

KARNATAKA

Buoyed by good rain, farmers begin kharif cultivation



Good pre-monsoon rain across the district has enabled farmers to begin cultivation for the kharif season.

The district received excess rainfall in May.

The average rainfall was 99.8 mm, as against the district average normal rainfall of 69.3 mm.

The highest rainfall was recorded in Hadagali taluk (154 mm) while the lowest was recorded in Sirguppa taluk (55.4) mm. Sandur taluk received 152.2. mm of rainfall; Bellary taluk, 112 mm; Hagari Bommanahalli, 84.2 mm; Hospet, 100 mm; and Kudligi received 83.2 mm of rain.

The good spell of pre-monsoon showers, which was by and large widespread, has set in motion the agricultural operations like ploughing, applying organic manure, procuring agricultural inputs like seeds and fertilizers.

The target for kharif cultivation has been fixed at 3.74 lakh hectares – 2.26 lakh ha of rain-fed land and 1.47 lakh ha with irrigation cover.

Paddy, jowar, maize, groundnut, sunflower and cotton are among the major kharif crops in the district.

Of the total area, cereals are cultivated on 2.23 lakh ha, pulses on 0.16 lakh ha, oil seeds on 0.87 lakh ha and commercial crops (mostly cotton) on 0.47 lakh ha.

As of now, sowing, particularly cotton, has started on 1,011 ha in areas with borewell irrigation facilities.

The sowings in rain-fed area is yet to begin and the farmers were waiting for one more bout of rain.

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- *Paddy, jowar, maize, groundnut, cotton are major crops*
 - *Target for kharif cultivation fixed at 3.74 lakh hectares*
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KARNATAKA

BIJAPUR,

Farmers have plenty to smile about

Rs. 33.52 crore as compensation for those with crop damage



The spell of rains also helped the farmers prepare the ground for sowing

Deputy Commissioner, Ritvik Ranjan Pandey, said that the government had granted Rs. 33.52 crore for compensation to the farmers whose crop were damaged in the untimely rain in February and March early this year.

Chairing the review meeting, of agriculture and drinking water at his office here on Thursday, he directed the officials concerned to prepare the list of beneficiaries and disburse the compensation.

Joint director of the agriculture department, Manjunath, who was present at the meeting, said that according to the meteorological department the monsoon is expected to hit between June 7 and 8. The district had received good spell of rains which has enabled the farmers to prepare the grounds for sowing.

The department set a target of 4.5 lakh hectare sowing in the kharif season. The department procured adequate quantity of seeds and fertilisers and stored them at various Raita Samparka Kendras of the district.

Mr. Pandey said that some 79 drinking water supply units were to be given electricity connection in the district. He directed the officials of Hescom to complete the work within a week.

He said that one goshala each at Halagunaki, Inchageri and Tadawalaga had been set up where nearly 250 cattle had been given shelter, fodder and water.

As of now, the district has 164302 tonnes of fodder which would last for about 19 weeks, he said.


ZP CEO, K. B. Shivakumar, Additional Deputy Commissioner, Kavita Mannikeri and officials of various departments were present.

ANDHRA PRADESH

KARIMNAGAR

Ensure supply of seeds to farmers

STAFF REPORTER

KHARIF PLANS	Additional Joint Collector and Joint Director (agriculture) asked to visit at least six mandals daily to oversee the distribution of seeds and fertilizer to the farmers
	District administration makes a request to the government for supply of 14,37,960 packets of cotton seeds
	Officials told to maintain a stock of 5,000 quintals of maize seeds, 9,500 quintals of soyabean, 750 quintals of green gram, 150 quintals of red gram
Administration has a stock of 51,330 quintals of fertilizers and it already received 3,32,814 packets of cotton seeds	

With the kharif season round the corner , Collector M Veerabrahmaiah had instructed the agricultural officials to reside at their respective places of posting and ensure that the seeds, fertilizer and crop loans were distributed properly on time to the farming community.

At a review meeting with the agricultural officials here on Thursday, the Collector warned the Agricultural Department officials of stern action if they failed to be at their respective places of posting. He also instructed the Additional Joint Collector and Joint Director (agriculture) to visit at least six mandals daily to oversee the distribution of seeds and fertilizer to the farmers. He also told the authorities to alert him if they noticed any problem in the mandals.

Asserting that there would be no shortage of seeds and fertilizer for the khariff season, he said that the district administration had made a request to the government for the supply of 14,37,960 packets of cotton seeds. He said that they had already received 3,32,814 packets of cotton seeds. They have also decided to keep stocks of 5,000 quintals of maize seeds, 9,500 quintals of soyabean, 750 quintals of green gram, 150 quintals of red gram. He also said that they have 51,330 quintals of fertilizers stock.

With regard to the crop loans, he said that they had decided to distribute 1,650 crore loans during this season. He directed the authorities to ensure that the target crop loans

distribution was achieved in time. Additional Joint Collector T Sambaiah, JD (agriculture) Prasad, AP Seeds district manager Kondal Reddy.

ANDHRA PRADESH

KARIMNAGAR

Farmers protest against shortage of soyabean seeds

STAFF REPORTER

Buoyed over the good market support price and good yield in short duration, the farmers of Karimnagar district have started shifting cultivation from the traditional cotton, maize and pulses to the soyabean crop during the khariff season.

However, the short supply of subsidized soyabean seed had forced the farmers to come on to the roads and stage dharnas in front of distribution centres in Jagtial sub-division. The farmers have staged rasta roko and dharna in Metpally town on Thursday due to shortage of soyabean seed. Similarly, the farmers were up in arms against the authorities for failure to supply of adequate soyabean seed in Korutla, Ibrahimpatnam, Raikal, Mallapur mandals also.

In 2011, the soyabean was cultivated only in 2,000 hectares. During this khariff, the soyabean cultivation it is likely to cross 20,000 hectares following the demand among the farming community for rich dividends at less investment. The farmers were getting Rs 3,000 per quintal.

KERALA

KALPETTA

KVASU, Forest Department sign MoU

STAFF REPORTER



For collaboration:G. Harikumar, Principal Chief Conservator of Forests and Chief Wildlife Warden, and B. Ashok, Vice-Chancellor, Kerala Veterinary and Animal Sciences University, exchange a Memorandum of Understanding for collaboration in wildlife welfare, education, and research, at the university at Pookode in Wayanad district on Thursday.

: The Kerala Veterinary and Animal Sciences University (KVASU) and the Kerala Forest Department on Thursday signed a Memorandum of Understanding (MoU) for collaboration in wildlife welfare, education and research. The MoU, signed by G. Harikumar , Principal Chief Conservator of Forests and Chief Wildlife Warden, and B. Ashok, Vice-Chancellor, KVASU, envisages collaboration in various aspects of wildlife science such as ensuring mutual co-operation in training and research requirements on both sides, teaching of M.S. (Wildlife Studies) students and meeting the training requirements of the Forest Department, co-operation in the mitigation of man-animal conflict, and co-operation in wildlife forensics.

Prof. Ashok said the university had already established collaboration with organisations such as the Kerala Forest Research Institute; University of Edinburgh, UK; and University of Calgary, Canada, for student training and research.

The MoU with the Forest Department is another major step, through which KVASU looks forward to provide better exposure to students in wildlife-related issues, improve opportunities for applied research in issues faced by the Forest Department and collaborate in long-term and short-term training of Forest Department personnel, he said. “This is a historic moment for our university’s wildlife mission,” Dr. K.P. Sreekumar, Registrar, KVASU said. Moreover, the expertise and infrastructure of the varsity would be available for meeting the day-to-day management and training needs of the Forest Department.

TAMIL NADU

SALEM

Five lakh flowers to attract tourists

STAFF REPORTER

Yercaud Flower Show to be held on June 7 and 8

“The 39th Yercaud Flower Show has been organised on the 7th and 8th of June. More than five lakh colourful flowers that are getting ready for this grand two-day event

is expected to attract over 50,000 tourists from Salem and nearby districts,” Collector K. Maharabushanam told newsmen here on Thursday.

Meeting

He said this after chairing a meeting with heads of various government departments on the arrangements to be made for the flower show.

“Twenty-five different varieties of flowers have been grown in about 20,000 pots for the show. This is in addition to the cut flowers bought from Mysore and Bangalore for the floral arrangements, taking the total number of flowers for the festival to more than five lakh,” he said.

Other highlights of the festival are the dog show, boat race for tourists, healthy baby competition, traditional food festival, horse riding and cultural programme to entertain the tourists. The Collector said that food at subsidised rates has also been arranged to benefit tourists from financially backward families.

Entry fee

“An entry fee of Rs. 20 has been fixed for adults and Rs. 10 for children.

Elaborate parking arrangements have been made on the premises of the Botanical Garden and the Tissue Culture Park.

The parking fee in the spots has been reduced from the regular charge of Rs. 40 to Rs. 10 for the festival,” he said.

People of Salem have expressed concern over flower show being organised after the schools have reopened. “It would have been better if it was organised during summer vacation for children,” parents said.

Responding to the request, the Collector said that this year, too, the event would be a crowd-puller as it is organised in the weekend.

Superintendent of Police R. Sakthivel said that elaborate security arrangements have been made to regulate traffic, as thousands of vehicles are expected to climb the hills for the show.

Elaborate parking arrangements made, says Collector

KERALA

THRISSUR

Artificially ripened mangoes seized

STAFF REPORTER

The police on Thursday raided a fruit godown at Sreenarayanapuram and seized about 800 kg of mangoes artificially ripened with calcium carbide.

The mangoes were procured and stored by a wholesale fruit dealer Pathiyassery Kuzhikandathil Basheer. He told the police that the mangoes were procured raw from Tamil Nadu and artificially ripened.

They were intended to be distributed in different parts of Palakkad and Thrissur. A police party led by Mathilakam sub-inspector M.K. Ramesh led the raid. The seized mangoes were destroyed after tests conducted in the presence of Health officials.

TAMIL NADU

THANJAVUR,

'Increase cultivation area'

SPECIAL CORRESPONDENT

Additional Director of Agriculture Shankaralingam has said that the Agriculture Department officials and farmers should try to increase cultivation area and improve production.

In a field visit he saw pulses cultivated in Regunathapuram and Umayalpuram areas in Papanasam taluk. Farmers have raised ADT 5 black gram in these areas. He saw red gram cultivation in Ammapettai area.

Later, he held discussions with officials at the collectorate. He said that Tamil Nadu Government's aim is to increase agriculture production.

N. Subbaiyan, Thanjavur District Collector, said that cultivated area should be shown in Jamabandhi by farmers. Sekar, Joint Director of Agriculture, participated in the meeting.

ANDHRA PRADESH

MACHILIPATNAM

Officials arrange B.T. Cotton seed for sale

STAFF REPORTER

The department of agriculture has arranged 60,000 B.T. Cotton seed packets for the coming Kharif season in Krishna district.

The seed would be sold through private shops across the district, according to Agriculture Department Joint Director V. Narasimhulu. The outlets of private companies which would sell the cotton seed are including Mahico, Nuziveedu, Kaveri, Tulasi and Ajit. However, the state government has sanctioned a total of above four lakh B.T. Cotton seed packets to the Krishna district.

The farmers cultivating cotton in upland areas in the district are advised to make necessary arrangements for the Kharif season.

A 450 grams of B.T.- 1 variety packet is priced Rs. 830 and B.T.-11 variety is Rs. 930.

Water level

Mettur

The water level at Mettur dam stood at 37.83 feet on Thursday against its full reservoir level of 120 feet. The inflow was 2,145 cusecs and the discharge 500 cusecs.

Chennai

Chennai - INDIA

Today's Weather



Sunny

Friday, May 30

Max Min
35° | 28°

Rain: 0

Humidity: 71

Wind: normal

Sunrise: 05:41

Sunset: 06:31

Barometer: 1006

Tomorrow's Forecast



Partly Cloudy

Saturday, May 31

Max Min
37° | 28°

Extended Forecast for a week

Sunday Jun 1	Monday Jun 2	Tuesday Jun 3	Wednesday Jun 4	Thursday Jun 5
37° 28°	36° 27°	34° 27°	34° 27°	36° 27°
Partly Cloudy	Sunny	Partly Cloudy	Partly Cloudy	Partly Cloudy

Airport Weather

Delhi

Delhi

Rain: 0

Sunrise: 05:24

Humidity: 28

Sunset: 07:13

Wind: normal

Barometer: 1002



Business Standard

Maha would post 10% agricultural growth: Prithviraj Chavan



Maharashtra Chief Minister Prithviraj Chavan on Thursday said though the climate change was leading to rise in the natural calamities, the agricultural production of the state would be increased to achieve the target of 10 per cent growth.

"We can achieve this with the hard work of the farmers and the use of modern technology," Chavan said, addressing akharif season preview meeting here.

Around 1.5 lakh hectares of land in Maharashtra is under kharif cultivation, the Chief Minister said.

Meetings held by guardian ministers in their respective districts prior to the start of the season had been fruitful, Chavan noted.

He blamed the climate change for drought and other natural calamities that have hit the state in the recent years. "In last one year, Maharashtra faced a drought, hailstorms and excessive rains," he said.

Financial assistance of Rs 6,635 crore had been given to farmers so far in the last one year, the Chief Minister said.

"This year there is a prediction of deficient monsoon. Therefore the government's focus would be on ensuring availability of fertilisers, seeds, farm credit and electricity," he said.

Thanks to effective monitoring, some 10,000 persons forfeited licenses after they were found to be involved in black-marketing of fertilisers and seeds, he said.

The state agriculture minister Radhakrishna Vikhe-Patil said the recent hailstorms affected 40 lakh hectares of cultivated land in Maharashtra, and yet the agricultural production was on the rise.

Tobacco may attract higher taxes



Union Health Minister Harsh Vardhan plans to regulate the sale of tobacco. He said he would soon propose higher taxes on tobacco products to discourage consumption, ahead of World No Tobacco Day, on May 31. The move comes in the wake of increasing disease burden due to the use of tobacco products.

“It makes perfect economic sense to regulate the use of tobacco in order to achieve the goal of controlling non-communicable diseases in India. Tobacco use is a preventable risk factor for major diseases and the resultant economic consequences,” Vardhan said, while releasing a report on the economic burden of tobacco in India.

The report, Economic Burden of Tobacco Related Diseases in India, developed by the Public Health Foundation of India (PHFI), highlighted how tobacco use and the associated costs put enormous economic burden on the nation. It showed that during 2011, the total economic cost from all diseases attributable to tobacco use was estimated at a staggering Rs 1,04,500 crore. This is 1.16 per cent of gross domestic product and 12 per cent more than the combined state and Central government expenditure on health care during the year. The total central excise revenue from all tobacco products combined in

the same year was estimated at 17 per cent of the total economic cost of tobacco, it stated.

SMOKE IN AIR

Figures are for 2011

Total economic cost attributable to tobacco use from all diseases: Rs 104,500 crore

Direct medical costs of tobacco attributable diseases annually: Rs 16,800 crore

Annual indirect morbidity cost due to tobacco use: Rs 14,700 crore

Annual Cost from premature mortality due to tobacco use: Rs 73,000 crore

The report, supported by the health ministry and the World Health Organization (WHO), recommended a comprehensive tobacco control policy to ensure the government takes a holistic view so that policies of the other departments are similarly aligned. The report also recommended a tobacco taxation policy and prohibition of manufacturing and sale of all forms of smokeless tobacco products.

According to the report, massive direct medical costs of tobacco-attributable diseases amount to Rs 16,800 crore and associated indirect morbidity cost of Rs 14,700 crore. The cost from premature mortality is Rs 73,000 crore, indicating a substantial productive loss to the nation.

Cardiovascular diseases shared the highest burden of direct medical and indirect morbidity costs on account of tobacco use, followed by respiratory diseases, tuberculosis and cancer. “A tax increase that raises prices of tobacco products by 10 per cent is estimated to reduce tobacco consumption by four to five per cent,” WHO representative in India, Nata Menabde, said, emphasising that “raising taxes is one of our strongest weapons” to fight tobacco use and this is what the WHO Framework Convention on Tobacco Control mandates.

MP plans to incentivise kharif onion crop



To address the shortage of onions after the monsoon season, the Madhya Pradesh government is readying a plan to incentivise cultivation this kharif season. Every year, there is a shortage of onions during the monsoon and post-monsoon periods.

“This year, we plan to cover at least 5,000 hectares under the kharif onion crop. This will not only meet the shortage of onion, but also ensure better returns to farmers,” Anurag Srivastava, horticulture commissioner, Madhya Pradesh, told Business Standard.

The state is the second-largest producer of onions, after Maharashtra. Last year, Madhya Pradesh produced 2.8 million tonnes (mt), while Maharashtra produced 5.8 mt, according to National Horticulture Research and Development Foundation data. Gujarat produced 1.8 mt, while production in Karnataka stood at 1.6 mt.

Across the country, onion cultivation is spread across four seasons—early kharif, kharif, late kharif and rabi. Last year, a deficient monsoon and delay in crop arrivals had led to onion prices touching Rs 100 a kg in retail markets. The India Meteorological Department has predicted this year, the El Niño weather phenomenon will hit the monsoon.

Madhya Pradesh also plans to create additional storage capacity for the onion crop. “The structure will be called ‘naturally ventilated storage’; it will provide enough storage space for onions, with a shelf life of six-seven months,” Srivastava said.

Capacity of 50 tonnes will involve an investment of Rs 3.4 lakh, while that for 25 tonnes will require Rs 1.75 lakh. “Madhya Pradesh has already abolished fruits and vegetables from the mandatory Agriculture Produce Market Act. Thus, farmers are allowed to sell their produce in the open market, without legal barriers,” Srivastava said.

In Madhya Pradesh, the onion crop is primarily grown in the Malwa, Sagar and Damoh regions. The area under cultivation is 111,000 hectares, while the yield is 24 tonnes a hectare.

In Madhya Pradesh's Indore mandi, onion is being quoted at Rs 5-7 a kg, while in Maharashtra's Lasangaon mandi, it is priced at about Rs 10 a kg.

Dairies should invest more in milk procurement: Study



Dairy companies are targeting smaller cities, as consumption of milk products, especially processed products such as cheese and packaged baby food, is on the rise in these regions. With the increase in demand, focus on upstream linkages for milk procurement is becoming crucial, Rabobank has said in a report on the Indian dairy sector.

"The profitability of milk processors could rise if they also invest in procuring milk, rather than just investing on processing, as this is also a necessary aspect for these companies," the report said.

Through the past five years, the organised dairy sector has seen value growth of 15 per cent a year, while processed milk products have seen growth of 20-25 per cent, according to Rabobank's estimates. Though retail prices of dairy products have increased, this hasn't had an impact on demand for dairy products, which is constantly on the rise, the report shows.

Milk processors that own sourcing centres in villages (they don't depend on intermediaries) have shown good performances. Such processors take care of cattle needs, providing them feed and health care services, which leads to better ties between

the company and the farmers concerned, the report says. It also helps fetch better realisation/litre of raw milk, it added.

"There is scope for tier-I processors to further improve their performance by focusing on milk sourcing. It is also critical for tier-II processors that target tier-I levels of returns to invest in procurement to secure raw milk," Rabobank said.

Processors that depend on sourcing milk from intermediaries end up paying higher prices for raw milk; also, the quality of the milk might be sub-standard.

Kuldeep Saluja, managing director of Sterling Agro, said, "Currently, we procure 1.1 million litres a day from farmers directly. But we plan to move towards procuring more from them, as this will not only save us costs, but also ensure better quality." He, however, pointed out while Sterling planned to increase direct procurement, it would always procure a portion of its milk requirement (about 25 per cent) from intermediaries, as this was more a just-in-time set-up, and handy in lean seasons.

Vipin Gupta of Karnal Milk Foods said, "We are setting up a new plant in Uttar Pradesh that will process milk. Also, we will steadily increase our direct procurement."

"In 2013, skimmed milk powder exports were at a record high, which caused competition for raw milk procurement to increase between skimmed milk powder producers and liquid milk marketers. In 2013, raw milk prices saw an increase of 20-25 per cent in key milk-producing states, compared with 10-15 per cent the previous year," said Shiva Mudgil, senior analyst at Rabobank.

Sourcing of good milk has become a concern for dairy players, as small and marginal farmers account for 70-80 per cent of the total milk production. These farmers have small land holdings and, therefore, smaller herds of cattle. Owing to this, providing good feed and animal care for such cattle remain challenges.

A shift from the unorganised milk procurement channel to an organised one will be slow, feels Rabobank. It estimates organised milk procurement at 24 per cent of the total pie and expects this to increase to 34 per cent through the next five years.

Potato futures down 0.76% on weak demand



Potato prices fell by 0.76% to Rs 1,314.50 per quintal in futures trade today as speculators offloaded positions on weak trend in spot markets.

At the Multi Commodity Exchange, potato for June delivery fell by Rs 10.20, or 0.76%, to Rs 1,314.50 per quintal, with a business volume of 52 lots.

Similarly, potato for delivery in May traded lower by Rs 5.20, or 0.40%, to Rs 1,270 per quintal, with a trade volume of seven lots.

Marketmen said the fall in potato prices was mostly due to subdued demand in the spot markets.

Chana down 1% on profit-booking



Chana prices fell by 1% to Rs 2,867 per quintal in futures trading today as speculators booked profits amid higher supplies in spot markets.

At the National Commodity and Derivative Exchange, chana for delivery in July fell by Rs 29, or one%, to Rs 2,867 per quintal, with an open interest of 1,09,380 lots.

Similarly, the commodity for delivery in June declined by Rs 27, or 0.95%, to Rs 2,798 per quintal, with an open interest of 98,890 lots.

Traders said besides profit-booking by speculators, ample stocks following higher supplies against subdued demand in the spot markets, mainly led to the fall in chana prices at futures trade.

Sugar down 0.5% on subdued demand, higher supply



Sugar prices fell 0.57% to Rs 2,986 per quintal in futures trading today as speculators indulged in reducing positions on the back of subdued demand from bulk consumer in the spot markets.

Furthermore, adequate stocks following higher supplies from millers also put pressure on the prices of the sweetener.

At the National Commodity and Derivatives Exchange, sugar for delivery in June declined by Rs 17, or 0.57%, to Rs 2,986 per quintal with an open interest of 41,920 lots.

In a similar fashion, the sweetener for delivery in July shed Rs 10, or 0.34%, to Rs 2,966 per quintal in 25,140 lots.

Analysts said apart from sluggish demand from bulk consumers in the spot markets, higher supplies from millers mainly led to the fall in sugar prices at futures trade.

Cardamom down 1.1% on sluggish demand



Cardamom continued its losing streak for the third-straight day as prices fell further by 1.15% to Rs 912.20 per kg in futures trade today on reduced positions by speculators amid a weak trend in spot markets.

At the Multi Commodity Exchange, cardamom for delivery in June fell by Rs 10.60, or 1.15%, to Rs 912.20 per kg in a business turnover of 413 lots.

In a similar fashion, the spice for July contract shed 30 paise, or 0.03%, to Rs 913.50 per kg in 142 lots.

Analysts said weak trend in spot market on subdued demand against adequate stocks position kept pressure on cardamom prices to surrender further ground at futures trade.

Rally in palm oil prices unlikely for now

Palm oil prices have been under pressure for nearly three months now despite forecasts of a price spike by some analysts. The market has actually dropped 5 per cent to the current level of Malaysian ringgit 2,500 a tonne. Where's the market headed?

In the near term, palm oil fundamentals are turning weak. Rising production at the origins (mainly Indonesia and Malaysia) with the onset of peak season, weak demand at destination markets and expanding inventory at the origins have combined to weaken the outlook in the near-term. Additionally, abundant supply of soft oils – soya, rape and sun oils – compete for market share and putting pressure on palm oil.

In Malaysia and Indonesia many plantation companies are reporting an increase in production to the extent of 10-12 per cent as the palm oil trees move to the peak of biological up-cycle which is likely to continue till October. This is despite dry conditions prevailing early this year.

Soya poses a risk

Additional risk factor for palm oil market is the anticipated surge in soyabean production in the northern hemisphere, especially in the US, in the coming months. The US is forecast to harvest 99 million tonnes soyabean this year, up from 89 million tonnes last year. At the same time, demand outlook is weak because China has built huge stocks and Brazil is holding inventories beyond what is normal in the export season beginning March. Abundant supply of canola oil in Canada is also creating supply pressure. The discount between palm and other oils has narrowed to about \$80 a tonne from the historical average of \$150 a tonne, triggering demand substitution. At the expense of palm oil, demand is moving to other oils. If further loss of market share in crude palm oil has to be avoided, its prices have to drop to more attractive levels. On current reckoning, a further 5 per cent fall from current levels to less than ringgit 2,400 a tonne is foreseeable for the next quarter beginning July.

El Nino effect

Edible oil consumption demand during summer months – May to August – is traditionally weak. This year Ramadan starts in July, yet, hot weather will retard

consumption growth. The biggest upside risk to palm oil prices is the El Nino. But to be sure, at this point in time, it is unclear when exactly and with what intensity El Nino will strike.

In any case, the adverse effect of El Nino, if any, on palm oil production will be felt only from mid-2015. No wonder, in the near-term, there is no weather premium.

At the same time, if inventories build rapidly at the origins, there may be panic selling later, especially if soft oil supplies continue strongly.

In the event of a mild El Nino, the impact on crude palm oil production will be less. Given the abundant current and potential supplies of soft oils, crude palm oil prices may fall.

However, if the El Nino impact is severe, crude palm oil supplies will be affected and prices will outperform other oils. So, it would take no less than three quarters before palm oil market can rally, provided El Nino curtails supply growth.

Cloves to lose zing on higher output

Global production of the spice is likely to be higher than last season



Africa Studio/shutterstock

Global clove prices are likely to ease soon as the upcoming crop in all producing countries will be higher than last season.

Harvesting has begun in Comoros and the crop is due to hit the market over the next few days. Madagascar, Zanzibar, Brazil and Sri Lanka are also estimated to have comparatively good crop, market sources told *Business Line*.

This year, Indonesia's crop is estimated to be between 80,000 and 90,000 tonnes.

It is expected to be fully absorbed by local cigarette companies there, sources said. Comoros production is projected at 3,000 tonnes. Sri Lanka, where the crop was small last year, will harvest a bumper crop this year while the output in Madagascar, Zanzibar and Brazil is pegged at 15,000 tonnes, 3,000 tonnes, and 2,000 tonnes, respectively.

According to traders, India needs 10,000 tonnes a year, but this year imports have been lower because of the high rupee-dollar exchange rate.

As prices in the international markets are in the range of \$12,000-13,000 a tonne, traders said that if the exchange rate dropped to Rs. 53 a dollar, imports of cloves might become viable.

Much of the domestic demand is met by imports as Indian production is constantly between 1,500 and 2,000 tonnes.

Unfavourable weather conditions, high input costs coupled with shortage of labour for harvesting have been dissuading farmers in recent years.

Prices in Kumily (Kerala) and Nagercoil (Tamil Nadu) are in the range of Rs. 940-1,150 a kg, trade sources in Kumily said.

Selling drags edible oils

A negative trend was witnessed in the edible oils market on Thursday.

In the spot market, prices of edible oils declined by Rs. 1-10 for 10 kg as per variety due to higher selling pressure amid lack of demand.

Sources said that on the Bombay Commodity Exchange (BCE), groundnut oil dropped by Rs. 10 tracking sharp decline in Saurashtra market. Sunflower, rapeseed and palmolein also declined by Rs. 5, Rs. 1 and Rs. 2 each. Soyabean and cotton refined oil ruled steady.

During the hardly 80-100 tonnes of palmolein was resold at Rs. 568-569. Liberty was quoting palmolein at Rs. 575, super palmolein Rs. 590 and soyabean refined oil Rs. 665. Ruchi was quoting palmolein at Rs. 575. Allana was quoting palmolein for Rs. 572/575 ex JNPT/Khapoli, soyabean refined oil Rs. 667 and sunflower refined oil Rs. 670.

Resellers were offering palmolein at Rs. 568 ex JNPT. Mewah quoted palmolein at Rs. 573 and super palmolein Rs. 583.

In Saurashtra, groundnut oil *Telia* tin declined to Rs. 1,170 (Rs. 1,175) and loose (10 kg) dropped to Rs. 680 (Rs. 695). BCE spot rates (Rs. /10 kg): groundnut oil 740 (750), soya refined oil 660 (660), sunflower exp. ref. 580 (580), sunflower ref. 660 (665), rapeseed ref. oil 674 (675), rapeseed expeller ref. 644 (645) cottonseed ref. oil 650 (650) and palmolein 570 (572).

Range-bound trading likely in rice market



The rice market is likely to continue witnessing a range-bound trend in the coming days, said market experts.

In the physical market, Pusa-1121 (steam) sold at Rs. 9,200 , while Pusa-1121 (sela) quoted at Rs. 7,500 a quintal.

Pure Basmati (raw) was Rs. 12,300. Duplicate basmati (steam) sold at Rs. 7,200. Pusa-1121 (second wand) was at Rs. 7,200, Tibar at Rs. 6,100 while Dubar at Rs. 5,250 a quintal.

In the non-basmati section, Sharbati (steam) sold at Rs. 4,700 while Sharbati (sela) quoted at Rs. 4,250. Permal (raw) sold at Rs. 2,300, Permal (sela) at Rs. 2,400, PR-11 (sela) was sold at Rs. 2,600 while PR-11 (raw) at Rs. 2,650. PR14 (steam) sold at Rs. 2,850 a quintal.

Prices of aromatic and non-basmati rice varieties were unchanged on Thursday despite lukewarm trading.

Restricted trading in the market kept prices unchanged, said Amit Kumar, proprietor of Ginni Rice. Following steady domestic demand and easy availability of stocks, retail and bulk buyers are placing orders based on their requirement, he said.

According to trade experts, the market could only see hand-to-mouth buying and prices may continue to rule around the current levels with nominal fluctuation over the next few days.

55% turmeric unsold in Erode

Spot turmeric prices decreased further in Erode markets on Thursday on the back of poor quality arrivals. Over half of the 2,600 bags that arrived found no takers.

“Because of the downward spiral in prices, farmers brought only 2,600 bags on Thursday. Of this, only 45 per cent was sold. A major portion was bought by stockists. Traders purchased limited stock as they have not yet received reasonable demand from North India,” said RKV Ravishankar, President, Erode Turmeric Merchants Association.

He said that traders in Erode are buying limited but quality stock for supply to a few merchants in North India to fulfil their commitments. On Thursday, due to arrival of poor quality hybrid finger turmeric, the price decreased by Rs. 400 a quintal. Similarly, other turmeric varieties were down Rs. 200-300. At the Erode Turmeric Merchants Association, the finger turmeric was sold at Rs. 4,279-6,339 a quintal; the root variety Rs. 3,799-5,934.

Salem Hybrid: The finger variety was sold at Rs. 5,755-6,466 and the root variety Rs. 5,515-6,055. Of the 887 bags that arrived, 176 were sold.

Onset of monsoon delayed

Onset of the South-West Monsoon over the Kerala coast may not happen until June 5 since south-westerly winds are not seen rustling up enough speed anytime closer.

The monsoon has missed the May-25 timeline even at the penultimate pit-stop of Sri Lanka. The onset there may not materialise until June 4 if wind speed projections are anything to go by. The India Met Department had given the likely onset date of June 5 for the onset over Kerala with a model error of four days on either side of the median.

Wind speed projections as on Thursday clearly rules out the rains breaking out anytime before June 5. The 'onset window' for Kerala will now open after June 5 when monsoon would have established well over Sri Lanka.

Meanwhile, summer showers continued to lash parts of north-east India, east India and the eastern coast even as a causative low-pressure area over land died out.

The core heat has shifted from the east to north-west India spread over Rajasthan, Gujarat and west Uttar Pradesh. This major monsoon enabler, however, stands the threat of again being undermined sooner.

THE TIMES OF INDIA

Bastar's farmer to grow organic herbs in Ethiopia

RAIPUR: A farmer from Chhattisgarh's tribal Bastar is all set to venture into African nation Ethiopia for taking up organic herbal farming for an Rs 2,000 crore project funded by a UAE based company.

Rajaram Tripathi, an amiable former banker based in Kondagaon, currently runs a cooperative that grows medicinal herbs and employs over 300 tribal women in Bastar region. "We will begin plantation initially on 10,000 acres of land by September-October this year and gradually spread it to 10,000 hectares acquired on long term lease near Awassa, a town located about 110km from capital Addis Ababa," he said.

Rajaram Tripathi said his Ma Danteshwari Herbal Group has signed a MoU with UAE based Lootah Group of Companies to start organic farming of indigenous herbs, specially focused on endangered species. "Our team has identified 28 herbs that could be cultivated and marked globally," he added.

A team from Ma Danteshwari group, named after tribal Bastar's famous Goddess Devi Danteshwari, will take care of master management through its expertise, technology transfer for organic farming, plants, saplings and other materials, employing local people from Ethiopia. The UAE based group, which already has coffee plantations in the region, would provide marketing support for the venture besides funding it.

Tripathi said they would cultivate high value plants, including several herbs of aromatic and medicinal values. Primary processing of the products would be carried out at

Awassa.

"We have found that the climatic conditions and land fertility in Ethiopia are conducive. In India, it's difficult to get such a vast tract of land for any project, including for farming, as land has always been an issue linked with sentiments," Tripathi said.

Quitting his job as a rural bank officer in 2001, Tripathi took up herbal farming on more than 1,000 acres of land in Kondagaon and later moved on to focus on organic herbal farming.

A recipient of the prestigious Earth Hero Award 2012, instituted by Royal Bank of Scotland for biological diversity, Tripathi said organic fertilizers made of farm waste, including leaves and cow dung are used in his farming. Ma Danteshwari herbal group, comprising tribal families, has an herbal food supplement production unit and markets its produce with the help of Central Herbal Agro Marketing Federation of India.

Post a comment

Punjab Agricultural University students excel at all India level examination

LUDHIANA: Forty one students from College of Agriculture, Punjab Agricultural University (PAU), Ludhiana have qualified in the All India Entrance Examination in Agriculture (AIEEA-PG-2014).

A PAU spokesperson said that the test is conducted by Indian Council of Agricultural Research, New Delhi, for admission to various postgraduate programmes in agriculture and allied science at different State Agricultural Universities throughout the country. Dean, College of Agriculture, Harvinder Singh Dhaliwal informed that 11 students recorded rank between 1-100. Alka a student of 4th year B. Sc. (Honors) secured 4th rank at all India level, whereas Abilash and Satnam Singh secured 34th and 37th rank respectively. Vice-chancellor, Baldev Singh Dhillon has congratulated the winners for bringing laurels to PAU.

THE ECONOMIC TIMES

Cardamom futures extend losses on sluggish demand



NEW DELHI: Cardamom continued its losing streak for the third-straight day as prices fell further by 1.15 per cent to Rs 912.20 per kg in futures trade today on reduced positions by speculators amid a weak trend in spot markets.

At the Multi Commodity Exchange, cardamom for delivery in June fell by Rs 10.60, or 1.15 per cent, to Rs 912.20 per kg in a business turnover of 413 lots.

In a similar fashion, the spice for July contract shed 30 paise, or 0.03 per cent, to Rs 913.50 per kg in 142 lots.

Analysts said weak trend in spot market on subdued demand against adequate stocks position kept pressure on cardamom prices to surrender further ground at futures trade.

Chana futures down 1% on profit-booking

NEW DELHI: Chana prices fell by 1 per cent to Rs 2,867 per quintal in futures trading today as speculators booked profits amid higher supplies in spot markets.

At the National Commodity and Derivative Exchange, chana for delivery in July fell by Rs 29, or one per cent, to Rs 2,867 per quintal, with an open interest of 1,09,380 lots.

Similarly, the commodity for delivery in June declined by Rs 27, or 0.95 per cent, to Rs

2,798 per quintal, with an open interest of 98,890 lots ..

Traders said besides profit-booking by speculators, ample stocks following higher supplies against subdued demand in the spot markets, mainly led to the fall in chana prices at futures trade.

Potato futures down 0.76% on weak demand

NEW DELHI: Potato prices fell by 0.76 per cent to Rs 1,314.50 per quintal in futures trade today as speculators offloaded positions on weak trend in spot markets.

At the Multi Commodity Exchange, potato for June delivery fell by Rs 10.20, or 0.76 per cent, to Rs 1,314.50 per quintal, with a business volume of 52 lots.

Similarly, potato for delivery in May traded lower by Rs 5.20, or 0.40 per cent, to Rs 1,270 per quintal, with a trade volume of seven lots.

Marketmen said the fall in potato prices was mostly due to subdued demand in the spot markets.