THE HINDU

Online edition of India's National Newspaper

Tuesday, August 31, 2010

Date:31/08/2010 URL: http://www.thehindu.com/2010/08/31/stories/2010083160690100.htm

---

Turmeric farmers in Erode district upbeat as price soars

S. Ramesh

Women engaged in cleaning turmeric.

ERODE: The area under turmeric cultivation in Erode district has almost doubled this year because of the high price it fetches in the market. Farmers have cultivated turmeric in over 9,500 hectares of land till date.

Normally turmeric is cultivated in about 5,000 to 6,000 hectares in the district.

Cultivation

“The price of the yellow spice has been hovering around Rs. 15,000 a quintal for the last few months. This has encouraged farmers to cultivate it in additional area hoping that the price will remain high throughout this year and the next. A majority of farmers with good water sources has taken to turmeric cultivation," horticulture officials said. The officials expect that the area under turmeric cultivation will cross 10,000 hectares this year.

"We expect at least 500 to 1,000 more hectares under turmeric cultivation this year," they added.

The Kodumudi block in the district alone has more than 2,000 hectares under turmeric. Other blocks, excluding Nambiyur, have 600 to 800 hectares under the crop.

The price of turmeric, an essential ingredient in every Indian kitchen, soared to an all time high of Rs. 15,500 a quintal in the Erode market, which is the second largest in the country after Sangli in Maharashtra, in May.

Change in crop

"Turmeric has made more farmers in the district rich. A sizeable number of banana growers has also switched over to turmeric this year," market sources said.

Traders, however, expressed little hope on the stability of the prices in 2011. "We cannot expect that the demand for turmeric will remain high in the next year too. If the supply is more, the prices will crash," they said.

Date:31/08/2010 URL: http://www.thehindu.com/2010/08/31/stories/2010083164611400.htm

---

NAC pares down its wish list on food security

Smita Gupta

Sonia-led council to present government with two options on foodgrains entitlements to consider before drafting bill

---

Resistance from government slows down process of drafting bill

Working Group's proposal highlights eight entitlements apart from an inclusive PDS

New Delhi: For the Sonia Gandhi-led National Advisory Council (NAC), drafting a Food Security Bill that will pass muster with the government is proving harder than it appeared at the outset. At the NAC's fourth meeting on Monday, informed sources said, Ms. Gandhi pointed out that the poor might wonder why the rich were being given the same entitlements — a comment that paved the way for the view that there should be a system of two prices/ differential entitlements.

It was, therefore, decided to present two options on entitlements for the government to consider before actually drafting the bill, as well as to secure official approval for the special provisions envisaged to take care of the nutritional requirements of the poorest of the poor. For, this, too, carries a huge price tag.

The first option, the sources said, was a uniform system of entitlements for a majority of the population, whereby 80 per cent of those living in rural areas and 33 per cent of those in urban India would be entitled to 35 kg of foodgrains at Rs. 3 a kg (per family) every month. The second option was a differentiated system, through which those living below the poverty line (pegged at 42 per cent) would get 35 kg per family every month at Rs. 3 a kg. In both scenarios, those who did not fall within the circle of the most vulnerable would be entitled to 25 kg of foodgrains every month at a price yet to be decided, possibly closer to the Minimum Support Price (MSP).

The decision to present these two options to the government emerged after National Food Security Working Group convener Harsh Mander made his presentation before the NAC on Monday. The Working Group's proposal also highlighted eight entitlements, apart from an inclusive and enhanced Public Distribution System (PDS), aimed at securing the nutritional requirements of those on the lowest rung of the economic ladder. These include schemes for child and maternal nutrition (such as ICDS), community kitchens for those suffering from TB and HIV/AIDS, homeless children and destitute people and old-age pensions. But, given that all this will have huge financial implications, "it is important to hear what the government has to say on these suggestions," the sources said, stressing, however, that the NAC need not necessarily concur with the official view.

The next step is a "far more systematic interaction with government" on the final contours of the bill.

The NAC, the sources admitted, had been overly optimistic initially of how quickly it would be able to draft this bill, but resistance from the government, both because of the financial implications of universal entitlements and its apparent inability to procure more than the current 55 million tonnes of foodgrains every year — slowed down the process.

Communal violence bill

Apart from the discussion on the Food Security Bill, the NAC could touch only briefly on the Communal Violence Bill, as Ms. Gandhi had to leave around noon to attend Parliament.

Briefing the NAC on the status of the redrafting of the Communal Violence Bill, Working Group Convener Farah Naqvi told the members that a Drafting Committee (DC) and an Advisory Group (AG) had been set up, and comments invited from citizens.

Those who attended the meeting included Prof. M.S. Swaminathan, Dr. Ram Dayal Munda, Prof. Narendra Jadhav, Prof. Pramod Tandon, Dr. Jean Dreze, Ms. Aruna Roy, Dr. Madhav Gadgil, Dr. N.C. Saxena, Dr. A.K. Shiva Kumar, Mr. Deep Joshi, Ms. Naqvi, Mr. Mander and Ms. Mirai Chatterjee.

Date:31/08/2010 URL: http://www.thehindu.com/2010/08/31/stories/2010083155932200.htm

---

Solar power to run telecom towers, agricultural pumps

Ananya Dutta

Sky is the limit for energy from renewable resources: Abdullah

---

Expertise to be found to produce 20,000 megawatts of power by 2022

Projects worth another 750 MW will be allotted by the end of September

---

KOLKATA: The government is exploring options of running agricultural pumps and telecom towers on solar power, Union Minster for New and Renewable Resources Dr. Farooq Abdullah said here on Monday.

Dr. Abdullah said that the Punjab and Haryana governments alone had spent Rs. 6,500 crores as diesel subsidy to farmers for running sets to pump groundwater for irrigation.

He said that his Ministry was exploring the possibility of using solar power to generate energy to operate these pumps.

Fossil fuel

“Apart from bringing down the spending on diesel subsidy, this would reduce the use of fossil fuel,” Dr. Abdullah said at a meeting organised by the Bengal National Chamber of Commerce and Industry on ‘Opportunities and Scope of Renewable Energy in west Bengal'.

Dr. Abdullah also said that his Ministry had invested in a project to run 100 telecom towers on solar power.

“There are 8,000 telecom towers in the country that have generator sets running on diesel….If the project is effective, it will gradually be extended to develop others,” he said.

Important mission

Describing the Jawaharlal Nehru National Solar Mission as the “most important” of the eight missions in the National Action Plan for Climate Change, Dr. Abdullah said that expertise had to be found to achieve the mission's goal of producing 20,000 MW by 2022.

Charting the progress of the mission launched in January this year, Dr. Abdullah said that while allocations for projects of 100 MW had already been given, projects worth another 750 MW would be allotted by the end of September.

“The sky is the limit for energy from renewable resources in the country,” Dr. Abdullah said, adding that an estimated 87,000 MW could be generated from renewable energy.

Wind energy

He said that the country had done well in developing wind energy that has a potential of 48,000 MW.

"West Bengal will have to play a major role in the tidal wave energy sector," he said, adding that a 100 MW demonstration project had already been set up in the Sunderbans.

Date:31/08/2010 URL: http://www.thehindu.com/2010/08/31/stories/2010083162640300.htm

---

PWD admits discharge of sewage into irrigation canal

Mohamed Imranullah S.

Says police complaints had been lodged and notices issued to 33 people

---

PWD to remove all the sewage pipes before this irrigation season

It had complained to the Melur Municipality Commissioner many times

---

MADURAI: Water Resources Organisation (WRO) of Public Works Department (PWD) has conceded that some people were letting sewage water into the distributaries of the Periyar branch canal which carries water for irrigation under the Periyar Vaigai Irrigation System.

In a counter affidavit filed before the Madras High Court Bench here in reply to a public interest litigation petition, the Executive Engineer, PWD, WRO, Periyar Main Canal Division, Melur, said that notices had been issued to 33 people for letting sewage water into the sixth and 6A distributaries of twelfth branch canal.

He also said that police complaints had been lodged against those people. "If the defaulters fail to remove the sewage drain pipes in the canal, the department will remove all the sewage pipes before this irrigation season which is a practice every year," the counter affidavit read.

The Executive Engineer further stated that his department had on several occasions complained to the Melur Municipality Commissioner relating to the issue of dumping solid waste and draining sewage into the distributaries.

Encroachments

The Engineer also said that some people had encroached upon the banks of the Periyar main canal and its branch canals. Hence, the Revenue Divisional Officer, Madurai and Melur Tahsildar have been requested to identify the illegal encroachments and earmark the boundaries of the canals.

He, however, clarified that the encroachments were only on the banks and not inside the canals. Necessary maintenance works to restore the damaged portions of the canal were being carried out in the main canal as well as its branch canals with available funds.

A plan scheme for modernisation and rehabilitation of the Periyar main canal system (from Peranai Regulator to the tail end at Sivaganga), its distributaries and tanks at a cost of Rs.150 crore had been submitted to the Government through the Madurai Collector on March 5 for obtaining necessary approval.

B. Stalin, an advocate hailing from Ettimangalam in Melur Taluk near here had filed the PIL petition seeking a direction to prevent discharge of sewage water in the canal besides removing all kinds of obstructions. He also wanted the authorities to repair the canal between Kallanthiri and Kurichipatti in Melur Taluk.

The petitioner claimed that farmers of Melur Taluk were capable of cultivating double crop in 21,060 acres and single crop in 73,753 acres in a year if they got their quota of allocated water through the distribution system or canals at the assured intervals. However, it could not fructify due to obstructions on the course of the canal.

Date:31/08/2010 URL: http://www.thehindu.com/2010/08/31/stories/2010083163660500.htm

---

Agriculture working group to finalise report soon: Hooda

CACP methodology flawed: Hooda 'Farmers facing shortage of labourers'

CHANDIGARH: The Working Group on Agriculture Production would finalise its report within a week, its Chairman and Haryana Chief Minister Bhupinder Singh Hooda said here on Monday.

Mr.Hooda, who presided over the second meeting of the Group here, said that the report would be subsequently submitted to Prime Minister Manmohan Singh.

The meeting was attended by Punjab Chief Minister Parkash Singh Badal, Bihar Agriculture Minister Renu Kumari Khushwaha and a representative sent by the West Bengal Government and several senior officers and experts.

Mr. Hooda called for launching a technology mission on farm mechanisation to cross the productivity-barriers. He also pointed out that the methodology adopted by the Commission for Agricultural Costs and Prices (CACP) for calculating cost of cultivation was highly flawed and unscientific.

"It needs to be revisited to make it realistic either on the lines of Bureau of Industrial Costs and Prices (BICP) formula used for estimating industrial costs or the MSP should be 50 per cent higher than the cost of cultivation," he suggested.

He further said that the agricultural technologies being used by smaller land holding countries like Japan and Korea should be utilised. Even states like Punjab and Haryana were under-mechanised, he added.

Mr.Badal said that given the fixed availability of cultivable land and other infrastructure in the short term, the pressure on food prices could be eased by raising the production of food grains. The earlier growth in agricultural production was the result of new technology which had required assured water supply, other inputs and marketing and the future growth would also depend upon similar interventions, he added.

Flood issue

Mr. Badal also raised the issue of floods and demanded that the States be allowed to use up to 10 per cent of the amount available under Calamity Relief Fund for flood protection works as the losses were suffered by the farming community and also affected the food availability in the country.

Dr. Renu Kumari Khushwaha said that farmers were facing shortage of labourers due to the implementation of MGNREGA scheme. The scheme's ambit should be enlarged to include the work in the fields of the farmers to fill up the gap.

She said that another green revolution was possible in the eastern parts of the country as there was huge scope of increasing cultivation and agriculture production.

Published: August 30, 2010 16:16 IST | Updated: August 30, 2010 17:03 IST London, August 30, 2010

Apples with extra healthy punch on the way

More than 60 million tonnes of apples are grown worldwide each year. Although apple farmers try to breed only the best plants, they are able to know the outcome only eight years later.
Photo: P.V. Sivakumar

Scientists have cracked the genetic code for Golden Delicious, a variety of apple, that paves the way to crunchier, juicier, healthier fruits.

The breakthrough is already being used to breed red-hued apples with more anti-oxidants, known for a host of health benefits.

Researcher Roger Hellens of New Zealand firm Plant & Food Research said, “We will be able to identify the genes which control the characteristics that our sensory scientists have identified as most desired by consumers - crispiness, juiciness and flavour.”

More than 60 million tonnes of apples are grown worldwide each year, the equivalent of nine kilos per person, reports the Daily Mail.

Although apple farmers try to breed only the best plants, they are able to know the outcome only eight years later, thanks to the slow growth of apple tree.

Now breeders will be able to screen seedlings for key genes, vastly speeding up the process. Traits that hamper production can also be more easily bred out, reports the journal Nature Genetics.

A sweeter version is under development and could be on sale by 2015. Other plans include boosting the amounts of an appetite-suppressing compound already present in apples.

The decoding of the apple’s DNA by a team of almost 100 scientists from five different countries has also shed new light on its roots.

The finding indicates a plant that evolved into the apple tree was born around 65 million years ago, when a comet is believed to have exterminated the dinosaurs.

The extra genes sent the apple along a different evolutionary path from peaches, raspberries, strawberries and other related fruits.

THE ECONOMIC TIMES
Tue, Aug 31, 2010 | Updated 10.42AM IST

30 Aug, 2010, 02.28PM IST,REUTERS

Coffee prices ease on global cues; seen firm

MUMBAI: Coffee prices eased tracking weak overseas markets in last week's auction, but they are likely to harden again this week on an uptick in export enquiries, dealers said on Monday. The total quantity on offer last week was 229 tonnes, of which 21 tonnes were sold at Thursday's auction, an auctioneer said on Monday. "Due to the sudden drop in the international prices, domestic coffee on offer received less enquiries," the auctioneer, who declined to be named, said. "Exports enquiries are rising again.

This week we can some upside," said a Bangalore-based exporter. Coffee exports from India, the world's fifth biggest producer, jumped over 49 percent to 246,817 tonnes between Oct. 1, 2009 and Aug 27 over the same period a year ago, data with the state-run Coffee Board showed.

Prices of Arabica Plantation PB grade were steady in thin trade, while Arabica plantation A grade price eased 100 rupees per 50 kg. B and C grade remained unsold.

Arabica Cherry PB grade prices fell 100 rupees per 50 kg despite despite some local buying. Arabica Cherry AB grade prices were higher by 100 rupees per 50 kg, while C grade remained unsold. Robusta Parchment AB and C grade prices were also flat, while other grades remained unsold. Robusta Cherry coffee on offer remained unsold as seller's price expectations were higher than the buyer's interest. Following were the prices quoted for 50 kg bags in rupees.

30 Aug, 2010, 02.00PM IST,REUTERS

Wheat futures fall on adequate supply

NEW DELHI: Wheat prices fell by Rs 4.40, or 0.35 per cent, to Rs 1,252 per quintal in futures trade today, as speculators reduced their positions, influenced by sufficient stocks. Government''s decision to retain export restrictions also influenced the trading sentiment.

At the National Commodity and Derivatives Exchange counter, wheat for October delivery fell by Rs 4.40, or 0.35 per cent, to Rs 1,252 per quintal, with an open interest of 19,600 lots. Similarly, the grain for delivery in September declined by Rs 4.00, or 0.32 per cent, to Rs 1,233 per quintal, with an open interest of 28,680 lots.

Analysts said adequate stocks at the spot markets and bumper crops mainly kept wheat prices down at futures market here.

hindustantimes
Tue,31 Aug 2010

Weather

Chennai - INDIA

Today's Weather

Cloudy

Tuesday, Aug 31

Max | Min

29.6° | 23.7°

Rain: 00 mm in 24hrs	Sunrise: 5:57
Humidity: 66%	Sunset: 18:22
Wind: Normal	Barometer: 1003.0

Tomorrow's Forecast

Rainy

Wednesday, Sep 1

Max | Min

34° | 26°

Extended Forecast for a week

Thursday	Friday	Saturday	Sunday	Monday
Sep 2	**Sep 3**	**Sep 4**	**Sep 5**	**Sep 6**
32° | 26°	33° | 26°	32° | 27°	33° | 27°	32° | 27°
Rainy	Rainy	Rainy	Rainy	Rainy

Business Standard

Tuesday, Aug 31, 2010

Karnataka may witness bumper tur crop this year

Mahesh Kulkarni / Bangalore August 31, 2010, 0:13 IST

Karnataka, which accounts for 20 per cent of the national area under tur (red gram) cultivation, is set for a bumper crop this year, thanks to the timely and sufficient rain in major growing areas of north Karnataka. The area under tur cultivation increased 2.3 times to 833,000 hectares this year compared to 350,000 hectares cultivated last year, thus raising hopes of a bumper crop.

According to state agriculture department, the reason for area expansion was due to widespread rainfall during the months of June and July in major growing areas like Gulbarga, Bidar, Bijapur and Bagalkot districts. Encouraged by this, farmers have made a large-scale shift from oilseeds to tur and other short-term crops like greengram and urad.

The state, which had seen one of the worst years in terms of production last year (2009-10) due to delay in monsoons as well as excess rain in September last year, has so far witnessed a massive rise in tur cultivation. Going by the current indications, the state can expect a bumper crop this year, officials in the state agriculture department said.

With an average production of five quintals per hectare, the state can expect a production of around 4.1 million quintals of tur this year, which is 2.5 times more than last year’s production of 1.6 million quintals.

However, the actual production depends on many factors like further rain, availability of fertilizer among others. “Its too early to make any prediction of crop this year. Already the major growing areas of Gulbarga district have seen excess rainfall this year. We fear that some of the crop may be lost in the low lying areas due to water stagnation,” said Basavaraj Ingin, president, Karnataka Pradesh Redgram Growers’ Association. With excess rainfall this year, the farmers are facing problem of weed and this may affect the production, he added.

Sugar ends mixed in thin trade

Press Trust of India / Mumbai August 30, 2010, 16:52 IST

Sugar prices witnessed a mixed pattern of trading at the Vashi wholesale market here today.

Small sugar variety declined marginally due to reduced demand from retailers, while medium sugar edged up on mild buying support.

Small sugar quality (S-30) softened by Rs 7 per quintal to Rs 2,553/2,625 from last Saturday's closing level of Rs 2,560/2,625.

However, medium sugar quality (M-30) gained by Rs 5 per quintal to Rs 2,590/2,670, as against Rs 2,585/2,670 of last weekend.

Following are today's closing rates per quintal, with previous rates in brackets:

Small sugar (S-30) quality Rs 2,553/2,625 (Rs 2,560/ 2,625) and Medium sugar (M-30) quality Rs 2,590/2,670 (Rs 2,585/2,670)

Cardamom futures up 1.34% on spot demand

Press Trust of India / New Delhi August 30, 2010, 12:44 IST

Cardamom prices rose by Rs 17.60, or 1.34 per cent, to Rs 1,333 per kg in futures trade today, as speculators enlarged their positions, driven by pick up in demand at spot markets.

Restricted arrivals from producing regions also influenced the trading sentiment.

At the Multi Commodity Exchange platform, cardamom for September rose Rs 17.60, or 1.34 per cent, to Rs 1,333 per kg, with an open interest of 1,829 lots.

Similarly, the spice for October gained Rs 7.70, or 0.64 per cent to Rs 1,207 per kg, with an open interest of 1,766 lots.

Market analysts said speculators enlarged their positions on pick up in demand at spot markets amid restricted arrivals from the Southern regions mainly supported the rise in cardamom prices at futures trade.

CCI for contract farming of cotton

BS Reporter / Chennai/ Vijayawada August 31, 2010, 0:53 IST

Cotton Corporation of India (CCI) has said it favoured contract farming of cotton, also called the Integrated Cultivation of Cotton (ICC).

The 40th annual general body meeting of the CCI, which was held in Mumbai on August 27, felt that the cause of the ICC should be further pushed forward and farmers be convinced of it for better and effective results.

CCI deputy general manager, SK Panigrahi, in a release said the CCI through its branches was able to convince cotton farmers for ICC in the cotton growing states. “The Corporation has extended the project in all the cotton growing states bringing an area of 47,734 hectares under contract farming,” he said.

The company made a record sales turnover in 2009-10 “by pursuing the policy of pragmatic sales directly to the consuming mills by supplying quality cotton and providing pre- and post sales services to the customers,” Panigrahi said. The turnover during 2009-10 was up over 50 per cent to Rs 8,396.51 crore from Rs 4,974.84 crore from last year.

Panigrahi said the Tamil Nadu government had offered 4 per cent exemption from VAT, which helped CCI increase its sales from the depots at Coimbatore and Rajapalayam in Tamil Nadu.

During 2009-10, domestic consumption grew 9 per cent. It is set to increase in the coming years with the government implementing the technology upgradation for the local spinning, ginning and weaving mills and the increasing demand for the “raw cotton and for finished products like yarn, fabric and garments in the 2009-10 cotton season.”

As part of the technology upgradation, CCI by this March had modernised 242 cotton market yards across the country of the targeted 250. The total cost of the project is Rs 476.10 crore, of which CCI's share is Rs 250.39 crore.

The cotton exports from India have also gone up considerably during 2009-10 when compared with the previous year. Besides the increased demand in the domestic market, a major portion was exported to the neighbouring Pakistan, Bangaldesh and China, he said. Exports stood at 8.3 million bales during 2009-10 as against 3.5 million bales in the previous year.

Maize edges up on increased offtake

Press Trust of India / New Delhi August 30, 2010, 16:44 IST

Maize prices gained Rs 10 per quintal on the back of increased demand from consuming industries.

Other grains, including wheat and rice, however, continued to trade around previous levels in thin activity.

Traders said increased industrial demand mainly pushed up maize prices.

Maize prices were up by Rs 10 to Rs 1,070-1,080 per quintal.

Following are today's quotations in Rs per quintal:

Wheat MP (deshi) 1,700-1,800, wheat dara (for mills) 1,225-1,230 chakki atta (delivery) 1,230-1,235, atta Rajdhani (10 kg) 175, Shakti bhog (10 kg) 175, Roller flour mill 650-670 (50 kg), Maida 765-795 (50 kilos) and Sooji 890-910 (50 kg)

Basmati rice (Lal Quila) 9,300, Shri Lal Mahal 9,300, Super basmati rice 9,000, Basmati common 5,500-5,600, rice Pusa-(1121) 4,500-5,000, Permal raw 1,875-1,925, Permal wand 1,950-2,100, Sela 2,175-2,225 and Rice IR-8-1,700-1,725

Bajra 940-950, Jowar yellow 1,200-1,300, white 2,300-2,350, Maize 1,070-1,080, Barley (UP) 1,080-1,100 and Rajasthan 1,080-1,090

Moong, gram rise on stockists buying

Press Trust of India / New Delhi August 30, 2010, 16:39 IST

Moong and gram prices rose up to Rs 200 per quintal in the wholesale pulses market today on emergence of stockists buying to meet increased demand for the upcoming festivals.

Marketmen said stockists enlarged their positions, driven by increased demand in view of festivals, mainly pushed up moong and gram prices.

Tight supplies from producing belts due to heavy rains also influenced the trading sentiment, they said.

Moong and its dal chilka local rose by Rs 200 each to Rs 4,800-5,200 and Rs 5,800-6,200, while best quality and dhoya traded higher by the same margin at Rs 6,200-6,400 and Rs 6,600-6,800 per quintal.

Gram and its dal local variety also gained Rs 25 each to Rs 2,250-2,275 and Rs 2,500-2,525 per quintal.

Following are today's quotations in Rs per quintal:

Urad 5,100-5,650, Urad chilka (local) 5,600-6,000, best 6,500-6,800, Dhoya 6,600-6,700, Moong 4,800-5,200, Dal moong chilka local 5,800-6,200, Moong Dhoya local 6,200-6,400 and best quality 6,600-6,800

Masoor small 3,250-3,450, bold 3,450-3,700, Dal Masoor local 3,900-4,000, best quality 4,200-4,500, Malka local 3,900-3,950, best 4,050-4,150, Moth 5,150-5,450, Arhar 3,800-3,900, dal arhar dara 4,800-5,200

Gram 2,250-2,275, gram dal (local) 2,500-2,525, best quality 2,600-2,700, besan (35 kg) Shakti bhog 1,050, Rajdhani 1,050, Rajmah chitra Pune 3,400-4,000, China 3,500- 4,000, red 3,400-3,500

Kabli gram small 4,200-5,400, dabra 2,700-2,800, imported 4,500-4,900, lobia 3,700-3,800, peas white 1,900- 2,000 and green 2,100-2,300

Copra Rajapur drops on weak demand, higher supply

Press Trust of India / Mumbai August 30, 2010, 16:29 IST

Copra Rajapur prices dropped at the spices market here today due to reduced demand from stockists and retailers coupled with increased arrivals.

Meanwhile, copra Alapuzha rose marginally on stray buying support.

Copra Rajapur Mumbai declined by Rs 100 per quintal to Rs 6,200 from last weekend's closing level of Rs 6,300.

However, copra office Alapuzha moved up by Rs 25 per quintal to Rs 4,075, as against Rs 4,050 last Saturday.

Meanwhile, other spices closed stable in the absence of worthwhile buying activity.

Following are today's closing rates in rupees, with the previous rates in brackets:

Black Pepper (per kilo) 215/225 (215/225), ginger bleached (per kilo) 240 (240), ginger unbleached (per kilo) 255 (255), copra office Alapuzha (per quintal) 4,075 (4,050)

copra office Kozhikode (per quintal) 3,950 (3,950), copra Rajapur Mumbai (per quintal) 6,200 (6,300) and copra edible Mumbai (per quintal) 5,050 (5,050)

Business Line

Business Daily from THE HINDU group of publications

Tuesday, August 31, 2010

Date:31/08/2010 URL: http://www.thehindubusinessline.com/2010/08/31/stories/2010083153320400.htm

---

'Why are rich farmers left out'

Mumbai, Aug. 30

Mr Prateek Agrawal, Vice-President and Head Equity, Bharti Axa Investment Managers, said: "While corporate and non-agriculture individuals are taxed, agriculturists have been left out of the DTC net. Given that some farmers are very rich, how long will the Government keep them out of the taxation purview?"

Under the extant regime, some individuals are paying tax at rates higher than India Inc. However, the proposed DTC regime will give relief to individuals. This is a positive development.

The FMCG sector, which has 8 per cent weight in the BSE Sensex, will benefit as the effective tax rate will go down. There will be no change in the taxation regime for banking and IT sectors. Capital intensive companies which are paying MAT rates will be taxed at 20 per cent i.e. 200 basis points more tax, he said. As far as the equity market goes, consumption oriented theme is better than capital expenditure oriented theme in the next few days, he added.

Date:31/08/2010 URL: http://www.thehindubusinessline.com/2010/08/31/stories/2010083151050900.htm

---

For a balanced cotton export policy

MANIKAM RAMASWAMI

PERSPECTIVE

Cotton is turning out to be a hugely profitable crop for our farmers, ever since BT cotton was allowed. Unlike in the case of foodgrains, where farmers are forced by export bans to sell the produce at lower than international prices (he cannot hold on, as the crop is perishable), the cotton farmer enjoys access to international prices. For a farmer to get international prices, a sound export policy is a pre-requisite. While the cotton farmers' interest should be paramount, the concerns of the Indian textile industry and the consumer are quite as important. The cotton export trade, which delivers cotton to mills in Pakistan, Bangladesh and China, is the other key player in this scenario. The current policy regime tilts towards the traders and hurts the interests of the industry in particular.

To protect the cotton farmer, it is important to ensure that the domestic prices are close to international prices during years when the latter are higher than support prices, and ensure a transparent and efficient support price operation during the few years when support prices are higher than the international prices. To ensure that domestic prices are close to international prices, we need to keep the export window always open and allow the surplus to go out.

POWERFUL TRADERS' LOBBY

The textile industry in India needs assured supplies of cotton at international prices less freight costs (the price realised by the farmers/ginners). For every metre increase in per capita cloth consumption, we need 20 lakh additional bales of cotton. How is this to be achieved? Cotton production and consumption are estimated by different interest groups and an average is arrived at. This process is defective. Traders overestimate the cotton crop and underestimate the consumption to arrive at a higher exportable surplus.

This lobby is very powerful.Traders were able to secure export incentives for cotton sold the previous year and the current year, and simultaneously got the Cotton Corporation of India (CCI) to support them as well. CCI came out with a ridiculous sales policy of offering over 10 per cent discount, including free warehousing and carrying of purchased cotton for up to six months, only for large traders. Traders used this benefit to sell cotton at 10 per cent cheaper to our textile competitors, after earning 5-10 per cent profits. This ruined the profitability of the textile industry for 18 months.

MANAGING STOCKS, EXPORTS

Therefore, only the clearly established surplus must be exported. Adopting the practices of other cotton-producing, exporting and consuming countries, India should ensure at least 60 days' carryover stock to prevent today's situation of zero inventory and skyrocketing prices. By ensuring proper estimation of production, consumption and surplus and allowing exports of surplus cotton alone in a calibrated manner, we can ensure that the farmer gets international prices right through the year and the textile industry is not starved of cotton. The surplus will be exported in an organised manner and our cotton buyers in Pakistan, Bangladesh and China will know beforehand the monthly exportable quantities and have the confidence to deal with us on a regular basis.(The author is Chairman and Managing Director, Loyal Textile Mills Ltd.)

Date:31/08/2010 URL:
http://www.thehindubusinessline.com/2010/08/31/stories/2010083150980801.htm

---

Cotton exports

The editorial "Cotton Cheer" (Business Line, August 30) is sure to generate optimism amongst raw cotton growers and exporters too. With the ban lifted from the ensuing kharif season, beginning October this year, export of cotton must figure uppermost on their agendas.

The acreage under cotton has witnessed a sizeable increase. The handling of the excess crop must be carried out deftly, and export opportunities seized. The setting of MSP for cotton farmers must not be jeopardised.

With a global excess crop anticipated this coming season, India must seize the opportunity for remunerative export realisations and ensure quality. In the meantime, the government must not upset the apple-cart on trade and tariff policies!

Ashok Jayaram Bangalore

Date:31/08/2010 URL:

http://www.thehindubusinessline.com/2010/08/31/stories/2010083151771800.htm

---

Cotton body sees record output next season

Production estimated at 325 lakh bales, exports pegged lower.

Latest scenario#

State	Area*	Production**
Punjab	5.30	16.47
Haryana	4.45	13.84
Rajasthan	2.54	6.46
Gujarat	26.10	106.82
Maharashtra	39.52	77.31
Madhya Pradesh	6.40	18.04
Andhra Pradesh	17.04	65.68
Karnataka	3.66	10.15
Tamil Nadu	0.11	6.71
Orissa	0.75	2.00
Others	0.25	2.00
Total	**106.12**	**325.48**

*Area in lakh hectares; production in lakh bales
#Estimates made at the CAB meet

M.R. Subramani

Chennai, Aug 30

It's official now. Cotton production for the season beginning October is expected to be upwards of 325 lakh bales (of 170 kg each). The production comes on the heels of the acreage under the fibre hitting a record of over 106 lakh hectares.

The production expected for the next season is against 283 lakh bales estimated for this year. The official projection has been made by the Cotton Advisory Board (CAB) that has representation from the Government, industry, trade and growers side. The estimates were made at a CAB meeting last weekend.

According to the CAB, production has been pegged at 325.48 lakh hectares with 106.12 lakh hectares being expected to come under the crop.

But exports could be lower at 49.50 lakh bales against 83 lakh bales this year.

Mr Basant Vaid, Senior Research Analyst of Bonanza Commodity Brokers (Pvt) Ltd, said with acreage being 10 per cent higher than last year, the crop would surely be above 325 lakh bales.

Some traders are a little more bullish, hoping the crop could be around 330 lakh bales.

Carryover stocks

However, one worrying factor is the drop in carryover stocks to 40.50 lakh bales from 71.50 lakh bales this season.

Gujarat, which has emerged as the key cotton-growing State in the last few years, is expected to contribute nearly one-third of the estimated output. Production in the western State is expected to be back above 100 lakh bales at 106 lakh bales next season. This season, it produced 98 lakh bales.

Maharashtra, where the area under cotton is the highest in the country, is projected to produce 77.31 lakh bales, up 15 lakh bales over this season. Andhra Pradesh is also expected to contribute significantly to the output, producing 65.68 lakh bales.

Domestic consumption

The CAB has pegged domestic consumption at 246 lakh bales against 230 lakh bales this year. The estimate of 49.50 lakh bales could be the board's estimate of surplus cotton.

Despite the exports and rising domestic demand, the carryover stocks could be higher at 55 lakh bales from the next season.

Mr Vaid said crops in the US, China, Brazil, Turkey and other producing countries are also higher than the previous years for possible reason for projections of lower exports.

According to him, domestic prices could be under pressure due to the record crop, possibly affecting growers.

However, prices will sustain above the minimum support level fixed by the government in view of steps to lift export ban.

Prices could further be supported if the millers raise their inventories finding it attractive to procure at the lower cost.

A curious factor, though, for the next season is that total supply is seen down at 370.50 lakh bales, primarily on account of the low carryover stocks.Imports, too, are seen down at five lakh bales (7 lakh bales).

Date:31/08/2010 URL: http://www.thehindubusinessline.com/2010/08/31/stories/2010083151651700.htm

---

Low export demand halts rally in rice

Karnal, Aug. 30

After last week's rally, prices of basmati witnessed some correction in the rice market.

The rates dropped by Rs 100 a quintal. Low export demand pulled the market down.

On Monday, Pusa-1121 (steam) ruled at Rs 5,300-5,400 a quintal against the highest levels 5,500 of this season witnessed last week.

Pusa-1121 (sela) quoted at Rs 4,300, while Pusa-1121 (raw) quoted at Rs 5,300-5,400.

Pusa (sela) quoted at Rs 3,200-3,300 a quintal and Pusa (raw) ruled at Rs 4,100.

Basmati sela ruled at Rs 6,200 a quintal, while basmati raw was quoted at Rs 7,200-7,300.

New contracts

Mr Sanjay Gupta, Managing Director, SKS Rice Overseas Pvt Ltd, said the drop was anticipated as the new session is about to begin and all new contracts would start from then.

At present, the overseas demand is from Dubai and Iran, he said.

With low buying in the domestic market, prices of non-basmati varieties declined with little movement. New arrivals of Sharbati variety also affected the market.

The Sharbati sela variety ruled around Rs 2,800 and Sharbati steam quoted at Rs 3,050. Permal (PR) sela ruled around at Rs 2,200; PR (raw) at Rs 3,300 and PR (steam) at around Rs 2,300.

Brokens such as Tibar ruled around Rs 3,700 a quintal, Dubar at around Rs 2,900 and Mongra at Rs 2,200.

Early variety

Around 1,200 bags (60 kg each) of early varieties arrived in the market here on Monday.

Around 700 bags of Govinda paddy arrived and was quoted at Rs 1,000 a quintal. Sugandha-999 paddy, with a stock of 300 bags was quoted at 1,200, while the Sharbati variety ruled around 1,150 a quintal.

Around 200 bags of Sharbati arrived. Because of the moisture in the stock the paddy prices dropped marginally from the levels of last weekend.

New arrivals were lifted by the rice millers.

Date:31/08/2010 URL:
http://www.thehindubusinessline.com/2010/08/31/stories/2010083151551700.htm

---

Buying drives up groundnut oil

Mumbai, Aug. 30

Prices of imported edible oils such as palmolein and soya oil moved in opposite directions on Monday.

Palmolein was down by Rs 3 for 10 kg on lack of demand coupled with month-end selling pressure, despite higher closing in Malaysian markets.

Soya refined oil was up Re 1. Groundnut oil rose Rs 5 on firm upcountry reports.

Spot cotton's bull run pushed up its refined oil price by Rs 3.

In the spot market, volumes were was at nominal levels. About 150–200 tonnes of palmolein were resold in the price range of Rs 460–462.

Importers quoted higher rates at Rs 466–467. Ruchi quoted palmolein and soya oil for September delivery.

A firm trend prevailed in groundnut oil in Gujarat on increased seasonal demand. This was reflected in Mumbai also with a rise of Rs 5.

But there was no fresh demand for cotton, groundnut, rapeseed and sunflower oil in the spot market.

Expectations of a decline in Malaysia's palm oil export for August and an increase in the month-end stock weighed on the market sentiment in the later part of the day, said a wholesale traders.

Malaysia's September crude palm oil futures ended 32 ringgit (MYR) higher at 2,720 MYR, October up by 11 MYR to 2,615 MYR and November closed 28 MYR higher at 2,570 MYR a tonne. Indore NBOT soya oil September futures was weaker at Rs 488 (Rs 490.90).

On the Mumbai commodity exchange, spot rates were: groundnut oil Rs 850 (Rs 845); soya refined oil Rs 474 (Rs 473); sunflower expeller refined Rs 520 (Rs 520); sunflower refined Rs 575 (Rs 575), rapeseed refined oil Rs 573 (Rs 575), rapeseed expeller refined Rs 543 (Rs 545), cotton refined Rs 498 (Rs 495) and palmolein Rs 460 (Rs 463)/10 kg.

Date:31/08/2010 URL:
http://www.thehindubusinessline.com/2010/08/31/stories/2010083151661800.htm

---

Cashew continues to rule firm

G K NairKochi, Aug 30

The cashew market was quiet last week but continued to rule firm with some business taking place in certain grades. Some transactions were concluded for W240 at around $3.5 and W320 at around $3.3 (f.o.b). However, there was no activity in the main markets as, probably, most Indian processors were away for Onam holidays this week.

There has been a fair amount of activity in the kernel market during August and more is expected in September/October, Mr Pankaj N Sampat, a major Mumbai-based dealer said. “Generally, business in this period is for long spreads but this year it is uncertain what the trend will be.

High prices might keep buyers away from making long term commitments.

Also, processors will be reluctant to make big forward ales unless they get a ‘risk cushion' because there is nothing on the horizon to signal a change in the firm, upward trend,” he told Business Line.

To a question if the high prices can be sustained or when the trend will change, he said: “we may have to look at the medium term, both past and future.” The price rise in June 2008, when W320 crossed $3.5, was sudden in couple of weeks and the main reason was defaults of large volumes contracted at lower levels. The current price rise to current level of $3.3 with some upside still left, has been gradual over a period of more than 15 months and supported by steady spot/nearby demand and higher RCN costs, traders said. The price drop in October 2008 was caused due to external factors — financial crisis leading to cash crunch, downsizing of inventories and operations in major importing countries. Although current economic situation is not “great”, it is nowhere near the depressing 2008, although nobody can predict what surprises the financial markets can throw.

“Excluding this, the only reasons for a price decline or change in trend could be (a) big drop in usage or (b) big increase in availability,” they said.

No fresh news is expected in the Raw Cashew Nut (RCN) market in the near future while spot market is likely to remain firm due to limited replacement possibilities, Mr Pankaj said.

Tanzania shipments likely are to be delayed due to increased procurement by local processors. Time gap between RCN buying by India/Vietnam processors is increasing. A big increase in availability can happen only if Northern crops are good which will, however, be known only in second quarter of 2011. “If the crops are good and RCN prices decline, we could see kernel easing to $3 level and maybe even lower if the kernel prices decline from current levels before starting of the crops,” he said.

A big drop in usage is possible if retailers and large brands move away from cashews due to the high prices. If this move happens by end-2010 or early 2011, prices will start drifting lower and could go below the $3 level and maybe lower if the reduced usage continues into mid 2011 when the large Northern crops are being collected. If usage does not reduce in first half of 2011, prices will continue to be firm.

Since both possibilities are six months away, market can be expected to be firm in the short term with spot/nearby demand lending support at current level. Any large buying in September/October will lead to another jump in prices. Quiet period in September/October would mean prices drifting to lower end of the recent range. Overall, uncertain times ahead, the traders added.

Date:31/08/2010 URL:
http://www.thehindubusinessline.com/2010/08/31/stories/2010083151711800.htm

---

Coffee Board moots subsidy for mechanised operations

A SrinivasBangalore, Aug 30

The Coffee Board has sought the Centre's approval for its proposal to subsidise the use of labour-saving machinery. A concern has cropped up in view of labour shortage during the harvest season in particular, sources close to the Board said.

An exhibition that showcases the relevant technology for coffee harvesting and processing, bringing together manufacturers and growers, is likely to be organised in a couple of months, sources said.

At present, coffee growers get a subsidy from the State agriculture or horticulture department for equipment that is not specific to coffee, such as machines used for spraying, weeding, pruning and digging pits.

However, some harvesting machines, which can be used only for picking coffee, have secured a subsidy from these departments. The Coffee Board would be the right agency for the promotion of such equipment, growers said. Mr Shaji Philip, Chairman, Coffee Committee, UPASI, said: “The Coffee Board subsidy is necessary for coffee-specific machines, such as those used for drying and harvesting. A machine that could transform the harvesting scene is one that can gather the fruit as it drops.”

Small growers

Mr K.M. Nanaiah, Chairman, Karnataka Planters' Association (KPA), said: “Mechanisation is not a replacement for permanent workers. It may work as a replacement for migrant workers.”

The Board extends a subsidy to small growers for setting pulping units, godowns, drying yards and labour quarters. Mr Ashok Kuriyan, Managing Director, Balanoor Plantations and Industries Limited, said: "Subsidies should not be linked to the size of landholding. When large growers start mechanising on a part of their estate, it will release labour for the rest of their area. Since the small growers cannot easily take to mechanisation because of the cost of capital, their subsidy could be increased. However, mechanisation can only be done selectively, depending on the terrain." However, some small growers said that, given the “affordable” cost of some harvesting machines, they would be keen to use it. Mechanisation would save them the trouble of bidding labour away from other estates. These growers said that given their hands-on approach, they could use the equipment themselves and co-ordinate with workers, rather than rely on estate managers to give them performance feedback.

Mr Ajoy Thipaiah, Coffee Board member, said: “Spacing patterns would need to change for mechanisation. Undulating land also makes application of machines difficult. There is an apprehension that harvesting machines may damage arabica branches and therefore the next year's crop.”

Meanwhile, the KPA recently held a workshop at Chikmagalur to discuss emerging technologies in coffee effluent treatment and eco-friendly coffee processing. Effluent generated during pulping is “highly acidic”, and its effects on surface and sub-soil water could be minimised by passing it through equipment designed for this purpose, Mr Satish Patel, General Manager (R&D) Enzotech Solutions Pvt Ltd, said.

The point was underscored by Dr K.A. Anu Appaiah of the Central Food Technology Research Institute, Mysore.

Date:31/08/2010 URL: http://www.thehindubusinessline.com/2010/08/31/stories/2010083151991900.htm

---

‘Incentive to packaged tender coconut water will boost exports'

Kochi, Aug 30

The Coconut Development Board has welcomed the decision of the Union Commerce Ministry for providing incentive to packaged tender coconut water in the recently unveiled annual Foreign Trade Policy, saying that it will give a boost for tender coconut water exports.

Packaged tender coconut water has been included in the Focus Product Scheme and made eligible for two per cent incentive. Thanking the Commerce Ministry for giving focused thrust to coconut products such as tender coconut water, Dr Ananda Bose, Chairman, Coconut Development Board said the technology for tender coconut water has been developed by Defence Food Research Laboratory, Mysore in collaboration with Coconut Development Board.

He pointed out that packaged tender coconut water is a thirst drink of many developed countries such as the US, EU and ASEAN countries. There is an emerging market for packaged tender coconut water in Latin America, South America, Caribbean, Canada, Africa, Germany, etc. Malaysia, Singapore, Vietnam, Thailand are among the leading exporters of canned tender coconut water. However, they are dominating the American and European markets.

Indian tender coconut water exporters are trying to pack the water in aluminium cans which will make them competitive and increase their presence in the emerging markets of the world, he said in a press release.

The incentive given to packaged tender coconut industry would boost exports of coconut products and bring farmers under inclusive growth. Coconut shell worked, has also been included for special benefit under Focus Product Scheme which will have incentive on par with packaged tender coconut water, he added.

Coconut shell products are in wide demand as ice-cream cups, birds' nests, cookery substitutes, etc. Coconut and coconut products such as coconuts (fresh, dry), coconut oil, desiccated coconut, coconut hookah, coconut oil cake, coconut shell un-worked, have been already brought under VKGUY (5 per cent) and copra under FPS scheme. Coconut products are also eligible for one per cent to 6.3 per cent DDB, while coconut oil is entitled to 1.5 per cent under Duty Entitlement Pass Book Scheme.

Date:31/08/2010 URL:
http://www.thehindubusinessline.com/2010/08/31/stories/2010083151541700.htm

---

Limited retail purchase floors sugar

Mumbai, Aug. 30

Spot sugar prices on the Vashi wholesale market dropped slightly on limited retail demand and lack of fresh buying by stockists at the mill level.

Expectations of an impending announcement of next month's free sale quota, month-end buying, selling, and lifting pressure, kept stockists at bay.

Continuous rain in Mumbai since Saturday evening also arrested local buying.

S-grade sugar was down by Rs 5-10 a quintal, good quality M-grade was steady on buying support in the spot market.

Naka and tender delivery rates for both varieties were steady due to lack of selling by mills, expecting higher prices.

Prices could firm up due to the festival season demand and start of the new month.

There was talk that September free sale quota would be total 18.25-18.50 lakh tonnes(lt) compared with this month's 17 lt, said Mr Tokershi Dedhia, a wholesale trader.

On Monday, total arrivals at Vashi were 37-40 truckloads (10 tonnes each) and lifting was at 25-28 truckloads.

Mills quoted tenders at Rs 2,460-2,500 for S-grade and Rs 2,500- 2,530 for M-grade (including excise) a quintal.

According to the Sugar Merchants Association, on Monday spot market rates were: S-grade: Rs 2,553-2,625 (Rs 2,560-2,625); M- grade: Rs 2,590-2,670 (Rs 2,585-2,670). Naka delivery rate: S-grade Rs 2,520-2,540 (Rs 2,530-2,550) and M-grade: Rs 2,560-2,600 (Rs 2,560-2,600) a quintal.

Due to continuous rain, demand from upcountry was low, traders said.Mills sold S and M-grade in the price range of Rs 2,460-Rs 2,520 a quintal on Saturday.

Date:31/08/2010 URL:
http://www.thehindubusinessline.com/2010/08/31/stories/2010083151571700.htm

---

Chana perks up on bullish futures

Indore, Aug.30

A bullish trend in the futures market lifted chana prices in the spot market to Rs 2,235-2,250 a quintal, up Rs 25.

Trading of chana in the spot market on Monday morning opened at Rs 2,220-2,225 and closed at Rs 2,235-2,250 a quintal following a rise in the futures market.

In the futures market, chana gained 1.5 per cent, with chana September futures on the National Commodities and Derivatives Exchange closing at Rs 2,239, October futures at Rs 2,293 and November futures at Rs 2,327 a quintal, respectively.

On the other hand, with improvement in export demand and marginal increase in arrivals, the prices of Dollar (Kabuli) chana or chickpea in the spot market moved up Rs 200 at Rs 5,000- 5,100 a quintal. Indore mandi saw arrivals of 900-1,000 bags of Dollar chana, up 200 bags.

Uptrend in moong, urad

With stockists' involvement in building inventories, prices of pulse seeds, particularly moong and urad, also witnessed an uptrend.

Prices of moong, depending upon its quality, perked up Rs 100 to Rs 3,300-4,100 a quintal.

Similarly, urad also saw a rise of Rs 100 with its prices in the spot market on Monday quoted at Rs 5,100-5,200 a quintal.

Despite increase in coverage, pulse seeds are witnessing uptrend mainly because of stockists' growing involvement.

Dwindling stock

On the one hand, they have reduced release of existing stock of chana in the market, on the other hand, they are building inventories of moong and urad, leading to a spurt in prices, said a pulse seeds trader.

Date:31/08/2010 URL: http://www.thehindubusinessline.com/2010/08/31/stories/2010083151561700.htm

---

Weak offtake pounds jeera

Rajkot, Aug. 30

Lower export demand and weak domestic cues put the price of jeera under more pressure on both spot and futures market.

Jeera September futures on the National Commodity and Derivatives Exchange (NCDEX) dropped Rs 325 to Rs 13,376 a quintal. At Unja mandi, jeera was traded at Rs 2,170-2,600 for 20 kg.

Analysts said that besides offloading of positions by speculators following weak domestic and export demand, hopes of higher sowing in the upcoming season on favourable monsoon, also weighed on the jeera futures. A report from Angel Commodities said: “Weak overseas and domestic demand will keep jeera prices range–bound with negative bias in the short–term. However, prices in the international market of Syrian origin are being offered at higher rates than Indian produce. This will help prices to find support and strengthen in the medium term.”

Meanwhile, jeera exports in April-July period of 2010 fell 19 per cent to 13,500 tonnes from the same period a year ago. According to market sources, jeera stocks currently are projected to be lower at around 14 lakh bags (of 55 kg each) compared with 16-17 lakh bags in the same period previous year.

Date:31/08/2010 URL:
http://www.thehindubusinessline.com/2010/08/31/stories/2010083151531700.htm

---

Low arrivals lend colour to turmeric

Erode, Aug. 30

Turmeric prices increased on poor arrivals. Prices increased Rs 100 a quintal on Monday.

In the Erode Private Turmeric Merchants Association market, the finger variety of turmeric was sold at Rs 13,600-1,3700 a quintal on Monday. This is just Rs 100 more than last weekend prices. Similarly the root variety was sold at Rs 13,400 a quintal - Rs 100 higher than last week price. Out of 2,900 bags that arrived, 1,780 bags were sold.

“The turmeric farmers will bring very limited quantity till September 15. This is happening every year. When the Tamil month Puratasi starts the arrival will increase and the prices will also go up,” said Mr R.K. Viswanathan, former Secretary of the Erode Turmeric Merchants Association.

There is absolutely no demand from North India for the commodity, so the traders are buying very limited quantity of turmeric. Realising this, the farmers have also cut down on the quantity they are bringing to the markets. The prices have increased in the regulated market also. The finger variety was sold at Rs 13,750-13,850 a quintal. This is Rs 140 more than last week's price.

Date:31/08/2010 URL:
http://www.thehindubusinessline.com/2010/08/31/stories/2010083151781800.htm

---

Holy dates

Festival demand:Dates have flooded the market in Hyderabad with a huge demand during the month of Ramadan. Imported dates and local varieties are selling between Rs 70 and Rs 120 a kg.

Date:31/08/2010 URL:
http://www.thehindubusinessline.com/2010/08/31/stories/2010083151841900.htm

---

Pepper futures recover

Total turnover increased by 71 per cent to 19,586 tonnes.

G.K. NairKochi, Aug 30

Pepper futures witnessed high volatility on Monday and after dropping sharply right from opening till afternoon it recovered in the afternoon and ended above the previous close.

“In fact, only buying and selling on the screen had taken place, and as a result the turn over shot up by around 78 per cent in September alone to 15,264 tonnes”, market sources told Business Line.

Total turnover increased by 71 per cent to 19,586 tonnes. September contract dropped to as low as Rs 19,765 a quintal and then went as high as 20,240 a quintal, they said. There was no activities on the spot as buyers and sellers stayed away because of the high volatility in the futures market, they said. In the domestic scenario the north Indian markets were on a holiday mood on account of the “Naga Panchami”, they said.

September contract on NCDEX moved up by Rs 103 to Rs 20,240 a quintal.

October and November were up by Rs 82 and Rs 87 respectively to Rs 20,415 and Rs 20,650 a quintal. Total turnover shot up by 8,125 tonnes to 19,586 tonnes.

Total open interest increased by 299 tonnes to 17,369 tonnes showing good additional purchases. September open interest declined by 63 tonnes while that of October and November moved up by 334 tonnes and 33 tonnes respectively to 3,936 tonnes and 476 tonnes.

Spot prices ruled steady on limited activities at previous levels of Rs 19,600 (un-garbled) and Rs 20,100 (MG 1) a quintal.

Indian parity in the international market went up to $4,550 a tonne (c&f) to Europe and $4,650 a tonne (c&f) to the US.

According to an overseas report from Vietnam, pepper market there was quiet/steady on Monday. Price indications were that 500 GL at $4,000 (f.o.b.)

HCMC and 550 GL at $4,250 a tonne and double washed white pepper at $5,900 a tonne.

Date:31/08/2010 URL:
http://www.thehindubusinessline.com/2010/08/31/stories/2010083151681800.htm

---

Coonoor tea prices fall 25%

P.S. SundarCoonoor, Aug 30

Prices at the auctions of the Coonoor Tea Trade Association are currently ruling 25 per cent lower compared to this time last year, reveals an analysis of the Market Report.

This week, prices averaged Rs 53.67 a kg compared with Rs 71.24 last year. This shows that every kg now fetches Rs 17.57 less.

This posts a decline of 24.66 per cent.

Orthodox down sharply

The price decline is sharper for orthodox teas. Every kg now fetches Rs 24 less to average Rs 64.

CTC teas are currently fetching an average price of Rs 53 – Rs 17 lower than last year. Prices of leaf grades now average Rs 52 a kg – Rs 18 less.

Prices of dust grades now average Rs 58 – Rs 17 less.

Quality dust teas continue to fetch good prices.

“Our Super Red Dust (SRD) topped dust market this week fetching Rs 136.50 a kg. In all, our 7 grades got Rs 120 and more,” Mr Ramesh Bhojarajan, Managing Partner, Vigneshwar Estate Tea Factory, told Business Line.