

Boosting banana productivity through precision farming

COIMBATORE, January 21, 2014 - With a focus on increasing the area under banana and its productivity, Tamil Nadu Agricultural University is orienting various stakeholders on precision farming techniques.

National Committee on Plasticulture Applications in Horticulture (NCPAH), Ministry of Agriculture, has the mandate to promote and develop the use of plastics in agriculture, horticulture, water management and other allied areas. On the recommendation of the NCPAH, the Government has also established 22 Precision Farming Development Centres (PFDCs) throughout the country, to promote research and extension activities in promotion of these applications.

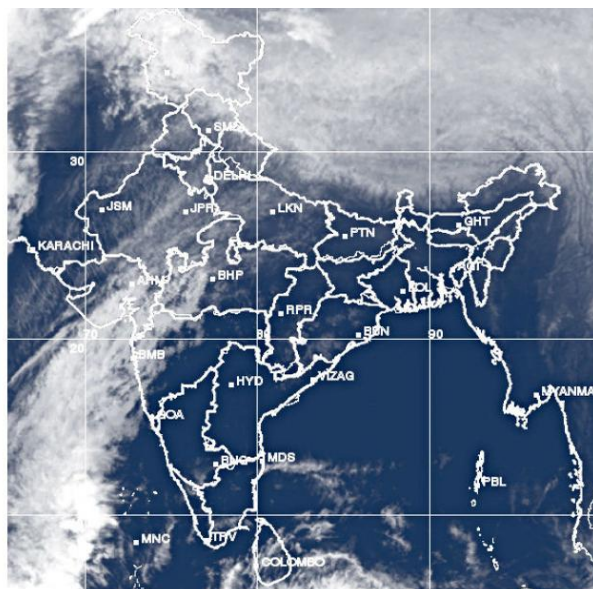
A PFDC was established at TNAU by the Government of India as early as 1985-86. This has been carrying out various research activities for the State on precision farming in protected cultivation, plastic mulching, plastic lining, micro-irrigation system, fertigation, etc. It has also been conducting training programmes, agricultural events, live demonstrations, workshops and television programmes to promote these technologies.

It recently organised a workshop on 'Precision Farming Technologies for Banana', in association with the Precision Farming Development Centre, and Department of Soil and Water Conservation Engineering.

Scientists from various research organisations, farmers, post-graduate and doctoral research students, faculty from soil and water and environmental engineering, and engineers from micro-irrigation manufacturing firms, attended the workshop that dealt on themes such as hi-tech horticulture technology for banana production, water management technology, plant protection technology, harvest and post-harvest technology and marketing of banana. Farmers' and industries' success stories of precision farming technologies in banana were shared.

The Government has established 22 Precision Farming Development Centres

Weather



INSAT PICTURE AT 11-30 hrs. Observations recorded at 8-30 a.m. on January 20.

Weather

Chennai - INDIA

Today's Weather



Partly Cloudy

Rain: 0

Humidity: 74

Wind: normal

Tuesday, Jan 21

Max Min

29° | 23°

Sunrise: 06:35

Sunset: 06:04

Barometer: 1018

Tomorrow's Forecast



Partly Cloudy

Wednesday, Jan 22

Max Min

29° | 22°

Extended Forecast for a week

Thursday

Jan 23



30° | 22°

Partly Cloudy

Friday

Jan 24



24° | 23°

Overcast

Saturday

Jan 25



25° | 22°

Overcast

Sunday

Jan 26



24° | 22°

Overcast

Monday

Jan 27



24° | 21°

Overcast

THE TIMES OF INDIA

Farmers protest against government

MYSORE: Hundreds of farmers from the district under the joint banner of [Karnataka Rajya Raitha Sangha](#) and [Dalit Sagarash Samiti](#) on Monday staged dharna in front of deputy commissioner's office protesting the officials' failure to resolve the farmers and small land owners' day-to-day issues such as khata transfer, eviction of land sharks from public places like burial grounds and grazing fields.

Grouse of the protesting farmers and DSS volunteers was- farmers are facing problems in getting their demands fulfilled where as realtors and land sharks have a free run in the revenue department with they getting their documents in place with in a matter of time.

"Revenue department officials are acting like agents of realtors with little respect for farmers' demands and problems," they alleged raising slogans against officials and the government.

Couple of farmers wanted to know how could be the situation in other districts if the things are worse in chief minister Siddaramaiah and revenue minister Srinivasa Prasad's native district?

Farmers' main complaint was officials are failing to act on their applications seeking various facilities and records of their lands where as they are quick enough to issue records and documents demanded by the rich and realtors who grease the officials' palms.

"Our main demand is revenue minister and other senior officials from the district should address their problems and set right the officials machinery which has almost collapsed due

to their failure to mend the officials," farmers' leaders who led protesters said , threatening to intensify the stir if things failed to improve.

Over 5000 farmers to take out massive rally to protest outer Ring Road project

SURAT : Over 5000 farmers from 23 villages under the Surat Municipal Corporation (SMC) and the [Surat Urban Development Authority](#) (SUDA) areas would be taking out a huge rally to protest against the upcoming outer [Ring Road project](#) on February 10.

The rally has been planned under the aegis of Gujarat Khedut Samaj.

Farmers said that the development of 29 kilometer long outer Ring Road project would affect around 3200 hectare land in 23 villages.

The agitating farmers will be submitting memorandum to municipal commissioner and district collector under the leadership of khedut samaj leaders like Sanat Mehta and Jayesh Patel demanding to restore their fundamental rights.

Jayesh Patel, secretary, Gujarat Khedut Samaj told TOI, "Farmers from Sachin to Hazira, Jehangirpura, Amroli, Variav, Kosad and Amroli will be affected. Since 13 Town Planning (TP) schemes have been finalized in SUDA and SMC areas, the farmers will have to pay incremental charges even if they continue to till their land"

According to Patel, the 29 kilometer long outer Ring Road will have a 90 meter wide road and that it will pass from within the farm fields of the farmers from Hazira-Sachin to Amroli. Farmers will have to loose around 40 per cent of their farm lands and that the SMC and SUDA have reserved the rights of selling the land for commercial purpose along the highway.

Terrace gardens hit in Ranchi

RANCHI: Ranchiites are often heard complaining about receding greenline and the asphyxiated life in a developing city. However, there are a few among them who have gone a step ahead to solve the problem.

Some enthusiasts - and the number is growing by the day - in the city are making good use of their terraces by growing vegetables and fruits. Busy life and space crunch are major reasons behind such alternative gardening.

[Samir Sharma](#), a Ranchi-based businessman, started rooftop garden as a hobby about nine years ago. Now his garden has tomatoes, cauliflowers, lemon and even mangoes.

"I have been practicing this for 8-9 years now and spend more than Rs 1,000 a month on the garden and its maintenance. All my friends, relatives and neighbours appreciate my effort," said Sharma, a resident of Kantatoli.

Anand Lal, a senior citizen who owns an apartment in the city, is disappointed by the [real estate](#) boom. When he bought this flat, there was enough space for gardening. But things changed fast and Kumar made sure his family gets a fair share of green.

"Today the situation is different. So I have specially designed my roof to make a garden. It is a double-layer roof that protects my walls from seepage," said Lal.

Pradeep Kumar started gardening on the terrace of his Harmu apartment building a few years ago and not he encourages others to do the same.

"I always encourage local residents to grow organic vegetables on rooftops. I got this idea from one of our relatives who is practicing this for the last two-three years," Kumar said.

With growing population and shrinking resources, trend of rooftop plantation is growing rapidly in Ranchi. Real estate development is changing the idea of traditional gardening in the city. So people living in small apartments are opting for rooftop gardening. From decorative flowers to vegetables, these green enthusiasts are creating their own greenspace amid the bustle. But rooftop gardens require more planning than usual gardens. The common point that has to be kept in mind is that the roof has to be slanting with proper drainage system.

In rooftop gardens, one can grow plenty of vegetables and fruits.

Most preferred fruits and vegetables for rooftop plantation are orange, lemon, mango, guava, tomato, green chilli, brinjal and chiku.

Three important things an individual must consider while starting rooftop plantation:

- 1) Safety - must put fencing around the boundary wall.
- 2) Weight - too much load can cause structural damage
- 3) Container - it should be lightweight with a flat bottom

THE HINDU Business Line

Guar falls on higher output



Mumbai, Jan. 20: Guar seed futures fell on Monday due to higher production, large carry-forward stocks and supplies from the new season crop. However, expectation of a pick-up in stockists' demand and buying from the food sector limited the downside. The February contract was down 0.28 per cent at Rs 5,290 a quintal on the NCDEX. Demand for guar gum, a by-product, is expected to rise from the food sector which uses it as a stabiliser, industry officials said.

Industry experts expect guar seed production to be 2.5-2.7 million tonnes in 2013, up from about 2.2 million tonnes a year earlier. Guar seed rose Rs 44 to Rs 5,244 at Jodhpur, a key market in Rajasthan, on stockists' demand. — **Reuters**

Palm oil prices may slip after March on rising oilseeds supply

Mumbai, Jan. 20: Crude palm oil prices might have held up well in recent times supported by a host of factors including seasonality and anticipated Indonesian internal demand, but a moderately bearish phase is rapidly emerging.

Several looming bearish factors including strong South American soyabean crop, expected beginning of the palm production up-cycle from April onwards and narrowing spread of palm oil prices with other oils are likely to play out soon.

Supply glut

From a supply perspective, production reports from various origins suggest that soyabean, rapeseed and sunseed markets are well-supplied.

Expectation of large harvest in South America (Brazil, Argentina) on the back of favourable weather conditions pulled soya futures down 3.5 per cent in December.

Falling soya oil prices have narrowed the differential with CPO prices, making the latter less-attractive. The current price differential of \$70 a tonne is less than half of the historical average differential of \$150 between soya and palm oils.

The notable point is that the price fall was despite higher usage of oil by the biodiesel industry.

Starting February, Brazil's large harvest estimated at a record 89 million tonnes (mt) (82 mt) will come into the market and augment supplies. To be sure, Brazil's crop is nearly equal to the 89.5 mt that US harvested in October last.

Possibly next year, Brazil can relegate the US to the second position in soyabean production. Argentina is set to produce an estimated 54.5 mt, a 10 per cent rise from last year.

Palm oil prices are already under pressure after Indonesia forecast higher production. USDA has forecast world palm oil production at 58.4 mt for 2013-14, up from 55.8 mt in the previous year.

In addition, lower crude oil (mineral oil) prices caused by reduced geopolitical tensions can pressure the vegoil complex down.

Importantly, there is perceived risk that soya oil prices may lose support provided by biodiesel industry if tax credit is not extended.

There are other incidental factors such as Malaysian palm oil stocks estimated at very close to the psychological bearish mark of two million tonnes.

Recently, India announced a hike in customs duty on refined oils from 7.5 per cent to 10 per cent ad valorem in order to discourage rising refined oil import.

Additionally, a large rapeseed/mustard crop estimated close to 8 mt in getting ready for harvest. Inventories at the origins and the destinations are also quite high.

Higher inventories

For instance, India's port-based and pipeline stocks are estimated at a staggering 1.6 mt. A higher figure is being talked about for China. Palm oil exports are likely to slow in the coming months as the world vegoil market is well supplied and there will competition to capture market share.

Yet the market may not witness a major sell-off as production in January and February will continue to slow because of seasonal effect. The cash-rich Malaysian industry will manage to defend CPO prices in the MYR 2,400-2,600 a tonne range.

Short covering lifts rubber

Kottayam, Jan. 20: Spot rubber improved on Monday.

A recovery in domestic futures kept the buyers comparatively active, in selected counters and the prices firmed up, mainly on covering purchases, at lower levels.

Sellers stayed back hoping for a recovery in the coming days, as the peak production season is almost at its final lap.

Sheet rubber was quoted firm at Rs 151 (Rs 150) a kg by traders.

The grade increased to Rs 150.50 (Rs 150) and Rs 147.50 (Rs 147) respectively, according to the Rubber Board and dealers. The trend was mixed.

February futures improved to Rs 154.48 (Rs 151.75), March to Rs 156.86 (Rs 154.11), April to Rs 160.52 (Rs 157.95) and May to Rs 162.75 (Rs 160.38) while the June futures remained inactive on the National Multi Commodity Exchange.

RSS 3 (spot) firmed up to Rs 145.10 (Rs 144.93) at Bangkok.

January futures closed at ¥262.3 (Rs 155.11) on the Tokyo Commodity Exchange.

Spot rubber rates (Rs/kg): RSS-4: 151 (150); RSS-5: 144.50 (143); Ungraded: 140 (138); ISNR 20: 146 (147) and Latex 60%: 129 (130.50).

Coffee Board sees scope to improve per capita consumption

To host coffee festival in Bangalore from today



A boost to coffee: (from left) Anil Kumar Bhandari, President, India Coffee Trust and Vice-Chairman of IICF 2014; Jawaid Akhtar, Chairman, Coffee Board; and Venu Madhav, CEO, Cafe Coffee Day, at a press conference in Bangalore on Monday. — G.R.N. Somashekar

Bangalore, Jan. 20: Coffee consumption

in India has increased by a mere 40 per cent to 90 grams over the last decade but is still below the European average of 4 kg a person a year.

“There is potential to increase this in the next couple of years. Coffee Board has proposed a slew of measures to be taken up in the 12th Plan,” said Jawaid Akhtar, Chairman, Coffee Board, on the sidelines of a press conference to announce India International Coffee Festival (IICF) to be held in Bangalore from January 21 to 25.

Coffee consumption in developed countries in North America and Europe is around 4-5 kg. Finland has the highest at 11 kg a person.

Brazil consumes half of its production and has, in the last decade, overtaken US in coffee consumption.

Akhtar said, “In India, nearly two-third of the population do not drink coffee. There is huge potential for us to prepare a detailed roadmap to tap this.”

Domestic coffee production is around 3.10 lakh tonnes (lt).

“We anticipate high domestic growth in consumption and excess demand for coffee in the country, which now stands at 1.2 lt, while the rest is exported,” said Akhtar. Thanks to café culture picking up in the country, in the last 5 to 6 years, domestic consumption growth has been by 5 per cent.

Growth of cafes

“Led by retail cafés in the country, branded retail café growth has been phenomenal at 14 to 15 per cent,” said Akhtar.

Talking about domestic consumption, Venu Madhav, Director, Café Coffee Day, said: “The emerging face of coffee in India is reflected in its fast growing ‘café culture’. We are adding lot of new consumers on daily basis. This addition is happening at fast pace in tier-II and -III cities, for the café culture has now entered these cities,” he added.

Coffee fests

Anil Kumar Bhandari, President, India Coffee Trust, said, “By holding coffee festivals we are trying to create awareness among coffee growers, and people involved in coffee as to how

to market our produce in the global market place. Also through the festival, we are disseminating info on the changing pattern of coffee consumption in the country.”

Hatsun Agro expanding markets, product range



R.G. Chandramogan, Chairman and Managing Director, Hatsun Agro Product Ltd.

Chennai, Jan. 20: Backed by a strong growth in milk processing capacity, Hatsun Agro Product Ltd will expand into new markets for branded liquid milk and ice creams and launch new products, according to R.G. Chandramogan, Chairman and Managing Director, Hatsun Agro.

The BSE-listed company has a capacity to handle over 17 lakh litres of milk daily including two lakh litres in Andhra Pradesh following the recent acquisition

of Jyothi Dairy.

An additional two-lakh-litre plant will soon commence operations in south Tamil Nadu. The company now handles about 14 lakh litres of milk. It also has over one lakh litres a day of ice cream production capacity comprising the flagship brand Arun Ice Creams and the premium brand of Ibaco; 2.2 lakh litres of curd and 12 lakh litres of milk powder processing capacity.

Arokyia market growth

By the month-end, it plans to launch ‘Arokyia’ brand of liquid milk in Hyderabad, he said. By March-end the company will also launch a new range of milk products “which will sail on the milk and curd” distribution infrastructure, he said but declined to specify the products.

Premium Ice Cream

Hatsun Agro is also expanding the chain of outlets offering the exclusive range of Ibaco brand of ice creams to more cities.

There are over 100 outlets in about 50 towns and cities and this will increase to 150 by March-end. It will soon be present in Pune.

It will also strongly focus on Karnataka and Andhra Pradesh, he said. From February, Ibaco will also be available in take-home packs from premium department stores and on sale in five-star hotels’ pastry shops.

Arun Ice Creams

The flagship brand is entering into Karnataka and Andhra Pradesh in towns such as Chitradurga, Nellore and Guntur.

The company is using the Hatsun Distribution Centre model – distribution centres that act as wholesale and retail outlets – it had used for milk marketing to expand the ice cream sales.

Last year, ice cream contributed to about Rs 108 crore of its total business of Rs 2,152 crore. The marketing initiatives will contribute to a 20 per cent growth, he said.

Jeera gains on weather concerns; coriander falls



Mumbai, Jan. 20: Jeera futures contracts ended up 1 per cent on the National Commodity and Derivatives Exchange today, tracking spot prices which rose on improved demand from local stockists despite a rise in daily supplies, analysts said. Spot arrivals were pegged at 4,000 bags (55 kg each) today, up from 2,000 bags. Concerns over likely rains in Gujarat, the major jeera producing State, also supported prices. Coriander contracts ended down, as traders booked profit following a rise in recent trading sessions. However,

concerns of crop damage due to cold weather in Rajasthan amid lower stocks in the physical market, will push up coriander prices. Coriander being extremely sensitive to weather, low temperature is not favourable for the crop, Kotak Commodities said.

Spot red chilli prices in the key wholesale market of Guntur in Andhra Pradesh remained unchanged, as domestic and overseas demand eased due to lack of good quality spice, Guntur-based trader Naval Khetan said.

Expectations of a higher output and increased new crop arrivals kept the red spice under pressure. Arrivals of new chilli crop are estimated at 40,000 bags, while cold storage supplies were at 20,000 bags. On the MCX, cardamom futures closed higher on expectations of a rise in domestic demand, analysts said.

Rice seen ruling range-bound

Karnal, Jan. 20: The rice market witnessed a steady trend with the prices of aromatic and non-basmati rice ruling with nominal fluctuation on their previous levels on Monday. In the absence of any major market-moving factors, rice prices have been ruling with nominal alterations, said Amit Chandna, Proprietor of Hanuman Rice Trading Company. Despite some correction last week, rice prices are still ruling high and retail traders are keeping away from the market, as they are reluctant to make fresh purchase on current levels, he said.

Demand is generally low around this time of the year and uncertain weather is also hitting the trade, he said.

According to sources, the market may continue to rule range-bound for the next few days. In the physical market, Pusa-1121 (steam) sold at Rs 9,100-50, while Pusa-1121 (sela) was quoted at Rs 8,075 a quintal. Pure Basmati (raw) was quoted at Rs 12,500. Duplicate basmati (steam) was sold at Rs 7,000. Pusa-1121 (second wand) was sold at Rs 7,000, Tibar at Rs 6,000, and Dubar at Rs 5,000.

In the non-basmati section, Sharbati (steam) sold at Rs 5,000, while Sharbati (sela) was quoted at Rs 4,800 a quintal. Permal (raw) was sold at Rs 2,300, Permal (sela) at Rs 2,325, PR-11 (sela) sold at Rs 2,900, and PR-11 (raw) at Rs 2,820. PR14 (steam) was sold at Rs 3,200.

Paddy Arrivals

About 8,000 bags of different paddy varieties arrived at the Karnal Grain Market Terminal. About 5,000 bags of Pusa-1121 arrived and went for Rs 4,200-50, 1,000 bags of Sharbati went for Rs 2,200, while 2,000 bags of PR was sold at Rs 1,300-25 a quintal.

Weak arrivals, strong global cues lift soyabean



Indore, Jan. 20: Strong global cues, weak arrival, and improved demand in soyameal lifted soyabean prices in Indore on Monday to Rs 3,650-3,800 a quintal (up Rs 150 from last week).

Arrival of soyabean in mandis across Madhya Pradesh today declined to 60,000 bags (75,000-80,000 bags last week).

Notwithstanding weak arrival in Indore mandis, trading of soyabean in local mandis could not take place, as traders refused to buy substandard quality soyabean and other grains forcing farmers to agitate, said Mukesh Purohit, a local soya oil manufacturer.

In the futures market also, soyabean traded higher on strong global cues and buying support with its February and March contracts on the NCDEX today closing at Rs 3,754 a quintal (up Rs 54) and Rs 3,715 (up Rs 55.50).

Plant deliveries for soyabean in the last one week also increased Rs 100 a quintal to Rs 3,800-3,850 on improved demand in soyameal.

Despite strong foreign support, soya oil gained marginally on scattered buying support, with soya refined on Monday quoted at Rs 655-58 (up Rs 8-10 from last week).

Similarly, soya solvent rose to Rs 608-12 (Rs 592-95 last week). In futures also, soya oil rose marginally on strong foreign cues, with its February and March contracts on the NCDEX closing at Rs 678 for 10 kg (up Rs 4.80) and Rs 667.25 (up Rs 4.85) on Monday.

Traders are hoping for a revival in demand for both soyabean and soya oil during the marriage season. Improved demand lifted soyameal with its prices on Kandla port quoted at Rs 34,500-700 on Monday (up Rs 1,500 from last week).

Sugar may fall further on sluggish demand



New Delhi, Jan. 20: Subdued domestic demand and high supplies pulled down sugar prices in most wholesale markets today, dealers said. The price of the sweetener was down Rs 10 in the wholesale markets of Maharashtra, while it was down by Rs 25 and Rs 5 in Muzaffarnagar and Delhi, respectively.

“I think sugar prices are likely to fall further in the coming days because I do not see demand improving, since temperature in northern India remains low,” a Delhi-based trader said. The weak demand for the sweetener is linked

to the severe fall in temperatures across North India this winter season.

Bulk buyers such as ice cream and cold drink manufacturers are keeping away from the market at the moment. Sugar prices have fallen by around Rs 175 per 100 kg in Uttar

Pradesh and by around Rs 50 in Maharashtra in a month. A Mumbai-based dealer said mills are facing heavy selling pressure.

“Supply in the market is increasing as crushing is in full swing,” the dealer said. Mills across the country have produced around 8.55 million tonnes of sugar during October 1 to January 15.

Taking into account an estimated output of 25 million tonnes this season (October-September), total supplies are seen at 34 million tonnes, way higher than 23 million tonnes of annual domestic demand.

Taking cues from the spot market, sugar futures on the National Commodity and Derivatives Exchange ended lower today.

February sugar contract ended at Rs 2,741 per 100 kg, down Rs 17 from Saturday, while the March contract closed at Rs 2,750, down Rs 11 from the previous close.

New turmeric crop fetches higher price



Erode, Jan. 20: New turmeric crop has begun to arrive in Erode markets and is fetching a good price.

“After ten days, turmeric markets assembled on Monday and only few traders purchased as they did not get any upcountry orders. But they procured more than 60 per cent of the arrived turmeric due to quality to store them,” said R.K.V. Ravishankar, President, Erode Turmeric Merchants Association. He said 100 bags of new turmeric crop arrived on Monday. Fifty bags of

Gundelpet turmeric arrived and fetched a higher price of Rs 6,500, while the rest of Number 8 variety was sold at Rs 4,900 a quintal. Traders said the new crop is of good quality, so they quoted a higher price. Farmers said they would bring new turmeric in large quantity within a week’s time for sale.

The price of the finger variety decreased by Rs 150-200 and the hybrid finger variety by Rs 250 a quintal. At the Erode Turmeric Merchants Association, (new crop), the finger variety was sold at Rs 4,601-4,819 and root variety for Rs 3,232-4,000. (old crop) The finger variety was sold at Rs 4,496-6,291 and the root variety at Rs 4,217-5,814 a quintal.

Salem Hybrid crop: The finger variety fetched Rs 5,914-6,895; root variety Rs 5,414-6,264. Of the 720 bags that arrived, 326 were sold.

At the Regulated Market Committee, the finger variety was sold at Rs 5,499-6,299; the root variety at Rs 5,067-5,867. Of the 532 bags offered, 499 found takers.

At the Erode Cooperative Marketing Society, the finger variety was quoted at Rs 5,489-6,299; root variety Rs 5,019-5,869. All 504 bags were traded.

At the Gobichettipalayam Agricultural Cooperative Marketing Society, the finger variety was sold at Rs 5,672-6,249 and the root variety Rs 5,117-6,039. All 349 bags found takers.

Business Standard

Global Arabica prices to rise 15-20% in Q2

The global [Arabica coffee](#) prices are set to increase 15-20 per cent towards the second quarter of the next financial year amid prospects of a smaller-than-expected crop in [Brazil](#), the world's largest grower.

Growers and exporters are hoping the heavy downpour in December in major growing regions of Brazil would result in damage to the crop and the country might harvest lower crop in an on-year (productive part of the crop cycle). Brazil is likely to pick 51 million bags (each 60 kg) against its potential of 60 million for the 2014-15 crop year, according to sources.

[ICE Arabica](#) coffee futures gained late last week after falling more than one per cent in the previous session. However, new crops are expected to keep prices low in the oversupplied market, the Coffee Board of India said. "A series of higher daily highs and higher daily lows are evident from the early November low in coffee. ICE Arabica coffee futures for March delivery ended 1.5 per cent higher at \$1.1835 a pound (0.45 kg)."

The exporters expect prices to settle 15-20 per cent higher at 140 cents a pound towards the beginning of winter.

"This year Brazil is likely to pick the smaller crop though it is an on-year. Brazil is expected to overtake the US as the biggest consumer in four to five years. The rise is dependent on consumption. Prices might touch 140 cents a pound by July if Brazil picks the smaller crop," Anil Kumar Bhandari, former chairman of Karnataka Planters' Association and president of India Coffee Trust, said.

In 2013, the prices had fallen below the cost of cultivation. Compared to 200 cents a pound in January 2012, the prices had fallen 43-45 per cent to 108-115 cents in August. This was largely due to a record 'off-year' crop in Brazil and the continued economic crisis in the European Union.

"The prices hit a low of a decade and were 20 per cent lower than the cost of production last year. However, there are some contradictory reports on the crop prospects in Brazil. Some analysts have projected a lower crop and some higher. It is too early to make any proper estimate. By the current trends, we can expect prices to trade 110-130 cents a pound compared to the earlier expectation of below 100 cents a pound," said Ramesh Rajah, president, Coffee Exporters Association of India.

In the long term, he said the prices could move sideways and there was a possibility of those touching 130 cents towards October as the crop size would be known by then.

"It is difficult to forecast prices because so many producers and consumers are involved. There are two types of forecasts, one by the sector, consultants and roasters. Other by the growers. One will be at the higher and the other at the lower. I think the reality is somewhere between the two," Jawaid Akhtar, chairman, Coffee Board, said.

Coffee Board embarks on expansion in new areas

The [Coffee Board](#) is embarking on a two-pronged strategy of increasing [coffee production](#) and consumption in the country. In an effort to increase the domestic production, which is hovering around 300,000 tonnes annually for the last few years, the Board is identifying new areas for plantations in the country, a top Board official said.

"The coffee consumption in the country has grown to about 90 grams per capita per year from 60-70 grams about 12 years ago. About 70 per cent of the domestic production is exported. By keeping the exports at the same level, we want to increase the domestic production by introducing new areas. We have identified new areas in West Bengal and Himachal Pradesh for coffee plantation during the 12th plan period," said Jawaid Akhtar, chairman, Coffee Board.

He said the Board has completed survey in 6-7 districts of Himachal Pradesh for taking up pilot programmes to plant coffee and it has also identified hilly areas near Darjeeling in West Bengal for planting coffee.

However, in the traditional areas of Karnataka, Kerala, Tamil Nadu and Andhra Pradesh, the Board is trying to increase the productivity, he told reporters here today.

The increase in productivity is being done through replanting of old trees. Considering the menace unleashed by white stem borer in Arabica plantations, the Coffee Board is collaborating with Indian Council of Agriculture Research for undertaking mission mode programme to control borer in the plantations. It is also collaborating with World Coffee Research for exchange of Arabica varieties, Akhtar said.

Coffee consumption has increased by 2.8 per cent annually in the last five years as compared to 2.4 per cent in the previous five-year period, Akhtar said quoting studies done by International Coffee Organisation. The consumption has grown consistently in emerging economies including India, he said.

The average consumption is 4-5 kgs per capita per year in most of the developed countries. However, when compared to some of the developed countries, the consumption of coffee in India has been very low, he said.

For example, Finland has a highest per capita consumption of 12 kgs per annum. In India, the per capita consumption is just about 90 grams as coffee is predominantly consumed in South India and Northern parts of the country consumes Tea, he said.

For the year 2013-14 crop year, the domestic coffee production target is revised downwards to 311,000 metric tons, following the post monsoon estimates. The crop, which was in very good condition during the post blossom period, was heavily damaged due to excess monsoon rains in several growing regions, he said.

"The coffee industry in India is doing very well with exports going up by 33 per cent compared to the same quarter in 2012. In terms of rupee realization, we are up by 27 per cent and in terms of dollar realization, we are better by 8 per cent. However, we are focused on promoting coffee consumption within the country," he said.

The in-home and out of home consumption of coffee is on the rise is a pointer to the strong trends in the domestic market.

Coffee consumption in the country has registered a steady 5-6 per cent growth per annum while the organized sector attributed to around 15 per cent growth. Overall coffee consumption in the country is pegged at 120,000 tonnes per annum, he said.

"The rising popularity of cafe chains like Cafe Coffee Day, Barista Lavazza and Costa Coffee especially with the younger generation has made coffee drinking fashionable. A highlight of the coffee industry in India is the growth of value added products and instant coffee over the last 4-5 years," Akhtar added.

The Coffee Board in association with India Coffee Trust is organizing India International Coffee Festival from January 21-25 in Bangalore.

Coffee fest kicks off today; to focus on retail market

The India International [Coffee](#) Festival 2014 will focus on developing the retail market for Indian coffee and promoting awareness among the consumers that coffee drinking is healthy. The [India Coffee Trust](#) (ICF) is jointly organising the IICF from January 21 to January 25 in Bangalore after a gap of four years.

"The emerging café culture has changed the way we Indians consume coffee. The per capita consumption has increased from 60-80 gm about a decade ago to about 100 gm now," said Anil Kumar Bhandari, President, ICF and vice president, IICF Steering Committee.

"However, there is still a lot more left to promote consumption of coffee and spread awareness. The prime objective of the ICF and IICF is to create awareness and expand the retail market for Indian coffee and take it to the Indian homes," according to Bhandari.

He said, coffee chains like Café Coffee Day, [Costa](#), Java City, Mocha and the recent arrival of global chains like Starbucks and Dunkin' Donuts has created revolution in the way coffee is consumed in India.

However, there is a greater need to take the coffee from these retail chains to homes across the country, he told Business Standard on the eve of IICF 2014.

Bhandari said the India Coffee Trust is the result of a general consensus among the stakeholders of the Coffee industry to create a non-profit organisation whose primary mandate is to promote coffee consumption in India and to generally promote the Indian coffee industry.

The idea of the trust originated in 2008 and formally commenced its operations in 2011. The major activities of the trust are to conduct the India International Coffee Festival jointly with the Coffee Board of India.

The five-day event will deliberate extensively on the theme 'The Changing face of coffee.'

"What is set to change is coffee drinking habit, which will be as much in-home as it is out of home today. The mandate of the India Coffee Trust and thereby of IICF has and is to increase not just the coffee drinking habit but to improve the awareness and interest in coffee. With this in mind, we have created interesting skill building workshops that will

impart knowledge in not just the way coffee is made and the processes involved,” Bhandari said.

The India Coffee Trust is also working towards demystifying coffee and dispel the myth that coffee drinking is bad, he said.

He said a programme to encourage entrepreneurs to take the coffee movement forward had also been planned. “In addition we have a stellar panel for the international conference, the latest in equipment and machinery at the international expo, events around the theme of coffee to foster alliances and partnerships, which will also provide opportunities to meet the best from the world of coffee,” he said.

Sugar down 0.4% on weak demand, ample supply

[Sugar](#) prices declined 0.40% to Rs 2,747 per quintal in futures trade today as speculators reduced their positions, driven by a weak demand in the spot market against ample supplies.

At the [National Commodity and Derivatives Exchange](#), sugar for delivery in February declined by Rs 11, or 0.40%, to Rs 2,747 per quintal with an open interest of 18,300 lots.

The sweetener for delivery in March also shed Rs 8, or 0.29%, to Rs 2,753 per quintal in 19,000 lots.

Analysts attributed the decline in sugar futures to a weak demand in the spot market against ample supplies.

Palm oil up 0.5% on spot demand

[Crude palm oil](#) prices moved up by 0.57% to Rs 533 per 10 kg in futures market today as speculators indulged in creating fresh positions after pick up in demand in the spot market.

At the [Multi Commodity Exchange](#), crude palm oil for delivery in January moved up by Rs 3, or 0.57%, to Rs 533 per 10 kg in a business turnover of 55 lots.

Similarly, oil for delivery in February edged up by Rs 2.30, or 0.44%, to Rs 528 per 10 kg in 55 lots.

Analysts said speculators indulged in creating fresh positions after pick up in demand in the spot market which mainly led to rise in crude palm oil prices at futures trade.

Chana down 0.2% on increased supply

[Chana](#) prices declined 0.20% to Rs 3,032 per quintal in futures trade today as participants trimmed positions, triggered by increased supplies from producing regions against subdued demand in spot markets.

At the National Commodity and Derivative Exchange, chana for delivery in January declined

by Rs 6, or 0.20%, to Rs 3,032 per quintal with an open interest of 4,680 lots.

Similarly, the commodity for delivery in February traded lower by Rs 5, or 0.16%, to Rs 3,070 per quintal in 87,090 lots.

Analysts said trimming of positions by participants, triggered by increased supplies from producing regions against subdued demand in the spot market, mainly kept pressure on chana prices at futures trade.

Soyabean up 1% on global cues

[Soyabean](#) prices rose Rs 40.50 to Rs 3,802 per quintal in futures trade today on increased buying by speculators in tandem with firm global and domestic markets sentiments.

Marketmen said increased buying against restricted supply in domestic markets and a firming trend in overseas markets mainly supported the uptrend in futures trading.

At the [National Commodity and Derivatives Exchange](#), soyabean prices for January contract advanced by Rs 40.50, or 1.08%, to Rs 3,802 per quintal, with an open interest of 9,600 lots.

Near February contract gained Rs 36.50, or 0.99%, to Rs 3,736 per quintal, clocking an open interest of 1,01,220 lots.

Most active March contracts rose Rs 35.50, or 0.97%, to Rs 3,695 per quintal, having an open interest of 1,09,200 lots.

Potato up 0.6% as demand picks up

[Potato](#) prices rose by 0.64% to Rs 1,034.50 per quintal in futures trading today following pick up in demand in the spot market against restricted arrivals from producing belts.

At the [Multi Commodity Exchange](#), potato for delivery in April rose by Rs 6.60, or 0.64%, to Rs 1,034.50 per quintal in business turnover of 72 lots.

The potato for delivery in March also moved up by Rs 4.80, or 0.47%, to Rs 1,029 per quintal in 124 lots.

Analysts said pick up in demand in the spot market against restricted arrivals from producing regions mainly led to rise in potato prices at futures trade.

Cardamom up 0.3% on spot demand

[Cardamom](#) prices were up by 0.35% to Rs 736 per kg in futures market today due to rise in demand in the spot market amid tight supplies from producing belts.

At the [Multi Commodity Exchange](#), cardamom for delivery in March rose by Rs 2.60, or 0.35%, to Rs 736 per kg in business turnover of 29 lots.

In a similar fashion, spice for delivery in February gained Rs 1.80, or 0.26%, to Rs 707 per kg in 168 lots.

Market analysts said besides rise in demand in the spot market, tight supplies from producing regions mainly helped cardamom prices to trade higher at futures trade.
