorium.

The details of the cut-off marks and date of counselling are given in the box.

Counselling is for admission to 13 programmes, viz., B. Sc. Agriculture, B. Sc. Horticulture, B. Sc. Forestry, B. Sc. Home Science, B.Sc. Sericulture, B. Tech. in Agricultural Engineering, Horticulture, Food Processing, Energy and Environmental Engineering, Biotechnology, Bioinformatics, and Agricultural Information Technology, and B.S. in Agribusiness Management.

The rank list has been hosted on the TNAU website www.tnau.ac.in.

To commence from July 2		
	Cut-off mark (academic stream)	Number of candidates
2.7.2012 Monday		
9.30 a.m. : C1	199.25-195.25	159
1.30 p.m. : C2	195.00-193.50	168
3.7.2012 Tuesday		
9.30 a.m. : C3	193.25-192.00	166
1.30 p.m. : C4	191.75-190.75	185
4.7.2012 Wednesday		
9.30 a.m. : C5	190.50-189.75	153
1.30 p.m. : C6	189.50-188.50	179
5.7.2012 Thursday		
9.30 a.m. : C7	188.25-187.50	160
1.30 p.m. : C8	187.25-186.50	161
6.7.2012 Friday		
9.30 a.m. : C9	186.25-185.50	155
1.30 p.m. : C10	185.25-184.50	163
7.7.2012 Saturday		
9.30 a.m. : C11	184.25-183.50	162
1.30 p.m. : C12	183.25-182.50	178
C13 and C14 only for SC, SCA, ST and BCM categories		
8.7.2012 Sunday		
9.30 a.m. : C13	182.25-174.50	188
1.30 p.m. : C14	174.25 to 170.00 - BCM 169.25 - SC 166.25 - SCA 159.25 - ST	188
Total		2365

*Note: C - Counselling Number,
SCA-Scheduled Caste Adidraavidar; BCM-Backward Class Muslim*

Counselling call letters are being dispatched to candidates.

Those who have not received intimation and have cut-off marks in the mentioned range can attend the counselling on the specified date, if they fulfil the criteria.

Candidates should bring photocopies of the qualifying mark sheet, standard X mark sheet, and community certificates at the time of counselling.

A non-refundable counselling fee of Rs. 2,000 (Rs. 1,000 for SC / ST candidates), as cash or Demand Draft drawn in favour of 'Dean (Agriculture)' payable at Coimbatore should be paid to the university at the time of counselling.

BANGALORE, June 27, 2012

Forest Department plans bamboo cultivation for biomass power

'Details on extent of cultivable land, power generation potential will be out soon'



Augmenting energy: Minister for Forests C.P. Yogeshwar (right) and Chairman of the Western Ghats Task Force Anant Hegde (left) releasing the status report and conservation action plan for Kaan Forests, in Bangalore on Tuesday.— Photo: Bhagya Prakash K.

The Forest Department plans to cultivate bamboo on a large scale on its wastelands to generate biomass power that could help reduce the power-starved State's peak-hour woes.

Announcing this after releasing the status report and conservation action plan for Kaan Forests (sacred groves) of Shimoga district, prepared by a team of experts appointed by the Western Ghats Task Force in Bangalore on Tuesday, Minister for Forests C.P. Yogeshwar said the department was in the process of assessing the extent of land that could be used for cultivation of bamboo as well as the potential for power generation.

"We will be in a position to give you data on the extent of land suitable for bamboo cultivation and the targeted power generation in eight to ten days," Mr. Yogeshwar said.

The Minister, who visited bamboo-based biomass power plants in Mundargi in north Karnataka and some areas in Tamil Nadu, said the Bheema variety of bamboo that would start yielding

within two years of plantation would be chosen for cultivation. This variety would be replicated through tissue culture for better yields, he noted.

This variety could fetch revenue of Rs. 2,000 per tonne, which is higher when compared to revenues earned from sugarcane cultivation, he said.

Capacity

According to experts, 200 acres of bamboo cultivation could help take care of biomass needs of a power plant with a capacity of one megawatt, he said.

To begin with, Mr. Yogeshwar is planning to introduce bamboo cultivation on about 30,000 acres of wasteland of farmers in his native Ramanagaram district on a pilot basis by using the sewage water that flows from Bangalore. He said a report in this regard had already been submitted to the Chief Secretary seeking financial assistance for farmers to take up bamboo cultivation.

Meanwhile, the status report and conservation action plan has recommended to the government to come out with a clear policy on identification, recognition, demarcation, protection and management of different kinds of Kaan forests with the involvement of local people.

Pointing out that there was no reliable data on the total extent of Kaan forests due to the ambiguity about titles in the land records, the report has asked the government to provide clear land records within a time frame.

Responding to this, the Minister said most of the Kaan forests were with the Revenue Department. The government would take steps to bring them under the Forest Department so that a plan of action could be taken up for their development.

The report has also recommended steps to prevent encroachment in the Kaan forests, besides initiating a study to get village-wise status of extent of these forests in the State through satellite images. It also recommended that some of the well-protected Kaan forests should be declared as natural heritage sites. Western Ghats Task Force Chairman Anant Hegde Ashisar was also present on the occasion.

Illegal resort

Replying to queries, the Minister said the department would initiate action for recovering forest land in Sandur on which Rajya Sabha MP Anil Lad had allegedly built a resort.

He said Mr. Lad had taken permission for building the resort from the Revenue Department though the land belonged to the Forest Department.

DAVANGERE, June 27, 2012

Farmers told to pay crop insurance premium by July 31

Joint Director of Agriculture Gollar has instructed farmers to pay the insurance premium by July 31 to be able to make claims in the event of crop loss owing to floods, natural disaster and various crop diseases in 2012-13 under the National Agricultural Insurance Scheme (NAIS). Participating in a meeting here on Tuesday today to discuss crop insurance under the NAIS, Mr. Gollar said farmers would have to pay 2.5 per cent of the total insurance amount by the deadline. He said farmers who avail themselves of crop loans from different nationalised banks would compulsorily have to get their crop insured under the scheme, while it was optional for other farmers who had spent on crops on their own. He said farmers needed to get insurance within one month of planting of seeds or by the last date for getting their crops insured.

'Sufficient fertilizer'

Mr. Gollar said that the Agriculture Department had initiated steps to provide the required amount of fertilizer to farmers this season, and 23,873 tonnes of urea was stored for the year. Similarly, 17,229 tones of DAP, 1,454 tones of MoP and 14,854 tones of NPK were available in the district. He said farmers may not face shortage of fertilizer this year. He said over 88,135 quintals of different seeds had been stored, against the expected demand in the district of 52,146 quintals.

Concessional rates

The department had made arrangements to distribute the seeds at concessional rates at 24 Raitha Samparka Kendras and 21 more seed distribution centres across the district. Mr. Gollar noted that 11,600 quintals of maize had been earmarked for the season, which would be distributed to over 38,972 farmers in the district. Similarly, 4,210 quintals of paddy was expected

to be distributed to over 2,960 farmers. Seeds of crops such as groundnut and ragi would also be distributed in the district, he said.

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- *They will have to pay 2.5 p.c. of the insurance amount*
 - *'Over 88,135 quintals of seeds have been stored'*
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HYDERABAD, June 27, 2012

State's support to farmers

To remit interest on all crop loans directly to banks



Money matters: Chief Minister N. Kiran Kumar Reddy releasing the annual Credit Plan 2012, at the 178th State Level Bankers' Meet (SLBC) in Hyderabad on Tuesday.—Photo: G.

Krishnaswamy

The State government will remit the interest on all crop loans availed by farmers directly to the banks from this kharif season under zero-interest loan scheme, subject to the condition that the principal amount is paid by them within a year, Chief Minister N. Kiran Kumar Reddy announced here on Tuesday.

Until now, the government paid the interest to the farmer after he cleared both the principal amount and interest. Announcing this at the 178th State Level Bankers' Committee (SLBC) meeting at Jubilee Hall, synchronising with the commencement of the kharif season, Mr Reddy requested the SLBC to see that every bank branch in the State cooperated in implementing the scheme.

Positive beginning

He sought their help in opening of accounts by farmers even in tribal areas in Adilabad, Visakhapatnam, East Godavari districts so that the balance of input subsidy (Rs 748 crore) could be disbursed online.

The Chief Minister said a positive beginning had been made in extending credit to tenant farmers in AP but the total lending to this long-neglected section was a mere Rs 398 crore during the last kharif season. Banks must increase this amount to Rs 2,000 crore this kharif.

In respect of self-help groups (SHG) too, the government would pay the interest on the loans up to Rs 5 lakh since the zero-interest scheme had been extended to them from January 1, 2012. Referring to the slew of welfare schemes being implemented by his government for weaker sections, he wanted the banks to patronise them and give a boost to the neglected sections.

Rural economy

Mr. Kiran Kumar Reddy later launched a massive Rs 1.10 lakh-crore SLBC-formulated credit plan for the State for 2012-13 in which all banks, including Andhra Bank, the lead bank in the State, will participate.

Of this amount, a sum of Rs 52,972 crore would be advanced to the agriculture sector alone.

B. A. Prabhakar, SLBC president and Andhra Bank CMD, said opening of ATMs, ultra small branches and e-payment of subsidies was the only way to improve the rural economy. Citing the huge non-performing assets of banks, he sought the involvement of SHGs and agriculture officers in the recovery of loans.

Even left wing extremism could be well tackled if banking services were extended to remote areas.

Bridge loans

In all, 118 of the 208 bank branches assessed as required in some areas of the State have already been set up.

Ministers Kanna Lakshminarayana (Agriculture), N. Raghuveera Reddy (Revenue), P. Balaraju (Tribal Welfare), N. Uttam Kumar Reddy (Housing) and V. Sunitha Laxma Reddy (Women

welfare) and Chief Secretary Pankaj Dwivedi pleaded for coverage of 12 lakh tenants with crops loans now, extension of repayment of rescheduled loans up to August 15, and extension of bridge loans for Indiramma housing.

hindustantimes

Wed, 27 Jun 2012

weather

Chennai - INDIA

Today's Weather



Cloudy

Wednesday, Jun 27

Max Min

36.9° | 27.1°

Rain: 00 mm in 24hrs Sunrise: 5:45

Humidity: 74% Sunset: 18:39

Wind: Normal Barometer: 993

Tomorrow's Forecast



Rainy

Thursday, Jun 28

Max Min

35° | 28°

Extended Forecast for a week

Friday Jun 29	Saturday Jun 30	Sunday Jul 1	Monday Jul 2	Tuesday Jul 3
31° 27° Rainy	31° 27° Rainy	32° 27° Rainy	32° 27° Rainy	31° 27° Rainy

THE ECONOMIC TIMES

26 JUN, 2012, 05.03PM IST, PTI

Jeera futures remain higher as demand picks up

NEW DELHI: Jeera prices today rose by Rs 165 to Rs 14,677.50 per quintal in futures trade today as speculators enlarged their positions, tracking a firming trend at spot market on pick up in demand. At the National Commodity and Derivatives Exchange, jeera for delivery in September rose by Rs 165, or 1.14 per cent, to Rs 14,677.50 per quintal, with an open interest of 3,249 lots. Similarly, the spice for delivery in July moved up by Rs 45, or 0.33 per cent, to Rs 13,825 per quintal in 12,720 lots. Analysts said increased buying by speculators, supported by pick-up in spot demand mainly helped jeera prices to remain up at futures trade.

26 JUN, 2012, 05.00PM IST, PTI

Turmeric futures extends gain on lower sowing

NEW DELHI: Turmeric rose for the second straight day by adding Rs 44 to Rs 4,192 per quintal in futures trade today following increased buying by speculators, triggered by expectations of lower sowing this season.

At the National Commodity and Derivatives Exchange, turmeric for delivery in July added Rs 44, or 1.06 per cent, to Rs 4,192 per quintal, with an open interest of 40,725 lots. In a similar fashion, the spice for delivery in August shed Rs 18, or 0.43 per cent, to Rs 4,196 per quintal in 28,405 lots. Analysts attributed gains in turmeric futures to expectations of lower sowing this season amid delay in monsoon rains in producing regions.

26 JUN, 2012, 03.50PM IST, PTI

Almond falls on profit-booking

NEW DELHI: Almond prices fell by Rs 1.25 to Rs 402.25 per kg in futures trade today as traders indulged in booking profits at higher levels. Weak demand in the spot markets also put pressure on the almond prices at futures market. At the Multi Commodity Exchange, almond for June delivery fell by Rs 1.25, or 0.31 per cent, to Rs 402.25 per kg, with a business volume of a single lot. Marketmen said profit-booking by speculators and a weak trend in spot markets on subdued demand mainly led to a fall in almond prices at futures market.

Paddy field slush

Author: Express News Service Published Date: Jun 26, 2012 11:30 AM Last Updated: Jun 26, 2012 11:30 AM

Against the backdrop of the CPM decision to oust former Ernakulam district secretary Gopi Kottamurickal, the allegation raised by him on levelling of 150 acres of land at Nedumbassery has been snowballing into a major controversy.

Against the backdrop of the CPM decision to oust former Ernakulam district secretary Gopi Kottamurickal, the allegation raised by him on levelling of 150 acres of land at Nedumbassery has been snowballing into a major controversy.

The land and its related issues have been a major point of contention within the party for some time.

It was a couple of days ago that Gopi openly came out against former Minister S Sarma stating that the latter was involved in an attempt to level 150 acres of paddy field near Nedumbassery. He had said the issue erupted when he was the party's district secretary. Kottamurickal had further said that he had informed the party higher-ups regarding the move.

On Monday, while addressing media at his residence, Gopi Kottamurickal reiterated his earlier stand. "I stand by what I have already said," he said. According to Gopi, the attempt to level the paddy field was carried out with the help of some party activists in Nedumbassery. The allegations immediately kicked up a row, as CPM has always been opposing land-filling.

The Shareholders Organisation of Cochin International Airport has also come up supporting certain allegations raised by Gopi Kottamurickal.

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Business Standard

Wednesday, Jun 27, 2012

Castor prices halve in a year of record production

Industry expects production to rise 35-40% from the previous year

Rutam Vora & Vimukt Dave / Ahmedabad/ Rajkot June 27, 2012, 0:03 IST

Having seen a bull run last year, castor seed prices have witnessed a sharp correction over the past year due to record production and weak overseas demand. The price of castor oil, too, has faced a sharp fall from its peak levels last year.

The prices have showed some recovery over the past two weeks. But, experts see this recovery as short-lived, as weak export demand is likely to keep prices under pressure.

According to estimates of the state agriculture department, the area under castor in Gujarat jumped from 518,000 hectares in 2010-11 to about 811,000 hectares in 2011-12. Nationally, castor sowing was higher by around 390,000 hectares to about 1.27 million hectares in 2011-12, from 882,000 in 2010-11.

THE SLIP SHOWS

Date	Castor FSG Rs/10 kg	Castor seeds Rs/qtl
Feb 11, 2011 (High)	1,240	6,000
25-Jun-11	1,027	4,935
2-Jan-12	840	4,000
1-Jun-12	673	3,165
Jun 9, 2012 (Low)	625	2,925
26-Jun-12	703	3,315
% chg from high	-43.31	-44.75

Source: Bombay Commodity Exchange

Industry insiders estimate a total castor production of about 1.7 to 1.75 million tonnes (mt) in India, higher by about 500,000 tonnes from the last year.

“A bumper castor crop this oil year has increased the availability of the oilseed. This is pure demand-supply economics. Therefore, prices would remain under pressure till fresh demand comes up. But, if monsoon gets delayed, prices would rise further,” said an office bearer of the Solvent Extractors’ Association of India (SEA).

The castor crop cycle runs through January to May, while sowing starts from August-September. Arrivals at the Gujarat markets are about 50,000 to 70,000 bags (of 75 kg). Analysts say inventories would rise this year, pushing down prices further.

“Last year, there was less inventory and low production. Also, foreign buying was aggressive. Therefore, prices hit peak levels. This prompted more farmers to take up castor sowing, and it was sown on a record area. But, looking at the price trend this year, preliminary estimate suggests sowing may drop by about 20 per cent this year,” said Biren Vakil, chief executive officer of Paradigm Commodity Advisors in Ahmedabad.

Echoing similar sentiment, Sushil Goenka, president of SEA, said production of sesamum, soyabeans and castor was estimated to decline in 2012-13.

Added Vakil, “There is recovery in castor seed prices over the past two weeks. But due to record output of about 1.7 mt, overseas buyers are going slow on purchases. There could be pressure on prices.”

At the Bombay Commodities Exchange, castor seed prices quoted at Rs 3,315 per quintal on Tuesday, after recovering from its lowest levels of Rs 2,925 per quintal on June 9. Castor seed hit a high of Rs 6,000 per quintal on February 11, 2011. The prices are still lower by close to 45 per cent from its highs. Castor oil first special grade quoted at Rs 703 per 10 kg on Tuesday. The prices surged to a high of Rs 1,240 per 10 kg on February 11, 2011. On June 9, 2012, prices hit the bottom of Rs 625 per 10 kg.

Food Min favours defreeze of import tariff value of RBD palm

Currently, govt is not only losing revenue but also facing under-utilisation of domestic edible oil refineries

Press Trust of India / New Delhi June 26, 2012, 16:20 IST

The Food Ministry has moved a proposal before the CCEA to consider defreezing of the import tariff value of refined cooking oil RBD palmolein to increase competitiveness of domestic edible oil refineries.

The tariff value is the base price on which the customs duty is determined. The government has kept import tariff value on RBD palmolein oil unchanged at \$484 per tonne since July 2006, keeping in view inflation at that time. At present, import duty on refined edible oils is 7.5%.

The Food Ministry has suggested defreezing of import tariff value of RBD palmolein and linking it with the current global price, the source said, adding that the issue may come up for discussion in the forthcoming CCEA meeting.

Currently, the government is not only losing revenue but also facing under-utilisation of domestic edible oil refineries as lower tariff value on imported refined palmolein has boosted shipments in the last few years.

Despite the customs duty of 7.5% on RBD palmolein, the revenue collection has been less as the government is imposing duty on it at a base price of \$484 a tonne instead the current global price of \$1,000 a tonne.

Also, the increase in cheaper RBD palmolein has started affecting competitiveness of the domestic refined oil industry. Local refineries, which have the annual capacity of 12 million tonnes, have remained underutilised in the country.

The industry experts said the surge in import of refined palm oil has also been due to lowering of export duty on the commodity by the Indonesian government.

A source in the Food Ministry said, "Our refining capacity can be fully utilised if we import palm oil in crude form instead of refined oil. Defreezing of tariff value on imported RBD palmolein will

help to protect our industry."

India's import of refined palmolein has risen to 1.09 million tonnes during November-May period of the 2011-12 oil year (November-October), as against 551,000 tonnes in the year-ago period, the official data said.

At present, crude and refined palm oil constitute 77% of the country's total vegetable oil import of 8.37 million tonnes in 2010-11.

Almond falls on profit-booking

June contract sheds 0.3% as speculators exit at higher levels

Press Trust of India / New Delhi June 26, 2012, 14:37 IST



Almond prices fell by Rs 1.25 to Rs 402.25 per kg in futures trade today as traders indulged in booking profits at higher levels.

Weak demand in the spot markets also put pressure on the almond prices at futures market.

At the Multi Commodity Exchange, almond for delivery in June fell by Rs 1.25, or 0.31%, to Rs 402.25 per kg, with a business volume of a single lot.

Marketmen said profit-booking by speculators and a weak trend in spot markets on subdued demand mainly led to a fall in almond prices at futures market.

Cotton sowing takes a beating on delayed rains

Anindita Dey / Mumbai June 27, 2012, 0:02 IST

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 two lakh hectares from 1.5 million hectares in the previous year.

Ministry officials say delayed rain has resulted in slow sowing in parts of Maharashtra, Madhya Pradesh, Karnataka and Gujarat. Sowing in these regions has been lower by 449,000 hectares year-on-year compared to last year. On the other hand, sowing is complete in Punjab, Haryana and Rajasthan. Most of the regions are facing a fall in sowing — Punjab by 60,000 hectares, Rajasthan 54,000 hectares and Haryana 59,000 hectares. In order 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 Maharashtra, a pilot project in this regard has been launched in Nagpur.

Officials say the fall in cropping has not been a phenomenon of this year alone — it has been observed over the last two to three years. While the growth in cropping is rising year-on-year (y-o-y), the rate of growth has been stagnating. As against 25-30 per cent rise y-o-y in 2008-10, the incremental growth in cropping has been 12-15 per cent. Farmers in Punjab, Rajasthan and Haryana have shifted from cotton to paddy, guar and pulses. Farmers in Maharashtra too, are expected to devote a part of the cotton acreage to sugarcane, as its prices are stable and payments assured. In Gujarat, pulses and groundnut might be more attractive for farmers, as there has been a rise in the prices of these commodities, said sources.

Mentha oil extends losses, down 2% on profit-booking

Fresh arrivals from major producing regions keep futures prices in negative zone

Press Trust of India / New Delhi June 26, 2012, 13:50 IST



Mentha oil futures prices fell by Rs 25 to Rs 1,232.10 per kg in futures trade today as traders engaged in booking profits amid weak spot demand. Fresh arrivals from the major producing regions also kept the futures prices in negative zone. At the Multi Commodity Exchange, mentha for delivery in June fell further by Rs 25, or 1.98%, to Rs 1,232.10 per kg, with a business volume of 300 lots. The July contract declined by Rs 15.50, or 1.21%, to Rs 1,260 per kg, with a business turnover of 305 lots. The fall in mentha oil prices at futures trade was mostly due to profit-booking by speculators amid a weak trend at spot markets on subdued demand from the pharmaceutical industries, traders said.

THE HINDU Business Line

Tight supply may push sugar futures up

Suresh P. Iyengar



It is expected that the Government may lower sugar quota for open market sale in the September quarter. This will tighten supply and boost prices.

Mumbai, June 27: Sugar futures on the National Commodities and Derivates Exchange Ltd (NCDEX) gained 0.62 per cent to Rs 2,914 a quintal on Tuesday. It is expected that the Government may lower sugar quota for open market sale in the September quarter. This will tighten supply and boost prices.

Below normal rains

The forecast of below normal rains also raised concerns over sugarcane output. Rainfall in the key sugarcane growing regions of Maharashtra was 51 per cent below normal since the beginning of the season.

IMD forecast

Though the India Meteorological Department has predicted normal monsoon for the whole country, in the northwest region, it has forecasted monsoon to be below normal at 93 per cent. The progress of southwest monsoon during the sugarcane growing period is crucial as it will have an impact on the output as well as recovery (juice content).

Lower acreage

As on June 22, the area under sugarcane is estimated at 51.52 lakh hectares (ha) compared with 50.14 lakh ha a year ago. Lower acreage is reported mainly in Maharashtra (down by 10 per cent), Karnataka (down by 11.6 per cent) and Uttarakhand (down by 8 per cent). Higher acreage is reported in Bihar, Punjab, Tamil Nadu, Uttar Pradesh and Andhra Pradesh. With the opening stock of 6.8 million tonnes, domestic sugar supplies are estimated higher at 32-33 mt against the domestic consumption of about 22.5-23 mt for 2012-13 season.

Groundnut oil slips on huge stock, low demand



Rajkot, June 26:

Groundnut oil declined Rs 15 a tin on Tuesday as there was huge availability of groundnut., Lower retail demand from brands manufacturers pushed the price lower.

According to millers and traders, lower demand would further cause a slide in groundnut oil prices over the coming days.

Groundnut oil loose decreased Rs 20 to Rs 1,170-1,175 for 10 kg, groundnut oil new tin declined Rs 15 to Rs 2,030-2,035 for 15 kg. *Telia* tin was down by Rs 30 to Rs 1,795-1796 . About 80-100 tonnes of groundnut oil was traded in Saurashtra .

Arrivals in the State is over 60,000-65,000 bags, out of which millers consumed around 35,000-37,000 bags. Currently, groundnut price is running at Rs 890-1,070 for 20 kg.

Cotton oil, however, remained unchanged. It was traded at Rs 1,130-1,140 for 15-kg new tin.

Cotton oil wash stood at Rs 653-656 for 10 kg.

A Rajkot-based edible oil retailer said, "Demand is still below normal level as buyers are waiting for some more correction in the prices."

Demand for flour keeps wheat firm



Karnal, June 26:

Flour prices increased by Rs 10 for a 90-kg bag following demand on Tuesday, while the dara wheat variety ruled firm. After witnessing an uptrend over the weekend, the dara variety sold at Rs 1,200-1,205 a quintal.

The rise in prices is in line with expectations as demand for flour has increased in the region, said Mr Satish Kumar, a wheat trader. Flour prices have increased by Rs 40 a bag over the last four days, he said. Domestic demand for flour is keeping wheat firm and traders expect that prices will rule around current levels for the next few days, said Mr Kumar.

Around 40 tonnes of dara variety arrived from Uttar Pradesh and the stocks were directly offloaded at the mills. Mill delivery was at Rs 1,200 a quintal, while delivery at *chakki* was at Rs 1,205 a quintal.

Desi wheat varieties were also firm. The Tohfa variety ruled at Rs 2,235 a quintal, Bhojan King was quoted at Rs 2,120 while the Nokia variety traded at 2,070 a quintal.

Wheat futures are likely to recover this week on buying by traders, following an improvement in wheat prices overseas, say market experts. On the National Commodity and Derivatives Exchange, wheat for July delivery increased by Rs 3 to Rs 1,154 a quintal, after touching a high of Rs 1,157 earlier. Spot prices on the MCX went up marginally to Rs 1,222.10 a quintal. Following domestic demand, flour went up Rs 10 at Rs 1,240 for a 90-kg bag. On the other hand, *chokar* remained unchanged at Rs 640-650 for a 49-kg bag.

Futures lend colour to spot turmeric



Erode, June 26:

Spot turmeric prices increased by Rs 200 a quintal on Tuesday as the futures market rose on reports of lower sowing. The increase was despite higher arrivals.

Of the 10,000 bags that arrived, 65 per cent of the stocks was sold. Commercial traders brought 85 per cent of the arrivals, while farmer the rest, said Mr R.K.V. Ravishankar, President, Erode Turmeric Merchants Association. He said that some traders go growers farm and procure unpolished turmeric. They then transport it to their premises, polish it and take to markets for sale. They earn a minimum profit for their efforts. But they are assured of immediate payment. Mr Ravishankar said till July-end prices would rule around current levels, , after which they may rise slightly. However, they will not go above Rs 5,000 a quintal. He also said if the stockists stop procuring, prices will drop to Rs 3,200-3,300 a quintal. At the Erode Turmeric Merchants

Association Sales yard, the finger variety was sold at Rs 2,309-3,909 a quintal and the root variety at Rs 2,300-3,661.

Salem crop: The finger variety was sold at Rs 4,081-4,664 and the root variety at Rs 3,521-3,889. Of the 1,600 bags that arrived, 891 were sold. At the Regulated Marketing Society, the finger variety was sold at Rs 3,429-3,985 and the root variety at Rs 3,389-3,789. All the 820 bags of turmeric on offer were sold. At the Erode Cooperative Marketing Society, the finger variety was sold at Rs 3,209-4,369 and the root variety at Rs 3,170-3,889. Of the 1,004 bags on sale, 926 bags were picked up. At the Gobichettipalayam Agricultural Cooperative Marketing Society, the finger variety was sold at Rs 3,169-4,159 a quintal and the root variety at Rs 2,701-3,819 a quintal. Some 325 bags were sold against arrival of 334.

Mustard oil zooms to 2-month high



Mumbai, June 26:

Barring mustard/rapeseed oil which increased by Rs 10 to Rs 825 for 10 kg, the highest in two months, most indigenous edible oils ruled steady. Palmolein declined by Rs 3 tracking weak Malaysian palm oil futures on Tuesday.

A Bhavnagar-based trader, Mr. Mahendra G. Joshi, told *Business Line*: "Dry weather has increased concerns over kharif sowing in Gujarat. A similar situation prevails in other main oilseeds producing States such as Madhya Pradesh, Rajasthan, Haryana and Maharashtra." A tight supply situation is possible in the coming months and it will likely boost edible oil prices, he said. Saurashtra Rajkot market groundnut oil Telia tin shot up by Rs 50 in a day. Being cheaper, oil cotton refined oil is in demand. In the physical market, about 80-100 tonnes of palmolein were

traded in resale at Rs 610-611 ex-JNPT. There were no fresh contracts for near or forward delivery. Towards the close of the day, Liberty quoted palmolein at Rs 617-619, super palmolein Rs 653, soya oil Rs 740 and sunflower refined oil Rs 745. Ruchi quoted palmolein at Rs 618 for July and Rs 623 for August 25. Soya refined oil was quoted at Rs 738-743; sunflower refined oil at Rs 745-750. Allana's rate for palmolein was Rs 615 for July 20-30 delivery. Bunge quoted palmolein at Rs 615 for July 1-20. In Saurashtra - Rajkot market, groundnut oil shot up by Rs 50 to Rs 1,850 (Rs 1,800) for Telia tin and by Rs 30 to Rs 1,200 (Rs 1,170) for loose - 10kgs. Malaysia's crude palm oil July contracts settled at MYR 3,015 (MYR 3,003), August at MYR 3,023 (MYR 3,018) and September at MYR 3,032 (MYR 3,030) a tonne.

The Bombay Commodity Exchange spot rates were (Rs/10 kg): groundnut oil 1,185 (1,185), soya refined oil 735 (735), sunflower exp. ref. 670 (675), sunflower ref. 745 (740), rapeseed ref. oil 825 (815), rapeseed expeller ref. 795 (785) cotton ref. oil 705 (705) and palmolein 612 (615).

Slack offtake from millers ends chana rally



Indore, June 26:

Bullish trend in chana ended on decline in futures and slack demand from millers at higher rate. In the spot, chana (kanta) declined to Rs 4,450-75 a quintal with fall in futures on the NCDEX and weak buying support in the physical market at higher rate.

Similarly, chana (desi) slipped to Rs 4,300 on slack demand. Compared with prices a week ago, chana (kanta) in local mandis ruled Rs 100-125 a quintal higher.

According to Mr Sanjay Bansal, an Indore-based trader, chana (kanta) in the coming days may hover around Rs 4,500 as fresh demand in chana will likely pick up after monsoon showers that are expected within a week. Added to this, speculators' grip over futures is unlikely to rein in chana prices, another trader told *Business Line*. Arrival in local mandis was recorded at around

2,500 bags. Chana dal ruled stable on Tuesday with the average quality being quoted at Rs 5,325-50 a quintal, the average one at Rs 5,425-50, while bold variety ruled at Rs 5,650-75.

Dollar chana or chickpea ruled stable at Rs 6,800-7,200 a quintal on subdued buying support. In the container, however, dollar chana gained by over Rs 100 a quintal on improved export demand with dollar chana (42/count) being quoted Rs 8,400; 44/46 count at Rs 8,200-8,225; 46/48 count at Rs 8,100-8,125; 58/60 count ruled at Rs 6,600, while 60/62 count was quoting Rs 6,500 a quintal.

Copra, coconut oil may slip further



Kochi, June 26:

Prices of coconut oil and copra are likely to fall further unless some major buyers re-enter the market or there is a change in weather conditions in the State, according to the Coconut Oil Merchants Association (COMA).

Copra prices have already dipped to Rs 4,000 a quintal in Tamil Nadu against Rs 4,100 quoted last week. Prices in Kerala were ruling at Rs 4,200, against last week's price of Rs 4,300 per quintal.

Mr Bharat N. Khona, former Board Member of COMA, said that higher arrivals of copra in Tamil Nadu had resulted in the price fall. Following the sudden spurt in stocks in the market, upcountry buyers as well as corporates are staying away from the market.

Higher arrivals of coconut in Kangayam and Vellakoil markets in Tamil Nadu and dry weather prevailing in Kerala cooled coconut oil prices in Kerala markets this week. Prices dipped to Rs 60 a kg in Tamil Nadu against last week's Rs 63, whereas in Kerala prices fell to Rs 63, from Rs 65.

Mr Prakash B. Rao, Vice-President, Coconut Oil Merchants Association, said that prices witnessed a selling trend due to lack of demand in Kerala, a leading consumer State. There was a huge pile-up of stocks with major buyers, he said.

Arrival of substitute oils, such as palm oil and palm kernel oil, however, remained low. The prices were Rs 61 a kg for palm oil, against last week's Rs 60, and palm kernel oil ruled static at Rs 68 quoted last week.

Mr Thalath Mahamood, President, COMA, said the market is witnessing selling pressure. A majority of the farmers, he said, are reluctant to sell copra because of the stringent guidelines in the procurement policy, he said.

Procurement

When contacted, Mr T.K.Jose, Chairman, Coconut Development Board, said the Government allows copra procurement only from farmers and farmer cooperatives. He admitted that procurement in Kerala is not reaching the expected levels. However, the government agencies had already procured 2,600 tonnes in Kerala till June 22, he said.

The Board, he said, had recommended a higher MSP for copra procurement this year, which is Rs 4 a kg higher than the previous season. It had recommended procurement at Rs 56 a kg, against last year's Rs 47.

The Commission for Agricultural Costs and Prices (CACP) accepted the prices at Rs 51 per kg. The Board is also working out a new recommendation from August, he said.

Meet on commodities trading in Mangalore

Mangalore, June 26:

A two-day management development programme on commodities trading will be conducted at Kotekar in Mangalore from June 27.

A press release by Aloysius Institute of Management and Information Technology (AIMIT), Kotekar, said here that the programme will give an in-depth knowledge of commodities trading starting from basics, fundamental analysis and technical analysis to trading methods.

This programme is useful to those who are in investment and trading sector, it added.

Commodity spot exchanges to come under regulator's ambit



Mr K. V. Thomas



Mumbai, June 26:

The Forward Markets Commission will soon regulate the three online commodity spot exchanges. An announcement to this effect is expected soon.

“The draft proposal to bring spot exchanges under FMC is ready. We are waiting for the Law Ministry opinion. An announcement on this will be made soon,” said Mr K. V. Thomas, Union Minister of State (Independent Charge) for Consumer Affairs, Food and Public Distribution.

Currently, there are three online spot exchanges – Financial Technologies-promoted National Spot Exchange, NCDEX Spot Exchange (Nspot) and Reliance Spot Exchange. They function under the supervision of FMC and the Warehousing Development and Regulatory Authority.

FCRA AMENDMENT

FMC, which works under the supervision of the Consumer Affairs Ministry, regulates the futures markets.

The Government had proposed to make FMC an autonomous regulator for the commodity markets. The Forward Contract Regulation Act (FCRA) Amendment Bill, which provides all powers to FMC, has been awaiting Cabinet's nod for long.

The Bill will be placed before the Parliament in the Monsoon session, the Minister said.

Commodity futures markets have grown by leaps and bounds since its launch. This growth has resulted in much volatility in commodity prices, which the FMC has been trying to curb.

The regulator had banned guarseed futures as prices skyrocketed. It also pared the maximum limit that could be invested in the various commodities. On the possibility of re-listing guarseed for trading, Mr Thomas said a decision will be taken before the next season after consulting the industry. The Government aim is to maximise the farmers' earnings, he said.

MONSOON WORRIES

Though the Government is 'concerned' about the delayed monsoon, it is not 'worried' as it has enough food stock to meet all the requirement of subsidised supplies to the poor, said Mr Thomas.

The Government has a food grain stock of 82 million tonnes against 61 million tonnes required for distribution against various schemes, he said.

Assuring that the Government would take a measured decision on food grain exports, Mr Thomas said: "Last year, we had a bumper crop and bumper procurement by Food Corporation of India, but how the future will pan out, nobody can foresee."

Pepper gains on buying support

G. K. Nair



Kochi, June 26:

The pepper futures market on Tuesday gained marginally after remaining highly volatile on buying support amid tight availability.

There was no selling pressure of physical pepper while investors were keen to buy, given the tight availability of the commodity in the country. Imports have also become unviable because of the continued fall in the value of rupee against the dollar, trade sources said.

Meanwhile, those having commitments and hence wanted to cover were making concerted efforts to pull the prices down. It was evident from the tug of war on the exchange platform pushing up and pulling down the prices by both the groups, market sources told *Business Line*.

Domestic demand

There was domestic demand from industry buyers as they have to grind and pack the masalas/spices powder before the onset of monsoon in the north India.

The arrivals from the primary markets continued to remain thin. Today 16 tonnes of farm grade pepper arrived and of this 14 tonnes were traded at Rs 388 - 392 a kg, depending on quality, grade and area of production, the sources said.

July contract on the NCDEX increased by Rs 105 to the last traded price (LTP) of Rs 41,200 a quintal. August and September were up by Rs 190 and Rs 265 respectively a quintal to the LTP of Rs 41,500 and Rs 41,765 a quintal.

Turnover

Total turnover dropped by 293 tonnes to close at 1,861 tonnes while the total open interest increased by 148 tonnes showing additional purchase.

July open interest declined by 26 tonnes to 3,186 tonnes while that of August and September increased by 170 tonnes and 2 tonnes respectively to 1,813 tonnes and 78 tonnes.

Spot prices remained unchanged in a matching demand and supply situation at Rs38,800 (ungarbled) and Rs40,300 (Garbled) a quintal.

Indian parity in the international market was at \$7,500 a tonne (c&f) Europe and \$7,800 a tonne (c&f) US. The parity would have gone up further but for the weakening of the rupee against the dollar, they added.

An overseas report today said the prices for Vietnam black pepper were “steady to stable.”

626 villages in Vizag district take up organic farming



File photo of organically cultivated vegetables.

Visakhapatnam, June 26 :

Farmers in Visakhapatnam district are being encouraged to rediscover and adopt age-old agricultural practices, give up use of chemical fertilisers and pesticides, and grow organic crops, according to Mr P. Ramana, district manager of Community Managed Sustainable Agriculture project.

He said in an interview that the project, being implemented by the District Rural Development Agency (DRDA), is meant to support poor farmers to adopt sustainable agricultural practices to reduce the cost of cultivation and increase net return. It will also boost soil fertility and enable them to produce pesticide-free food products.

The project is being implemented in 626 villages in 30 mandals of the district, benefiting 45,371 farmers. The extent of coverage is 78,690 acres, of which 17,873 acres are in the agency (tribal) areas in the eastern ghats.

Mr Ramana said the farmers were realising the importance of organic farming and the increasing demand for such products on health grounds. “They are re-learning old agricultural practices. We are gradually persuading them to give up on chemical fertilisers and pesticides,” he said.

To realise the objective, the farmer field schools are being established. A group of 20-25 resourceful farmers, already well-versed with the agricultural practices are being engaged in promoting awareness about eco-friendly farm practices. Under the poverty alleviation scheme, the landless labourers are being given land on lease for promoting organic cultivation.

The SRI (systemic rice intensification) system in paddy cultivation is also being promoted under the project to boost paddy production. In traditional paddy cultivation, 30 bags are produced in an acre and under SRI 40-50 bags. The crop is totally organic.

The department of Tribal Welfare and the ITDA are also striving to keep tribal farmers away from chemical fertilisers and pesticides. It is intended to bring the entire area in the tribal belt under organic farming in a phased manner in the district.

Eggs, chicken may become dearer in AP



Business Line Pricing woes: Mr D. Sudhakar, President of the Andhra Pradesh Poultry Federation, and Mr C.V.S. Subba Raju, Zonal Chairman, NECC, addressing a press conference seeking removal of market cess on eggs and chicken in Hyderabad on Tuesday. — Photo: P.V. Sivakumar

Hyderabad, June 26:

Eggs and chicken may become dearer in Andhra Pradesh in the coming weeks.

Facing a nearly 40 per cent rise in input costs, the Andhra Pradesh poultry industry may pass on a slice of the burden to the consumers.

This is part of a nation-wide trend, with the domestic poultry industry smarting under spiralling prices of key feed ingredients such as maize and soya meal. The price of soya cake has surged from about Rs 1,800/quintal three months ago to about Rs 3,350 currently, industry players say.

Increase in prices of these inputs is attributed to the recent rise in exports, which is tightening domestic supplies.

Andhra Pradesh produces six crore eggs a day and three crore broilers a month, accounting for one-third and one-tenth of the country's production respectively.

Mr D. Sudhakar, President of the Andhra Pradesh Poultry Federation, said the industry may have to raise egg and chicken prices by at least 5-10 per cent if the input prices do not fall.

Currently, eggs are sold at Rs 3.50- 4 each and dressed chicken at about Rs 180 a kg in the State.

"The average egg price realised by the farmer in 2011 was Rs 2.30 each against the production cost of Rs 2.50. The same for broiler was Rs 40-42 per bird, against the production cost of Rs 55 per bird. Poultry farmers continue to face losses, with many smaller farms being closed down," Mr Sudhakar told media persons here on Tuesday. The federation also fears that imposition of market cess on eggs and chicken by the State Government may put further pressure on prices. The State Government had exempted eggs and chicken from market fee for a period of five years, which is due for expiry on August 4, 2012. "Egg traders charge one paise commission on each egg. If market cess is imposed, it also has to be passed on to the farmer, adding to our pricing pressure," he said.

Kudumbashree programme for woman farmer empowerment

Kochi, June 26:

Kudumbashree, the poverty eradication mission, has initiated steps to implement the Mahila Kisan Sashaktikaran Pariyojana (MKSP), a woman farmer empowerment programme.

The programme, to be implemented in the state in a big way, is expected to usher in innovative agricultural practices such as Zero Budget and precision farming on a larger scale than now is being practiced in the state.

According to officials, Kudumbashree has identified a total of 1000 master farmers to create a knowledge base and the background work to introduce the new practices is at an advanced stage in Ernakulam district. Kudumbashree mission has been in the forefront of lease-land farming over the last couple of years and the new MKSP programme will carry forward the work done under the lease land farming programme. A total of 4,461 hectares have been brought for lease land farming by more than 16,000 women farmers in different parts of the district. It is pointed out that the Kudumbashree mission had helped to form nearly 6,000 joint liability groups (JLG) through which the women farmers operate. The objective for the formation of JLG is to avail farm loans and other facilities.

The leased land has been brought under crops as varied as pineapple and medicinal plants. Around 10 acres of land have been brought under pineapple while more than 12 acres have been brought under medicinal plants. The other crops include paddy, which is being cultivated in 5,588 acres. There are around 300 acres under cool season vegetables, nearly 2,000 acres under banana, more than 10 acres under pulses and oil seeds, about 95 acres under tuber crops excluding tapioca, around 300 acres under tapioca and more than 2,300 acres under vegetables. Among the JLGs formed, paddy, vegetables and banana crops have the largest numbers. All four of the crops have more than a 1,000 JLG's each taking up their cultivation.

Cashew market rules steady with signs of buoyancy



Kochi, June 25:

The cashew market ruled nearly steady at lower levels last week. Though the market was quiet the previous two weeks, a reasonable volume was traded then.

Business was reported in a wide price range - W240 from \$3.75 to \$3.90; W320 from \$3.40 to \$3.50; W450 from \$3.25 to \$3.35; splits & butts from \$2.40 to \$2.55; pieces from \$1.90 to \$2.05 all per lb (f.o.b.).

In the domestic market, there is some activity in broken grades but prices have not moved up, market sources said.

There is reasonable buying interest for kernels at the lower end of the current range for third quarter shipments and some buyers are willing to buy even for fourth quarter, Mr Pankaj N. Sampat, a Mumbai based dealer told *Business Line*.

But, he said, processors, who are sitting on high priced raw cashew nut (RCN), are not prepared to sell much at the current lower levels, especially since there is not much RCN available to buy as replacement against sales.

“If buying bids move little higher, we will probably see some more selling interest but for the time being, buyers do not seem to be ready to pay higher prices to cover volume for later shipments as they are not sure about demand trend – uncertainty and haziness continues”, he said.

RCN market quiet

RCN market is quiet. There is not much unsold quantity with origins but there will be fair amount of trading in the coming weeks between processors and from traders to processors as product starts to move. Logistic problems continue which means that the arrivals into India and Vietnam will be spread over a longer period. As discussed earlier, delayed shipments means deterioration in kernel yields.

Current prices are approx \$1,350 a tonne for Guinea Bissau, approx \$1,325 a tonne for Senegal/ Gambia, around \$1,075 a tonne for Benin and around \$975 for Ivory Coast (IVC) but very little business was being done, he said.

It would be interesting to know how much of the demand decline is due to higher prices and how much is due to reduced availability of product on the shelves.

Due to tightness in financial markets, buying has been for shorter spreads and lower volumes, reducing inventories at all links in the consuming centres.

Lower processing since April has aggravated reduction in availability. Probably, off take might have been better if more product was available to the consumer.

Neither sellers nor buyers are prepared to take any large positions. Every few weeks, there is a burst of activity when prices move up, followed by few weeks of quietness when prices drift lower.

But lack of any significant forward cover means (1) long term planning is difficult for both sides (2) any unexpected development or news results in large dips or spikes in prices.

Indian domestic traders normally start building inventory in July/Aug for the peak consumption period Aug-Dec/Jan. Expectation of better kernel availability from August should help to restrict the price increase. However, “if the US/Europe demand kicks in at the same time, we could see the market reaching the recent highs. But a “runaway” price increase is unlikely considering the continuing concern about adverse impact of high prices on off take”.

Similarly, it is difficult to expect a large decline in prices given the high prices paid for the RCN and limited replacement available till the last quarter.

Overall, there is nothing on the horizon to change the view that market will settle in the \$3.50 to \$3.75 range for the foreseeable future unless something dramatic happens to break either side of the range.

Sheet rubber rules steady



Kottayam, June 26:

Physical rubber prices continued to be mixed on Tuesday. The undercurrent was weak as lack of demand from the tyre sector and gloomy economic outlook weighed on overall market activities.

Sheet rubber finished steady at Rs 186 a kg at Kottayam and Kochi, according to traders and the Rubber Board.

The July series increased to Rs 184.97 (184.50), August to Rs 182.15 (181.48), September to Rs 180.50 (179.96) and October at Rs 180 (179.70) while the November series slipped to Rs 179.75 (181.65) and December to Rs 189.90 (190.82) a kg on the National Multi Commodity Exchange.

RSS 3 (spot) moved down to Rs 182.83 (185.19) a kg at Bangkok. The July futures dropped to ₹233.8 (Rs 168.05) from ₹239 during the day session but then finished unchanged in the night session on the Tokyo Commodity Exchange.

Spot rates were (Rs/kg): RSS-4: 186 (186); RSS-5: 180.50 (181.50); ungraded: 174 (174); ISNR 20: 180.50 (181) and latex 60 per cent: 133 (133).

'Need to develop cane varieties benefiting mills, farmers'



Coimbatore, June 26:

While cane sugar scores strikingly over any other form of raw material for producing sugar, the challenges facing sugarcane agriculture is pretty huge, said Mr N. Ramanathan, Managing Director, Ponni Sugars, and President, The Southern India Sugar Mills Association – TN.

Listing the challenges in cane agriculture, at the inaugural session of the two day 'Sugarcane Breeding Institute – Indian Sugar Industry: National Interactive Workshop' sponsored by SISMA –TN, to commemorate SBI's centenary celebrations at The Residency here, Mr Ramanathan said the foremost challenge is in increasing cane production to meet the ever growing demand for sugar.

"While India accounts for 17.5 per cent of world population, our share of land area is just 2.3 per cent. Galloping income and rising domestic consumption would necessitate continual expansion of land under cultivation and that too under cane crop," he said.

Diminishing interest in agriculture due to falling net return from crops is driving people away from agriculture to industry. "While this cannot be faulted in a growing economy, we need to reignite and rejuvenate the entrepreneurial spirit of the Indian farmer. Our policies should aim at risk mitigation measures and commensurate returns from agriculture."

Farm labour

Yet another challenge is non-availability of farm labour. "It is becoming unaffordable rather than scarce labour. Farmers, therefore, find it difficult and unviable to get on with cultivation or harvest of sugarcane or other crops."

"Sugarcane, despite being a source of green power and ethanol from sugar industry, is often accused as a water-guzzler. Non-pricing of water and electricity has, in a way, disincentivised water conservation measures. Growing ecological concern is forcing the cane farmer to grow the crop with available or depleting water resource."

Finally, as the industry moves from control to competitive era, there is a need to build in synergies between the diverse stakeholders, he said and explained how in a controlled era, farmers fought for higher cane prices, embraced varieties that promised higher yield, while mills clamoured for lower cane prices citing falling sugar prices and embattled for high sucrose varieties. "There is little room for such 'either or' approach. We must have cane varieties that co-create value for both – the mill and the farmer."

He said that it would not be long before the Indian sugar industry, which remained under the vestiges of state control for decades, would soon be decontrolled. "Free economy would provide limitless scope for innovation and growth," he added.

Coconut industry meet to focus on climate change issues



Brainstorming sessions: Mr T.K. Jose (right), Chairman, Coconut Development Board, and Mr Mani C. Kappen, Vice-Chairman, at a press conference in Kochi on Tuesday. — K. K. Mustafah
Kochi, June 26:

India will host the 45th Cocotech meeting of the Asian and Pacific Coconut Community (APCC) here during July 2-6. The theme of the meeting is “Inclusive Growth and Sustainable Development of the Coconut Industry”.

Addressing a press conference here on Tuesday, Mr T.K. Jose, Chairman, Coconut Development Board, and Mr Mani C. Kappen, Vice-Chairman, said that around 200 delegates representing various countries are expected to attend the meeting, to be held at Hotel Gateway. Apart from APCC member countries, delegates from the US, Singapore and Brazil will also attend.

The meeting will have a comprehensive range of technical sessions on the success stories of model coconut farmers and small to medium-scale coconut processors/entrepreneurs. New technologies and research and development updates on coconut-based farming systems, product diversification and coconut processing will come up for discussion.

The session also includes a one-day field visit on July 5 by delegates to model coconut farms, coconut processing centres and interaction with progressive coconut growers from traditional coconut growing States.

Issues and topics related to the global economic crisis, climate change as well as the carbon credit market will also be discussed at the meeting.

APCC is an inter-governmental organisation set up in 1969 under the aegis of the United Nations Economic and Social Commission for Asia and the Pacific (UN-ESCAP).

Headquartered in Jakarta, APCC’s mission is to promote, coordinate and harmonise coconut development activities of the Asian Pacific region to achieve maximum economic development

and for strengthening the regional cooperation among the coconut producing countries. India is one of the founder-members of the 18-nation APCC that has 16 regular member-countries.

Cocotech is the APCC's permanent panel on coconut technology and it is held in two years. The meeting provides a common platform for producers/progressive farmers, processors, machinery manufacturers, exporters and other stakeholders.

Breeding institute develops transgenic sugarcane

Our Bureau



Coimbatore, June 26:

The Sugarcane Breeding Institute has developed transgenic sugarcane incorporating gene constructs, said its Director, Dr N. Vijayan Nair.

Speaking to reporters on the sidelines of Sugarcane Breeding Institute-Indian Sugar Industry: National Interactive Workshop, Dr Nair said that it would take several years before the transgenic cane is released and commercialised.

There have been several breakthroughs on the technological front. While molecular marker technologies offer more precision to sugarcane breeding, transgenic technology gives a new dimension to the varietal development programmes.

“We have used the molecular technologies in introgression of wild species and developed sugarcane transgenics,” he said, and conceded that cane agriculture faced serious challenges in terms of sustainability.

High cost of production, depleting natural resources, climate change, non-availability of labour, emerging new pests and diseases have impacted cane productivity and sustainability, he said. He stressed the need for gearing up to meet such challenges – both in technology as well as policy levels.

Voicing concern over static cane productivity, the Director said, “varietal decline and depletion of soil fertility have resulted in yield decline”.

Further studies conducted in India, Mauritius, South Africa and Trinidad showed a 30 per cent and more loss in productivity for every two degree centigrade increase in temperature.

Ethanol production

While sustainability has been a cause for concern in cane agriculture, the demand for sugar in the country by 2030 has been estimated at 36 million tonnes for which cane production should be 500 million tonnes. “This is 40 per cent higher than the current production.”

“Besides this, sugarcane itself is emerging as an important energy crop contributing to cogeneration and ethanol production. The current level of ethanol production is barely adequate to meet 10 per cent blending and the demand is expected to soar in the coming years. Cane production needs to be enhanced to meet the ethanol requirement as well,” Dr Nair said.

The cogeneration potential in the country has been estimated at 5,500 MW, while the present installed capacity is just about half at 2,500 MW.

Dr Nair said that the bagasse generated by the individual sugar mills was inadequate for year-round operation of the cogeneration plants and, therefore, necessary to have “exclusive energy plantations in marginal and wastelands with suitable varieties”.

The institute has developed Class I and II energy canes and global research is on for second generation ethanol from biomass through physical, chemical and enzymatic approaches.

Agrimart enters Maharashtra

Our Bureau

Pune, June 26:

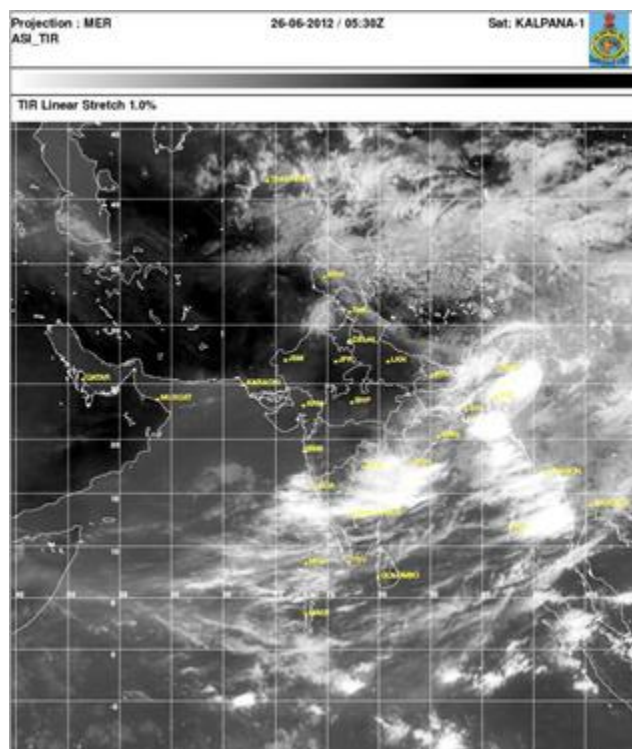
Agrimart, a one-stop retail chain format for farm-equipment from Ratnagiri Impex Pvt Ltd, Bangalore, has opened its first outlet in Maharashtra in Ahmednagar district through a strategic partnership with Tanishk Agro Services.

This is the 46th such district level Agrimart outlets across India and the company plans to open 20 outlets in Maharashtra over the next 12 months.

Over 250 types of agricultural, horticulture, plantations, floriculture, forest and cleaning equipment are available at the Agrimart outlet. In addition to equipment from Oleo-mac, Agrimate, Gulivar, and Coima brands, customers are also offered after-sales service.

Monsoon still subdued; rain batters Assam

Vinson Kurian



Thiruvananthapuram, June 26:

There has been no progress on the monsoon coverage on Tuesday save for the persisting copybook-style heavy rain session over east and northeast India.

This is expected to continue as a causative north-south trough hung from sub-Himalayan West Bengal to North Bay of Bengal.

MOISTURE CONDUIT

The India Meteorological Department (IMD) located a cyclonic circulation at the head of the trough, which has helped intensified the weather in these parts.

The trough serves as a conduit for the moisture whipped up into the air by a long-persisting cyclonic circulation.

This moisture gets lifted up by the mountainous terrain, get cooled before being dumped on ground in the form of heavy to extremely heavy rainfall.

An IMD update on Tuesday said that Cherrapunji in Assam was battered by a massive 77 cm of rainfall overnight.

This came on the back of the 46 cm recorded here during the same interval a few days ago.

Meanwhile, a western disturbance with a potent induced cyclonic circulation has chugged its way into north Pakistan and adjoining Jammu and Kashmir.

WESTERN DISTURBANCE

The induced cyclonic circulation is situated not far off to the southwest – over central Pakistan and adjoining Punjab.

The combine is expected to bring some badly needed showers into north-west India, the IMD update said.

Rain has been forecast at one or two places over Punjab, Haryana, Uttar Pradesh, east Madhya Pradesh, Gujarat, Madhya Maharashtra, Marathawada and Vidarbha.

In the normal course, these western disturbances interact with monsoon easterlies from the Bay of Bengal and bring copious rains over the plains to bring the monsoon.

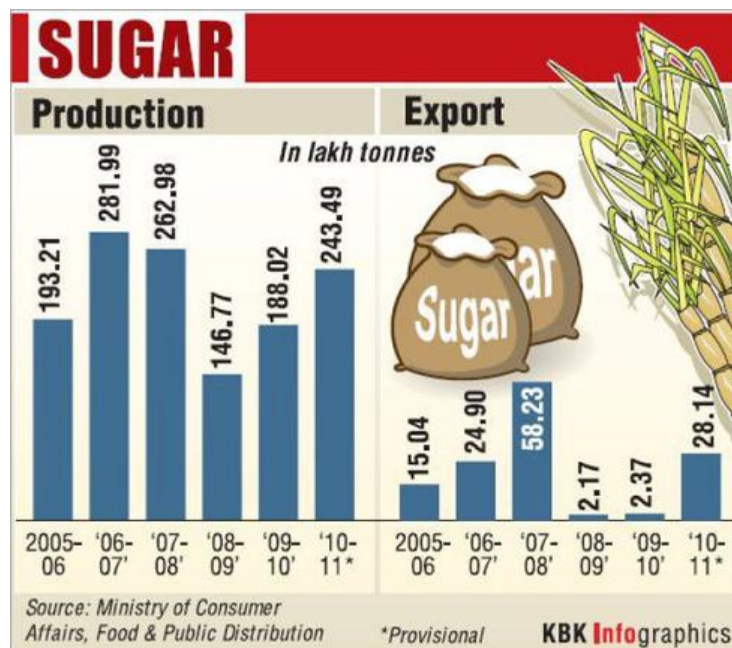
But it would be a solo act at least this time round, since there is no expectation of the easterly monsoon flows getting established over the region anytime soon.

SUBDUED RAIN

In fact, the IMD saw largely subdued rain activity persisting over northwest India and adjoining central India until the first three days of July.

Rainfall would be confined to the west coast and the Northeastern States. The wet session over east India may further scale up July 1.

Sugar exporters cashing in on delay in Brazil cane harvest



NEW DELHI, JUNE 26:

A sluggish start to Brazilian cane harvest due to poor weather is proving to be a boon for Indian exporters. Besides, the weak rupee has made Indian exports attractive despite volatile global prices. However, shipments have slowed down somewhat due to the onset of monsoon.

“Demand is not coming in easily, but we are doing reasonably well,” said Mr Abinash Verma , Director-General, Indian Sugar Mills Association (ISMA). “The delay in harvest in Brazil is giving us some space in the international market”.

The weak rupee is also helping exporters sustain exports. Exporters are still able to make about Rs 1,000 a tonne, he said. White sugar futures for August delivery in London settled at \$587.50 on Monday, a gain of \$1.70 over the previous close.

ISMA estimates that a total of 21.72 lakh tonnes was exported till June 15 in the current crop year that ends in September. In addition, another 2 lakh tonnes of sugar is waiting to be shipped from various ports. In the corresponding period last year, a total of 22.35 lakh tonnes was exported.

“We are doing about 3-3.5 lakh tonnes a month and expect to close the year with total exports of about 35 lakh tonnes. This includes five lakh tonnes from last year’s output,” Mr Verma said.

The Government had opened up sugar exports last month and registrations with the Director-General of Foreign Trade (DGFT) have crossed five lakh tonnes. “Shipments have already crossed three lakh tonnes,” he said.

ISMA has projected an output of 26 million tonnes for the current crop year. Till end-May, sugar output grew 8 per cent and stood at 25.5 million tonnes as production in many States, including Uttar Pradesh and Maharashtra, has come to an end. Domestic consumption for the current year is pegged at 22 million tonnes.