THE HINDU

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Organic farming a success, says Pawar

Sees its vital role not only in domestic markets but also global trade

“Organic farming can play a significant role not only in growing domestic markets but also in global food trade,” Union Agriculture Minister Sharad Pawar said here on Wednesday.

Addressing members of the Parliamentary Consultative Committee attached to his Ministry, Mr. Pawar said that in 2009-10 organic agriculture under certification had grown to 10.5-lakh hectares compared to 42,000 hectares during 2003-04. Of this, nearly 7.5-lakh hectares was fully certified while the remaining was under various stages of conversion.

Organic farming is not only an ideal option for rain-fed, marginal land and hilly areas but it also ensures increased availability of organic and biological nutrients for restoring soil health and conservation of resources.

Collective effort

The Minister attributed the “good success” of organic farming to the “combined effect of farmers' efforts, NGOs, government interventions and market forces.”

The Agriculture Ministry is promoting organic farming through the National Project on Organic Farming, National Horticulture Mission, Technology Mission for North East and Rashtriya Krishi Vikas Yojana. An innovative certification system has been included in the National Project on Organic Farming from this year.

ICAR project

The Indian Council of Agriculture Research (ICAR) has initiated an all-India network project on organic farming to ensure the development and promotion of scientifically proven methodologies.

State governments have also started their own organic farming promotion programmes. Karnataka, Kerala, Andhra Pradesh, Maharashtra, Madhya Pradesh, Nagaland, Sikkim, Mizoram and Uttarakhand have already drafted policies for organic farming promotion. Nagaland, Sikkim, Mizoram and Uttarakhand have declared their intention to go 100 per cent organic in due course of time.

Among the Members of Parliament who participated in the meeting was noted agriculture scientist M.S. Swaminathan.

Technical support helps women sericulture farmers

“Rural women seem to possess an acute sense of wisdom and talent compared to their male counterparts and if given proper guidelines and help, can become financially successful,” says Mr. N. Sakthivel, Scientist & Head, Research Extension Center, Central Silk Board, Srivilliputtur, Tamil Nadu.

“Though it is true that agriculture incomes are dwindling and many farmers are selling their fields to commercial realtors, there are still some people like Mrs. S. Andal from Ramalingapuram village in Srivilliputhur who are earning a monthly income of more than Rs. 25,000 from their agriculture vocation and are able to provide job opportunities to several women,” he adds.

“Traditionally, after marriage I took care of my husband's seven acres land. Four years back, on the advice from the Department of sericulture (DOS), I decided to take up mulberry cultivation in three acres and constructed a silkworm rearing shed.

Monthly income

“I became interested in rearing silkworms as it offers a monthly income. Today I earn more than Rs. 20,000 a month and am able to meet my family's needs and send my children to a good matriculation school,” she says with a sense of pride.

“The success of sericulture mainly depends upon the infrastructure. The Department of Sericulture supports farmers by giving some subsidies to create the necessary infrastructures. After establishment of infrastructure sericulture can be taken up for many years continuously,” says Mr. Sakthivel.

Harvesting figures

At present, Mrs. Andal harvests about 250 kgs of cocoons that fetch her a gross income of more than Rs. 50,000. She gets a net profit of Rs. 25,000 – Rs.30,000 per crop (a crop consists of one month's harvest. The farmer harvests 8-10 crops per year successfully). Her economic success made her one of the leading sericulturists in the southern zone. Besides the silkworms, the farmer also does some inter-cropping in her mulberry garden. She claims that intercropping helps avoid weed growth and generates some revenue that helps meet the revolving expenditure such as buying inputs for mulberry garden, and wages for labour among others.

The Central silk board recently established a research extension center in Srivilliputtur, to extend technical support to the sericulture farmers in southern zone of Tamil Nadu. “The southern districts form a non-traditional sericulture belt, but the sericulture boom is spreading rapidly as the farmers accept modern technologies.

Initiation

“The center mainly concentrates on introducing rearing of bivoltine hybrid silkworms varieties that yield international quality silk, and so farmers get more income than rearing of local breeds.

“The seri-business of Mrs. Andal succeeded only after her initiation to rear hybrid silkworms,” explains Mr. Sakthivel. Technologies such as platform rearing, mulberry shoot harvest, and feeding system, self mounting of matured silkworms for cocoon formation etc, introduced by silk board reduces the man power requirement as well as drudgery, and thus the industry becomes women-friendly.

Empowers women

In the present situation, sericulture not only empowers the rural women like Mrs. Andal, but also provides excellent self employment opportunities to the educated youth including women from the rural community.

For more details readers can contact Mr. N.Sakthivel on mobile: 98427 61789, email: sakthivelcsb@hotmail.com and Mrs. S. Andal, on mobile : 9345295791. For Tamil and English podcast log on to www.thehindu/sci-tech/agriculture/ Published: July 8, 2010 03:37 IST | Updated: July 8, 2010 03:37 IST July 8, 2010

Bio fertilizers for integrated nutrient management

Bio-fertilizers are selected strains of beneficial soil micro-organisms cultured in the laboratory and packed in a suitable carrier. They can be used either for seed treatment or soil application. They are low cost, renewable sources of plant nutrients which supplement chemical fertilizers.

Added importance

In rainfed agriculture, these inputs gain added importance in view of their low cost, as most of the farmers are small and marginal and can not afford to buy expensive chemical fertilizers from the market. Biofertilizers are also ideal input for reducing the cost of cultivation and for practising organic farming.

Rhizobium, Azotobacter, Acetobactor diazotrophicus, Azospirillum, Blue green Algae (BGA), Azolla Phosphate solubilizing / mobilizing biofertilizers (PSB), Vesicular-arbascular mycorrhizae inoculant (VA) and Frankia are some well known bio inputs.

Usage tips

Bio-fertilisers are live product, store in cool and dry place away from direct sunlight and heat. Use right combination of bio-fertilisers. For example *Rhizobium*is is crop specific, so use it for specified crop. Do not mix with chemicals.

For best results use both nitrogenous and phosphatic bio-fertilisers. While purchasing ensure that each packet is provided with necessary information like name of the product, name of the crop for which intended, name and address of the manufacturer, date of manufacture, date of expiry, batch number and instructions for use.

Use the packet before expiry, only on the specified crop, by the recommnded method.

Easy application

Application of compost, bio-compost, bio-pesticides and bio-fertilizers are getting more attention and are also easy to carry & apply. These organic based inputs are getting more attention as the more health aware public is also switching towards organic grown foods for a healthy and better life.

The authors work in the Department of Plant Pathology, University of Agricultural Sciences, Dharwad, Karnataka

Business Standard

Thursday, Jul 08, 2010

Jeera prices touch six month high

Vimukt Dave / Kolkata/ Rajkot July 08, 2010, 0:52 IST

In the wake of strong demand in domestic markets and shortage of stocks, spot jeera prices today rose to touch a high of six months. Apart from this, futures trading also contributed to the rise in spot prices.

At the Unjha APMC price was up by Rs.30-40 per 20 kg today and quoted at Rs. 2450-2600 per 20 kg for the best quality. For medium quality price hovered around 2350-2450. Arrival was 3,500 bags of 60 kg each. On 4th January Jeera price was quoted Rs. 2900-2934 per 20 kg. In futures market, July contract at National Commodities and Derivatives Exchange (NCDEX) closed at Rs.12945 per 100 kg, which showed an increase of Rs 50. August contract ended up at Rs.13084."Farmers and stockiest are holding the stocks of jeera. They are not willing to sell at this price. This has resulted into slowing down of arrivals. The futures market will see some profit booking after the price reaches to a level of Rs.13250," said Badaruddin Khan, research analyst at Angel broking.

According to Ajay Kumar Kedia of Kedia Commodities, “There will be some pressure on prices as they have been rising since last 15 days. Jeera price can go down to Rs. 12400-12450 in futures market".

Better production in other major producing nations such as Syria and Turkey as well as India will cap the upside in the jeera prices in the medium term.

On the other hand, local traders from Rajkot and Unjha are of the view that price will not come down much as there is a strong demand in local markets and stocks are very low.

Raw sugar import deals turn sour; mills cancel, renegotiate pacts

Newswire18 / New Delhi July 8, 2010, 0:25 IST

After a number of white sugar import deals were cancelled by traders, it is now the turn of the mills. Nearly 200,000 tonnes of raw sugar import contracts are on the block.

Given the sharp fall in global prices, while some mills have outright cancelled their raw sugar import orders, others have started renegotiating the deals.Sugar trade officials say the raw sugar import contracts may either be cancelled or renegotiated as the landed cost now works out to $400 a tonne from the contracted $600.Mawana Sugars on Wednesday informed the Bombay Stock Exchange that it cancelled an import order for 30,000 tonnes of raw sugar. Though the company did not give any reason, the industry believes it did so to cut the losses it would have incurred following the sharp drop in global prices.

Mawana is not alone. Many mills in northern India have started renegotiating deals, and a major player is even in talks with the sellers to pay off defaults to wash off the deal."One of the largest sugar mills in northern India has entered into renegotiations with sellers for two raw sugar cargoes totalling around 90,000 tonnes. It has become very difficult to honour earlier commitments as markets have come off sharply," an official with a multinational trade firm said.

New norms for melamine content in food items

BS Reporter / Mumbai July 8, 2010, 0:23 IST

The maximum amount of melamine allowed in powdered infant formula is 1 mg/kg and the amount of the chemical allowed in other foods and animal feed is 2.5 mg/kg, according to the new ruling from the United Nations' food standards body, Codex Alimentarius Commission, run jointly by FAO and the World Health Organization.

Melamine is a chemical used in a variety of industrial processes — including the manufacture of plastics used for dishware and kitchenware, and can coatings — and traces of it unavoidably get into food by contact without causing health problems.

However the substance is toxic at high levels. Such levels of melamine were found recently in infant formula, milk powder and pet food due to its deliberate and illegal addition to increase the apparent protein content of these products. Babies and children died as a result and hundreds of thousands became seriously ill.

"Establishment of maximum levels will help governments differentiate between low levels of unavoidable melamine occurrence that do not cause health problems, and deliberate adulteration - thereby protecting public health without unnecessary impediments to international trade," said Martijn Weijtens, chair of the

Codex Committee on contaminants in foods. While not legally binding the new levels allow countries to refuse to allow the importation of products with excessive levels of melamine.

Indian agri commodity exporters were recently facing tremendous problems with melamine content higher than specified norms by individual countries. This norm will standardise Indian agri food and ingredients exporters and their respective clients overseas.

Fresh, leafy vegetables are part of a healthy diet and are grown under diverse conditions and marketed both locally and globally to provide year round availability to consumers. As these products move along the supply chain from the farm to the table, they can be contaminated by pathogens such as salmonella, E coli, and hepatitis A virus.

The new Codex measures provide specific guidance for production, harvesting, packing, processing, storage, distribution, marketing and consumer education to reduce food safety risks associated with these products. Guidance covers such aspects as the control of irrigation waters, cooling and storage and correct washing of hands by consumers.

The Commission also gave specific advice on how to control bacteria in seafood throughout the food chain. In recent years, there has been an increase in reported outbreaks of food-borne disease caused by bacterial species called Vibrio, which are typically associated with the consumption of seafood - especially oysters that are often eaten raw. The new Codex measures will help to minimize the risks.

Maximum levels of 10 micrograms/kg were set for aflatoxins in Brazil nuts (shelled, ready-to-eat) and 15 micrograms/kg for shelled Brazil nuts (intended for further processing), while the Commission also adopted a code of practice to prevent this contamination. Aflatoxins are carcinogenic fungal toxins that can contaminate corn, peanuts and other food crops such as tree nuts under certain conditions.

The methods used for analysis and sampling are the necessary basis for food inspection and control. The new Guidelines adopted by the Commission will make it possible to run tests to determine if foods are derived from modern biotechnology, to authenticate food varieties such as fish species and to establish the presence of allergens.

Oilmeal exports dip 20% in June on low meat output

Press Trust Of India / New Delhi July 08, 2010, 0:21 IST

India’s oilmeal exports declined by 20 per cent in June to 1.6 lakh tones, as against 1.9 lakh tonnes during the same month last year, the Solvent Extractors’ Association (SEA) said on Wednesday. Oilmeal is primarily used as cattle feed.

Oilmeal exports dipped by over 13 per cent in the first quarter (April-June) of the current financial year to 5.3 lakh tonnes as against 6.1 lakh tonnes in the same period last financial year.

“Export of oilmeal declined continuously due to a steady decrease in meat production and a reduction in demand for compound feeds and a crisis in the livestock industry,” SEA Executive Director B V Mehta said in a statement.

The fall in international prices and lower realisation, coupled with lower crushing in the last few months also contributed to the decline in exports, he added.

While exports to South Korea and China improved during the April-June period of the current financial year, it dipped by a whopping 65 per cent to 69,939 tonnes in Vietnam. Shipments to South Korea clocked an increase of 39.7 per cent to 98,712 tonnes vis-a-vis 70,644 tonnes in the first quarter of the current financial year. Exports to China stood at 1.2 lakh tonnes, up 35 per cent from the same quarter of the previous financial year.

Tea prices to firm up on low output

BS Reporter / Kolkata July 8, 2010, 0:14 IST

Prices have already risen by Rs 15-20 a kg.Tea prices are likely to firm up further in the next few months with north India output showing a downtrend.At present, prices are higher by Rs 10-15 a kg, season-to-season.“Sensing the decline in crop in June and July, prices have already started firming up. It will also put pressure on end-season teas,” said Aditya Khaitan, chairman Indian Tea Association (ITA).

Around 60 per cent of the crop is produced over the next four months. The north India industry has already lost the quality month of June and July does not look any better.

The industry lost about six million kg in June and most of the estates in Assam have lost 25-40 per cent crop in the first week of July, due to erratic weather and pest attack. In May, too, north-east India registered a decline of 3.5 million kg.

North-east India comprising West Bengal and Assam produce the quality tea.

“While quantity can be compensated, quality will not be,” said Basudeb Banerjee, chairman, Tea Board of India.

The tea mosquito has affected saplings in such a way that the crop will take one-two months to recover, which implied that much of the quality months would be lost.

However, the industry is divided in two halves. While north India is seeing firm prices and depressed crop, south India is seeing lower returns on a higher crop. Till May, crop was up by 12 million kg in south India and prices were soft.

The scenario might just impact the global market. The Kenyan government has said tea production was expected to grow at a slower rate than anticipated at the beginning of the year due to cold weather. India, Kenya and Sri Lanka produce about 80 per cent of black tea. Sri Lanka however, has seen a steady increase in crop by about 25 per cent till May.

Cut roses to be costlier by 15-20%

Dilip Kumar Jha / Mumbai July 08, 2010, 0:20 IST

One favourite expression of affection is likely to become costlier this year. Karuturi Global Ltd (KGL), the world’s largest producer of rose buds, is planning to raise the prices of each stem by 15-20 per cent this year.Having failed to raise prices in the past year despite a spurt in cost of production due to uncertainty in the global economic recovery, KGL has seen demand emerging from Europe, especially from Germany, the world’s largest consumer of cut roses. Hence, KGL is considering a price rise in tune with market demand.

“Prices may move upwards this year by at least 15-20 per cent,” said Sai Ramakrishna Karuturi, founder and managing director of the world’s largest rose plantation, spread over 300,000 hectares in India, Ethiopia and Kenya. The head office is in Bangalore.Currently, the short cut rose is sold at 10 euro cents (Rs 6) per stem) while the large cut rose is quoted at 18 euro cents (Rs 10.50) per stem).

There has been a sharp increase in transportation cost, linked to oil prices. High labour cost is also forcing many European floriculture units to close operations. Several floriculture producers in Spain have converted their rose farms into holiday villas, leading to the growth of newer floriculture hubs across Latin America, Africa, and Asia, including in Ethiopia, Ecuador, Colombia, India, China, Kenya and Tanzania.

Demand has risen faster than supply, pushing prices up. The average US cut rose price increased from \$0.377 per stem to \$0.430 per stem in the past year.Recently, the demand for cut roses has re-emerged from European countries, especially from Eastern Europe and the United Kingdom after over a year of lull. Hence, a price rise is imminent, said Karuturi on the sidelines of a seminar organised by ICICI Bank here on Wednesday.

Europe contributes about 80 per cent of the company's annual turnover of over Rs 500 crore. KGL is the global leader in cut rose production, with a current capacity of 650 million stems a year. The company is implementing a plan to raise annual capacity to a billion stems. Most of the production comes from Ethiopia and Kenya, due to favourable climate, support from the government, a tax advantage given to these countries, proximity to the European markets, availability of land and, above all, cheap labour.

Currently, KGL has 250 hectares (a ha is 2.5 acres) under cut rose cultivation of which 174 ha is in Kenya, 70 ha in Ethiopia and 10 ha in India.The government of Ethiopia has allocated 450 ha to the company and they are planning to bring all these under cultivation in the next two to three years. The company has another 311,700 ha in Ethiopia and Kenya and it plans to use these for other agricultural forays over the next two years.The sales target is Rs 2,500 crore by financial year 2011. Karuturi sees no further need for land acquisition in African countries: in the past decade, land prices in Ethiopia and Kenya have surged. The global cut rose business, now \$70 billion, has been growing at 10-15 per cent for the past two years and this pace is likely to continue, he said.

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Sugar mills moot new cane pricing formula

Growers to get two-thirds of total realisation.

The gross realisation from sale of 10 kg sugar, 4.5 kg molasses and 8 kg bagasse would be around Rs 268.

New Delhi, July 7

Private sugar mills, for the first time, are apparently willing to consider a cane pricing formula that would entail sharing two-thirds of their realisations from not just sugar, but even molasses and surplus bagasse, with farmers.

According to sources, the proposal is slated to be discussed at an internal committee meeting of the Indian Sugar Mills Association (ISMA) here on Wednesday. If it goes through, it would be signify a departure from the hitherto stated position of mills that cane prices should be exclusively linked to sugar realisations and they should be under no obligation to share proceeds from by-product sales with growers.

But as per the formula being proposed now, growers would be entitled to two-thirds of the mills' total realisation from all the three primary products resulting from crushing cane – sugar, molasses and bagasse.

For every quintal or 100 kg of cane crushed, mills produce roughly 10 kg of sugar, 4.5 kg of molasses and 30 kg of bagasse (of which 21-22 kg is used for meeting in-house steam consumption requirements, leaving a surplus of 8-9 kg).

At current ex-factory realisations of Rs 25/kg for sugar, Rs 2/kg for molasses and Rs 1.10 for bagasse in Uttar Pradesh, the gross realisation from sale of 10 kg sugar, 4.5 kg molasses and 8 kg bagasse would be around Rs 268. Two-thirds of this would work out to nearly Rs 180 a quintal for cane.

“The realisation may be more if say, the 5 per cent ethanol blended petrol scheme were restarted, which will push up spirit prices to Rs 27/litre and, in turn, molasses prices to Rs 3.50/kg or so”, an ISMA official, who did not want to be identified, told Business Line.

Moreover, the cane price arrived through the two-thirds composite realisation sharing formula would only constitute “our minimum obligation to growers”. It does not prevent individual mills from paying a higher price than this minimum obligation.

‘Objective To Decontrol'

“Our ultimate objective is decontrol. The Government should free us from all levy and release mechanism obligations, and allow prices of all our products to be market-determined. Once that happens, cane prices can be fixed based on a transparent formula acceptable to growers as well”, the official added.

When asked why the proposed formula does not go beyond bagasse and molasses to the next stage of revenues from co-generation and alcohol, the official said “not all our mills have distilleries and co-gen plants” but they would get captured by the underlying traded prices of molasses and bagasse.

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Tea firms in Assam suffer output drop in June

Kolkata, July 7

Major tea companies, mostly producer-exporters, having gardens in Assam suffered a huge production loss in June due to excessive rainfall and pest attack.

Rossell Tea suffered a production loss of more than 40 per cent at three lakh kg, McLeod Russel suffered a 21 per cent fall at 7.4 mkg (million kg), Assam Company 25 per cent at 1.2 mkg, Goodricke 20 per cent at 3.6 mkg, Warren Tea 25 per cent at 1.3 mkg, Andrew Yule 20 per cent at one mkg and Apeejay Tea 37 per cent at 1.3 mkg.

Tea Board statistics show that the May production in the North was down 3 mkgs vis-à-vis the same month of the previous year, mainly due to the decline in Assam crop to the extent of 3.5 mkgs. The drop in Assam was to some extent made up by the slight improvement in the Dooars crop.

Outlook

In June, according to data available with the Indian Tea Association, about 90 per cent of its reporting membership showed a further decline of almost six mkg, largely led by the Assam region.

The outlook for July as reported by wide segments of the ITA membership too appears to be poor.

Inquiries reveal that between January and June, the cumulative rainfall in key tea-growing areas in Assam was substantially higher than that in the same period a year ago. Thus, in Dibrugarh circle the rainfall was 73 per cent higher, Margherita circle 75 per cent, Panitola circle 91 per cent, Moran circle 53 per cent and Doom Dooma circle 119 per cent. Extremely wet weather and inadequate sunshine impeded photosynthesis leading to sharp drop in the crop.

Tea Mosquito bug

Large tracts of tea growing areas have also been severely affected by Helopeltis (the pest Helopeltis Thievora), a major tea mosquito bug seen across the Northeast. The problem has been compounded by the inability of the producer exporters to go in for large-scale spraying given the extremely rigid pesticide residue levels required to be adhered to particularly for the European markets. While the production in North India up to May, that is, from January to May, was ahead by some five million kg vis-à-vis the same period of last year, the sharp decline in the production in June and a further likely decline in July might wipe out of the gains of higher production achieved up to May. There could be even deficit.

This might result in lower arrivals in the market with consequent pressure on prices in the coming months, according to tea industry sources.

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Domestic demand, lower arrivals lead jeera higher

Rajkot, July 7 Lower arrivals and domestic demand pushed up jeera prices to six-month high on Wednesday. In the spot market at Unja, jeera prices were quoted at a high not witnessed since January 4.

At the Unja mandi, the price was up Rs 200 to Rs 12,250-13,000 a quintal. Arrival was 3,500 bags of 60 kg. On January 4,jeera was quoted at Rs 14,670. On the National Commodities and Derivatives Exchange, the July contracts closed at Rs 12,945, up Rs 50 a quintal. The August contracts closed at Rs 13,084.

According to Angel broking research report, improved domestic demand led prices higher. However, overseas demand continues to remain weak. This will cap prices at the higher levels. In the short term (till July), prices will depend on the demand from the local as well overseas buyers.

Price quotes offered by the major producers in the international market will also determine the price trend. If prices offered by Syria are cheaper than Indian origin, the overseas buyers could shift to cheaper destination (Syria).

The report added, “Better production in other major producing nations such as Syria and Turkey and including India will cap the uptrend in the jeera prices in the medium term (July-end onwards). Prices in the long-term (August onwards) will depend on the price parity of the major producers such as India, Syria and Turkey. Further, prices will depend on the demand from the overseas and domestic buyers and stocks of jeera with the major producers.

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Lack of rail rakes hits raw sugar movement

New Delhi, July 7

Non-availability of rail rakes has hit movement of imported raw sugar, with an estimated 7 lakh tonnes (lt) still lying unprocessed at Kandla and Mundra ports.

“The Railways are supposed to provide three rakes daily for movement of raws as per an understanding with the Food Ministry.

But currently, it is down to hardly 3-4 rakes a week”, complained a sugar miller from Uttar Pradesh (UP). One rake carries roughly 2,600 tonnes.

During the 2009-10 sugar season (October-September), around 11 lt of raw sugar has been imported through Kandla and 4 lt through Mundra.

The bulk of this 15 lt imports through these two ports has been contracted by UP millers, including Bajaj Hindusthan, Balrampur Chini, Dhampur Sugar Mills and Simbhaoli Sugars.

UP Ban

For mills, particularly in UP, the imports have turned out to be a disaster, of sorts. To start with, the UP administration under Ms Mayawati imposed a virtual ban on their entry into the State.

The Railways were, on November 3, issued an advisory against accepting any rake indents for moving imported raws into UP, in view of their perceived threat to the interests of cane growers in the State.

The ban was lifted only towards the end of crushing operations, with the State Government, on February 19, informing the Railway Board that it no longer had objections to mills being allotted rakes for transporting the raws.

“Following that, we started getting 3 rakes daily as per our indents throughout March and April. But since May, it has dropped to 3-4 a week”, the miller said.

This time, the non-availability of rakes is being attributed to the precedence being accorded to movement of fertilisers.

“We have been told that since planting for the kharif season is now on, fertilisers would be given priority in allotment of rakes over all other commodities.At this rate, it will take us months to evacuate the 7 lt raws still lying in the ports (5 lt in Kandla and 2 lt in Mundra). The longer it takes to process this sugar, the more the losses for us”, the miller added.

But what could be more disturbing is the possible implication for overall sugar availability. “Raw sugar by itself is as good as standing cane on the fields — neither can be consumed without processing. It is for the Government to decide whether it would like the raws to be processed in time for the coming festival season”, he warned.

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Edible oils heat up on thin supply

Mumbai, July 7

Edible oil prices increased in the spot market following thin supply.The Malaysian market came under pressure again and crude palm oil futures end lower by 25-32 ringgits.

In the spot market, soya refined, rapeseed refined and palmolien increased marginally by Re 1–Rs 2 / 10 kg. Groundnut, sunflower and cotton ruled steady.After Tuesday's good trade, retail buyers stayed away on Wednesday. Stockists were not keen on buying as the overseas market is on a downward movement.

On Wednesday, only 250-300 tonnes of palmolein were traded. Importers quoting it between Rs 400 and Rs 404 for 10 kg. The volume was very small in direct trade but some re-sale also took place.

Weather concerns

Mr Kirtibhai Kothari, President of Bombay Commodity Exchange, said that monsoon's good progress in most of the oilseeds-growing States has raised the hopes for the new crop.

Currently, the deciding factor will be how the weather behaves in Argentina and the US and the scenario in these main producing nations does not hold any promise for upward movement.

In addition to that, stocks of edible oils at different ports in the country are aplenty. Uncrushed oilseeds stocks of soyabean and mustard at producing centres are also putting pressure on market.

Malaysian palm

Malaysia's BMD CPO futures for August delivery were up 25 at 2,305 Malaysian ringgits and September delivery was down by 31 ringgits at 2,370 ringgits. In the spot market, groundnut oil ruled steady at Rs 775, soya refined oil at Rs 425, sunflower expeller refined at Rs 430, sunflower refined at Rs 475, rapeseed refined oil at Rs 533 and rapeseed expeller at Rs 503, cotton refined at Rs 433 and palmolein at Rs 404. Oil extraction's price did not show any movement and was at steady at previous levels.

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4-week low offerings at Coonoor tea sale

Coonoor, July 7

An analysis of the listing by brokers shows that 16.84 lakh kg will be offered for Sale No: 27 at the Coonoor Tea Trade Association (CTTA) auctions to be held on Thursday and Friday.

This is the lowest volume of four weeks. It is as much as 2.87 lakh kg less than last week's offer and 92,000 kg less than the offer this time last year.

Of the 16.84-lakh kg on offer, 11.67 lakh kg belongs to the leaf grades and 5.17 lakh kg to the dust grades. As much as 16.06 lakh kg belongs to CTC variety and only 0.78 lakh kg, orthodox variety. The proportion of orthodox teas continues to be low in both the leaf and dust grades.

In the leaf counter, only 0.35 lakh kg belongs to orthodox, while 11.32 lakh kg, CTC. Among the dusts, only 0.43 lakh kg belongs to orthodox while 4.74 lakh kg, CTC.

Unsold stock

In the 16.84-lakh kg, fresh tea accounts for 13.64 lakh kg. As much as 3.20 lakh kg comprises teas remaining unsold in previous auctions. Teas worth Rs 2.52 crore remained unsold last week with 24.5 per cent withdrawn for want of buyers.

About 25 per cent of the leaf and 24 per cent of the dust remained unsold.

“Orthodox leaf market was barely steady. Plainer CTC dusts suffered from poor demand despite shedding Rs 1-2. Browners had to be withdrawn. But high-priced sorts gained Rs 2-3 and mediums Rs 1-2. Secondary orthodox dusts lost Rs 1-2, but primary sorts gained to the same extent. Downward trend was noticed in CTC dust market with most teas losing Rs 2-3. Better liquoring sorts, however, gained up to Rs 3,” an auctioneer told Business Line.

On the export-front, Pakistan bought for a wide range of Rs 38-61 a kg, the CIS Rs 40-43 and European ports Rs 40-45.

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Pepper inches up amidst high volatility

Kochi, July 7

Pepper futures after remaining highly volatile with the July contract moving up as high as Rs 18,425 and as low as Rs 18,132, moved up to close at Rs 18,274 a quintal, up by Rs 51 from the previous close. August also faced a similar situation.

The July outstanding position of 6,741 tonnes was pointed to as the reason pulling down the market. But at the same time there was strong domestic demand on the one hand and some demand from select pockets in overseas markets on the other.

Other origins, Vietnam and Brazil, were reportedly firmer. Indonesia was also almost at par with the Indian parity. But, it is feared they would undercut to corner orders, market sources told Business Line.

Meanwhile, the stockists in Jharkhand, Bihar, Rajasthan, Madhya Pradesh, Maharashtra and Delhi are also reportedly bullish now, hoping prices would touch Rs 200 a kg, they said. At the same time, bulls holding long positions had switched over besides resorting to liquidation.

July contract on NCDEX moved up by Rs 51 to close at Rs 18,274 a quintal. August and September were up by Rs 65 and Rs 91 respectively to close at Rs 18,522 and Rs 18,710 a quintal.

Total turnover increased by 3,693 to 24,553 tonnes. Total open interest went up by 390 tonnes to 18,184 tonnes, showing additional purchases.

July open interest dropped by 726 tonnes while that of August shot up by 918 tonnes indicating heavy switching over. September also moved up by 62 tonnes.

Spot prices remained steady on limited activities as buyers and sellers stuck to their respective prices. MG 1 closed at Rs18,100 while un-garbled was at Rs 17,600 a quintal.

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Pepper inches up amidst high volatility

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Futures drive spot turmeric higher

Erode, July 7

Turmeric prices recovered on Wednesday in the spot market here, taking cues from futures trading.

According to Mr V. Ravi, President, Erode Turmeric Merchants Association, there was increased buying interest, particularly from bulk buyers.

The prices that slumped on Monday increased Rs 200 a quintal, with Salem variety fetching good prices.

In the private market, the Salem variety went up Rs 400 to Rs 15,200-15,300. The finger variety increased Rs 200 to Rs 14,800 -14,900. The root variety sold between Rs 14,500 and Rs 14,700. Of the 6,000 bags (of 75-kg each) that arrived, 4,000 were sold (Salem variety comprised 600 bags of this).

In the regulated market, the finger variety was sold at Rs 14,589-15,209 and the root variety fetched between Rs 14,248 and Rs 14,943. Of the 694 bags that arrived, 636 were sold. Officials said good demand for the crop was seen in the tenders.

Wednesday's prices in the regulated market were Rs 300 a quintal more than Monday's. Bulk buyers purchased the maximum for upcountry dispatch.

Turmeric futures eased from their recent highs on slight profit-taking . On the NCDEX, turmeric for July delivery fell 0.26 per cent to Rs 14,432 for 100 kg.

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Nabard scheme for JLGs

Hyderabad, July 7

The National Bank for Agriculture and Rural Development (Nabard) has announced a scheme to support joint liability groups (JLBs) as a bid to give the small farmers access to institutional credit. The apex bank for agriculture has said that it would provide 100 per cent refinance to banks against their finance to JLBs. “We will provide grant to State cooperative banks and Regional Rural Banks for the formation, nurturing and financing of JLGs. The new scheme will help augment flow of credit to small and marginal farmers,” a Nabard press release said. Banks, primary agriculture credit societies and panchayats would be given Rs 2,000 each for the formation and nurturing of the groups for three years Backed by Nabard support, JLGs could act as collateral substitutes for loans; it would minimise the risks for banks. Formed with four-five members, each working in a similar farm activity, the JLGs would jointly execute a loan document, making each one liable for repayment of all loans taken by all individuals belonging to the group.

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Thu,08 Jul 2010

Weather

Chennai - INDIA

Today's Weather

Rainy	Thursday, Jul 8 Max Min 33.6º | 24.8º
Rain: 00 mm in 24hrs	Sunrise: 05:47
Humidity: 84%	Sunset: 18:39
Wind: Normal	Barometer: 1008.0

Tomorrow's Forecast

Rainy	Friday, Jul 9 Max Min 34º | 25º

Extended Forecast for a week

Saturday	Sunday	Monday	Tuesday	Wednesday
Jul 10	Jul 11	Jul 12	Jul 13	Jul 14
31º | 27º	31º | 26º	30º | 27º	31º | 27º	30º | 26º
Rainy	Rainy	Rainy	Rainy	Rainy