THE HINDU

Published: March 9, 2012 00:00 IST | Updated: March 9, 2012 04:29 IST TIRUCHI, March 9, 2012

Women to be trained in agro-business

The Agriculture Department would promote about 10 groups of farm women and train them in agro-business enterprises and allied ventures in the district during the current year under the National Agricultural Development Programme.

Each of the groups, christened Tamil Nadu Women in Agri Business and Entrepreneurship (TANWABE) farm groups, would be provided entrepreneurship training and provided back-ended subsidy. Each group would have a minimum of 15 members and they would be encouraged to start agro-business ventures on completion of training.

The women would be trained in various agriculture related activities such as cattle rearing, poultry farming and modern agricultural techniques such as the system of rice intensification and sustainable sugarcane initiative.

The first three-day training programme for a group from Keezha Kalkandarkottai in Tiruverumbur block began here on Wednesday. Inaugurating the training, J.Sekar, Joint Director of Agriculture, Tiruchi, pointed out that farm women had played a big role in improving agricultural practices and emphasised the need for greater involvement of women in promoting modern agricultural practices.

Mr.Sekar said all the 10 TANWABE groups would be provided training and provided Rs.15,000 as back-ended subsidy to start farm based activities.

P.Rajasekaran, Joint Director of Animal Husbandry said agriculture related activities such goat rearing and backyard poultry are best suited for farm women groups because they do not require heavy investment and technical know-how.

R.Chandrasekaran, Deputy Director of Agriculture (Central Schemes) Rs.15,000 has been sanctioned for providing training for each of the women's groups to improve their entrepreneurial skills under NADP. Farm women could play a major role in supplementing the income of agricultural families by taking up agro-based ventures. R.Ravi, Assistant Director of Agriculture, Tiruverumbur, K.Balraj, Assistant Director (Quality Control), spoke.

Nithyaselvi, Veterinary Assistant Surgeon, elaborated on goat breeds which are best suited for rearing, vaccination schedule and cattle feed. Rajarajan, assistant professor, TANUVAS Veterinary University Training and Research Centre, Tiruchi, briefed the participants about diseases affecting the goats and preventive measures.

Published: March 9, 2012 00:00 IST | Updated: March 9, 2012 04:20 IST PUDUKOTTAI, March 9, 2012

Training on new methods of rearing vegetable nurseries

A day-long training programme on new methods of rearing vegetable nurseries was organised at Krishi Vigyan Kendra (KVK) at Vamban village near here on Thursday. The programme aimed at exposing vegetable growers to the advantages of a method ‘pro-tray nursery production technique' which has several advantages over the conventional ‘flat-bed' strategy.

K. Dhanalakshmi, assistant professor in horticulture, said the major advantage of the pro-tray nurseries, raised in trays using coir pith as the bio-manure, was that the roots of the nurseries totally escaped the biological ‘shock' on being transplanted from the trays to the fields. “In the conventional method, the roots of the nurseries, on being plucked and transplanted, undergo a shock and it takes more time for re-establishing the roots,” she said. The ‘transplantation shock' is so severe that every nursery withered away completely, before recovering its growth. On the other hand, the new method eliminated the shock and obviously, the roots got established immediately after being transplanted. Growth of the species was also immediate, she explained.

She said that all plants would develop uniform growth throughout the season. The yield would also be higher than the conventional method. A question hour session was held during which S.K. Natarajan, assistant professor of agronomy, clarified farmers' doubts. The pro-tray method avoided delay both in raising and transplanting the nurseries.

Every crop required a specific number of trays for raising the nurseries. For example, for vegetables like brinjal and chillies, number of trays per hectare was about 70; for tomato, it would be about 80 trays a hectare. Mr. Natarajan said the KVK would organise a training on ‘sustainable sugarcane initiative' for sugarcane cultivators from 10 a.m. on Friday.

Published: March 9, 2012 00:00 IST | Updated: March 9, 2012 04:29 IST

Training fish curing practices

Making a good catch:Fisherwomen attending training on fish curing practices at Fisheries College and Research Institute in Tuticorin on Thursday.— Photo: N. Rajesh

To enhance the livelihood of fisher folks, hands-on training on improved fish curing practices was imparted. During the two-day training programme, which commenced on March 7th, trainers from the Department of Fish Processing Technology, Fisheries College and Research Institute, Tuticorin, outlined the benefits of the programme.

The programme was funded by the National Fisheries Development Board, Hyderabad, under the ICAR-DRWA network project on “Capacity building of coastal fisherwomen through post-harvest technologies”. It was attended by thirty fisherwomen hailing from Patinamaruthur and Tharuvaikulam, coastal hamlets.

V. K. Venkataramani, Director of Research and Extension (Fisheries), who presided over the valedictory function here on Thursday spoke on the need to produce salt cured fish hygienically through improved practices as it forms over seven percent of our marine products that are exported.

G. Sugumar, Professor and Principal Investigator, of the project stated that a demonstration unit for improved fish curing practices was being set up at Tharuvaikulam at a cost of Rs. 6 lakh under the aegis of NFDB, Hyderabad. The facility could be used to give training to fisherwomen for commercial operations thus helping them earn their livelihood and also bring in quality products in the local market.

R. Jeyaraman, Dean in-charge, gave away certificates and training manual to the trainees and encouraged them to take up improved fish curing on a commercial basis.

HASSAN, March 9, 2012

Spiralling pepper price brings cheer to coffee growers

The mood of coffee growers is upbeat despite the prices of coffee plummeting and that is because pepper prices have gone up. Pepper is cultivated by a majority of coffee growers as an inter-crop.

The price of pepper crossed Rs. 400 a kg on Wednesday perhaps for the first time in all these years. The price stood at Rs. 410 a kg at one point on Wednesday. On Thursday, the price was between Rs. 390 to Rs. 400 per kg.

“This is the highest price ever seen”, said Satyanarayana, a trader in Sakleshpur. The reasons for the increase in pepper prices are many. The dip in yield in Karnataka and Kerala is attributed to the fact that the crop was affected by root wilt disease. The yield has come down in Vietnam as well. On the other hand, demand is constantly increasing.

Planters who were disappointed with dip in coffee prices are finding solace in the fact that pepper prices have gone up. Price of coffee headed south in the last two months: from Rs. 10,800 to Rs 8,300 for a 50-kg bag. “I had expected that pepper prices would go up this time. I chose to do the harvesting myself instead of handing over the work to middlemen”, B.A. Jagannath, a planter of Ballupet in Sakleshpur, said.

Growers maintain that they would have got better profit had the crop been good.

ISAKHAPATNAM, March 9, 2012

Farmers adopt new cultivation technique

Ryots now getting 38 bags of paddy per acre

Paddy farmers in 32 villages of Madugula mandal in the district are trying a new cultivation technique using weeders to boost paddy yield. ‘Weeder' is being used to rotate periodically to destroy and pluck out weeds which spring up along with paddy and robs the fertility and richness of soil and decrease the paddy yield. The weeder has helped the farmers to grow tillers very strongly which blocked even strong winds.

National Agriculture Bank for Rural Development (NABARD) and Gramabhyudaya, an NGO, are engaged in promoting the cultivation of System of Rice Intensification (SRI) paddy concept in the Madugula mandal as a pilot project since 2010-11.

Ten kgs of zinc and green manure were mixed using an instrument called marker and weeders used for rotating the soil in depth. This boosts soil fertility and weeding out dead plant material which is used for preparation of organic manure at the compost yard. Azola is mixed in the organic manure for additional strength.

The paddy seeds at the age of nine to 12 days and the paddy transplants planted in a 25/25 cm diameter. Each farmer is given Rs.550 to take care of seed, labour, bio-fertilizers, and manures along with supply of 30 markers and 40 weeders for utilisation by 400 farmers who take turns to use it. Arrangements were made for using the implements on a rotation basis.

Gramabhyudaya secretary K. Trinadha Rao told *The Hindu* that farmers adopted the new technique in 150 acres of paddy crop and found it to be beneficial. The traditional paddy farmers, who get 22 bags of paddy per acre, are now getting 38 bags of paddy per acre after adopting the SRI paddy system using the weeder and marker implements which were contributing to high yields. The use of bio-fertilizers is also responsible for the fertility of soil. Investment was also comparatively less than the traditional paddy farming practices. For one acre, SRI paddy cultivation costs Rs. 4,000 whereas the traditional practice costs them Rs.8,000 per acre.

NABARD AGM C. Udayabhaskar says the new concept will be popularised after educating the farmers in the district in this regard. Farmers are voluntarily opting for expansion of their paddy acreage under the new concept.

Farmers are being encouraged to adopt the non-pesticide management systems and workshops are being conducted at the field level through audio-visual aids and other material.

KOZHIKODE, March 9, 2012

Measures initiated to procure copra

A meeting convened by ADM K.P. Ramadevi on Wednesday decided to initiate measures to procure copra and coconut as per the support price announced by the Central government from farmers in the district.

Milling copra will be procured by the agencies at Rs.5,100 a quintal while coconut will be procured at Rs.1,400.

‘In a week'

Ms. Ramadevi expressed confidence that the procurement could be started in a week. She said Kerafed would procure copra and coconut from farmers in Palakkad, Kannur, Malappuram, Kasaragod, Kozhikode, and Wayanad.

Besides the 87 coconut producing groups under the Coconut Development Board, as many as 40 cooperative societies selected by the Joint Registrar of the Cooperatives in the district will procure coconut this time.

Deputy Registrar of Cooperative Societies C.V. Nalini and Kerafed Regional Manager M. Hamza, among others, attended the meeting convened at the Kozhikode Collectorate.

CHENNAI, March 9, 2012

A learning process for farmers across continents

Can farmers rearing goats in the villages of Theni and Dindigul help farmers in Jamaica cultivating potato and ginger cultivation? Though involved in entirely different occupations, Jamaican farmers can learn the use of mobile technology to improve their farm produce, say officials from the Rural Agricultural Development Authority (RADA) of Jamaica.

In the programme run by the Commonwealth of Learning, an intergovernmental organisation of the Commonwealth nations, members of self-help groups receive regular voice alerts on weather and various aspects of dairy farming in these Tamil Nadu villages. “The most important lesson that we learnt from India is the way the groups which include farmers, banks, NGOs and telecom companies, work together. In Jamaica, the police is part of the group as *praedial* *larceny* or the theft of agricultural produce, is common there. This is not common in India, since the groups are homogenous, which means there is more trust among its members," says Al Powell, CEO, RADA, who was in the villages the last few days to study the use of mobile technology. "We even met farmers who said they repaid a five-year loan in two years."

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hindustantimes

Fri, 09 Mar 2012

weather

Chennai - INDIA

Today's Weather

Sunny

Friday, Mar 9

Max | Min

36.6° | 23°

Rain: 00 mm in 24hrs

Humidity: 66%

Wind: Normal

Sunrise: 6:35

Sunset: 18:03

Barometer: 1008

Tomorrow's Forecast

Cloudy

Saturday, Mar 10

Max | Min

33° | 22°

Extended Forecast for a week

Sunday	Monday	Tuesday	Wednesday	Thursday
Mar 11	Mar 12	Mar 13	Mar 14	Mar 15
31° | 22°	31° | 20°	30° | 24°	30° | 25°	31° | 24°
Cloudy	Cloudy	Rainy	Rainy	Cloudy

THE ECONOMIC TIMES
Commodities

9 MAR, 2012, 04.23AM IST, JAYASHREE BHOSALE,ET BUREAU

Farmers, traders clash as commodities prices dip

PUNE: Farmer unrest is on the rise as prices of commodities keep crashing. Farmers are not only unhappy with the government for its policies, they are also clashing with traders, who say farmers lack foresight about demand and price trends, leading to a glut in production.

Recently, raisin auctions in Sangli and Tasgaon markets were stopped for about 8-10 days. Raisin processors alleged that traders colluded with officials to bring prices down. After agitations and government intervention, they succeeded in getting double the returns.

"In a single day, raisin prices came down toRs 60-85/kg. It was only after the intervention of the district collector that the auctions were reopened. Current raisin prices are in a range from Rs 110/kg to Rs 160/kg," said Nitin Deval, treasurer, Grape Growers' Association, Sangli division.

Nashik district, the onion capital of the country, is reeling under a slowdown-like condition. The onion-based economy of the district has collapsed as onion prices have remained below the production cost.

"Onion prices are ruling below their production cost due to faulty policies of the government and surplus production. But traders are also to be blamed as they are not paying the farmers for two months," said Changdevrao Holkar, director, Nafed.

"APMCs are in favour of traders. They fear that if they annoy the traders, the market fee they get from traders will get affected," said Mr Holkar. Farmers were in a similar distress when prices of new season's turmeric tumbled to 25% of last year's prices in January this year.

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9 MAR, 2012, 04.06AM IST, BLOOMBERG

Drought tightens corn supply before biggest harvest

CHICAGO: Droughts from Mexico to Argentina are shrinking corn stockpiles to a fiveyear low, raising the prospect of a bull market before US farmers start reaping the biggest crop ever. Global reserves will drop 4.2% to 123.43 million tonne by October 1, according to the average of

21 analyst estimates compiled by Bloomberg.

That's equal to 52 days of consumption, the fewest since 1974. Goldman Sachs expects prices to rise 8.8% to $7 a bushel before the US harvest starts in September, 21% above the one-year closing low reached on the Chicago Board of Trade in December. Prices fell 16% in the last four months of 2011 as the USDA predicted Brazil and Argentina, accounting for almost 10% of global supply, would produce their biggest crops ever.

Futures then rallied as drought spread across Central and South America, spurring the USDA to cut its forecasts twice in as many months. While prices may keep rising for now, analysts anticipate declines by the end of the year as US growers harvest the most acres planted since at least 1944.

"There is no doubt that crops in South America were hurt by the hot, dry weather and that means more demand for US supplies," said Alberto Alvarez, the managing director of Chicagobased grains brokerage Fintec Group.

"There is an imminent explosion in corn prices." Corn rose 8.6% to $6.4325 in Chicago since reaching this year's low on January 18, exceeding the 4.5% advance in the Standard & Poor's GSCI Agriculture Index of eight commodities. The MSCI All-Country World Index of equities gained 5.1%%, and Treasuries lost 0.3%, a Bank of America index shows.

The USDA probably will report tomorrow that US reserves on September 1 will drop to about 19.7 million tonne (776.5 million bushels), the smallest since 1996, according to the Bloomberg survey of analysts. It will also forecast a combined Argentine and Brazilian crop of 81.3 million tonne in the harvest that began this month, compared with a December forecast of 90 million tonne, the survey showed.

Production will drop 6.2% to 21.1 million tonne in Argentina, the world's largest exporter after the US, the survey showed. In December, the USDA had forecast a 29% increase. Brazil's output will rise 4.7%, down from a December estimate of 6.1%, the survey showed. Futures markets are anticipating declines from September on record global supplies, with the December contract trading at a 12 % discount to grain for delivery in May.

US output will jump 15% to a record 362.5 million tonne, the USDA said February 24. That will contribute to a 6.4% gain in worldwide production to an all-time high of 920.3 million tonne, Informa Economics Inc., a Memphis, Tennessee-based research company, said on March 2.

Business Standard

Friday, Mar 09, 2012

Branded oil makers to increase prices

Rutam Vora / Mumbai/ Ahmedabad Mar 09, 2012, 00:01

Low estimates of domestic oilseed production in the coming oil year (November 2012-October 2013) and recent instability in currency rates are likely to put edible oil prices are on the boil. Prompted by domestic and international factors, refining companies as well as branded oil marketing companies will pass on the increase in prices to consumers, making the daily food platter costlier.

According to industry experts, edible oil prices have gone up by 5-10 per cent since February and are likely to stay firm for about a quarter.

“There are international factors, such as rupee fluctuation and lower soyabean output estimate in the US, while domestically mustard output is estimated lower than last year. This has created bullish sentiment in prices over the past few weeks,” said Angshu Mallick, chief operating officer, Adani Wilmar Ltd.

Prices have started firming up since January. However, prices have moved up much faster during February, prices of most edible oils have risen by 5-10 per cent in a month.

Edible Oil	Price as on Feb 1 (Rs)	Price as on Mar 6 (Rs)	Change %
MCX Spot CPO-Kandla	514.9	547.1	6.25
MCX Spot Mustard Oil Jaipur	715	755	5.59
Groundnut Oil *	1030	1120	8.73
Sunflower Ref *	685	700	2.18
Cotton Seeds Refined *	610	636	4.26
Rbd Palmolein *	561	576	2.67
Soyabean Ref *	660	680	3.03
*(Prices are for 10 kg) (*Mumbai spot market)*			

MCX spot mustard oil at Jaipur rose from Rs 715 per 10 kg on February 1 to a high of Rs 783.50 by the end of the month. Similarly, in the spot markets at Mumbai, RBD Palmolein rose from Rs 561 per 10 kg to Rs 576 on March 6. Groundnut oil rose from Rs 1,030 per 10 kg to Rs 1,120 per kg and soybean refined rose from Rs 660 per 10 kg to Rs 680 on March 6.

High prices have already started hampering refining operations. According to industry players, refineries are operating at lower capacity utilisation levels. “Currently, there is disparity in oil seed crushing. Hence, most refineries in the country are operating at lower utilisation levels of 40-50 per cent,” said Ashok Sethia, vice-president, Central Organisation for Oil Industry and Trade (COOIT).

The depreciation in the rupee against the dollar has made imports of key edible oils costly. On Wednesday, the rupee traded at Rs 50.47 against a US dollar. This is the lowest level for the rupee since January 18, when it recorded Rs 50.76 a dollar.

“Dollar has been unstable for the last one week. The rupee has depreciated by Rs 1.5 per dollar, making imports costlier by $1,200 per tonne. This would increase retail prices by Rs 2 per kg,” said Mallick of AWL, which sells edible oils under the brand name of Fortune.

“There has been bullish sentiment in most edible oils over the past one month. Rupee depreciation in the past few weeks is one of the factors for the price rise in the short term. This trend may continue till the rupee shows some major improvement,” informed Biren Vakil of Paradigm Commodities in Ahmedabad.

According to industry insiders, the branded edible oils segment controls about 40 per cent of the total market of around Rs 75,000 crore. AWL is one of the leading players in the edible oils segment, besides Ruchi Soya and Cargill.

In a recent paper presented at Malaysia, Dorab Mistry, director of Godrej International had said imported vegetable oil would constitute 57.54 per cent of India’s total consumption in the current year, up from 55 per cent last year.

The country’s edible oil output is estimated to fall by three per cent to 6.95 million tonnes this year against 7.15 million tonnes a year ago. Mistry has estimated India’s per capita consumption to rise this year to 13.18 kg, compared to 12.96 kg in the previous year.

Meanwhile, the share prices of most edible oil refining and marketing companies have witnessed a beating since February 1, 2012. While share prices of players such as Gujarat Ambuja Exports Ltd, Gokul Refoils Ltd and Ruchi Soya have fallen by 3.77, 4.61 per cent and 1.95 per cent, respectively, others like N K Industries Ltd, K S Oils Ltd, Vimal Oil & Foods Ltd have shed 11.21 per cent, 6.99 per cent and 16.28 per cent, respectively, on the Bombay Stock Exchange (BSE) since February 1. The benchmark Sensex has gained by around 2.35 per cent since February 1, 2012.

Millers feel the heat of high g'nut prices

Vimukt Dave / Mumbai/ Rajkot March 08, 2012, 0:45 IST

Persistently higher groundnut oil prices for last one month led several of the oil millers in Gujarat to either down their shutters or cut their production. More than 90 per cent oil mills have downed their shutters while rest of the mills are working part time in a week, industry sources informed.

In Gujarat, there are about 250 small and medium-sized groundnut oil mills, out of which only

15-20 mills are working for two to three days in a week.

Due to shortage of groundnut for crushing, groundnut oil prices have increased for last one month and reached a high of Rs 1890-1900 per 15 kg tin. The groundnut oil prices have increased by about Rs 130 per tin over the past one month.

On Tuesday, groundnut oil loose traded in the range of Rs 1135-1140 per 10 kg, while the price for 15 kg new tin stood at around Rs 1890-1900, up by Rs 10 a tin. Groundnut prices have increased over the past one month to Rs 72,000-72,500 per tonne. The arrivals of groundnut at the Gujarat markets remained at around 17,000-20,000 bags per day.

"Groundnut oil industry is in awful condition. This year is very crucial for us as since the beginning of the oil year, we are facing shortage of groundnut for crushing. When price goes up, everybody blames millers but there is nothing we can do as we have no stock to crush," said Samir Shah, president, Saurashtra Oil Mills Association (SOMA).

"It is not in our hand to control groundnut oil prices as production is less than the demand. Most of the working oil mills are trying to buy groundnut but all the arrivals are consumed by peanut traders for export purpose," said Suresh Kaneriya of Kaneriya Oil Industries.

"At present mills produce about 80-90 tonne of groundnut oil against the demand of 150 tonnes," he said.

Raising concerns about falling groundnut availability, Ravajibhai Mandanaka, president, Gondal Oil Mills Association informed, "If the present situation will continue, price of groundnut oil may touch Rs 2200 per tin in two month." "The price of groundnut is also not viable to us. Small millers are inactive presently and some of them shifted to other oil," he said.

Rajesh Bheda, president, Indian Oilseed and Produce Export Promotion Council (IOPEPC) said, "Domestic use as well as export of groundnut has increased in past one year. We are expecting over 450,000 tonnes of groundnut export in current financial year."

Meanwhile, the IOPEPC stated that India has exported 384,000 tonnes of groundnut during April-October 2011. In 2010-11, country's total groundnut export stood at 419,000 tonnes.

Maharashtra for removal of MEP for onions

Sanjay Jog / Mumbai March 09, 2012, 0:14 IST

The government of Maharashtra appealed to the central government to remove the minimum export price (MEP) mechanism for onions.

Chief minister Prithviraj Chavan and deputy CM Ajit Pawar, during meetings in Delhi with the Prime Minister and finance minister, said the removal would lead to positive market sentiment and help growers get better prices for their produce. It would also lead to increase in onion exports.

The state is a leading onion producer, with annual output of five million tonnes.

It has also asked the central government to immediately have Nafed, the National Agricultural Cooperative Marketing Federation of India Ltd, to start market operations to arrest the decline in onion prices, getting a reasonable return for farmers.

Of the total production in the state, 60 per cent is from the rabi season. "More supply during the late kharif season this year has led to sharp decline in prices," said the CM.

"The production cost is more than the present market rate. This is causing heavy financial loss and may lead to agitations in the onion growing areas."

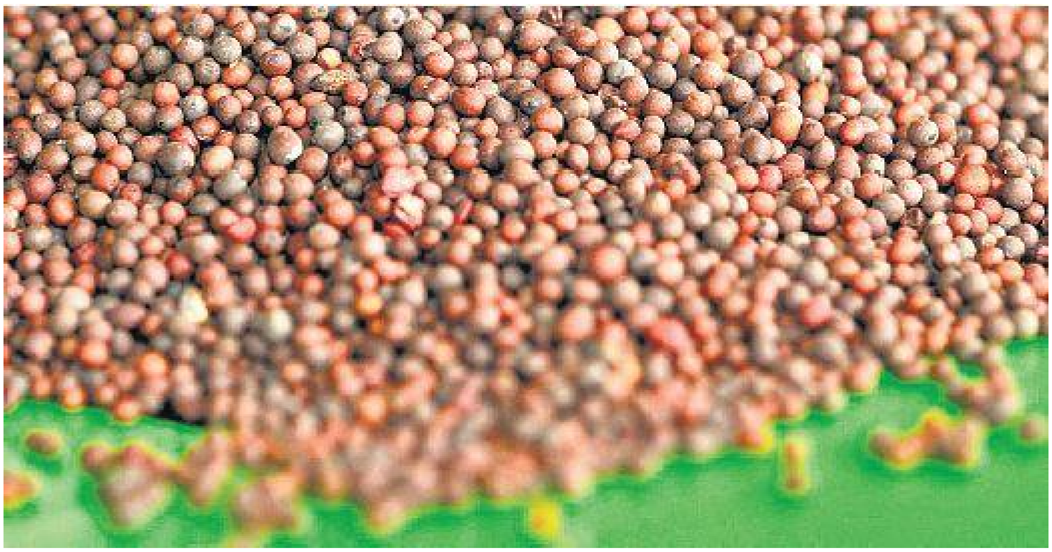
He recalled the state government letter of December 23 last year, arguing for doing away with the MEP mechanism for onion export. Twice that year, he said the central government had banned onion export, leading to a spate of protests. The ban was lifted with a higher MEP of $600 per tonne and then $475 per tonne. During last year, the MEP was changed 13 times, with the maximum at $600 per tonne and the minimum at $170 per tonne. Due to continuous interference in the export, this had declined by 500,000-600,000 tonnes, as compared to the export of 1.87 million tonnes in 2009-10.

"Due to lack of timely decision on the MEP from the director general of foreign trade, it became difficult for exporters to get confirmed orders," the CM said.

"It has adversely affected the domestic prices as well. There is huge discontent among farmers of the State about the system of MEP and there is constant demand to discontinue the mechanism".

THE HINDU Business Line

Declining arrivals heat up mustard, oil



Indore, March 8:

Mustard oil and seeds for the past few days continued to witness bullish trend on weak global cues and bullish futures.

Besides, decline in arrivals in Madhya Pradesh also added to the bullish sentiment in mustard and its oil. In the past one week, mustard oil has once again increased by Rs 20-22 for 10 kg in *mandis* across Madhya Pradesh, Rajasthan and Gujarat.

Mandis in Madhya Pradesh remained closed on Thursday on account of Holi. Mustered oil in Indore *mandis* on Wednesday ruled at Rs 725 for 10 kg against Rs 706 a week back.

Similarly mustard oil in Neemuch and Moorena ruled at Rs 720 and Rs 725 against Rs 700 and Rs 710 a week back. In Ganganagar (Niwai) and Kota (Rajasthan), mustard oil rose to Rs 735 against Rs 712 a week ago.

In Jaipur and Gujarat *mandis* also, mustard oil perked up to Rs 745 (up Rs 20) and Rs 720 (up Rs 20 in the past one week.).

Moreover, arrival of mustard seeds in the country in the past few days has declined to 2.50 lakh bags against 4 lakh bags a few days back because of Assembly elections in few northern States.

On Wednesday, mustard seeds in Indore *mandis* ruled at Rs 3,900-3,925 a quintal, while Raida was quoted at Rs 3,100 a quintal.

With a decline in palm oil and mustard seeds production in the country this year, bullish trend in prices is likely to continue, according to traders.

Analysts see a bullish trend in palm oil prices

G. Chandrashekhar

PRICE FORECAST

Brent Crude	CPO		
	Peak	Average	Low
$ 125	3360	3250	3140
$ 125 + low stocks	3510	3350	3260
$ 86 by year-end	3310	2870	2590
Iran nuclear crisis	4880	3190	1870

(Brent Crude in $/barrel; Crude palm oil in Malaysian Ringgits a tonne)

Kuala Lumpur, March 8:

A generally bullish outlook for palm oil prices in the coming months was presented by various speakers at the Palm and Lauric Oils Price Outlook conference here.

Mr Thomas Mielke, Editor of *Oil World*, said that 2011-12 will see a global production deficit of 13-15 million tonnes (mt) of oilseeds and the ending stocks of oils will be just about 6.3 per cent of usage.

For the first time, global soyabean output will decline by 20 mt to 245 mt.

Tightening supplies and robust demand will keep vegoil prices firm, he asserted adding palm oil will benefit. China has become a bullish demand factor in 2012, he remarked.

Mr Mielke's price forecast for 2012 included palmolein fob Malaysia $1,180 a tonne; crude palm oil cif Rotterdam $1,150/tonne; soya oil fob Argentina $1,250/tonne and palm kernel oil Rotterdam at $1,400/tonne.

Dr James Fry, Chairman of London-based LMC International, showed the positive relationship between crude oil and vegetable oil prices via the bio diesel route.

He built four different scenarios based on various crude price levels, palm oil stocks and global economic slowdown following possible geopolitical instabilities (See Table).

Grim supply

According to Mr Dorab Mistry of Godrej International, the demand-supply situation is pretty grim in the first half of the year until June.

Crude palm oil production will rise seasonally but will remain in the ‘low cycle', he said adding that stock levels will be at their tightest and therefore vegoil prices will peak around June.

Crude palm oil prices will climb steadily and peak at $1,250 fob or at about RM 4,000 a tonne by end of June 2012, he asserted.

After June, there may be a pullback with prices remaining in the $1,150-1,200 price band until there is evidence of end to the low cycle by November.

Cheaper Indian ginger surpasses export target

G. K. Nair

Kochi, March 8:

Shipments of Indian ginger have surpassed the Union Commerce Ministry's and the Spices Board's nine-month target for the current fiscal. Demand for the Indian produce has gone up as it is ruling $500 a tonne below the international price, trade sources said.

Matching demand and supply in the local market is likely to keep prices steady to firm for some time now, they said. The crop during the current season is not double the output of last year as was projected earlier but marginally above it, they added.

During April-December last year, the country shipped out 12,150 tonnes of ginger worth Rs 141.08 crore at a unit value of Rs 116.12 a kg, as against the target of 10,000 tonnes valued at Rs 90 crore, according to the Spices Board. Exports during the same period last fiscal were 10,100 tonnes valued at Rs 54.68 crore at a unit value of Rs 54.4 a kg.

Disappearing varieties

Cultivation of the good variety ginger used for making dry ginger has come down in recent years in the absence of remunerative prices, Mr P.V. Eliyas, a vegetable ginger grower in Karnataka, told *Business Line*. Hardly 10 per cent of the area under ginger is used for cultivating the dry ginger variety, he said.Vegetable ginger prices fell sharply this year to Rs 400-500 for a 60-kg bag (Rs 1,200), he said. On the other hand, production cost comes to Rs 900-1,000 for 60 kg, he said.Many farmers had grown this variety this year encouraged by the higher prices last year, leading to a huge output, Mr Eliyas said.High-quality fibreless Cochin and Himachal raw ginger, used for drying, have come down to Rs 1,500-1,800 for a 60-kg bag against Rs 2,300-2,500 last year, he said.“When one tonne of this variety is dried we will get around 300-350 kg of dried ginger.” It is mainly grown in Kerala's Palakkad district and in parts of Ernakulam and Idukki districts and Shimoga and Chickmagalur areas in Karnataka.Kochi-based ginger traders said non-remunerative prices consequent to increased imports had led to gradual disappearance of cultivation of the well-known Cochin Ginger, popular in the international spices industry.Cochin ginger is considered one of the best in the world because of “its characteristic lemon-like flavour” and the absence of fibre content, export sources said. It is usually traded at a premium.Apart from this variety, a high oil content ginger was also grown in the high ranges of Idukki in and around Rajkumari and Kunjithanni areas, popularly known as *Ellakalan*.

However, ever since extraction units in the country, which were mainly consuming this variety, switched over to imported low-oil content but cheaper Nigerian or Ethiopian ginger, this variety has slowly vanished.

Over 1,500 kg speciality teas up for auction in Coonoor

P.S. Sundar

Coonoor, March 8:

A volume of 1,535 kg of high-value teas from 21 factories will be offered at the ‘Nilgiri Winter Speciality Tea Auction' to be conducted on Saturday by the Nilgiri Planters' Association (NPA), with the Tea Board as its principal sponsor.

These are speciality teas manufactured this winter from bushes selected from about 6,900 hectares owned by NPA members at 6,500 ft above sea level.

The estates are located in the legally registered Geographical Indication region of ‘Nilgiri Orthodox Tea'.

Winter teas

“Every winter, about three lakh kg of speciality teas fetching Rs 500 to Rs 5,000 a kg are manufactured in the Nilgiris. These are ‘self-drinking' teas (with no need to add anything) coming from a single origin. They are delicately fragrant bright teas with intrinsic qualities. They do not cloud but maintain stable vivid colour, perfect for ready-to-drink format. NPA factories have ISO and HACCP certifications. Some select grades are coming up for this auction”, Mr Suresh Jacob, NPA Chairman, told *Business Line*.

Some highly preferred lesser-known speciality teas coming up for this auction include white tea varieties, twirl and virgin green teas, long ding, silver tips, Oolong, Lung Ching, Long Jink black, organic, young gunpowder, handmade and frost.

Entrants

While Craigmore Plantations will offer the largest volume of 300 kg of a single-grade lot (young gunpowder), Avataa grades of multi-brew teas from Bluegate Beverages are first-time entrants in Indian auctions.

The auction will be conducted at 11 a.m. on the Tea Board e-auction portal at Coonoor Tea Trade Association. Buyers registered with any auction centre in India can participate at their respective locations.

“NPA members run heritage estates with thrust on professional tasting. They contribute significantly to society by operating schools, hospitals and in rural communication. They stick to ‘fair trade' practices even in employment. So, we are telling importing nations that sourcing speciality teas from Nilgiri estates assures them quality teas backed with sound socio-eco-friendly production processes", said Mr Jacob.

Karnataka Govt nod to procure 8 lakh tonnes fertilisers

Bangalore, March 8:

The Karnataka Government has approved the agriculture department's proposal to procure fertiliser in advance.

The State Cabinet, which met on Thursday, has decided to give bank guarantee to the Karnataka State Co-operating Marketing Federation to buy eight lakh tonnes of different fertilisers for the kharif season.

Briefing reporters after the Cabinet meet, Mr Suresh Kumar, State Law and Municipal Administration Minister, said "the proposal is from the agriculture department to procure different fertilisers at a cost of Rs 1,162.75 crore."

The agriculture department plans to buy 1.5 lakh tonnes of urea, three lakh tonnes DAP, 2.5 lakh tonnes complex and one lakh tonnes MoP.

Health Commission

The Government has also decided to share one-year interest burden of Rs 30 crore and transport cost of Rs 14.63 lakh and goods handling cost of Rs 6.73 lakh.

The State Cabinet has also approved the setting up of 'Karnataka Healthcare System Commission' to strengthen medical education and research in the State.

Mr Kumar said "The commission will have 10 members with the Principal Secretary - health/medical department being the Secretary. The main mandate for the commission is to suggest ways and means to improve medical education, promote healthcare research and integration of Indian system of medicine with modern medicine."

The Cabinet also gave administrative approval to take up construction of 100 bed hospitals at a cost of Rs 5.58 crore at Srinivasapura in Kolar, Bhantwal, Dakshina Kannada (Rs 5.58 crore) and Naragunda, Gadag (Rs 8.68 crore).

AP mulls agri-biz investment regions

Hyderabad, March 8:

Andhra Pradesh is planning to establish three agri-business investment regions (ABIRs) in the three regions of the State.

The State Government will join the Million Farmers Initiative (MFI) launched by FICCI (Federation of Indian Chamber of Commerce and Industry) to form these regions in the public-private mode.

These regions will have integrated infrastructure to promote rural business and entrepreneurial development. These regions will cover clusters of Anantpur-Adilabad, Nellore-Ichchapuram and Guntur-Warangal.

Presenting a model for these regions to a small group of agri-businessmen on Wednesday, Mr Kanna Lakshminarayana, Andhra Pradesh Minister for Agriculture, said the Government will organise workshops shortly to discuss the proposal and see whether there is scope to set up such regions.

Initially, 10,000 farmers will be covered in each of the three clusters.

The meeting, organised by the Ministry, discussed opportunities and scope of agribusiness in Andhra Pradesh.

“We will also rope in countries like Israel, the Netherlands and the USA. The ABIRs would be modelled on the lines of Delhi-Mumbai Industrial Corridors by providing dedicated water and power resources. A separate corporation will be formed that will have freedom to forge joint ventures. We are expecting to create five lakh jobs,” Mr Lakshminarayana said.

FICCI, which has launched this MFI initiative recently, too showcased salient features of the programme that has been actively pursued by five States, including Karnataka.