THE HINDU

Online edition of India's National Newspaper

Tuesday, September 21, 2010

Date:21/09/2010 URL:

http://www.thehindu.com/2010/09/21/stories/2010092150990600.htm

---

Farmers' association urges Centre not to impose ban on cotton exports

Staff Reporter

Tirupur: Uzhaivar Uzhaipalar Katchi State president K. Chellamuthu has asked the Central Government not to impose ban on cotton exports or regulate it as such moves would severely affect the livelihood prospects of the farmers.

He refused to accept the logic highlighted by the textile entrepreneurs that the cotton prices soared high only due to the export of cotton.

“To control the cotton prices, the Government should instead take stringent steps to weed out the presence of middlemen who had been keeping stocks unnecessarily creating artificial shortages to fetch good prices later,” he told reporters here recently.

He said that to remove middlemen from the trade, the Government should evolve a strategy to establish direct market linkages between farmers and the textile mill owners.

“Such a move will bring a win-win situation for farmers and textile entrepreneurs since both would benefit from the price angle,” he added.

He reiterated the need to ensure good prices to cotton farmers to prevent them migrate to other crops, which would result in widening the production-demand gap.

“Over 90 per cent of cotton farmers in the Tamil Nadu migrated to other crops in the last decade as they could not get remunerative prices for their produces.”

Mr. Chellamuthu criticised the tendency to acquire the lands owned by agriculturists for road widening works. “In the case of acquisition is unavoidable, the farmers should be compensated well at the market value prevailing in that area,” he added.

Date:21/09/2010 URL: http://www.thehindu.com/2010/09/21/stories/2010092153450300.htm

---

Emphasis on innovative farming techniques

Staff Reporter

PHOTO: G. KARTHIKEYAN

Collector M. Vallalar (right), handing over a training manual to a self-help group member at a programme in Dindigul on Monday. S. Peer Mohammad (middle), Associate Head of Veterinary University Training and Research Centre, is in the picture. —

DINDIGUL: Farmers should learn to carry out agriculture and cattle rearing activities scientifically to make them profit making businesses. Application of innovative techniques and adoption of technologies and scientific methods were essential to make cattle rearing a viable one, said Collector M. Vallalar

Inaugurating a special training programme on scientific methods for rearing cattle, hen, duck, goat and fish for self-help group members and beneficiaries in 38 watershed areas developed under Drought Prone Area Development and Integrated Watershed

Development programmes here on Monday, he said that without application of innovative methods, farmers could not enhance their income and protect their livestock from diseases.

Farmers of small holdings could not meet their daily expenses with meagre income from agriculture.

Low individual income would scale down purchase power of the rural masses.

It would ultimately affect the growth of rural economy, he added. Income generation through cattle rearing and chicken farm activities was good.

By the end of training programme, the participants would know how to rear animals scientifically and give first-aid without any difficulty.

Providing women and men with the scientific knowledge needed to rear animals would help them do farm business without any loss, he said.

Veterinary University Training and Research Centre Associate Head S. Peer Mohammad said that training in backyard kitchen, rearing of goats, cattle, ornamental fish, mushroom farms, fish farms and fruit processing would be imparted to participants.

Tips on several diseases that attacked cattle, goats and chicken and preventive measures and first-aid would be offered to trainees in this session.

Trainees would also be taken to a private cattle farm at Mullipadi for field training in the afternoon. A total of 1,160 members would be trained in 38 batches, he added.

Formation of sunken pond, farm pond, loose rock check-dam, gabion check- dam, cement check-dam, horticulture plantation and agro-forestry were under progress in Natham, Athoor, Kodaikanal Vadamdurai, Dindigul and Gujiliamparai unions.

Date:21/09/2010 URL:
http://www.thehindu.com/2010/09/21/stories/2010092153740300.htm

Farmers, tribals to get buffaloes, cows

Staff Reporter

DINDIGUL: Cows and buffaloes will soon come to the rescue of farmers of small holdings and tribal people in hilly regions in the district who have less or no income from agriculture, thanks to a plan to offer 10,000 cattle heads to them as part of sustainable income generation activities.

Of the 10,000 cattle heads, 30 per cent would be buffaloes and the rest jersey cows. Convergence is the basic mantra of this project.

All departments will work with coordination to take the benefits to the beneficiaries. Fodder bank will be created in every possible zone to maintain fodder supply at affordable cost throughout the year. Special self-help groups will be formed to look after these banks. Cattle groups and fodder bank would be in the ratio of 10:1.

Committees

The district administration has constituted special committees for buying quality cattle, developing fodder farms, arranging bank loans and marketing end products. All committees have started working on this project.

Talking to press persons here on Monday, Collector M. Vallalar said that unutilised tribal welfare development fund with the National Bank for Agriculture and Rural Development (NABARD) and funds in other departments would be utilised to buy cattle. Each hybrid cow costs Rs.25,000. Beneficiaries would get 50 per cent subsidy. The central theme of the project was to ensure economic growth and reduce poverty that could be possible only through increasing individual income.

Marketing skills

New milk cooperative societies would be established for bulk sale. Marketing skills would be imparted to beneficiaries as part of capacity building and they would have a tie-up with the Aavin. Such activities would not only stimulate non-farm employment and rural enterprises but also scale up milk production and income. Tribal people would also be trained to manage natural resources in forests.

The aim was to increase opportunities for agriculturists to generate income and add value to their products. Better income alone would help them improve their living condition.

Mere rehabilitation of water sources would not enhance income of agriculturists. Distribution of 10,000 cattle would be over by March 2011, he added.

Veterinary University Training and Research Centre Associate Head S. Peer Mohammad said that Jersey cows were ideally suited to our climatic conditions. Buffalo milk was essential to maintain required fat level in the milk for bulk sale.

Date:21/09/2010 URL: http://www.thehindu.com/2010/09/21/stories/2010092158410300.htm

---

Back

Tamil Nadu - Dindigul

Farmers of small holdings, tribals to get buffaloes, cows

Staff Reporter

Dindigul district administration's plan for sustainable income generation

DINDIGUL: Cows and buffaloes will soon come to the rescue of farmers of small holdings and tribal people in hilly regions in the district who have less or no income from agriculture, thanks to a plan to offer 10,000 cattle heads to them as part of sustainable income generation activities.

Of the 10,000 cattle heads, 30 per cent would be buffaloes and the rest jersey cows. Convergence is the basic mantra of this project. All departments will work with coordination to take the benefits to the beneficiaries. Fodder bank will be created in every possible zone to maintain fodder supply at affordable cost throughout the year. Special self-help groups will be formed to look after these banks. Cattle groups and fodder bank would be in the ratio of 10:1.

The district administration has constituted special committees for buying quality cattle, developing fodder farms, arranging bank loans and marketing end products. All committees have started working on this project.

Talking to press persons here on Monday, Collector M. Vallalar said that unutilised tribal welfare development fund with the National Bank for Agriculture and Rural Development (NABARD) and funds in other departments would be utilised to buy cattle. Each hybrid cow costs Rs.25,000. Beneficiaries would get 50 per cent subsidy. The central theme of the project was to ensure economic growth and reduce poverty that could be possible only through increasing individual income.

New milk cooperative societies would be established for bulk sale. Marketing skills would be imparted to beneficiaries as part of capacity building and they would have a tie-up with the Aavin.

Such activities would not only stimulate non-farm employment and rural enterprises but also scale up milk production and income. Tribal people would also be trained to manage natural resources in forests.

The aim was to increase opportunities for agriculturists to generate income and add value to their products. Better income alone would help them improve their living condition.

Mere rehabilitation of water sources would not enhance income of agriculturists. Distribution of 10,000 cattle would be over by March 2011, he added.

Veterinary University Training and Research Centre Associate Head S. Peer Mohammad said that Jersey cows were ideally suited to our climatic conditions. Buffalo milk was essential to maintain required fat level in the milk for bulk sale.

Date:21/09/2010 URL:
http://www.thehindu.com/2010/09/21/stories/2010092161740500.htm

---

Horticulture graduates cannot equate themselves with graduates in agriculture: court

Staff Reporter

MADURAI: Horticulture graduates cannot equate themselves with graduates in agriculture and claim they should also be considered for filling the vacancies of Agriculture Officers, the Madras High Court Bench here has said.

Justice K. Chandru made the observation while dismissing a batch of writ petitions filed by horticulture graduates challenging a notification issued by the Tamil Nadu Public Service Commission (TNPSC) for appointment of 520 Agricultural Officers.

The judge also dismissed another batch of writ petitions filed by horticulture graduates challenging a Government Order issued on December 24, 2007 for transferring a part of the staff of the Agriculture Directorate to the Directorates of Horticulture, Seed Certification and Agricultural Marketing.

Rejecting the contention that the G.O. would seal the chances of the petitioners awaiting employment since 1990, Justice K. Chandru said they could not question the reorganisation of the department by the State government in view of the Supreme Court judgment in K. Rajendran's case (1982).

“In modern administrations, it is necessary to recognise the existence of the power with the legislature or the executive to create or abolish posts in the civil service of the State.

Published: September 19, 2010 00:52 IST | Updated: September 19, 2010 00:52 IST NEW DELHI, September 19, 2010

With good monsoon, Centre expects better grain output

With good monsoon this season, the country expects the grain production during the 2010-11 crop year to touch, or even exceed, the last best level of 2008. Grain production during 2008-09 was 234.47 million tonnes. During 2009-10, the output is expected to be about 218 million tonnes.

Except parts of Bihar, Jharkhand, West Bengal, Madhya Pradesh and Uttar Pradesh, the monsoon spread has averaged out at “plus three per cent,” to the government's “satisfaction.” Rainfall deficit is 25 per cent in Bihar, 48 per cent in Jharkhand and 16 per cent in West Bengal. It is also deficient in parts of Madhya Pradesh and Uttar Pradesh.

In the drought-hit districts of Bihar, Jharkhand and West Bengal, the Centre will provide farmers with a diesel subsidy of Rs. 500 each to enable them to power their pump-sets.

For this, the government has set aside Rs.500 crore. The government will seek the Election Commission's permission to implement the decision, Union Agriculture Minister Sharad Pawar told journalists here on Friday after inaugurating the conference on the rabi campaign.

Since Bihar is going to the polls from October 21, the model code of conduct has come into force.

“I met Finance Minister Pranab Mukherjee on Thursday, and it was decided to extend diesel subsidy to farmers in these States so that they can salvage their crops. The government has decided to give Rs. 500 crore for this. The entire sum will be borne by the Central government.”

Mr. Pawar said though the kharif rice output suffered a setback last year because of the drought in 399 districts, grain production was expected to be better and reach or exceed the 2008 level next year. “I expect overall grain production to reach between 220 million tonnes and 230 million tonnes because of the good monsoon. The area under pulses, oilseeds, cotton, sugarcane and paddy is more than what it was last year.”

Sugar production is expected to be 23 million tonnes against 18.8 million tonnes in the current year ending September 30.

“The good southwest monsoon will be favourable to the wheat crop next year. The reservoirs are full; the storage in the Bhakra dam, for instance, has not been like this in the past 30 years. Our expectation is that 2010-11 will be a bumper crop year,” Mr. Pawar said.

Reiterating the government's resolve to enhance the grain storage capacity, Mr. Pawar ruled out lifting the ban on wheat and sugar export “till a final view is taken on the National Food Security Bill.”

Asked about permitting futures trading in sugar from October 1, as the Forward Markets Commission has hinted recently, Mr. Pawar said: “They suspended sugar futures. It is up to them to take a decision on allowing it.”

The Ministry moved a proposal to de-control the sugar industry, and it was holding consultations with the States, as agriculture is a State subject.

Asked to comment on reports that floods-ravaged Pakistan might accept food aid, rather than financial aid, from India, Mr. Pawar said any decision would have to be made by the Prime Minister. “If there is a request from the Ministry of External Affairs, we will be happy to process it, be it for Pakistan, Sri Lanka or Bangladesh.”

THE ECONOMIC TIMES

Tue, Sep 21, 2010 | Updated 04.41AM IST

20 Sep, 2010, 08.23PM IST,PTI

Govt mulls cuts in sugar mills' contribution towards PDS

NEW DELHI: Anticipating better production in 2010-11 sugar year starting next month, the government may cut the quantity of sugar that mills have to contribute for supply through ration shops to 12 per cent of country's total output from the current 20 per cent.

"We are seriously considering to cut the levy sugar obligation on mills from the current level to 12 per cent in anticipation of higher production in 2010-11 season," a senior Food

Ministry official said.

The revised levy obligation would be effective from the new season starting October 1, the official said. The sugar year runs from October to September.

The government had raised the percentage of levy sugar to 20 per cent in 2009-10 in the wake of lower production.

Sugar production of India, the world's second largest producer, is expected to be more than 23 million tonnes in the 2010-11 against 18.8 million tonnes in the previous year, Food and Agriculture Minister Sharad Pawar had said last week.

The government requires 2.7 million tonnes of sugar for supply through ration shops. At projected production for the next year, the levy percentage of 12 per cent would be enough to meet the requirement of public distribution system (PDS).

At present, the government is buying levy sugar from mills at an average rate of Rs 17.06 a kg and selling the same at Rs 13.50 per kg to poor through ration shops.

Sugar industry body ISMA have been demanding cut in levy sugar as this would result in more quantity for sale in the open market.

21 Sep, 2010, 09.08AM IST,REUTERS

Cotton to set new peak on global cues, supply

MUMBAI: Robust demand amid a supply squeeze and a rally in world markets will help Indian cotton set a new record this week, though government curbs on exports may limit the upside, dealers said on Monday.

"From every corner of the world we are getting bullish news. Demand is good in every major consuming country and every supplier is struggling to fulfil orders," said a director of a leading Indian cotton export firm, which is in the business for over eight decades.

Cotton futures powered to their highest level in 15 years on Monday, barrelling past the psychological $1 a lb mark for only the second time since 1960, analysts said.

"Due to harvesting delay, there is supply shortage in India. So, in the near term, until the new crop arrives, the prices are likely to remain high in domestic market also," Saurin Parikh, co-promoter, Pashupati Cotton Industries.

The textile industry had expected the cotton crop to arrive in the markets in significant quantity form mid-September but heavy rain in the main producing states, western Gujarat and Maharashtra and northern Punjab and Haryana, hindered harvesting.

The new crop was likely to reach the market three weeks later than first expected, said an official at the Cotton Advisory Board, a federal body drawn from farmers, industry groups, traders and the government.

In India, the most common Shankar-6 variety cotton rose 1.3 percent to a record 38,500 rupees per candy (of 356 kg each) on Monday, up over 73 percent compared to 22,200 rupees a year ago, data with Cotton Association of India showed.

"Rising international prices have turned situation in favor of exporters but the availability of raw cotton is a major issue as the harvesting got delayed," said N M Sharma, managing director, Gujarat State Co-operative Cotton Federation Ltd.

Floods have ravaged the crop in Pakistan and also hurt crops in China, swelling demand for the

Indian fibre. India will only allow cotton exports of up to 5.5 million bales (1 bale=170 kg) in the year to September 2011, Trade Secretary Rahul Khullar said this month.

"Restrictions on exports are likely to cap the upside in prices," said Sagar Pamnani, a Maharashtra-based trader. The country has delayed the registration of cotton for export in the 2010/11 season to Oct 1, after the textiles industry raised concerns over rising local prices, the textile ministry said.

India's cotton output is seen at a record 32.5 million bales in 2010/11, Textile Commissioner A B Joshi said last month, a 10 percent increase from 29.5 million a year ago on a record area.

Business Standard

Tuesday, Sep 21, 2010

Soya crushing surges as heldover stock released

Dilip Kumar Jha / Mumbai September 21, 2010, 0:43 IST

Faced with increased availability of soybean from last year’s carry over stock, oil mills have increased crushing to 50 per cent of capacity from 35 per cent a year ago.

“Soya crushing mills are currently operating with 50 per cent of installed capacity due to sudden increase in raw material,” said Rajesh Agarwal, coordinator of the Indore-based Soybean Processors Association (Sopa).

Farmers and stockists had held stocks of nearly 3.5 million tonnes until July 2010 from last year’ total estimated output of 9 million tonnes. They have started releasing inventories gradually into the market. As a consequence, soybean arrivals in major mandis have risen sharply. Generally, during the ongoing lean season, arrivals fall due to unavailability of beans at the hands of farmers and stockists.

“Yes, our production capacity has increased,” said Dinesh Shahra, managing director of India’s largest soya crushers, Ruchi Soya Industries.

Rainfall was evenly distributed across the major soya planting states including Madhya Pradesh and Maharashtra. Therefore, soya output is forecast to be a bumper this year, as pods have been better and healthy compared to last year when monsoon was deficient. India’s output is estimated to rise to 9.5 million tonnes this kharif season. In Madhya Pradesh alone, output is forecast to touch 6 million tonnes, a record in the state.

Today, farmers and stockists are releasing between 600,000-700,000 tonnes per month as against 400,000 tonnes a couple of month ago as they have understood that prices are unlikely to rise from this level.

They are in a hurry to clear their stocks to create storage space for the new crop which is set to hit the market by the end of September. In some areas, the crop is ready to be harvested within a fortnight and if rains continue, it may damage quality.

After the high of Rs 2,143 a quintal on August 16, soybean for delivery in October plunged to Rs 1,995 a quintal on Wednesday on NCDEX.

Interestingly, the government has come up with a report of a never heard before pest namely spodoptera altura. In an official communiqué the government has advised farmers to use Endo Celphos spray to protect the crop.

According to B V Mehta, the increase in mills’ crushing capacity is not going to change overall availability of soya oil in the country as carryover beans are, any how, released into the market before the next harvesting season commences.

India’s soya oil output is estimated at 1,050,000 tonnes in 2009-10 oil year (November - October) as against 1,200,000 tonnes in the corresponding year of the previous year. The country witnessed a domestic soya oil output at 1445,000 tonnes in 2007-08 with increased availability of local soybean.

The country's total consumption of soya oil, however, is also likely to decline to 1,950,000 tonnes this year as against 2,150,000 in the previous year. The record consumption of soya oil was witnessed in 2005-06, at 2,850,000 tonnes.

India produces nearly 6.5 million tonnes of vegetable oil yearly and consumes 15 million tonnes. The deficit is met through imports from Malaysia, Indonesia and Argentina.

Board seeks subsidy for replanting coffee

Debasis Mohapatra / Chennai/ Bangalore September 21, 2010, 0:21 IST

The Coffee Board of India is taking various measures to boost productivity in the coffee-growing regions of the country which otherwise is witnessing a declining trend of productivity in the last one decade.

Measures like subsidy for replanting operation along with provision for insecticides in concessional rates are some of the steps taken up by the board in recent time.

The board is also actively considering to bring in changes in the subsidy regime through inclusion of corporates under the replanting scheme.

"We are aware of the fall in productivity of coffee in recent time. To boost productivity, we are giving up to 50 per cent subsidy to small farmers for replanting along with insecticide subsidy given to them for controlling stem borer," Jabir Asghar, vice-chairman of Coffee Board, said.

He, also, said erratic weather, pest attack and labour shortage were the major reasons for falling productivity in the coffee plantation area.

Average coffee productivity has witnessed a 10 per cent fall in recent time as compared to 2000-01 level.

As per data available with United Planters Association of Southern India (UPASI), average productivity of coffee declined to 796 kg per ha during 2005-10 period, a fall of 9.85 per cent from 883 kg per ha during 2000-2005 period.

Arabica variety witnessed a fall of 16 per cent to 601kg per ha in 2005-10 period as compared to 717kg per ha in 2000-05 period. Similarly, robusta variety dipped 7.2 per cent to 951 kg per ha during this period.

Further, Indian coffee productivity of 766 kg per ha in 2008-09 season, is not only lower than the world average of 847 kg per ha, but also 2.6 times lower than a young coffee country like Vietnam with a productivity of 1,989 kg per ha and 1.6 times lower than Brazil with a productivity of 1,259 kg per ha.

To check the fall in productivity, Coffee Board is actively encouraging re plantation in coffee planting areas.

“Some of the coffee plantations are 30 -50 years old. These areas need replanting to increase productivity along with resistance to various plant diseases,” another official of Coffee Board said.

He said Coffee Board would propose to cover 80 per cent of replanting expenditure of coffee planters by the government with covering of corporates under the new scheme.

Presently, replanting scheme run by Coffee Board covers up to 50 per cent expenditure of small coffee planters and doesn’t cover big planters.

However, big planters are asking for a similar deal like tea replanting scheme which covers both small and big tea planters.

Referring to labour shortage, Asghar said that the board had submitted a proposal before Commerce ministry to decrease import duty on machineries used in the coffee industry.

“We are hopeful that there will be budgetary allocation for mechanisation in the next budget,” he added.

Wheat recovers on flour mills demand

Press Trust of India / New Delhi September 20, 2010, 17:08 IST

In thin trading, wheat prices recovered by Rs 5 per quintal in the wholesale grains market today on the back of increased demand from flour mills.

Other commodities, including rice and bold grains, remained steady in the absence of worthwhile activity.

Wheat dara (for mills) traded Rs 5 higher at Rs 1,215- 1,220 per quintal, while wheat MP (deshi) remained flat at Rs 1,640-1,740 per quintal.

Meanwhile, permal raw, wand and sela remained steady at Rs 1,990-2,040, Rs 2,065-2,215 and Rs 2,290-2,340 per quintal, respectively.

Following are today's quotations in Rs per quintal:

Wheat MP (deshi) 1,650-1,750, wheat dara (for mills) 1,225-1,230 chakki atta (delivery) 1,225-1,230, atta Rajdhani (10 kg) 175, Shakti bhog (10 kg) 175, Roller flour mill 630-650 (50 kg), Maida 750-780 (50 kilos) and Sooji 840-860 (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 1,990-2,040, Permal wand 2,065-2,215

Sela 2,290-2,340 and Rice IR-8- 1,825-1,850, Bajra 1,000-1,010, Jowar yellow 1,200-1,300, white 2,300- 2,350, Maize 1,100-1,110, Barley (UP) 1,070-1,090 and Rajasthan 1,080-1,090

Refined palmolein spurts on stockists, festive demand

Press Trust of India / Mumbai September 20, 2010, 18:14 IST

Refined palmolein prices rose further at the oils and oilseeds market here today due to sustained buying from stockists and retailers coupled with good local demand in view of the festivities.

Elsewhere, castorseeds futures also moved up higher on the back fresh export order.

Meanwhile, groundnut oil, castorseeds bold, castoroil commercial and linseed oil closed at their weekend's level in the absence of worthwhile buying activity.

In edible segment, refined palmolein gained by Rs 9 per 10 kg to Rs 468 from last Saturday's closing level of Rs 459, while groundnut oil held steady at Rs 895 per 10 kg.

Turning to futures section, castorseed's October contract resumed higher at Rs 4,010 and firmed up further to Rs 4,035 before closing at Rs 4,026, as against Rs 4,008 last weekend, showing a gain of Rs 18 per tonne.

However, castorseeds bold, castoroil commercial and linseed oil were unaltered at Rs 4,225, Rs 875 and Rs 550, respectively.

Potato rises 3% on spot demand

Press Trust of India / New Delhi September 20, 2010, 13:20 IST

Potato prices rose by Rs 17.90, or 3.00 per cent, to Rs 615.10 per quintal in futures market today, as traders enlarged their positions on pick up in spot market demand ahead of festive season.

Restricted supply from producing regions also supported the uptrend.

At the Multi Commodity Exchange counter, potato for April contract gained Rs 17.90, or three per cent, to Rs 615.10 per quintal, with a trading volume of 15 lots.

Potato for October-month contract traded higher by Rs 15.90, or three per cent, to Rs 545.80 per quintal, with a business volume of 225 lots, while March delivery was up by 17.90, or three per cent, to Rs 614.90 per quintal, with a business volume of 322 lots.

Marketmen said increased buying by speculators on pick up in demand in the spot market ahead of festive season led to a rise in potato prices at futures trade.

They said restricted arrivals from the producing belts in Haldwani and Agra also influenced the trading sentiment to some extent.

Punjab slashes fees on raw cotton

BS Reporter / New Delhi/ Chandigarh September 21, 2010, 0:28 IST

Punjab Chief Minister Parkash Singh Badal today decided to slash the market fee and Rural Development Fee (RDF) on cotton varieties Narma and Kapas from 2 per cent to 1 per cent with immediate effect for the cotton procurement season 2010-11.

Disclosing this here today, a Punjab government spokesperson said that this decision had been taken to safeguard the interests of both the cotton growers and cotton ginning industry.

Besides, this decision would also provide a level playing field to the cotton ginners in the state who were facing unhealthy competition from the cotton industry in other states like Rajasthan, where the market fee on cotton was 0.80 per cent and 1 per cent each in Maharashtra and Gujarat.

It may be recalled that the state government had already abolished the Punjab Infrastructure Development Cess of 2 per cent levied on the ginning and spinning (composite) units on raw cotton recently during a meeting with the Chief Minister held on August 9, 2010.

Expressing gratitude to the Chief Minister, the members of the Association assured Badal that this decision would result in quantum jump in the revenue from VAT and market fee during the current procurement season, which was expected to touch nearly '125 crore on VAT and '80 crore on market fee

Turmeric rises on stockists buying

Press Trust of India / New Delhi September 20, 2010, 17:36 IST

Turmeric prices rose by Rs 200 per quintal in the national capital today on increased buying by stockists as well as retailers due to domestic and exports demand.

Fall in supplies from producing regions also supported the rise in prices. Turmeric prices rose by Rs 200 to conclude at Rs 15,000-17,800 per quintal.

Traders said increased buying by stockists following pick up in domestic and export demand, mainly pushed up turmeric prices on the wholesale market here.

Following are today's quotations (per quintal):

Ajwain 13,500-19,000, black pepper common 20,700-20,800 betelnut (kg) 86-107, cardamom brown-Jhundiwali (kg) 700-725 and cardamom brown-Kanchicut (kg) 780-900

Cardamom small (kg): Chitridar 900-1,020, cardamom (colour robin) 960-970, cardamom bold 980-990, cardamom extra (bold) 1,200-1,220 and cloves (kg) 290-350

Pistachio rises on fresh buying

Press Trust of India / New Delhi September 20, 2010, 17:33 IST

Pistachio prices rose up to Rs 10 per kg in the national capital today on the back of fresh buying by retailers and stockists.

Tight supplies from overseas markets also supported the upside in prices. Pistachio hairati and peshwari rose up to Rs 10 to settle at Rs 1,110-1,205 and Rs 1,310-1,455 per kg, respectively.

Marketmen said increased demand from retailers and stockists against fall in supplies from overseas markets pushed up pistachio prices in the wholesale dry fruit market here.

Following are today's quotations in Rs per 40 kg:

Almond (California) new Rs 11,100, Almond (gurbandi-new) Rs 4,600-4,700 almond (girdhi) Rs 2,400-2,500 and Abjosh Afghani Rs 7,000-16,000

Almond kernel in per kg (California) Rs 385-390,almond kernel (gurbandi-new) (kg) Rs 300-350

Gur prices remains steady in thin trade

Press Trust of India / New Delhi September 20, 2010, 17:28 IST

The wholesale gur prices remained flat in the national capital today, as prices moved in a narrow range on alternate bouts of trading and closed unchanged.

Muzzafarnagar gur market also witnessed a steady trend and settled at last levels.

Following are today's quotations in Rs. Per quintal:

Chakku Rs 2,850-2,900, Pedi Rs 3,050-3,100, Dhayya N.T. and Shakkar Rs 3,200-3,300

In Muzaffarnagar: Raskat Rs 2,000-2,100 chakku Rs 2,600 -2,700 and Khurpa N.T
In Muradnagar: Pedi N.A. And Dhaya N.A

Pulses remain steady in thin trade

Press Trust of India / New Delhi September 20, 2010, 16:59 IST

Steady conditions prevailed in the wholesale pulses market today, with most of commodities in range-bound trade settled around previous closing.

Arrivals and offtake too remained at a low ebb and volume of business restricted.

Traders said absence of demand from local parties and neighbouring states due to heavy rains, kept activity restricted.

Following are today's quotations in Rs per quintal:

Urad 5,400-5,950, Urad chilka (local) 6,000-6,400, best 6,500-6,800, Dhoya 6,600-6,700, Moong 4,500-4,900, Dal moong chilka local 5,300-5,700, Moong Dhoya local 5,800-6,000 and best quality 6,400-6,600

Masoor small 3,300-3,500, bold 3,500-3,750, Dal Masoor local 4,000-4,100, best quality 4,300-4,600, Malka local 3,900-3,950, best 4,050-4,150, Moth 5,000-5,300, Arhar 3,800-3,900, dal arhar dara 4,800-5,200

Gram 2,225-2,250, gram dal (local) 2,475-2,500, best quality 2,600-2,700, besan (35 kg) Shakti bhog 1,050, Rajdhani 1,050, Rajmah chitra Pune 3,450-4,050, China 3,550- 4,050, red 3,450-3,550 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

Chana recovers marginally on firm spot demand

Press Trust of India / New Delhi September 20, 2010, 16:29 IST

Chana prices recovered by Rs 9, or 0.42 per cent, to Rs 2,124 per quintal in futures trade today, as speculators enlarged their positions, supported by pick up in demand in the spot market.

Restricted arrivals in physical markets also influenced the chana prices at futures market.

At the Multi commodity Exchange counter, chana for delivery in October-month recovered by Rs nine, or 0.42 per cent, to Rs 2,124 per quintal, with a trading volume of three lots.

The commodity for delivery in November month rose by Rs three, or 0.13 per cent, to Rs 2,189 per quintal, with an open interest of three lots, while September contract up by Rs two, or 0.09 per cent, to Rs 2.070 per quintal, with a trading volume of 28 lots.

Market analysts said fresh positions created by speculators buoyed by pick up in demand in the spot market against limited arrivals mainly led to a recovery in chana prices at futures trade.

Pepper marginally up on restricted supply, global trend

Press Trust of India / New Delhi September 20, 2010, 16:56 IST

Supported by tight stocks in the market and firming trend in global markets, pepper prices rose by Rs 20, or 0.10 per cent, to Rs 20,091 per 100 in futures trade today.

However, subdued exports demand weighed on the prices and restricted gains.

At the National Commodity and Derivatives Exchange platform, pepper for October gained Rs 20, or 0.10 per cent, to Rs 20,091 per 100 kg, with an open interest of 13,599 lots.

The contract had ended down 0.35 per cent at Rs 20,071 per 100 kg in the previous session. The spice for delivery in November traded Rs 15, or 0.07 per cent higher, to Rs 20,321 per 100 kg, with an open interest of 1,361 lots.

It had gained 0.17 per cent to Rs 20,772 per quintal in the previous session.

Analysts said rise in pepper prices at futures trade was attributed to restricted supplies in the domestic market and lower stocks with major producing countries and an upward trend in global prices.

Jeera rises on tight supply, exports demand

Press Trust of India / New Delhi September 20, 2010, 16:11 IST

Jeera futures today rose by Rs 39 to Rs 13,844 per 100 kg, as speculators engaged in creating speculative positions, driven by tight supplies against pick up in overseas demand.

At the National Commodity and Derivatives Exchange (NCDEX) counter, jeera contract for October traded Rs 39, or 0.28 per cent higher, to Rs 13,844 per 100 kg, with an open interest of 14,106 lots.

It ended 0.03 per cent lower to Rs 13,805 per 100 kg in the previous session.

In a similar fashion, the November contract moved up by Rs 30, or 0.22 per cent, to Rs 13,950 per 100 kg, with an open interest of 9,705 lots.

Analysts said tight stocks in the spot markets following poor supplies and exports demand, mainly led to a rise in jeera futures but an expected rise in acreage in the top producing state of Gujarat, limited gains.

THE HINDU Business Line

Business Daily from THE HINDU group of publications

Tuesday, September 21, 2010

Date:21/09/2010 URL: http://www.thehindubusinessline.com/2010/09/21/stories/2010092151661600.htm

---

Back **Cardamom bounces back**

Growers retain produce as improved demand leads to recovery.

G.K. Nair

Kochi, Sept.20

Cardamom prices that had witnessed a sharp decline at the auctions held last week bounced back on Sunday on improved demand and a squeeze in supply.

According to trade sources, growers, who had received over Rs 1,000 a kg, did not want to sell below that level and resorted to a regulated release.

This was reflected at the Sunday KCPMC auction where the arrivals stood at 53 tonnes. The maximum price was at Rs 1,282 a kg and minimum Rs 800. Individual auction average price moved up to Rs 1,005.98 a kg.

The same trend continued on Monday also when the auction average at the CPA auction at Bodinayakannur stood at Rs 1,001.15 a kg. The maximum price was at Rs 1,128 a kg while the minimum, Rs 938 a kg.

Individual auction average price was, in fact, oscillating between Rs 920 and Rs 990 a kg right from Monday to Saturday last week.

Prices declined on buyer resistance and increased arrivals.

Added to this, rain in north Indian States led to the market slowdown. Buyers felt that since the weather conditions were favourable in the growing areas the arrivals might pick up, creating an oversupply situation.

But, it did not happen as the growers resorted to a market intervention exercise, Mr P.C. Punnoose, General Manager, CPMC, told Business Line.

Once the weather conditions in north Indian states, improved demand for Navratri, Diwali, wedding and winter season, Christmas and the New Year would emerge in the coming days.

Owing to changing food habits following improved standards of living, the per capita consumption of this aromatic spice has increased significantly of late, market sources said. At the same time, there has not been a growth in supply corresponding to the demand, they added.

Exporters would also resume buying to meet their requirements overseas for the expatriate and native consumers.

Meanwhile, availability from the lone other source continued to remain squeezed, trade sources said.

Arrivals

Total arrivals during the current season, from August 1 to September 20, 2010 stood at 1,311 tonnes. Of this, 1,304 tonnes of cardamom were sold.

Arrivals and sales in the same period of the previous season were 1,205 tonnes and 1,185 tonnes, respectively.

Weighted average price as on September 20, 2010, was Rs 1,237.10 per kg, up from Rs 721.55 per kg same day last year. Prices for graded varieties in rupees per kg on Monday were: AGEB 1,830–1,390; AGB 1,220–1,230 ; AGS 1,190–1,200 ; AGS1- 1,150–1,160. Prices quoted in the open market at Bodinayakannur were AGEB 1,365-1,375 ; AGB 1,205-1,215; AGS -1,170-1,180 ; AGS 1 -1,155 - 1,165.

Bulk was fetching Rs 850 to Rs 1,000 a kg. The weather conditions, of late, have been good in the cardamom growing areas, facilitating smooth harvesting. Favourable weather would help improve the late crop also. However, deficient monsoon rains in Wayanad so far this year might have a negative impact on the cardamom crop there, growers claimed.

Date:21/09/2010 URL: http://www.thehindubusinessline.com/2010/09/21/stories/2010092151001800.htm

---

Back **Fertiliser shortage puts mixture plants in a spot**

AP to take up issue with Centre; Association denies allegations.

Our Bureau

Hyderabad, Sept 20

The Andhra Pradesh Government has asked the Centre not to pay subsidy dues to fertiliser manufacturers that divert fertilisers to ‘mixture plants', leading to shortfall in the open market.

(The Government allowed private players to set up mixture plants a few years ago to meet the demand for complex fertilisers. There are about 228 units in 10 States.)

Mr N. Raghuveera Reddy, the Andhra Pradesh Minister for Agriculture, will be meet the Union Ministers for Agriculture and Fertilisers this week in New Delhi to demand a transparent policy on allocations to mixture plants.

“There is no clarity on allocation of fertilisers to these units. There are allegations that they are getting fertilisers directly from manufacturers. Some hold licence to import. There is no clarity on the pricing of the output,” he said.

Addressing a press conference on Saturday, the Minister demanded that the mixture plants be given inputs over and above the allocations made to the respective States.

Andhra Pradesh is home to some 20 mixer plants, with a combined capacity of 14 lakh tonnes. The fact that the Government sourced about 3.5 lakh tonnes in 2008 and 3.29 lakh tonnes to meet the demand showed the importance of these plants.

The issue, however, was that these plants were eating into the allocations made by the Centre to the States.

The State ordered a probe into alleged diversion of fertilisers to the mixer plants, including Haritha Fertilisers, promoted by Mr Ravindranath Reddy, Mayor of Kadapa.

Allegations denied

Meanwhile, the Andhra Pradesh Fertiliser Mixture Manufacturers' Association has denied the allegations that they had kept the Government in the dark about the details of their production and sourcing of raw materials.

“We submit monthly reports on sourcing, production, distribution and sales. The Government is welcome to investigate into malpractices, if any,” Mr Y.T. Raja, President, and Mr G. Krishna, a member of the association.

Addressing a press conference here on Monday, they clarified that fertiliser manufacturers had stopped supplying raw material to the mixture plants following a Central order on August 17.

**Date:21/09/2010 URL:
http://www.thehindubusinessline.com/2010/09/21/stories/2010092151831700.htm**

Back **Bad weather affects rice arrivals, offtake**

Our Correspondent

Karnal, Sept. 20

Following incessant rain since Sunday morning and after 7.44 lakh cusec water being released from the Hathini Kund Beraj, link roads of Haryana-Uttar Pradesh on the Yamuna belt, were flooded. Due to this, rice arrivals from Uttar Pradesh have dropped sharply.

In view of lukewarm demand of basmati and non-basmati rice, the market continued to witness a steady trend.

On Monday, Pusa-1121 (steam) ruled around Rs 5,400 a quintal, Pusa-1121 (sela) around Rs 4,400- 4,450, Pusa-1121 (raw) at Rs 5,400-5,500.

Pusa (sela) quoted at Rs 3,400 a quintal and Pusa (raw) at around 4,200-4,250.

Basmati sela ruled between Rs 6,250-6,300 a quintal, while basmati raw was quoted around Rs 7,200-7,250.

The Sugandha-999 sela was quoted at Rs 2,730 and PR14 (old) was at Rs 2,240. The Sharbati sela variety was quoted at Rs 2,500-2,530 a quintal in mandi while at the retail outlet the variety ruled between Rs 2,700-2,800 a quintal; Sharbati steam was quoted around Rs 2,725-2,750 a quintal in mandi and at the retail outlet, the variety was at Rs 2,900.

PR11 sela quoted around Rs 2,150-2,200, PR (raw) around Rs 2,200 and PR (steam) at Rs 2,300 a quintal. Brokens such as Tibar ruled around Rs 3,600a quintal; Dubar at Rs 2,750 and Mongra around Rs 2,050.

Mr Sewa Ram, rice trader, told Business Line that the trade has been badly affected by bad weather.

Traders are expecting around 30,000-40,000 bags from Monday in the Karnal district as arrivals were around 15,000 bags in Karnal mandi itself on Saturday. However, the rain played spoil sport, he said.

Except Sharbati variety prices of all other paddy varieties dropped as the moisture level was high in the stock. Due to low arrival of Sharbati, the prices ruled firm, he told. He further said germination and not so fine quality is also a reason behind the drop.

Around 15,000 bags of early variety paddy arrived at the several mandis of Karnal district. Around 5,000 bags of Govinda paddy arrived in Karnal mandi and the early variety was quoted at Rs 850-900 a quintal.

PR14 arrived with a stock of 1,000 bags and was quoted between Rs 750-950 a quintal.

Only around 800 bags of Sharbati variety arrived and the stock was lifted on the levels of Rs 1,300-1,350, while the PR47, of 2,500 bags arrived, the early variety was quoted at Rs 900-950 a quintal.

Date:21/09/2010 URL: http://www.thehindubusinessline.com/2010/09/21/stories/2010092150961800.htm

---

Back **Bonus pact to benefit 3 lakh tea workers**

Our Bureau

Kolkata, Sept 20

More than 3,00,000 workers, both permanent and temporary, employed in nearly 240 tea gardens in Darjeeling, Dooars and Terai regions of West Bengal, are to benefit from the bonus agreement signed here recently.

The agreement provides for bonus payments at rates higher than those in the previous year. Despite lower crop, the A, B and C Groups of gardens in Darjeeling, numbering 41, will pay 20 per cent each against 17 per cent last year by Group A gardens, 16 per cent by Group B gardens and 15 per cent by Group C gardens. This year, the Group D gardens, numbering 19, will pay 17 per cent against 13 per cent last year. The number of workers to benefit is estimated at 80,000, including about 22,000 temporary workers.

In Darjeeling district, there are 87 gardens of which 67 are members of the Darjeeling Tea Association (DTA), the signatory to the agreement. But only 60 of them gave authorisation to DTA to negotiate the bonus issue on their behalf. Another seven, despite not getting authorisation, will follow the agreement. Another 16 estates, all members of India Tea Association, too, will follow DTA, it is learnt.

In respect of tea gardens in Dooars and Terai, the pattern is more or less the same. The A, B and C Groups of gardens, totalling 144, will pay at the rates of 20 per cent each as against 18 per cent last year by A Group gardens, 16.5 by B Group gardens and 15 per cent by C Group. This year the D Group gardens, whose strength will be 14, will pay at 18 per cent against 13.25 per cent last year. Another 11 gardens, belonging to the Duncans but not classified under any group, will pay 20 per cent, it is learnt. About half a dozen gardens, reopened recently after a long closure, have been allowed to pay bonus at a lower rate of nine per cent, it is learnt.

Inquiries reveal that not all of Group A, B and C gardens will pay at the agreed 20 per cent. Some of them have been permitted to pay at slightly lower rates just as some D group gardens will pay at higher than the agreed 18 per cent.

“The classification is historical and arbitrary and therefore has no relevance in the present day context,” observe union sources.

Date:21/09/2010 URL: http://www.thehindubusinessline.com/2010/09/21/stories/2010092151841700.htm

---

Back **Turmeric back at Rs 14,000/quintal**

Our Correspondent

Erode, Sept. 20

Spot turmeric price shot up on Monday following heavy demand. After a fortnight, the price has touched the Rs 14,000 level again.

In the regulated market, the finger variety was sold at Rs 13,765-14,319 a quintal, and the root variety Rs 13,609–14,089. Out of 996 bags that arrived, 879 were sold.

At the Erode Turmeric Merchants Association sales centre, the finger variety fetched Rs 9,496-14,289 a quintal, and the root variety Rs 9,099-13,917. Out of 1,253 bags brought to the sales yard, 351 were sold.

In the Gobichettipalayam Agricultural Cooperative Marketing Society, out of 132 bags that arrived, 125 were sold. The finger variety fetched Rs 13,766-14,469 a quintal, and the root variety Rs 13,589-13,997 a quintal.

In the Erode Cooperative Marketing Society, the finger variety was sold at Rs 13,809-14,329 a quintal, and root variety Rs 13,627-13,996. Out of 727 bags that arrived, 700 were sold in bulk.

“Prices of the Erode and Salem turmeric varieties fetched good price and in 10 days prices have increased Rs 1,000 a quintal. This is because of the good demand from other States, especially from the North," said Mr R.K. Viswanathan, a turmeric dealer.

He hoped that the price will remain at current levels for another 20 days with the fluctuation of Rs 500 a quintal.

Date:21/09/2010 URL: http://www.thehindubusinessline.com/2010/09/21/stories/2010092151401900.htm

---

Back **Pepper futures bounce back on buying support**

G.K. Nair

Kochi, Sept. 20

Pepper futures rebound on Monday bounced back on buying support and limited selling pressure after remaining highly volatile.

Investors including national level cooperatives switched over to October and that in turn reduced selling pressure.

National level cooperatives were trying to sell at Rs 2 below the September delivery price while buyers were demanding at Rs 3

below. Nobody was interested in buying farm grade pepper as futures was available at lower levels, trade sources told Business Line.

Instead of selling many switched over to nearby positions. September contract on NCDEX went up by Rs 189 to close at Rs 20,005 a

quintal. October and November moved up by Rs 157 and Rs 150 respectively to close at Rs 20,228 and Rs 20,456 a quintal.

Total turnover increased by 10,721 tonnes to 16,324 tonnes. Total open interest declined by 44 tonnes to 16,774 tonnes. September open interest dropped by 918 tonnes leaving 341 tonnes for delivery, as the contract matured today. October and November open interest increased by 713 tonnes and 156 tonnes respectively to 14,216 tonnes and 1,452 tonnes.

Spot prices went up by Rs 200 a quintal in tandem with the futures market and some buying interest, trade sources said. Meanwhile, primary market dealers said Tamil Nadu based dealers were buying high range pepper at Rs 198 a kg from the doorsteps of

dealers/ growers and hence they did not want to bring the material to the markets. Physical pepper availability continued to remain squeezed, they said.

Date:21/09/2010 URL: http://www.thehindubusinessline.com/2010/09/21/stories/2010092153651900.htm

---

Back **DEMIC asks north Karnataka farmers to sell green gram**

Our Bureau

Hubli, Sept. 20

The Domestic and Export Market Intelligence Cell (DEMIC) of the University of Agricultural Sciences, Dharwad, has advised farmers in north Karnataka harvesting kharif-sown green gram to sell immediately.

DEMIC, in a release said that green gram is being harvested in Bidar, Gulbarga and Gadag regions and are getting ready for the market.

However, uncertain prices of the crop has put the farmers in a fix as they are unable to take decision with regard to when and where the crop has to be sold.

The decision to advice farmers is based on the monthly price data on modal prices of green gram collected from Gadag, Bidar and Gulbarga markets for the last 20 years, and is being analysed by employing time series models and forecast prices that would prevail in these three markets for the months of October, November and December.

The crop prices in other major markets in the country and the future prices quoted on the National Commodities and Derivatives Exchange of India (NCDEX) were also considered to come up with price forecasts.

The release said factors such as good rains (monsoon) during the kharif season, good yield of the crop which is expected at 5-7 quintals/ hectare (qtl/ha) has also being taken into account.

According to the price forecast and suggestions of experienced people, the prices of green gram is expected to be around Rs 3,200 in October, Rs 3,000 in November and December in Bidar market; Rs 3,800 in October, Rs 3,500-3,600 in November and Rs 3,600 to Rs 3,700 in December in Gulbarga market; Rs 3,700 in October, Rs 3,500-3,600 in November and Rs 3,500-3,700 in December in Gadag market.

Minimum support price

DEMIC also said the minimum support price announced by the Central Government for green gram for this year is Rs 3,170 a quintal.

Therefore, farmers are advised to sell the produce immediately after harvest because storage will not fetch any higher price. Bold seeded, cleaned, well dried grains are going to fetch higher prices in the market.

Farmers need to keep these things in mind while preparing the produce for the market, the release said.

Date:21/09/2010 URL:
http://www.thehindubusinessline.com/2010/09/21/stories/2010092151851700.htm

Back **Sustained supply puts pressure on sugar**

Our Correspondent

Mumbai, Sept. 20

Sugar prices on the Vashi wholesale terminal market was mostly steady on Monday due to lack of demand and smooth/continued supply from mills. Hopes of higher sugar production for the next season weighed on market sentiment curbing fresh demand. Spot prices witnessed marginal decline of Rs 2 a quintal on resale selling pressure. Naka and mill tender rates ruled steady and remain unchanged. A wholesale trader said mills held ample stocks but they were not keen to sell at lower price. The market may see range-bound (Rs 20-25 a quintal) movement in the near future.

On Saturday, only one mill offered a tender of 12,000 bags in range of Rs 2,533 for S–grade and Rs 2,563 M–grade. Stockists are also not very keen to increase their inventory at present in the absence of demand support. Mills still have to sell good amount of the current month's free sale quota. On Wednesday, all market will remain closed on account of Ganesh Visharjan.

The Government has declared a total 16.72 lakh tonnes (lt) sugar as free sale quota and 2.28 lt as levy quota for September, compared with August quota of 17 lt and 2.20 lt respectively.

On Monday, total arrivals in the market were 52-55 truckloads (10 tonnes each) and demand/lifting was 45-48 truckloads. Mill tender rates were unchanged at Rs 2,525-2,650 a quintal for S-grade and Rs 2,560-2,600 for M-grade.

According to the Sugar Merchants Association, spot rates were: S–grade Rs 2,625-2,670 (Rs 2,628-2,670) and M–grade Rs 2,660-2,760 (Rs 2,662-2,760). Naka delivery rate: S–grade Rs 2,590-2,610 (Rs 2,590-2,610) and M–grade Rs 2,630-2,680 (Rs 2,630-2,680).

Date:21/09/2010 URL:
http://www.thehindubusinessline.com/2010/09/21/stories/2010092151861700.htm

---

Back **Global cues heat up edible oil market**

Our Correspondent

Mumbai, Sept 20

The edible oil market witnessed a sharp rise in prices on Monday on sudden spurt in international soyabean and palm oil markets.

Palm oil climbed to its highest level in over a month as concerns about weather disrupting harvests prompted funds into buying commodities, including cotton and soyabean, said traders.

A leading broker said on palmolein and soya refined oil rose Rs 9, sunflower oil Rs 10 and cotton oil Rs 8/10 kg in local markets.

Trade volumes also marginally on fresh buying by retail stockists.

In palmolein, 650–700 tonnes were traded in Mumbai market. Most sales were made by refineries at Rs 460/463.

About 150–200 tonnes resale trade took place between Rs 467 and Rs 468/10 kg.

In indigenous oils, groundnut oil ruled steady on reports of weak trend from main producing centre, Saurashtra. Rapeseed oil fell Rs 2 on weak upcountry market.

Cotton sector's “Cotlook - A” index increased sharply to 105.90 points last Friday from 94.10 on Sept 1.

On Malaysia's BMD CPO futures, October futures closed higher by MYR 70 at MYR 2,772.

Indore NBOT soya oil future finished higher for October at Rs 493.90.

Mumbai commodity exchange spot rates were: Groundnut oil Rs 895 (Rs 895), soya refined oil Rs 479 (Rs 470), sunflower expeller refined Rs 550 (Rs 540), sunflower refined Rs 595 (Rs 590), rapeseed refined oil Rs 566 (Rs 568), rapeseed expeller refined Rs 536 (Rs 538), cotton refined Rs 503 (Rs 495) and palmolein Rs 468 (Rs 459)/10 kg.

Date:21/09/2010 URL: http://www.thehindubusinessline.com/2010/09/21/stories/2010092151871700.htm

---

Back **Poor buying interest stumps chana**

Our Correspondent

Indore, Sept. 20

The downtrend in chana continued with its prices in the physical market dropping further by Rs 20 at Rs 2,115-2,120 a quintal. The decline was mainly attributed to weak demand and lack of interest from traders towards pulses because of settlement on the National Commodities and Derivatives Exchange (NCDEX) The September and October futures closed at Rs 2,079 and Rs 2,184, down 1.24 per cent.

According to trade experts, any revival in demand from domestic buyers will help support prices and strengthen may be seen only in short-term. On the spot market, dollar (kabuli) chana quoted at Rs 4,700-4,800 a quintal, down Rs 200. This was mainly because of increased arrivals and subdued demand at the local level. Arrivals were 2,500 bags.

Moong declined by Rs 200 at Rs 3,500 a quintal, urad quoted down Rs 150 at Rs 4,500-4,700 a quintal, masoor quoted Rs 3,475 a quintal, Maharashtra tur quoted Rs 3,800-3850 a quintal, while M.P. tur quoted at Rs 3,300-3,400 a quintal.

Among the pulses, channa dal gained about Rs 20 higher at Rs 2,675-2,775 a quintal, tur dal remained steady at Rs 4,800-5,500 a quintal, while both moong dal and moong (chilkewali) witnessed a correction of Rs 200 at Rs 6,000 a quintal and Rs 4,500-4,800 a quintal respectively. Masoor dal remained firm at Rs 4,000-4,250 a quintal, urad monger quoted at Rs 7,400-8,300 a quintal.

Date:21/09/2010 URL:

http://www.thehindubusinessline.com/2010/09/21/stories/2010092151881700.htm

---

Back **Jeera may crackle on export demand**

Our Correspondent

Rajkot, Sept. 20

A two-way price trend was witnessed in jeera as buyers and sellers were equally present in the market on Monday. But according to market sources, jeera may gain on export demand revival.

On the National Commodity and Derivatives Exchange (NCDEX), jeera September futures increased by Rs 19 to Rs 13,700 a quintal, while October futures dropped Rs 29 to Rs 13,776. At Unja mandi, jeera quoted Rs 2,141-2,735/20 kg.

A report by Geojit Comtrade said: “Jeera futures edged lower due to lack of fresh triggers in the counter. However, expectation of overseas demand from the European Union, Bangladesh and Pakistan supported the prices. Spot prices remained steady and fresh arrivals are noticed at 3,000 bags compared with previous arrival of 2,500 bags.”

According to market sources , the stocks available are estimated at around 14 lakh bags compared with 16-17 lakh bags during the same period a year ago.

Indian jeera is quoted in the $3,000-3,200 range, below Syrian and Turkish quotes.

An Angel Commodities report said: “Expectation of demand from the overseas and domestic buyers will support prices to strengthen in the short term. In the medium to long term (October onwards), prices are likely to take cues from stocks with major producing nation such as India, Syria and Turkey.”

Date:21/09/2010 URL: http://www.thehindubusinessline.com/2010/09/21/stories/2010092150971800.htm

---

Back **A US pulses grower coop's success story**

G. Chandrashekhar

Genesee, Idaho, US, Sept 20

Genesee, Idaho, is home to one of the most successful farmers' cooperatives in the US pulses (pea and lentil) sector — Pacific Northwest Farmers Cooperative (PNW).

With membership of over 700 growers and an average farm size of nearly 3,500 acres, PNW is the largest grower of chickpeas in the US for last many years.

End-to-end solutions

The success of the cooperative lies in progressive leadership that finds end-to-end solutions.

As many as six agronomists are employed to guide growers.

The cooperative manages its supply chain well with 26 facilities in 17 different locations handling as much as 22 million bushels of various pulses.

To ensure uniform quality, the cooperative has invested nearly $10 million in two Sortex machines (that separate discoloured grains) and bagging machines.

Importantly, its operations are AIB audited and certified for food safety, food hygiene and food quality, something discerning buyers increasingly insist on.

OVER $100 M turnover

The cooperative handles around 250,000 tonnes of peas and lentils each year and has a turnover in excess of $100 million.

Currently, it caters to a network of more than 20 facilities feeding multiple barge, rail and state-of-the art processing terminals.

Mr William Newbry, President and Chief Executive Officer, is proud of the fact that his cooperative is a supplier to some of the big names in the global food industry — Pepsico, Nestle, Kellogg and Hershey.

“Asian food companies prefer our products,” he told this correspondent.

SELLING PROPOSITION

An important selling proposition for the cooperative is the ‘traceability' of the product.

There is a system to track the movement of grains from farm to fork, as it were.

“We guarantee traceability,” Mr Newbry said.

CROP PROSPECTS

Asked about crop prospects and prices, the CEO said that he expected pea prices to decline and lentils to firm up.

“Lentil quality is not satisfactory and the material may go for PL-480 supplies next year,” he said.

Next year, growers may switch from pea to some other crop.

Pacific Northwest Farmers Cooperative was formed in 2008 with the merger of Genesee Union and Whitman County Growers with experience of several decades in grains production, processing and marketing.

Lessons

India can learn a lot from PNW.

Unlike the US, smallholder cultivation may be a handicap in India.

But strong leadership in the farm sector can bring growers together and educate them about benefits of forming into producer cooperatives.

Date:21/09/2010 URL: http://www.thehindubusinessline.com/2010/09/21/stories/2010092150991800.htm

---

Back **28% offerings withdrawn at Coonoor tea auctions**

P.S. Sundar

Coonoor, Sept 20 Orthodox teas gained significantly while CTC teas lost at Sale No. 37 of the auctions of Coonoor Tea Trade Association with the demand remaining inadequate to absorb the 12.86 lakh kg on offer. Teas worth Rs 2.27 crore remained unsold because as much as 28 per cent of the offer was withdrawn for want of buyers.

Only 62 marks of CTC teas fetched Rs 100 and more, against 72 last week. In the leaf market, Homedale Estate, auctioned by Global Tea Brokers, topped. “Our Broken Pekoe (BP) fetched Rs 132 a kg — the highest among all teas this week — while our Broken Orange Pekoe Fanning (BOPF) came next at Rs 127. In all, our six grades got Rs 104.5 and more,” Mr Prasant Menon, Homedale Managing Partner, told Business Line.

In the dust market, Vigneshwar Estate topped. “Two of our grades — Red Dust (RD) and Super Red Dust (SRD) — fetched the highest price of Rs 121 each. In all, six of our grades fetched Rs 119 and more,” Mr Ramesh Bhojarajan, Vigneshwar Managing Partner, said.

Among other CTC teas, Blue Mont Estate got Rs 126, Darmona Estate Rs 125 and Hittakkal Estate Rs 121.5.

Orthodox teas

Among orthodox teas from corporate sector, Chamraj got Rs 205, Kodanaad Rs 202, Curzon Rs 190, Kairbetta Rs 175, Havukal Rs 169, Highfield Estate and Glendale Rs 167 each and Quinshola clonal Rs 166. In all, 31 marks got Rs 100 and more.

On the export front, Pakistan bought in a wide range of Rs 40-69 a kg and the CIS Rs 34-57.

Egypt bought selectively for Rs 42-56.