

Published: March 21, 2012 00:00 IST | Updated: March 21, 2012 04:25 IST

## **Banana tissue culture catches the fancy of tribal farmers**

Ravi P. Benjamin

*ITDA introduces the concept in 10 Agency mandals of Vizag*

The Integrated Tribal Development Agency (ITDA) has introduced the concept of tissue culture banana plantation in 10 agency mandals in the district with the objective of making banana plantation profitable for small tribal farmers having land holdings of a couple or more acres. The tribal farmers are finding tissue culture banana more remunerative than the traditional banana as the yield of the former is almost double that of the latter.

Tissue culture bananas yield nearly 35 tonnes per acre while the traditional banana gives 20 tonnes per acre. The cost of one tonne of banana costs anywhere from Rs.5,000 to Rs.7,000 in the market and is in heavy demand throughout the year. Banana farmers are spread in the areas of Hukumpeta, Paderu, Munchingiputtu, Araku Valley, Dumbriguda, Chintapalle, Pedabayalu, G.Madugula, Gudem Kothaveedhi and Ananthagiri in the district.

The propagation of a plant by using a plant part or single cell or group cells in a test tube under very controlled and hygienic conditions is called tissue culture. It means cloning and micro-propagation of tissues of the selected elite plants and daughter suckers. The process consists of five important steps including initiation, multiplication, shooting, rooting, and primary hardening in green houses and secondary hardening in shade houses. Strict adherence to aseptic standards and micro-climatic conditions and care during the hardening process alone can ensure success.

### **Gaining popularity**

It is basically a tropical crop and its normal growth begins at 18 degrees centigrade, reaches optimum at 27 degrees and declines and comes to a halt at 38 degrees. Higher temperature causes sun scorching. High velocity winds which exceeds 80 km per hour damage the crop.

The Grand Naine variety belonging to the Cavendish group and the scientific family of Moose Paradise is being cultivated by tribal farmers. It is gaining popularity and may soon be the most

preferred variety due to its tolerance to biotic stresses and good quality bunches. The bunches have well spaced hands with straight orientation of figures, bigger in size. Fruits develop attractive uniform yellow colour with better shelf life and quality than other varieties.

Banana plays an important role in the nutrition of people in poorer regions of the world. They are a high-yielding source of dietary carbohydrates and are rich in vitamins and minerals.

They are also attractive to small farmers in our country. Their perennial nature reduces production cost and is a vital source of income for farmers because of the demand for them as low cost and having very vital components of poor people's diet. Banana consumption had been rapidly increasing due to its cost effective nature and being viewed as a poor man's rich diet.

Munchangi Appalanaidu, a farmer cultivating tissue culture banana in one acre of land, says that the yield of bananas is very high and profitable when compared to traditional variety. Last year, his one acre plantation yielded 30 tonnes of bananas and he could earn Rs.90,000.

ITDA project director Srikanth Prabhakar told 'The Hindu' that the small tribal farmers were earning handsomely.

Tissue culture plantations would be popularised among the farmers to enable them to earn profits. In the 2011-12 year, the ITDA had fixed a target of 200 acres for tissue cultivation and nearly 100 acres had been brought under the culture.

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- *Yield of banana tissue culture is double that of the traditional type*
  - *For 2011-12, ITDA has fixed a target of 200 acres under tissue cultivation*
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Published: March 21, 2012 00:00 IST | Updated: March 21, 2012 04:19 IST

### **Aqua farmers' meet begins**

A Correspondent

District Collector K. Gopalakrishna Bhatt inaugurated a two-day 'Aqua Farmers' Meet' on the Collectorate premises here on Tuesday.

The programme is being organised by the Fish Farmers' Development Agency of the Fisheries Department in connection with the valedictory ceremony of the 'Matsyakeralam' project, a five-year fisheries project implemented by the Fisheries Department in association with local bodies to expand fish farming in the State.

As many as 400 fish farmers from different parts of the district took part in the programme and shared their experiences.

Experts led classes on 'Feasibility of reservoir fisheries in Wayanad.'

District panchayat president K.L. Poulouse will inaugurate an awareness class on 'Ornamental fisheries' at 10.30 a.m. on Wednesday.

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Published: March 21, 2012 00:00 IST | Updated: March 21, 2012 04:23 IST

### **Paddy farmers demand MSP**

Staff Reporter

Leaders of six farmers' associations participated in a dharna in Nellore protesting against the government's inaction in providing minimum support price to paddy farmers this season.

Addressing participants, an all-party committee convener Gangapatnam Ramanaiah said that farmers had come from all corners of the district to vent their anger against the low price provided to paddy produce.

They brought paddy bags to symbolically convey their frustration.

CPM district secretary Chandra Rajagopal and CPI district secretary Rama Raju said that it was unfortunate that the government had fixed a price of Rs.9,430 per 'putti' but the rice millers were paying less with farmers losing nearly Rs.1,400 per 'putti'.

### **Share**

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### **Tobacco growers gear up for stir**

Staff Reporter

*Tobacco grading season starts on a dull note with traders offering only Rs 110 per kg*



Troubled times: Tobacco farmers at auction platform in Ongole on Tuesday.— Photo: Kommuri Srinivas

Tobacco growers on Tuesday decided to prepare peasants for protracted struggle as auctioning of tobacco, the main commercial crop in Prakasam district, disappointed the growers.

The growers realised a cumulative average price of Rs. 103.77 per kg as four million kg of tobacco had been marketed in the first 18 days of trading, Tobacco Board sources here said.

Farmers cutting across party lines met at the Acharya N G Ranga Bhavan here and decided to visit all the auction platforms from Monday and put pressure on the board officials to ensure that better prices were offered by the traders.

"We will visit all the villages in the region to mobilise the growers for a massive stir", NG Ranga Kisan Samastha secretary Chunchu Sessaiah said at a farmers roundtable conference.

### **Lacklustre**

The trading season started on lacklustre note with traders offering only Rs 110 per kg for F1 grade as against Rs. 121 per kg last year even as cost of cultivation went up by several times, lamented CPI(M)-led Andhra Pradesh Rythu Sangham district secretary N. Ranga Rao. The conference adopted a resolution pressing for market intervention by the Union and State governments as also the Tobacco Board, Samastha president A Venkateswara Rao said.

Virginia Tobacco Growers Welfare Association honorary president T Ravi, and ex-member of the Tobacco Board, expressed concern over the fall in offer price to the initial stage itself. "If the present trend continued, farmers will not be able to get even the cost of production this year," he said.

"Let us put pressure on the Centre to press for constitution of market stabilisation fund to bail out the distressed growers," said Tobacco Board member P Bhadri Reddy.

## Average price

The farmers got an average price of Rs. 106.05 per kg for three million kg of bright grade and Rs. 94.14 per kg for one million kg of medium grade. The Tobacco Board has fixed a crop size of Rs 161.43 million kg in the State this year.

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- *Farmers to put pressure on the board officials to ensure better prices*
  - *Ryots seek market intervention by Union and State governments*
- 

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## Training programme for farmers held

Staff Reporter



Joint Director, Agriculture Department G. Pramila, inaugurating a workshop on maize development in Rampachodavaram on Tuesday.

Directorate of Maize Research Campus, New Delhi, Dr. YSR Horticulture University, Hyderabad and Krishi Vigyan Kendra, Pandirimamidi jointly organised a one-day training programme on promotion of maize product in tribal areas of East Godavari District here on Tuesday.

Ms. G. Pramila, Joint Director, Agriculture Department, East Godavari, C. Nagarani, Project Officer, ITDA, Rampachodavaram inaugurated the programme. Speaking on the occasion, the Project Officer said that the tribal people of the division would take up maize cultivation in 200 acres in coming kharif season and sought the help of above three agencies to help the tribal farmers in cultivating the maize with modern technology. She said that changing lifestyles and industrialisation has brought many changes in food habits and the maize is becoming the best alternative to rice in many countries. Keeping this trend in view and also competition in International market, the Indian farmer has to change the pattern of maize cultivation and concentrate on high productivity. She pointed out that maize is being used not only as food component for people but also for poultry, cattle feed and other industrial purposes. She said that tribal people in seven mandals of Revenue division will take up 30 acres of maize

cultivation during kharif and if they get good production, then they will go for extension of area in next season. She also pointed out that under National Food Security Mission, the Agriculture Department should increase the number of units to tribal for cultivating pulses in Agency.

Ms. G. Pramila said that her department will encourage tribal farmers in cultivating pulses as the demand for them has increased in the market tremendously. She said they would give input subsidies to farmers for pulses cultivation . She said that tribal farmers should adopt sprinkler, drip and other methods for providing wet conditions for these plants.

R. Saikumar, Project Director of Maize Research Centre also spoke. Scientists A. Srinivas, Lakshmi Soujanya, Sudarshan and others participated.

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PALAKKAD, March 21, 2012

### **Coconut procurement sought**

Farmers took out a march and staged a dharna in front of collectorate here on Tuesday demanding that the government procure raw coconut from farmers at Rs.20 a kg.

Inaugurating the dharna, Deseeya Karshaka Samajam president V. Vasudevan said the government was ignoring the various demands of farmers. They had taken up coconut cultivation after paddy farming became a losing avocation. Now coconut cultivation is also in a crisis owing to a crash in the price of coconut and its oil, he said.

Samajam vice-president K.A. Prabhakaran presided. Its general secretary Muthalathode Mani, Karshaka Munnettam organiser Varghese Thoduparambil, among others, spoke.

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Published: March 21, 2012 00:00 IST | Updated: March 21, 2012 04:24 IST

### **Mullakkara questions hi-tech farming proposal**

*'State's topography unsuitable for greenhouse cultivation'*



Mullakkara Ratnakaran wants to know whether hi-tech agriculture proposals are based on studies.

The former Agriculture Minister Mullakkara Ratnakaran on Tuesday questioned Finance Minister K.M. Mani's budget proposal for introducing hi-tech agriculture, including greenhouse cultivation, in panchayats across the State.

Participating in the general discussion on the budget, Mr. Ratnakaran wanted the Finance Minister to explain the rationale of earmarking Rs.45 crore for a proposal that would hardly cover 120 hectares. He wanted to know whether the hi-tech agriculture proposals were based on any studies.

The former Minister contended that greenhouse cultivation was bound to be a failure in Kerala, which experienced rains for 8 months a year. The undulating topography of the State with hardly 10 per cent plain land, mostly in Palakkad district, was unsuitable for this type of agriculture. Greenhouse cultivation would succeed only in the plains and in arid conditions such as in Tamil Nadu. Besides, the previous LDF government, during his tenure as Minister, had tried this out, he said.

Mr. Ratnakaran said it was possible to promote agriculture in over 1,000 hectares of land with the amount allocated for greenhouse cultivation, but focused on farm produce that was unique to Kerala.

Quoting a United Nations report on greenhouse farming, Mr. Ratnakaran said countries which had tried this method of cultivation were abandoning it and were instead trying to promote cultivation of crops endemic to their regions in the larger interests of food security. The proposal to set up bio-parks for rice was also not new. The problems faced by paddy cultivation in the State were unique and as diverse as the various regions in which it was grown. He cited the example of Kuttanad where the issue was not of cultivating high yielding varieties, but one that would withstand the saline and brackish waters of the low-lying regions.

“The problem with the Finance Minister's ambitious announcement was that it lacked a perspective. If Mr. Mani's objective is to give a boost to agriculture production and productivity, then he should adopt the policy perspectives formulated by the previous LDF government,” Mr. Ratnakaran said.

## Mettur level

The water level in the Mettur dam stood at 79.67 feet on Tuesday against its full level of 120 feet. The inflow was 617 cusecs and the discharge 1,346 cusecs.

## Share

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**hindustantimes**

Wed, 21 Mar 2012

weather

## Chennai - INDIA

### Today's Weather



Sunny

Wednesday, Mar 21

Max Min

37.4° | 24.6°

Rain: 00 mm in 24hrs

Sunrise: 6:35

Humidity: 70%

Sunset: 18:03

Wind: Normal

Barometer: 1011

### Tomorrow's Forecast



Partly Cloudy

Thursday, Mar 22

Max Min

34° | 23°

### Extended Forecast for a week

Friday Mar 23	Saturday Mar 24	Sunday Mar 25	Monday Mar 26	Tuesday Mar 27
32°   22°	31°   22°	29°   20°	30°   19°	31°   20°
Cloudy	Cloudy	Cloudy	Cloudy	Partly Cloudy

**THE ECONOMIC TIMES**



## Commodities

20 MAR, 2012, 03.57PM IST, PTI

### Edible oils decline on subdued demand, global cues

NEW DELHI: Select edible oils declined by up to Rs 50 per quintal in the wholesale oils and oilseeds market today due to fall in demand at prevailing higher levels amid a weakening trend overseas.

However, non-edible oils moved in a narrow range in the absence of buying support and settled around previous levels.

Trading sentiment turned bearish after palm oil dropped to one-week low in global markets as soybeans, which can be crushed to make a substitute oil, fell on in the US.

Meanwhile, palm oil for June-delivery lost 0.8 per cent to \$1,089 a tonne on the Malaysia Derivatives Exchange, the lowest price since March 13.

In the national capital, palmolein (rbd) and palmolein (Kandla) oils declined by Rs 50 each to Rs 7,600 and Rs 7,250, respectively. Crude palm oil (ex-kandla) traded also fell by the same margin to Rs 7,050 per quintal.

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20 MAR, 2012, 03.53PM IST, PTI

### Potato futures tumbles 4% to hit lower circuit

NEW DELHI: Potato prices fell sharply by 4 per cent to hit lower circuit at Rs 1,137.90 per quintal in futures trade today on fall in demand in the spot markets.

At the Multi Commodity exchange, Potato for May delivery plunged by Rs 47.40, or 4 per cent, to hit lower circuit at Rs 1,137.90 per quintal, with a business volume of 1,538 lots.

Likewise, potato for delivery in April traded lower by Rs 30.80, or 3 per cent, to Rs 995.40 per quintal, with a turnover of of 1,558 lots.

Decline in potato prices was mostly due to subdued demand in the spot market, traders said.

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## **Groundnut acreage declines by 11% in 2011-12: Pawar**

**Press Trust Of India / New Delhi March 21, 2012, 0:55 IST**

The area under groundnuts fell by 11 per cent to 5.19 million hectares in 2011-12 crop year due to unfavourable weather, lack of marketing infrastructure and price fluctuations, Parliament was informed on Tuesday.

The groundnut acreage stood at 5.85 million hectares in the 2010-11 crop year (July-June), Agriculture Minister Sharad Pawar said in a written reply to Lok Sabha.

"Major reasons for decline in area coverage under groundnut in the recent years include weather aberrations, intermittent dry spells, drought like conditions in major groundnut producing states," Pawar said.

The susceptibility to a number of pests and lack of marketing infrastructure and higher fluctuation in prices leading to uncertainty in economic returns are the other factors responsible for the decline, he added.

Gujarat is a major producer of groundnut.

To encourage the farmers to grow oilseeds including groundnut, the government has implemented the Integrated Scheme for Oilseeds, Oil Palm and Maize (ISOPOM) in 14 major oilseed producing states, 15 maize growing states and 9 oil palm growing states, Pawar said.

According to second advance estimates, oilseeds production is expected to fall to 30.52 million tonnes in 2011-12 crop year (July-June) from 32.47 million tonnes in the previous year.

**Vimukt Dave / Mumbai/ Rajkot March 21, 2012, 0:53 IST**

Due to cloudy and foggy weather in the Saurashtra and Kutch region of Gujarat, the 'Kesar' variety of mango crop is likely to be damaged this year. According to farmers and Junagadh Agriculture University (JAU) if the climate persists, the mango crop may see enhanced damage due to pests.

"The current weather is not good for mango crop as it is in peak stage and needs hot atmosphere. However, cold, cloudy and foggy weather in the region may cause disease or pest attack in mango," said Ravajibhai Chovatiya, head of horticulture department, JAU.

Earlier in February, Gujarat had also faced cold wave, with temperatures dipping to record low in several parts in the state, thanks to snowfall in northern parts of the country. Cold waves hurt the flowers of the mango in February.

According to DK Varu, assistant professor, horticulture department, JAU, cold weather accompanied by fog and cloud tends to not only impact mango crop with diseases but also reduce the crop's yield.

"Currently mango crop needs hot weather but since last couple of days temperature has dipped tremendously which is not good for mango crop. Further, the mango production may decline this year due to such weather," said Harsukh Jarsaniya, secretary Talala Agriculture Produce Market Committee.

Apparently, similar condition has been reported Kutch area. "Pests like worms may infect the mango crop if this kind of weather continues for some more time," said Batuksinh Jadeja of Ashapura Farms and Nursery from Kutch.

JAU has advised farmers to take precautionary steps if they see any kind of disease or pests on the mango crop.

Apparently, last year was also not good for mango as it rained unexpectedly in February 2011. Production of Kesar mango stood at 3.33 million boxes (each box containing 10 kg) in 2011, which had declined by 959,000 boxes from 4.29 million boxes of 2010.

During the season, about 33 percent mango crop comes to Talala APMC for auction. Most of the farmers trade their products in APMCs at Rajkot, Junagadh, and Ahmedabad, among other places.

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## **India may up sugar exports ahead of Brazil harvest**

**Bloomberg / New Delhi March 21, 2012, 0:20 IST**

Sugar mills in the country plan to boost raw sweetener exports to benefit from a surge in demand from refiners before supplies from Brazil starting next month widen a global glut.

The country, which has permitted mills to ship two million tonnes of raw and refined sweetener since the start of the crop year on October 1, could ship an extra two million tonnes, according to the National Federation of Cooperative Sugar Factories Ltd. Mills need export permits at the latest next month to plan production, managing director Vinay Kumar said by phone.

“There is higher demand for raw sugar in the international market because refineries worldwide are looking for supplies,” said Abinash Verma, director general of the Indian Sugar Mills Association. The country can boost raw sugar sales to the Middle East, Indonesia and East Africa because of lower shipping costs, he said.

Sugar output in Brazil’s Center South, the world’s largest producing region, will rise to the highest in two years as crops recover from damage caused by bad weather, according to researcher Datagro Ltd. Production is estimated at 33.8 million tons for the crop year that starts April 1 from 31.2 million tons, Plinio Nastari, Datagro’s president said March 15.

### **Missing Opportunity**

“We will miss the opportunity in exporting more raw sugar if the government delays approvals,” Kumar said. “Mills will decide on increasing their raw sugar production depending on the government policy.”

A panel of ministers will decide on additional exports by the first week of April, the government official told reporters in New Delhi on March 14, asking not to be identified citing government policy.

Raw sugar for May delivery advanced 1 percent to close at 25.66 cents a pound on ICE Futures U.S. in New York yesterday, while white sugar for May delivery rose 0.2 percent to \$668 a ton on NYSE Liffe in London.

Mills have shipped 360,000 tons of raw sugar this season, about a third of total exports of 1.06 million tons, he said.

Sugar output in India, which is exporting the sweetener for a second year, climbed 14 percent to 21.2 million tons between Oct. 1 and March 15, the Indian Sugar Mills Association said yesterday. The harvest may total 26 million tons in the year ending Sept. 30 and the surplus for exports may be as much as 2.5 million tons, it said.

Mills owed farmers 50.9 billion rupees (\$1.01 billion) as cane arrears as of Dec. 31, Kumar said.

“The government should allow more exports immediately, which will check the increase in cane arrears,” Kumar said. “This may lower cane planting if arrears are not checked.”

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### **New tea season opens with high prices**

**Dry weather resulting in low output and zero carryover stock push auction prices up 46-55%**

**Ishita Ayan Dutt / Kolkata March 21, 2012, 0:03 IST**

Dry weather and high cumulative inventory deficit have ensured better opening prices at tea auctions this year.

Good quality tea was quoted higher by Rs 60-80 a kg this year. Last year, good quality Assam tea was quoted at Rs 150-180 a kg and went up to Rs 200 a kg. This year, prices are at Rs 220-280 a kg and may even go up to Rs 300 a kg.

“The new season tea has just come in. We have sold it privately at prices higher by Rs 50-60 a kg,” said Aditya Khaitan, managing director of McLeod Russel India, the world’s largest bulk producer.

“Dry weather in the northeast, no carryover stock and a high cumulative deficit aided in getting high opening prices,” said Azam Monem, former chairman, Calcutta Tea Traders Association.

**A POOR SHOW**  
Global tea production (in million kg)

Country	Jan till	2010	2011	% chg
<b>India</b>	<b>Dec</b>	<b>966.4</b>	<b>988.33</b>	<b>2.27</b>
North India	-	723.03	747.45	3.38
South India	-	243.37	240.88	-1.02
Bangladesh	Dec	60.04	59.16	-1.47
Kenya	Dec	399	377.9	-5.29
Rwanda	Mar	7.1	6.2	-12.68
Indonesia (PTP only)	Nov	67	56.3	-15.97
Malawi	Dec	51.6	47.1	-8.72
Sri Lanka	Dec	331.4	328.3	-0.94
Uganda	Oct	47.24	40.28	-14.73
Tanzania	Nov	29.26	29.98	2.46
Zimbabwe	Sep	10.54	10.28	-2.47
<b>Total</b>		<b>1,969.58</b>	<b>1,943.83</b>	<b>-1.31</b>
China (Green Tea)	Nov	1,273	1,350	6.05

Source: Indian Tea Association

While there was shortage in the system, the dry weather resulted in less output at the beginning of the season.

According to the Indian Tea Association, member-companies' output in January was lower by almost 30 per cent and in February, too, the crop scenario was not good.

The cumulative deficit for the year was 50 million kg. The pipeline stock, which wasn't much in the first place, was exhausted by February-end. Though production was a robust 988 million kg, higher by 2.3 per cent, consumption increased 3-3.5 per cent.

More, global tea production till December last year was also lower than the previous year. Excluding China, a green tea producer, output was 26 million kg less. Till December, Kenya, world's leading exporter, had lost five per cent of output.

Tea prices in Kenya are also holding out, with the sector hit by harsh weather conditions early in the year. Indian tea companies are expecting good exports compared to last year, when these dipped about three per cent. A strong export market, a huge deficit and increasing consumption in the domestic market is expected to keep tea prices high.

"Normally, the crop picks up in the later half of the year. Hoping that we get better rain in the coming months, prices will stabilise at a level higher by Rs 25-30 a kg over the corresponding

period,” Khaitan said.

Packeteers are not particularly worried. “For packet tea companies to review rates, high prices will have to be sustained. Normally, packet tea companies don’t buy first flush tea and we cannot revise prices every now and then,” an official from a packet tea company said. All packet tea companies had revised prices a year ago.

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# THE HINDU Business Line

## Pepper drops despite good buying interest

G.K. Nair



Kochi, March 20:

Pepper prices on Tuesday dropped despite good buying interest and all the active contracts ended much below the previous closing.

Market was volatile. March opened on a firmer note and traded with high volatility and frequently dropped and recovered to fall again and the last trading price was at lower circuit levels.

Similarly, April opened on upward trend hitting the highest price of the day in the opening session itself. But, then kept on sliding amid high volatility and eventually ended much below the previous day's closing. In fact, the fall in the prices is viewed as “not according to the market fundamentals”, market sources told *Business Line*.

There were no activities on the spot. Sellers were not ready to sell in tandem with the declining prices in the futures market. Arrivals from the primary markets were also not there today. The turnover also showed limited activities.

However, the open interest showed good additional buying. Some liquidation was there in March contract which matured today and 322 tonnes of pepper were offered for delivery.

March contract on NCDEX decreased Rs1,665 to the last traded price of Rs 40,010 a quintal. April and May fell Rs 1,675 and Rs 1,605 respectively to the LTP for Rs 42,465 and Rs 43,400.

Total turnover moved up 84 tonnes to close at 9,027 tonnes.

Total open interest increased 259 tonnes indicating good additional buying to close at 10,233 tonnes.

March open interest dropped 124 tonnes to 322 tonnes which were offered for delivery. Apr and May open interest went up 273 tonnes and 122 tonnes respectively to close at 7,359 tonnes and 2,123 tonnes.

Spot prices fell Rs 800 in tandem with the futures market in tandem with the futures market trend to close at Rs 39,500 (ungarbled) and Rs 41,000 (MG 1) a quintal.

Indian parity in the international market was at \$8,650 a tonne (c&f) Europe and \$8,950 a tonne (c&f) USA. As the Vietnam farmers were not reportedly releasing their produce, the prices on the Singapore exchange was said to be firmer today.

### **Overseas trend**

According to an overseas report today, Vietnam pepper was steady with following price indications:

Faq 500 g/l \$6,400/6,500 a tonne (f.o.b.); Faq 550 g/l \$6,750/6,850 (f.o.b.): White pepper double washed (depending on shippers) was at \$9,500 (f.o.b.). China white pepper \$9,500 (f.o.b.)

### **Weak global cues end imported oils' bull run**

Our Correspondent





Mumbai, March 20:

Palmolein and soya oil retreated on Tuesday tracking weak Malaysian crude palm oil and Chicago soya oil futures. Both had been on a bull run for the past five days on strong global cues.

Soya refined oil lost Rs 4, palmolein Re 1 and sunflower seed refined oil Rs 10 for 10 kg. Groundnut, rapeseed and cottonseed oil improved by Rs 2-5 on lower sales at producing centres. Volume was thin as the end of the financial year approaches and as demand eases towards month-end.

Malaysian crude palm oil futures extended losses in line with declines in regional commodities even as palm oil production increases. A wholesaler said a stronger dollar against the rupee raised imports costs. Still, local refiners did not increase prices of palmolein and soya oil. Resellers traded about 150-200 tonnes of palmolein at Rs 590-595. Ruchi sold about 250-300 tonnes of it at Rs 597-598. Liberty quoted it at Rs 598-599, soya refined oil at Rs 695-698 and sunflower refined oil at Rs 700. Ruchi offered soya refined oil at Rs 693 and sunflower refined oil at Rs 697. Allana quoted palmolein at Rs 595.

In Saurashtra and Rajkot, despite higher demand from exporters groundnut oil ruled unchanged at Rs 1,800 for *atelia* tin and at Rs 1,175 for loose (10 kg).

**Malaysian crude palm oil's** April contracts settled at 3,364 ringgit (3,370 ringgit), May at 3,371 ringgit (3,368 ringgit) and June at 3,366 ringgit (3,373 ringgit) a tonne. On the National Board of Trade in Indore, soya refined oil for April closed at Rs 739 (Rs 737.80) while for May was Rs 735.50 (Rs 736.20).

**Bombay Commodity Exchange spot rates (Rs/10 kg):** groundnut oil 1,175 (1,170), soya refined oil 690 (694), sunflower seed exp. ref. 645 (645), sunflower seed ref. 700 (710), rapeseed ref. oil 813 (810), rapeseed expeller ref. 783 (780) cottonseed ref. oil 662 (660) and palmolein 593 (594).

## Heavy inflow continues to grind turmeric

Our Correspondent



Erode, March 20:

Spot turmeric prices dipped further by Rs 200 a quintal on Tuesday as heavy arrivals continued.

“The continuous fall in prices prompted many traders not to make purchases. The stockists decided to buy very little quantities. So, of the 20,000-odd bags that arrived, only 40 per cent was sold,” said Mr R.K.V. Ravishankar, President, Erode Turmeric Merchants' Association.

Farmers said that in the corresponding period last year the spice was still fetching Rs 11,000 a quintal despite about 20,000 bags arriving. They're getting only a third of that this year.

Traders said prices have dropped year-on-year as production has almost tripled this year. At the Erode Turmeric Merchants Association sales yard, the finger variety was sold at Rs 2,449-3,529 a quintal and the root variety Rs 2,436-3,133.

**Salem Crop:** The finger variety was sold at Rs 2,955-4,359 a quintal and the root variety at Rs 2,729-3,339. Out of the 5,497 bags that arrived, 2,398 were sold.

At the Regulated Marketing Committee, the finger variety fetched Rs 3,283-3,709 a quintal and the root variety Rs 3,069-3,449. Out of the 1,623 bags that arrived, 1,531 were sold.

At the Erode Cooperative Marketing Society, the finger variety was sold at Rs 2,911-3,721 a quintal and the root variety at Rs 2,800-3,429. Of the 1,407 bags that arrived, 1,398 were sold.

At the Gobichettipalayam Agricultural Cooperative Marketing Society, the finger variety was sold at Rs 2,769-3,789 a quintal and the root variety at Rs 2,350-3,474. All the 353 bags that arrived were sold.

### Higher sales, low buying keep chana bearish

Our Correspondent



Indore, March 20:

Chana remained bearish on Tuesday on poor buying by millers and sales increased amid a pick-up in arrivals.

On the spot market, kanta chana ruled unchanged at Rs 3,600-3,625 a quintal. Desi chana ruled at Rs 3,550 a quintal, mausmi chana at Rs 3,600-3,800, gulabi chana at Rs 4,000, annagiri chana at Rs 3,475-3,500, kabuli bitki at Rs 3,300-3,500, kaktu chana at Rs 3,800-4,000, Russian chana at Rs 4,100-4,200 and Turki chana at Rs 4,500-5,000. Arrival in local *mandis* in the past two days has increased to 3,000-4,000 bags with farmers releasing stocks after end of the marriage season.

With rise in arrivals, speculation chana futures also declined. According to chana trader Mr Kamal Agrawal, bearish sentiment in chana is likely to continue as the current financial year approaches its end.

Chana dal was unchanged, with average chana dal being quoted at Rs 4,375-4,400 a quintal, medium chana dal at Rs 4,475-4,500 and bold chana dal at Rs 4,600-4,625.

Dollar chana or chickpea ruled unchanged at Rs 5,800-6,400 a quintal despite subdued buying interest and 8,000 bags arrived in local *mandis*.

### Sugar steady despite need-based offtake

Our Correspondent



Mumbai, March 20:

Spot sugar prices on the Vashi wholesale market ruled steady on Tuesday despite need-based local demand. *Nakarates* were unchanged tracking steady trend at the upper level. Mill tender rates for M-grade were down Rs 10 on the higher side, while for S-grade ruled steady. A wholesaler said due to the financial year ending and month-end volume at upper mill level was thin. Few mills offered tenders on Monday evening. Moreover, demand from stockists was low. Arrivals higher than demand added to inventory pressure. He said higher production (14 per cent higher till March 15) and continuous absence of demand from neighbouring States in Maharashtra is forcing producers to sell locally. Further, as announcement of next month's free-sale quota is also due, most players preferred to keep away from new bulk buying. For January, February and March, the Government has steadily reduced the quota to stabilise prices.

Arrivals in Vashi were about 50-51 truckloads and despatches about 44-45. On Monday evening, about 12-13 mills offered tenders and sold about 28,000-30,000 bags at Rs 2,710-2,780 (Rs 2,710-2,780) for S-grade and at Rs 2,800-2,880 (Rs 2,800-2,890) for M-grade.

**Bombay Sugar Merchants Association's spot rates:** S-grade Rs 2,862-2,946 (Rs 2,862-2,946) and M-grade Rs 2,951-3,042 (Rs 2,981-3,042).

**Naka delivery rates:** S-grade Rs 2,800-2,850 (Rs 2,800-2,850) and M-grade Rs 2,930-3,000 (Rs 2,930-3,000).



## Wheat down on sluggish demand

Our Correspondent



Karnal, March 20:

Sluggish domestic demand, coupled with ample stocks, pulled dara wheat down, while desi wheat managed to maintain its previous level amid tepid sales on Tuesday.

There is not much buying in the market as traders await the new crop, said Mr Subhash Chander, a wheat trader. Flour mills are procuring stocks from the Food Corporation of India to meet requirements, he added.

In the physical market, prices of dara variety eased by Rs 5-10 and settled at Rs 1,200-1,210 a quintal. Only 250 quintals of dara variety arrived from Uttar Pradesh and stocks were directly delivered to the mills. Mill delivery of dara was at Rs 1,200 a quintal, while delivery at *chakki* was at Rs 1,210 a quintal.

On the other hand, low stocks kept Tohfa, a desi wheat variety, firm and was quoted at Rs 2,300 a quintal. New stocks of desi wheat will be in the market within next 20 days, said Mr Chander.

On the National Commodity and Derivatives Exchange, wheat for April delivery decreased by Rs 2-1,255 a quintal; it had touched a low at Rs 1,253 a quintal earlier on Tuesday. On MCX, spot wheat prices decreased by Rs 5.60-1,321.60 a quintal.

### Flour Prices

Despite a fall in wheat, flour prices improved marginally by Rs 10 on higher demand to Rs 1,190-1,200 for a 90-kg bag. *Chokar* prices went down by Rs 5 at Rs 595-600 for a 49-kg bag.

### **Maharashtra to seek cutin export price of onion**

Our Bureau

Mumbai, March 20:

The Maharashtra government will soon write to the Centre to lower the minimum export price of onion, which will help stabilise prices, said the Chief Minister, Mr Prithviraj Chavan, on Tuesday in the Legislative Assembly.

Replying to an adjournment notice , Mr Chavan said that at present the export prices are at \$125 a tonne but it should be brought down so that the farmers' interests are protected. The prices have been brought down from \$600 to \$125 and more price correction is necessary, he said.

This year's onion production is about 24 lakh tonnes while last year it was 9 lakh tonnes.

MLAs from Nashik region, which is the largest producer in the country, have criticised the government's policies for the declining onion prices.

Shiv Sena MLA Mr Dada Bhuse said the farmers get a price of only about Rs 250 per quintal, while the cost of production has climbed to more than Rs 1,000. A minimum support price of Rs 1,500 should be announced by the government. Moreover the government should also consider onion procurement from the farmers, he said.

Maharashtra Navnirman Sena's Mr Uttamrao Dikle said both the Centre and the State government should create a financial package for onion farmers.

Mr Chavan informed the House that the State Agriculture Minister, Mr Radhakrishna Vikhe-Patil, had convened a meeting of all onion producers on Wednesday. Prominent farmers' leader and Member of Parliament Mr Raju Shetti has also been invited to the meeting, he said.

### **Willowwood Crop Sciences launched**

Our Bureau

Hyderabad, March 20:

International crop-protection chemicals major, Willowood Group, on Monday announced the launch of its specialty agro-chemicals company – Willowood Crop Sciences Pvt. Ltd in Andhra Pradesh.

The company's products will now be available at all major agri-retail stores across the State. WCSPL products will soon be available at more than 2,000 agri-retail hubs, a release said.

Mr Parikshit Mundhra, Managing Director, Willowood India, said the company has established depots spanning seven states of Punjab, Haryana, Madhya Pradesh, Gujarat, Maharashtra, Andhra Pradesh and West Bengal. The company is targeting the impending crop season for paddy, wheat, soyabean, cotton, sugarcane, chilli, tea and vegetables.

WCSPL is a fully owned subsidiary of Willowood Chemicals based in Kolkata.

### Potato futures hit 4% lower circuit on regulatory action, profit booking

Latha Venkatraman



Mumbai, March 20:

Potato futures, which saw a sharp uptrend in recent weeks, today hit the 4 per cent lower circuit across National Commodity and Derivatives Exchange and MCX mainly due to regulatory action and profit booking, analysts said.

Potato futures for April delivery rose by over 40 per cent over a month's period to Rs 1,051 for 100 kg on March 14. Subsequently prices started to decline and today all potato contracts hit the 4 per cent lower price limit.

Potato futures for April delivery on NCDEX were locked at the lower circuit at Rs 923.9 for 100 kg today.

The sharp rise in potato futures prompted exchanges to impose 10 per cent additional margins on both the long and the short side. These margins come into effect on Wednesday. The rise in potato prices would have a direct impact on the country's inflation rate.

## **DECLINE IN OUTPUT**

Reports that output of potato would be lower in 2011-12 led to the sharp rise in prices during February and early March. But despite the decline in output as feared by the trade and Government officials, supplies would be plenty, said Ms Vedika Narvekar, Senior Analyst, Angel Commodities.

She was referring to National Horticultural Research and Development Foundation report on potato output in 2011-12. Initially, NHRDF said output would be at 43.6 million tonnes compared with 40 million tonnes in the previous year.

But late blight disease due to strong winter is said to have impacted the crop in Uttar Pradesh, the country's leading potato producer and in West Bengal, the second leading producer of the commodity.

"Even if output was lower by 10 per cent that would mean 36 million tonnes of crop. Already, cold storages are full to the extent of 80-85 per cent," Ms Narvekar said.

## **ARRIVAL PRESSURE**

After a sharp rise in prices through February and until mid-March, arrival pressure build up leading to the recent decline in rates.

"The last 3-4 days also saw some profit booking in potato futures as traders were unwinding their positions after going long," said Mr Dharmesh Jain, analyst, Ventura Commodities.

The imposition of margins would also prompt further unwinding of positions, he said. The demand for potato is expected to pick up with the onset of festivals, he said.

Overall the trend in potato futures is bearish, said Mr Sagar Doshi, technical analyst at AnandRathi Commodities. He expects April NCDEX contract to find support at Rs 850 for 100 kg and then at Rs 800.



Potato prices are likely to stay weak going forward as availability would outpace consumption demand of around 28-30 million tonnes, Angel Commodities said in its weekly report.

### Prices ease Rs 2/kg at Coonoor tea sale

P. S. Sundar



Coonoor, March 20:

Nearly 86 per cent of year's lowest offer of 9.68 lakh kg was sold at sale no: 11 of Coonoor Tea Trade Association auctions with prices easing Rs 2 a kg on inadequate demand at high bids.

Vigneshwar Estate, auctioned by Paramount Tea Marketing, topped CTC market at Rs 155 a kg. Homedale Estate got Rs 152, Darmona Estate Rs 146, Hittakkal Estate Rs 143, Waver Tree Rs 138 and Kannavarai Estate Rs 137. In all, 99 marks got Rs 100 and more.

Among orthodox teas from corporate sector, Chamraj got Rs 210, Curzon Rs 190, Havukal Rs 171, Kairbetta and Corsely Rs 170 each, and Kodanad Rs 160. In all, 34 marks got Rs 100 and more.

“Orthodox leaf market struggled to be steady. High-priced CTC leaf gained Rs 2-5 a kg, while others eased Rs 2-3. Orthodox dust market was irregular in Rs 2-5 range. CTC dust market eased up to Rs 3,” an auctioneer told *Business Line*.

On the export front, Pakistan bought selectively for Rs 55-67 a kg and the CIS Rs 52-84.

Quotations held by brokers indicated bids ranging Rs 50-55 a kg for plain leaf grades and Rs 85-150 for brighter liquoring sorts. They ranged Rs 55-58 for plain dusts and Rs 85-155 for brighter liquoring dusts.

### Mills owed Rs 6,548 cr to sugarcane farmers till Jan

PTI

New Delhi, March 20:

Sugar mills owed Rs 6,548 crore to cane growers till January of the current 2011-12 marketing year that started in October last year.

According to the data placed by the Food Minister, Mr K. V. Thomas, in the Lok Sabha today, the sugarcane arrears as on January 31 of the 2011-12 marketing year (October-September) stood at Rs 6,548 crore, of which Rs 3,148 crore pertained to Uttar Pradesh — the country's second largest sugar producing State.

Karnataka millers had to pay Rs 1,307 crore till January of the 2011-12 marketing year.

The data showed that the arrears to cane growers is much higher than it was in the year-ago period. In the 2010-11 season till January, mills owed only Rs 127.2 crore in arrear to sugarcane growers.

According to the Sugarcane (Control) Order, 1966, mills should make payments to farmers within 14 days of delivery, failing which interest at the rate of 15 per cent per annum on the amount due needs to be paid for the delayed period.

The sugar output in India, the world's second largest producer and biggest consumer, is expected to be 25 million tonnes in 2011-12, higher than the annual demand of 22 million tonnes.

### **Australian Minister pitches for FDI in farm sector**

PTI

Melbourne, March 20:

Eying investments from emerging economic powers such as India and China, the Australian Trade Minister, Mr Craig Emerson, has pitched for opening up of the agriculture sector here.

The Minister said just as foreign investment by Asian nations seeking energy security had bankrolled the development of the booming resources industry in previous decades, the demand for food security could unleash a new wave of investment in Australian agriculture, The Australian daily said.

Mr Emerson said he was not proposing "selling off the farm".

Instead, the Government was considering ways to encourage foreign equity investment in Australian food-producing companies, which he said would make it easier for them to raise the finance necessary to expand and meet the new market demand.

The Australian Bureau of Agricultural and Resource Economics and Sciences (ABARES) has said there was potential for Australia to lift the value of its agricultural exports by 140 per cent by 2050 in real terms.

ABARES report, released in January, further noted that emerging middle classes in Asia, Eastern Europe and Latin America created increased demand for beef, wheat, milk and sheep meat.

It also supported foreign investment as the best means to fund the expansion.

Mr Emerson said drought-prone Australia needed major investment to improve water infrastructure and create enough equity for pastoral and agricultural companies to be able to access bank finance.

“Anxious about food security, China, India and several Middle Eastern countries have increasingly large investable surpluses that they are looking to deploy in the global food production task,” he said.

“There are powerful market forces at play here. This could be the catalyst for bringing Australian agriculture into the new economy,” he said as he mentioned that his new portfolio Responsibility of Competitiveness would focus on assisting the Prime Minister, Ms Julia Gillard, position the nation to milk the rise of the Asian middle class for business opportunities for Australia.

With the Government working on a white paper on the issue, Mr Emerson said animal protein sourced from beef, sheep, chickens, pigs and fish would displace grains as a food source for the burgeoning middle-class populations.

“Just as Australia has established itself as a reliable supplier in meeting Asia’s minerals and energy security needs over the last quarter of a century, it can establish itself as a reliable supplier in meeting Asia’s food security needs over the next quarter of a century,” he said.

“Attaining food security...will require deeper integration of the Australian economy with the economies of Asia through foreign investment in agricultural production and logistics in Australia and technical co-operation by Australian governments and businesses in food production in Asia,” the Minister said.

