

Fungal nematode disease in medicinal Coleus cultivation

Coleus forskohlii is an important medicinal plant mainly used for treating many human diseases.

Forskolin obtained from its roots has been used for preparation of drugs against hypertension, glaucoma, asthma and obesity.

Increased export

On account of increased exports, cultivation of *Coleus* is expanding in Tamil Nadu, Karnataka, Andhra Pradesh and the present area is about 5,000 acres. In Tamil Nadu, it is cultivated in Salem (Attur), Erode (Sathyamanagalam), Dindugal districts in about 2,000 acres under contract farming.

The productivity of *coleus* has been hampered by its susceptibility to nematode, root rot and wilt disease. Pathogens associated with wilt and root rot are *Fusarium chlamydosporum*, *Macrophomina phaseolina*, *Rhizoctonia solani* and *Sclerotium sp* and the root knot nematode *Meloidogyne incognita*.

Severely affected areas were Salem, Attur and Rasipuram. Due to this disease complex the yield loss was ranged up to 50 to 60 per cent. Therefore, it is necessary to take effective control measures to save the crop from complete devastation.

Management strategies

Select the *coleus* cuttings from disease free plants.

Coleus cuttings should be treated with Carbendazim solution (0.1 per cent). Soil drenching with Carbendazim (0.1 per cent) or propiconazole (0.1 per cent)

Soil application of FYM at 12.5 ton/ha + Trichoderma viride at 2.5 kg /ha before planting is effective for biomanagement of nematode fungal disease complex involving Meloidogyne incognita and Macrophomina phaseolina

Application of chemical nematicide Carbofuran 3G at 1 kg/ha before planting for control.

Stem cuttings

Stem cuttings to be dipped in 0.1 per cent Pseudomonas fluorescens at the time of planting and growing.

Marigold (*Tagetes erecta*) as intercrop in between the rows of medicinal coleus and uprooting cum in-situ incorporation of their biomass during earthing up at 60-70 days after planting can be followed for the management of root-knot nematodes. It reduces root knot nematode population by 66.7 per cent and also decreases the incidence of *Macrophomina phaseolina* root rot disease up to 50 per cent.

Use drip irrigation to minimize the spread of pathogens from infected plants to healthy plants

Dr. K.Rajamani

Prof and Head Department of Medicinal and Aromatic Crops Horticultural College and Research Institute TNAU, Coimbatore

Date:21/10/2010 URL:

<http://www.thehindu.com/2010/10/21/stories/2010102161160300.htm>

Mealy bug menace 'high' in papaya, say farmers

Special Correspondent

Call for closer interaction between farmers and scientists

MADURAI: Collector C. Kamaraj has called for closer interaction between farmers and agricultural scientists which would offer solution to problems and result in higher yields.

Following requests from farmers' to find a solution to the mealy bug menace prevailing in the district, a meeting was arranged at the Collectorate here on Wednesday.

Faculty members from the Tamil Nadu Agricultural University led by Manisekaran, Chinniah, Baby Rani and Stephen from the Coffee Board Thandikudi, Joint Director (Agriculture) Sankaralingam, officials from Horticulture Department among others participated.

Entomologists said that Alanganallur block, Vadipatti block, Muduvarpatti, Madurai East, Melur and Kottampatti blocks were surveyed for the incidence of mealy bug. About 30 per cent of the plants had infestation. Apart from papaya, plants found infested included guava, hibiscus, neem, jatropha, parthenium, banana and sapota.

Despite being widespread, there was no severe yield loss except for papaya, probably due to the activities of natural enemy like predatory ants.

However, the farmers' had a different tale to tell. The incidence of mealy bug was "very high" that the entire papaya crop suffered in many areas in the district. The cost of one kilogram of imported papaya seed was around Rs 2 lakh, a farmer said and added that the crops were suffering from the bug menace. Though the Horticulture Department officials had suggested alternatives, there seems to be no desired result, he claimed. The entomologists wanted the farmers to collect and destroy fallen leaves and fruits from the infested fields, besides pruning severely infested trees.

Booklet

When farmers wanted the faculty members and experts from the Department to visit their

fields, Mr. Kamaraj assured to arrange such an interaction block-wise. He also said that booklet and pamphlets recommending solutions to problems such as mealy bug would be prepared by the agriculture department and distributed to the farmers. He also emphasised on the need to adopt micro-irrigation system considering the water shortage and change in climatic conditions.

Date:21/10/2010 URL:

<http://www.thehindu.com/2010/10/21/stories/2010102153820100.htm>

Wheat support price up by Rs. 20

NEW DELHI: The Centre on Wednesday announced a marginal increase of Rs.20 a quintal in the minimum support price of wheat to Rs. 1,120. But the prices of masoor and gram dals have been raised sharply by up to Rs. 380 a quintal.

Date:21/10/2010 URL:

<http://www.thehindu.com/2010/10/21/stories/2010102161850400.htm>

Forest Department's new greening project from April

P. Oppili

Financial aid from Japan International Cooperation Agency

First component includes addressing man-animal conflict, management of bird sanctuaries

Under second component, department will plant 10 crore saplings on private 'patta' lands

CHENNAI: The State Forest Department will implement a new project, Tamil Nadu Biodiversity Conservation and Greening Project, with financial assistance from Japan International Cooperation Agency (JICA) beginning April next year.

Sharing the details with The Hindu, A.S. Balanathan, Principal Chief Conservator of Forests and Head of Forest Force, Tamil Nadu, said the total cost of the project was Rs.686 crore, of which the State government had agreed to contribute Rs.188 crore.

The eight-year project has been divided into three blocks. The first year will be the preparatory period, the next five, from April 2012 to March 2017, implementing period, and the third maintenance and monitoring, which will go on from April 2017 to March 2019, he said.

The project has two components: biodiversity conservation and increasing natural resource base in the State. Under biodiversity conservation, the department has drawn up several schemes. Important among them are addressing the man-animal conflict and habitat improvement and management of bird sanctuaries in the State.

So far, the department has not taken up habitat improvement and management in bird sanctuaries. It is for the first time a project has been created to improve bird sanctuaries in the State, he said.

Under the second component, the department will take up planting of 10 crore saplings on private 'patta' lands over five years.

The saplings for the project will be raised in Forest Department nurseries in the State. Already, the nurseries were raising nearly a crore saplings annually and for this project they have to double that number, he said.

Institutional capacity building, outreach programmes for farmers participating in the 'Increasing Natural Resource Base' component, research, monitoring and evaluation of the planted saplings are some of the other work which will be part of the programme, he added.

Date:21/10/2010 URL:

<http://www.thehindu.com/2010/10/21/stories/2010102152670300.htm>

Farmers' clubs planned in Erode

Staff Reporter

ERODE: The Department of Cooperative Societies has planned to establish Farmers' Clubs in all the primary agricultural cooperative credit societies (PACCS) in the district.

The clubs, which are grassroots level informal forums of farmers, will serve as a bridge between the societies and the farming community in the villages, said Joint Registrar of Cooperative Societies S. Babu here.

Participating at a programme held in Ezhumathur PACCS in Modakurichi block, near here, recently, he said that the clubs would be formed with the support and financial assistance of National Bank for Agriculture and Rural Development.

The primary objectives of Farmers Clubs includes facilitating transfer of technology, strengthening of agricultural extension services, encouraging collective purchase and distribution of inputs, collective marketing, and capacity building of members.

The clubs would coordinate with societies to ensure credit flow among its members and help forge better society-borrower relationship.

They would also interface with subject matter specialists in the various fields of agriculture and allied activities and various agencies for technical know-how upgradation. The district currently has 10 farmers clubs, Mr. Babu said.

Erode District Central Cooperative Bank Special Officer P. Loganathan said the concept of joint liability groups was aimed at helping farmers who had small land holdings.

Date:21/10/2010 URL:

<http://www.thehindu.com/2010/10/21/stories/2010102161480300.htm>

NABARD sanctions 10 projects covering 11,000 ha.

R. Sairam

"Watershed scheme increases productivity in Dindigul"

MADURAI: National Bank for Agriculture and Rural Development (NABARD) has sanctioned ten watershed development projects this fiscal for Tamil Nadu, covering nearly 11,000 hectares

Five of these projects are coming up in southern districts and would cover 5,000 ha., S. Natarajan, NABARD Deputy General Manager and Head of Madurai Watersheds Unit, told The Hindu on Sunday. They are coming up in Madurai, Dindigul, Tuticorin, Theni and Ramanathapuram. The Madurai Watersheds Unit covers Sivaganga, Tirunelveli and Virudhunagar districts also.

A total of 136 watershed projects covering 1.6 lakh ha. had been sanctioned in Tamil Nadu by NABARD so far. Of these, 80 watershed projects covering 96,000 ha. were under way in southern districts with 10 of these projects expected to be completed by this fiscal, he said. The projects have been providing positive results, he said, pointing to the three-fold rise in the income of farmers at Dindigul due to crop diversification and increased cropping intensity due to higher soil moisture availability.

In Ramanathapuram and Tuticorin, farmers were taking up remunerative chilly crop after restoring farm ponds.

The projects have also resulted in rising water table levels and revival of hitherto-defunct wells, said Mr. Natarajan. While NABARD has provided full grant support to 11 projects, the rest are on a loan-cum-grant basis. The loan component to the State Government would cover 45 per cent of the project cost with grant accounting for the rest.

Increased grass growth due to higher soil moisture retention has enabled dairy and other animal husbandry activities. In some watershed villages where the treatment measures had been completed, constant drinking water availability has been ensured to a large extent, he said.

“If the farmers adopt water budgeting and resort to water conservation techniques such as drip irrigation and avoid water intensive crops, their villages could even face the drought years with out any reduction in their income,” he said.

Date:21/10/2010 URL:

<http://www.thehindu.com/thehindu/seta/2010/10/21/stories/2010102150381600.htm>

FARMER'S NOTEBOOK

'Government subsidy scheme for drip irrigation fraught with corruption'

M.J. PRABU

Several farmers in the region face the same bitter experience



Helpless: M.C. Rao in his farm at

“The irony in Indian agriculture today is that the government is too busy with other issues instead of devoting some time to sorting out agriculture related issues and farmers' problems.

Farmers are now puppets in the hands of the agriculture departments that are often corrupt and poor farmers cannot be greasing the palms of the officers for their legitimate rights,” says a frustrated M.C. Rao, who owns a 20 acre farm at Venkatapuram village,

Tidigam Panchayat, Kasinagar block, Ganjam district, Orissa.

At a time when most farmers are lining up for government subsidies, Mr. Rao does not think the practice is prudent.

Brokers involvement

“It is a sheer waste of time. Even for getting the subsidy one needs to pay a commission to the government official in the area. Sometimes brokers are also involved to collect the amount and hand it over to the concerned official who clears your subsidy.”

“Personally I also applied for a subsidy under the drip irrigation scheme for installing drip irrigation, from a private company.

“The company officials took keen interest in installing the drip lines till they got the subsidy amount and disappeared after that. Today for maintaining the irrigation lines my numerous calls to the company do not get any response. Several farmers in my region face the same bitter experience,” he says.

The area being a predominantly paddy growing area, Mr. Rao wanted to try growing some other crops and started commercial cultivation of turmeric and pineapple recently.

The reason being these two crops grow quite well in tropical climates and fetch good money, according to him.

Other crops

In addition, cashew, mango, and guava are also grown. “The general concept that any fruit crop can fetch a good price is not true. One needs to be careful in selection and management of the fruit trees,” he cautions.

“People living abroad invest their money back home in buying some land and think that they can plant some mango, guava or lemon trees, and appoint labourers in their absence to manage them.

Unwise decision

It is totally unwise as remote control does not work in agriculture. While looking from a distance, it may seem promising, in reality expectation and experiences are far apart.

Careful analyses, interaction with similar farmers, studying the market pattern and getting the correct marketing contacts are essential for a good income," he cautions. He claims that pineapple and turmeric grow and yield well when planted under the shade of big trees.

Greenhouse effect

"The shade creates a greenhouse effect on the crops growing under it and prevents faster evaporation of soil moisture. The produce grown under the tree shade is bigger in size and more in quantity. This is being proved in my farm and visitors can personally check for themselves"

His lament is that unlike in Punjab or Haryana, the market in Ganjam district is limited, and for perishable commodities. The farmers are totally at the mercy of the buyers.

"We read practically everyday in the newspapers that tonnes of food grains are rotting in different parts of the country due to lack of proper storage facility.

No effort

There appear to be several commissions and committees on agriculture in our country, but no concerted effort seem to be made to achieve self sufficiency in food," he says.

Another interesting feature about his farm is that Mr. Rao grows black turmeric. Black turmeric variety is usually grown in the Himalayas and interior ghat regions of Orissa.

Black turmeric is a rare species and visitors from as far as Hyderabad visit his farm regularly to gather a few handfuls of this turmeric.

For more details readers can contact Mr. M.C. Rao can be reached at Venkatapuram village, Tidigam Panchayat, Kasinagar block, Ganjam district, Orissa, phone: 08946-

211026 (res) and mobile: 08895962391.

Date:21/10/2010 **URL:**

<http://www.thehindu.com/thehindu/seta/2010/10/21/stories/2010102150331600.htm>

Farm Query

Require guidance

Is there anybody near Chennai whom I can contact for guidance in establishing a green house and micro irrigation for my lands near Yercaud?

S. Preethi

Chennai

You can contact Mr. M. Balashanmugam at No 1 Tiruvalluvar street, Gandhi Salai, Velachery, Chennai-600042, email: balaafc@gmail.com, mobile: 9444019919 for your details.

Published: October 21, 2010 02:06 IST | Updated: October 21, 2010 02:06 IST NEW DELHI, October 21, 2010

Cabinet nod for amendments to Seeds Bill

It has not included the clause on price regulation of seeds

The Union Cabinet on Wednesday approved additional amendments to the Seeds Bill. 2004.

The amendments however did not include the clause on price regulation of seeds that is being demanded by members of Parliament who have moved amendments to the Bill that may be introduced in this session. They wanted a regulatory mechanism on pricing of seeds so that seeds were available to farmers at affordable price and not left to “market forces.” This proposed amendment has not been accepted by the government.

On the demand of the MPs and civil society groups, the government has approved an amendment to raise the maximum penalty for “misrepresentation/ or suppression of facts, procedural violation or non-performance of the seeds “without intention” to one year and Rs. 5 lakh. There was a provision for cancellation of registration as well, official sources told *The Hindu*.

The additional amendments also provide for nomination on the proposed National Seed Committee of the chairpersons of the Protection of Plant Varieties and Farmers' Rights Authority and the National Bio-diversity Authority.

Another amendment okayed relates to submission of seed certification copy and periodic returns to the State government.

The amended Seeds Bill, 2010, seeks to regulate the quality of seeds and planting material, to curb the sale of spurious and poor quality seeds, increase private participation in seed production and distribution and liberalise import of seeds and planting materials.

The Bill that seeks to repeal and replace the existing Seeds Act, 1966, also has a provision that no transgenic variety of seed would be registered unless cleared under the provisions of the Environment (Protection) Act, 1986. Such seeds would have to be labelled and conform to specific standards.

Published: October 21, 2010 02:08 IST | Updated: October 21, 2010 02:08 IST NEW DELHI, October 21, 2010

MSP for wheat, pulses up

Support price of gram hiked to Rs. 2,100 from Rs. 1,760 per quintal

The Centre on Wednesday announced a modest hike of Rs. 20 per quintal in the Minimum Support Price (MSP) of wheat to be procured from farmers for the Targeted Public Distribution System. The hike in pulses, however, is substantial.

The Cabinet Committee on Economic Committee, chaired by Prime Minister Manmohan Singh, approved the Agriculture Ministry's proposal for raising the MSP of wheat to Rs.

1,120 per quintal for the 2010-11 rabi season from Rs 1,100 per quintal last year.

The MSP of gram has been hiked to Rs. 2,100 from Rs. 1,760 per quintal, while the MSP of masur dal has been raised to Rs. 2,250 from Rs. 1,870 per quintal last year.

Announcing the decisions, Union Home Minister P. Chidambaram said the MSP of mustard/rapeseed was hiked by Rs. 20 to Rs. 1,850 per quintal, while the MSP of safflower was up to Rs. 1,800 per quintal from Rs. 1,680 per quintal last year.

The MSP of barley was fixed at Rs. 780 per quintal against Rs. 750 per quintal last year.

The hike in the MSP of pulses points to the government's efforts to raise the total production of pulses to at least 16.5 million tonnes from an average of 14.5 million tonnes.

The country imports about 3 to 4 million tonnes of pulses annually to bridge the gap between demand and supply. The shortfall has already resulted in a sharp escalation in the price of pulses in the last two years.

Higher support price for pulses in the kharif crop season this year resulted in a sharp increase in the cultivation of pulses with the seasonal production estimated to rise to 6 million tonnes this year as against an output of 4.3 million tonnes last year.

© Copyright 2000 - 2009 The Hindu

THE ECONOMIC TIMES

Thu, Oct 21, 2010 | Updated 06.13AM IST

21 Oct, 2010, 06.00AM IST, ET Bureau

Govt OKs 20% hike in gram, masur MSP

NEW DELHI: The government announced a sharp increase in price it will pay to farmers for the state purchases of winter pulses, giving a boost to their prospects just before the sowing begins.

The Cabinet Committee on Economic Affairs (CCEA) approved a near 20% increase in the minimum support price for both gram and masur for the 2010-11 rabi (winter sown) crops.

“It is a welcome boost to the production of pulses as we are facing acute shortage ,” said PK Joshi, director, National Academy of Agricultural Research and Management , Hyderabad.

India’s stagnant production compared to rising demand has caused pulses prices to rally sharply, contributing substantially to the high food inflation.

The 52-week average inflation for pulses was 21.83% for the week ended October 2, higher than the 18.62% for the entire foods category.

Comparatively, oilseeds rapeseed/mustard and winter staple wheat, however, got only a marginal hike of 1% and 1.8% respectively.

Home minister P Chidambaram said that rapeseed/ mustard prices ruled higher in the open market compared to the floor price.

Wheat floor price went up by . 20/qtl to . 1,120 against a backdrop of much higherthan-average wheat stocks with the government compared to a October 1 buffer of 110 lakh tonnes.

Storage facilities are currently extremely strained even to accommodate the summer marketing season produce.

In the four years to 2009-10 , the minimum support price for wheat rose to . 1,100/qtl (100 kilos) from . 650/quintal, a compounded average increase of 14%.

These MSPs are approved on the recommendations of Commission for Agricultural Costs and

Prices (CACP).

The prices of other oilseeds belonging to the Rapeseed / Mustard group will be fixed on the basis of their normal market price differentials with Rapeseed / Mustard, a government statement said.

It also said that in the case of cereals, FCI and other designated State Agencies would continue to provide price support to the farmers, as in the past. NAFED will continue to be the nodal agency for procurement of oilseeds and pulses, and the government will reimburse any losses to these agencies. Early approval by the CCEA would allow farmers to make an informed decision on sowing, which starts by mid October.

21 Oct, 2010, 05.54AM IST,ET Bureau

No respite seen in cotton price rise

NEW DELHI: India may continue to witness high cotton prices beyond mid-December, even after the arrival of new crops and irrespective of changes in global prices.

Traders say prices could rise up to. 43,000/candy, weighing 356 kgs, since November arrivals are expected to be limited because of exports. High global prices are keeping Indian cotton farmers and the farm ministry bullish on export sentiments.

During just 10 days to October 11, the textile commissioner's office received applications for 5.5 million bales of exports, forcing the government to down shutters in a hurry.

Analysts expect that while prices could dip marginally after the US and Indian harvests come in, they would remain above \$1/lb for several months on the back of unusually low stocks in the world market.

On Wednesday, New York December futures contract fell over 3% to \$1.026/lb after the dollar

rallied following China's surprise decision to increase interest rates and cool demand, encouraging investors to sell holdings of cotton. China is the world's biggest cotton importer.

US cotton prices had hit highest level since the American Civil War on October 15, touching \$1.198 on ICE Futures US.

At home, too, lower-than-average stocks to consumption ratio will likely keep prices high irrespective of the world development. "Any drop in prices after fresh arrivals in November will only be marginal," said a Mumbai-based trader, adding that the 8% growth in domestic consumption and permitted exports of 5.5 million bales will keep prices firm.

India has allowed limited export of cotton, which will start on November 1 and must be completed by December 15, following a bumper crop. Up to Monday, October 18, 3.8 million bales (170 kg each) of cotton has already been registered for exports, according to textile commissioner.

Cotton prices in domestic markets are ruling at around . 41,000/candy, rising . 1,000 a candy over the weekend as mills began purchases.

Sections of the industry, including trade body Confederation of Indian Textile Industries (CITI), have criticised government's view of an "exportable surplus," warning that domestic cotton security would be endangered.

The industry has said that the carryover cotton from the last marketing season (October 2009 - September 2010) would run out by December 15, boosting local cotton prices.

Last month, CITI wrote to the Prime Minister seeking delay in exports till January. The industry body also wants the government to keep the exports staggered.

Textiles secretary Rita Menon ruled out any possibility of export quota being cut, which is sure to keep prices firm. Domestic prices rose rapidly to . 41000/candy in August after exports were opened up in August.

After taking stock of the flood impact this summer, the Centre chose to delay the date for starting exports by a month. That caused prices to fall to . 36,000/candy but they gained again once export registration started.

In the local market, the marketing season for cotton has been delayed by a month which is straining supplies and keeping prices firm. Mills have already hiked prices by 10-15 %.

Domestic consumption of cotton is pegged at 270 lakh bales while production in 2010-11 is estimated at 325 lakh bales. Exports touched a record 8.3 m bales in 2009-10 , forcing prices to shoot up in the home market.

Business Standard

Thursday, Oct 21, 2010

Oilseeds output to rise 15% on more sowing

Dilip Kumar Jha / Mumbai October 21, 2010, 0:48 IST

However, vegetable oil imports also slated to rise; trade stresses need to raise yields.

Better sub-soil moisture due to good monsoon rainfall, coupled with an upsurge in sown area, are likely to yield 15-18 per cent higher oilseed output during the 2010-11 oil year (November-October).

Farmers, traders and importers Business Standard spoke to forecast total output at 23.2-24.3 million tonnes during the ensuing marketing year (MY), as against 20.51 mt in the previous year.

Of which, the contribution of kharif oilseed is estimated to rise to around 63 per cent, with an estimated output at 14.2 mt, from 59 per cent with 12.28 mt in the previous year.

The deficit in sown area due to shortage of monsoon rain in the beginning of the season was recovered towards the end, through late sowing. As a result, the cultivation not only recovered but rose a marginal 0.32 per cent, at 17.5 million ha (as on October 10), as compared to 17.4 mha sown last year.

Revising his earlier estimates upwards, especially in groundnut production from 3.9 mt to 4.4 mt and soybean output marginally downwards from 950,000 tonnes to 920,000-950,000 tonnes, Gobindbhai Patel, an influential edible oil analyst and industry veteran, said: “Barring the initial blip, the monsoon remained favourable throughout the kharif season. Late rainfall and its eventually even distribution through the country prompted us to revise the overall production estimate upwards.”

Farmers expanded sowing area this year due to the prevalence of high domestic prices of soybean, sunflower and groundnut. However, rapeseed planting during the rabi season could face stiff competition from wheat.

Oilseed availability for crushing in 2010-11 is also likely to be higher than the previous year. About 70-80 per cent of total oilseed output in the country is crushed for oil; the balance goes for food, feed and seed use. Therefore, edible oil output is forecast to increase by 13 per cent, to seven mt in 2010-11 from last year’s 6.2 mt.

‘Output won’t do’

Emphasising the need of raising output, Satyanarayan Agarwal, chairman of the apex edible oil trade body, the Central Organisation for Oil Industry & Trade, said, “A mere 10 per cent rise in edible oil output will not do for India to achieve self-sustenance. We require another green revolution through high yielding hybrid, possibly genetically modified, seed to achieve sufficiency.”

RAIN GAIN					
BALANCE SHEET (MILLION TONNES)					
Particulars	2009-10	2010-11*	Particulars	2009-10	2010-11*
Kharif			Rabi		
Groundnut	3.20	4.4-4.5	Groundnut	1.60	1.80-1.90

Soybean	8.20	9.2-9.5	Rapeseed	5.50	6.00-6.50
Sunflower	0.30	0.12-0.15	Sunflower	0.65	0.65-0.70
Sesameseed	0.42	0.25-0.30	Sesameseed	0.28	0.32-0.34
Nigerseed	0.08	0.08-0.08	Safflowerseed	0.20	0.20-0.21
Rapeseed	0.08	0.14-0.15			
Total	12.28	14.19-14.68	Total	8.23	8.97-9.65
* Estimate					

India imports nearly 55 per cent of its annual vegetable oil requirement of 15.7 mt from Argentina, Indonesia and Malaysia.

“Going by the current climatic scenario, we are positive for both kharif and rabi seasons. Higher seed output will certainly reduce our dependence on imports,” said Sushil Goenka, president of the Solvent Extractors’ Association.

According to Dorab Mistry, director of Godrej International: “India’s imports would increase, despite higher domestic output on increased seed output this season. Edible oil import is likely to touch 9.3 mt during 2010-11, largely due to higher per capita consumption and population growth, with palm oil leading among all other edible oils imported.”

Mistry urged the government to review the import duty and bring the tariff (unchanged since September 2005, despite prices having almost doubled since) in line with market prices.

Government decides on major push for pulses

BS Reporter / New Delhi October 21, 2010, 0:33 IST

Raises support price by Rs 380/qtl; marginal rise for wheat.

Pulses saw the highest rise of Rs 340- 380 per quintal in minimum support price (MSP), the government announcing these for the current rabi season. The decision is in line with government efforts to increase their sowing, to meet the increasing demand for the crop.

The MSPs of masur and chana were increased by Rs 380 per qtl and Rs 340 per qtl respectively, translating into a 20 per cent increase, making pulses the likely highest gainer in the rabi marketing season, due to start in April 2011.

The decision by the Cabinet Committee on Economic Affairs is aimed at encouraging farmers to take up cultivation of masur and chana in a big way, so that India could reduce dependence on imports.

Prices of other major rabi crops were also raised, with wheat seeing a rise of Rs 20, to Rs 1,120 per qtl. That for rapeseed (mustard), the main oilseed crop in the rabi season, has been fixed at Rs 1,850 per qtl, up Rs 20 from the previous year, while that of safflower has been raised by Rs 120 to Rs 1,800 per qtl for the season. India is a net importer of edible oils, buying palm oil from Malaysia and Indonesia and soft oils from Argentina and Brazil.

The MSP for barley was fixed at Rs 780 per qtl, up by Rs 30 from the previous year.

The government hopes to raise pulses' output in the current crop year that started in July to 16.5 million tonnes, as compared to 14.7 mt in the previous year.

The wheat MSP rises from Rs 1,100 per qtl to Rs 1,120 per qtl. Food Corporation of India and other designated state agencies will continue to provide price support here. This implies an estimated seven per cent increase in government food subsidy for wheat during the rabi season, at Rs 2,280 crore, taking the 2009-10 wheat procurement of 25.3 mt into consideration. However food ministry officials said it would be too early to estimate the impact on food subsidy, as that would depend on procurement, offtake and the carrying stock with various government agencies.

For chana, an official stated, the impact on government subsidy will be insignificant, as the MSP at Rs 2,100 per qtl is much below the current market price, which is in the range of Rs 2,400-2,900 per qtl. The market price for masur is similarly at Rs 3,500-3,800 per qtl, much higher than the increased MSP of Rs 2,250 per qtl.

"In some of these cases, market prices are much higher than MSP. The MSP is based on CACP (Committee on Agricultural Costs and Prices) recommendations. If there is shortage, what

would happen (is that) the market prices would be much higher," said home minister P Chidambaram at a briefing after the meet.

The National Agricultural Cooperative Marketing Federation of India will remain the nodal agency for procurement of oilseeds and pulses, and losses, if any, will be reimbursed by the government.

Amendments to seeds Bill

The government today approved additional amendments to the Seeds Bill, 2004, which includes raising penalties for offences like sale of spurious seeds.

"The Union Cabinet today approved moving additional amendments to the Seeds Bill, 2004," an official release said.

The additional amendments provided for submission of seed-related periodic returns to state governments and enhancement in penalties of offences, it added.

THE HINDU **Business Line**

Business Daily from THE HINDU group of publications

Thursday, October 21, 2010

Date:21/10/2010 **URL:**

<http://www.thehindubusinessline.com/2010/10/21/stories/2010102152062000.htm>

Back Support price for wheat hiked Rs 20 a quintal

Chana, masur see hefty increase in MSP.

Increasing protection						
	(Rs/quintal)					
	Wheat	Chana	Masur	Mustard	Safflower	Barley
2000-01	610	1100	1200	1200	1200	500
2004-05	640	1425	1525	1700	1550	540
2005-06	700*	1435	1535	1715	1565	550
2006-07	850+	1445	1545	1715	1565	565
2007-08	1000	1600	1700	1800	1650	650
2008-09	1080	1730	1870	1830	1650	680
2009-10	1100	1760	1870	1830	1680	750
2010-11	1120	2100	2250	1850	1800	780

*Inclusive of Rs 50 bonus; +Inclusive of Rs 100 bonus.

Our Bureau

New Delhi, Oct. 20

The Centre has fixed the minimum support price (MSP) for the current year's wheat crop (to be marketed from April next) at Rs 1,120 a quintal.

This rate, approved by the Cabinet Committee on Economic Affairs on Wednesday, is higher than the MSP of Rs 1,100 for the 2009-10 crop.

The Rs 20 increase, for a second successive year, is modest compared to the annual hikes of Rs 60 to Rs 150 a quintal between 2004-05 and 2008-09. With public stocks of 277.77 lakh tonnes (lt) as on October 1 – much more than the buffer and strategic reserve requirement of 212 lt – and also the prospects of a good crop due to a replenished groundwater table, the Centre is not going out of its way to encourage farmers to grow wheat this time.

Big hike in pulses MSP

On the other hand, it is keen to boost production of pulses.

Accordingly, the MSP of chana (gram) and masur (lentil) have been raised by a hefty Rs 340 and Rs 380 a quintal over last year, to send the right signals to growers.

The Centre has targeted an all-time-high pulses output of 165 lt for 2010-11, including 75.8

It from chana alone. Last year, chana production hit a record 73.5 lt.

The MSP of rapeseed-mustard has, however, gone up by a mere Rs 20 a quintal.

The underlying calculation seems to be that unlike in pulses, the country can manage to import most of its edible oil requirements.

Date:21/10/2010 URL:

<http://www.thehindubusinessline.com/2010/10/21/stories/2010102150280900.htm>

Back Fertiliser sector needs a hedging platform

Currently, there are no derivative products on the commodity exchange which fertiliser units could use to effectively hedge their commodity price risk.



Overseas suppliers of raw materials are exploiting domestic fertiliser companies through clever pricing.

Chiragra Chakrabarty

Ameya Abhyankar

The fate of the agricultural sector continues to have a significant influence on India's GDP and its rate of growth. Growth and development of agriculture in the country derives a significant stimulus from the fertiliser industry.

One of the major challenges before the Indian fertiliser industry relates to the incertitude in the supply of fertilisers. There has been a surge in the demand for fertilisers in the past few years. India's demand for fertilisers in 2007-08 was 26 million tonnes, which rose to 29 million tonnes in 2008-09.

Demand-supply gap

Good monsoons lead to the growth in agriculture, inadvertently increasing the consumption rate of fertilisers. The estimated demand for fertilisers in 2011-12 stands at around 36 million tonnes. However, the robust growth in propensity to consume has not been met with the required surge in fertiliser production. This has widened the gap between the demand and supply of fertilisers, leading to the enhancement of dependency on imports.

Another important factor that has led to the stunted growth of the fertiliser industry is the rise in prices of major raw materials. The country imports several of its inputs from other countries. Numerous materials such as diammonium phosphate (DAP), urea, ammonia, sulphur and a few more substances form the raw materials during the fertiliser manufacture phase.

In 2009-10, Indian fertiliser manufacturers imported urea, DAP and MOP (Muriate of Potash) aggregating to about 16.5 million tonnes of fertilisers. The overseas suppliers of raw materials realised the predicament of the Indian fertiliser industry and have started exploiting the shortage through clever pricing.

Significant changes

The agricultural fertiliser industry is experiencing some of the most significant changes in its history. Along with historical high raw material costs, an increasingly volatile international market, manufacturing consolidations, and transportation difficulties are all influencing the domestic marketplace as never before.

This uncertainty and high volatility has exposed industry participants to risks that previously had been ignored or largely overlooked. Participants throughout the supply chain — manufacturers, wholesalers, retailers, distributors, importer/exporters — are increasingly being exposed to the risks.

Generally, while fertiliser companies may hedge against the currency risk, the underlying risk, that is, the fluctuations observed in the prices of major nutrients, remains largely un-hedged. And since the currency risk and the commodity price risk are intertwined in nature, the former still remains un-hedged to some extent.

This rise in prices of major nutrients, results in a sudden rise in the working capital expenditure of the firm. This affects the firm's cash flows, thereby deteriorating the firm value. Fertiliser manufacturers' earnings are extremely sensitive to these price fluctuations. A rise in these commodity prices directly affects the income statement, thus bringing down the firm's net income.

There are various ways of hedging this risk. In recent years, some of the private companies dedicated to the production of fertilisers have effectively taken stakes in the overseas sources of raw materials. The strategy of organic growth is good but may not be always efficient and cost effective. The other way of hedging raw material price risk is using commodity derivatives preferably traded on exchange platform.

In reality though, hardly any Indian fertiliser company is using this risk management tool. One of the reasons for not adopting this tool is that some fertiliser firms are unaware of the means using which they can hedge against this commodity price risk.

However, in many cases, in spite of possessing the requisite knowledge, the companies are unable to hedge such a risk because they do not have an efficient platform to effectively use this knowledge. There is a dearth of derivative instruments in the market

which will help the fertiliser companies in managing this risk.

At present, there are no derivative products available on the commodity exchange which the fertiliser industry participants could use for effectively hedging their commodity price risk. However, there are a few ways which could be adopted with the aim of hedging against commodity price fluctuations.

One way could be developing indices to mirror the physical market prices of these nutrients, and structuring derivative contracts by benchmarking against these indices to hedge against this risk. Futures contracts could be introduced which could be traded on the exchange.

Swap contracts

Another way may be by structuring swaps contracts in order to hedge this price risk. The advantage of using swap contracts is that they can be customised as per the requirements of the parties entering into such contracts.

Along with the added flexibility of such customised contracts, in order to ensure liquidity and transparency in such swap deals, these swap deals could be recorded with the exchange. Internationally, fertiliser firms are mainly using OTC instruments to hedge against the risk of price fluctuations observed in the prices of the commodities.

Thus, shielding the fertiliser manufacturers from the extreme volatilities being observed in the prices of raw materials is the need of the day. Companies not having the ability to hedge to minimise the risk of price fluctuation have to build a capital reserve or build a cushion in their pricing structure that would absorb adverse price changes.

The need of the hour is for regulators/exchanges/fertiliser industry participants to come up with initiatives that will help the industry to efficiently hedge such raw material price risks.

(The authors are Director and Assistant Manager, respectively, Deloitte Touche Tohmatsu India Private Ltd.)

Date:21/10/2010 URL:

Back Bullish futures, festival demand lift spot chana



Our Correspondent

Indore, Oct 20

On the back of a bullish trend on the National Commodities and Derivatives Exchanges where chana October futures soared to Rs 2,414 a quintal and increased domestic demand in the wake of festival season, chana witnessed an uptrend with its spot prices on Wednesday quoted Rs 50 up at Rs 2,325 a quintal.

Depleting stock of chana in Madhya Pradesh is another reason that contributed to rise in prices in spot markets.

According to traders, Madhya Pradesh is catering to chana requirements from all over the country.

A higher minimum support price announced for chana by the Union Government on Wednesday at Rs 2,100 a quintal also added to the bullishness.

Besides rise in spot prices in Delhi to Rs 2,400-2,410 a quintal aided the uptrend.

In Indore mandi, spot chana prices opened at Rs 2,300 a quintal on Wednesday and by

close, the prices further increased to Rs 2,325 a quintal.

On Tuesday also, spot prices of chana in Indore mandi opened at Rs 2,300 a quintal but by the end of trading, prices declined to Rs 2,280 a quintal. Chana futures gained on the NCDEX with the contracts hitting the three per cent upper circuit after the higher support price was announced. As chana October futures soared to Rs 2,414 a quintal, traders here went out of the market. Expiry of October contracts on Wednesday aided the trend.

On the other hand, dollar (kabuli) chana or chickpea improved despite limited demand in the domestic market. Prices in the spot quoted Rs 100 up at Rs 4,500-4,800, while container rate of dollar chana quoted Rs 5,000 a quintal.

According to trade experts, announcement of MSP will spur farmers to go in large-scale sowing of chana. Sowing in North India will start in November.

According to the Government estimate, chana production this year is estimated at 7.6 million tonnes (7.35 million tonnes).

Date:21/10/2010 URL:

<http://www.thehindubusinessline.com/2010/10/21/stories/2010102151972000.htm>

Back Health misconceptions hit nuts consumption

G.K. Nair

Kochi, Oct. 20

Consumption of nuts, including cashew kernels, neither increases cholesterol nor causes weight gain and it is only a misconception, according to leading nut researchers from Europe, US and Australia, said Mr Pratap Nair, International Nut & Dry Fruit Council's (INC's) Ambassador in India.

The INC represents almonds, cashews, Brazil nuts, hazel nuts, macadamias, pecans, pine nuts, pistachios, walnuts, peanuts etc., he said.

Mr Nair who was appointed recently by INC, a non-profit organisation formed in 1983, to

liaise between the INC and the government officials and industries using nuts and dried fruits in the country, told Business Line that research scientists had recently come out with findings dispelling the misconception about the negative effects of nut consumption.

He said that such wrong beliefs and misconceptions were depriving highly health-conscious masses of the benefits of nuts such as cashew and that in turn was negatively affecting the consumption and demand in the domestic and world markets.

“This is also one of the reasons for stagnancy in export demand for cashew nuts of late,” he pointed out. A symposium on ‘Nuts and Cardiovascular health’ organised by the INC Foundation recently has proposed nut consumption as a sensible and practical recommendation for heart-healthy diets among other important declarations,” he said.

“The reduction of coronary heart disease risk associated with nut consumption is likely to reflect mechanisms other than cholesterol lowering, as nut consumption can have beneficial effects on insulin sensitivity, oxidative and inflammatory processes and vascular reactivity,” said Prof Miguel A Martize-Gonzalez, University of Navarra (Spain) and Dr Emilio Ros, Lipids Unit, Bancelona Hospital Clinic. According to Dr Joan Sabate, Loma Linda University, US, “Results of a recently conducted pooled analysis of 25 intervention trials confirm the cholesterol lowering effects of nuts”.

He said “eating nuts regularly is associated with lower risk of cardiovascular disease in epidemiology studies; clinical trials have shown beneficial effects of nut consumption on the serum lipid profile”.

Prof Linda C. Tapsell, University of Wallangong (Australia) said “Nuts are an important source of dietary fat, which is not just a source of calories. It has potent gene regulation effects and influences membrane composition and function”.

The scientists said “nuts are energy-dense foods, rich in total fat and unsaturated fatty acids, fibre, minerals and bioactive phytochemicals with antioxidant and anti-inflammatory properties. Nut consumption, they said, decreases triglyceride levels in persons with hipertriglyceridemia besides reducing the postprandial glycaemic response when consumed with high-glycaemic index carbohydrate foods in both normo-glycaemic

subjects and type 2 diabetic patients.

Daily inclusion of a handful of nuts in the usual diet can be of benefit for healthy individuals and those with hypercholesterolemia and type 2 diabetes, they added.

Date:21/10/2010 URL:

<http://www.thehindubusinessline.com/2010/10/21/stories/2010102151262100.htm>

Back Pepper futures drop on liquidation, switching over

G K Nair

Kochi, Oct. 20

Pepper prices fell sharply on Wednesday on liquidation and switching by long position holders in October.

The market dropped when local subsidiaries of multi-national companies with multi-origin operations covered good quantities from leading Indian exporters which resulted in 1,214 tonnes of pepper of October being delivered. In spite of it the market dropped sharply, trade sources said.

As the difference between October and November, and October and December has widened long position holders in October were liquidating and switching over. There was additional buying also i.e., there was covering at every decline. All these factors are pointed out as the reason for the fall in prices, market sources told Business Line.

Even inter-state dealers were said to be trying to buy afloat high range pepper at much higher prices in the morning, they said.

October contract, which matured today on NCDEX, fell by Rs 424 to close at Rs18,330 a quintal. November and December contracts dropped by Rs 169 and Rs 105 respectively, to Rs 18,875 and Rs 19,225 a quintal.

Total turnover dropped by 2,942 tonnes to 12,323 tonnes. Total open interest increased by

240 tonnes to 13,927 showing additional buying.

October open interest dropped by 476 tonnes to close at 1,214 tonnes and came up for delivery. November and December open interest increased by 473 tonnes and 223 tonnes respectively, to close at 10,424 tonnes and 1,981 tonnes.

Spot prices

Spot prices purely in tandem with the futures market trend dropped by Rs 200 to close at Rs 18,700 (MG 1) and Rs 18,200 (un-garbled).

Indian parity at the November rate stood at \$4,475 a tonne and remained above other origins.

According to an overseas report, white pepper has firmed up again slightly in Vietnam while Brazil B1 was reportedly traded at \$4,100 (f.o.b) to Europe.

Prices quoted for different origins of black pepper in dollar a tonne c&f New York Sep/Oct shipments were: MG 1asta – 4,550-4,650; Vietnam asta – 4,500 Feb/Mar; Lampong 500g/l – 4,000-4,050 (f.o.b); Lampong 550g/l – 4,100-4,150 (f.o.b); Lampong asta – 4,200-4,250 (f.o.b); Ecuador asta – ask for offer; Sri Lanka 500g/l – 4,050-4,100 (f.o.b); Sri Lanka 550g/l – 4,150-4,200 (f.o.b); Brazil B2 500g/l – 4,100 (f.o.b) ; Brazil B1 560g/l – 4,150 (f.o.b); Brazil asta – 4,250 (f.o.b). Vietnam and Muntok white pepper was quoted at \$6,450 (c&f) and \$6,300 (c&f) respectively.

Date:21/10/2010 URL:

<http://www.thehindubusinessline.com/2010/10/21/stories/2010102151601900.htm>

[Back](#) Rice arrivals drop on sluggish offtake

Our Correspondent

Karnal, Oct 20

Due to sluggish demand, the prices of aromatic and non-basmati rice dropped marginally on Wednesday. Aromatic rice dropped Rs 50-100 a quintal while non-basmati dropped Rs 20-40.

The prices of Pusa-1121 (steam) ruled at Rs 5,100, Pusa-1121 (sela) Rs 4,100 and Pusa-1121 (raw) Rs 5,100 a quintal. Pusa (sela) quoted at Rs 3,100-3,150 and Pusa (raw) at Rs 4,000.

Prices of pure basmati rice dropped Rs 100 a quintal after ruling firm at the start of the week. Basmati sela ruled at Rs 5,900-6,000, while basmati raw was around Rs 6,900-7,000.

Prices of PR (old) ruled between Rs 2,000 and Rs 2,180, while the PR (new) ruled between Rs 1,900 and Rs 1,970 a quintal. Sharbati sela (old) was at Rs 2,570 and Sharbati steam (new) Rs 2,700-2,760. The Permal sela (new) variety ruled at Rs 2,000-2,130 a quintal.

Prices of broken rice ruled firm. Broken such as Tibar was Rs 3,500, Dubar at Rs 2,500 and Mongra Rs 1,800.

New arrivals

Mr Amit Kumar, Proprietor, Hanuman Rice Trading Company, told Business Line that because of sluggish demand, the arrivals of new rice have also dropped in the market.

More than 1.5 lakh bags of paddy varieties arrived at the Karnal grain market terminal. The entire stock was lifted by agencies and rice millers.

Around 35,000 bags of PR-13 arrived and it ruled between Rs 980 and Rs 1,070 a quintal. About 8,000 bags Grade-A variety arrived and ruled between Rs 1,035 and Rs 1,070. Around 35,000 bags of PR-14 were quoted at Rs 1,040-1,120 a quintal.

About 5,000 bags of Sharbati ruled between Rs 1,450 and Rs 1,520. Sugandha-999, with around 3,000 bags, were Rs 1,480-1,540. Only 2,000 bags of the RS-10 variety were available. They were quoted at Rs 1,330-1,360 a quintal.

There were 3,000 bags of Pusa (duplicate basmati) quoting at Rs 2,000-2,150. Around 2,500 bags of Pusa-1121 were quoted at Rs 2,000-Rs 2,220 a quintal.

Date:21/10/2010 URL:

<http://www.thehindubusinessline.com/2010/10/21/stories/2010102151252100.htm>

Back **Matsya Mela to be held in Dec to bait investments**

Anil Urs

Hubli, Oct. 20

The Karnataka Fisheries Department and the National Fisheries Development Board are planning to hold a four-day Matsya Mela in December to give a fillip to the sector.

“The mela is to focus mainly on food processing and seed generation. Importance will also be given to attract investments in the sector,” Mr H.S. Veerappa Gowda, director, Karnataka Fisheries Department, told Business Line.

The National Fisheries Development Board, Hyderabad, and the Karnataka Fisheries Department are pitching in with Rs 25 lakh each to hold the mela from December 24 to 27 in Bangalore. A similar festival was held recently in Hyderabad. The main attraction at the mela will be demonstrations of fish products, value-added fish products (food processing), sale of aquarium accessories and ornamental fishes, said Mr Gowda.

The event, apart from highlighting the opportunities in the sector, will aim to attract investments in fish-related industries especially in food processing – ready-to-eat products. Highlighting the sector is crucial for the State as it offers employment to over 15 million rural people, both directly and indirectly. The fisheries department chief said exhibiting the State's potential can lead to domestic and international orders, in addition to creation of jobs by attracting investments. Another key aspect that is likely to be taken up at the event is the role of fish in nutritional and food security, as fish is the cheapest animal protein source. “Fish is considered as a health food by virtue of its richness in essential amino acids and minerals and because of its low-fat contents,” said Mr Gowda. Another attraction

at the mela will be a cookery competition. Efforts are on to organise food stalls.

The director said: "Efforts are being made to invite people who are well versed in preparing delicacies using seer fish, mackerel, sardine or pomfret."

Date:21/10/2010 URL:

<http://www.thehindubusinessline.com/2010/10/21/stories/2010102151611900.htm>

[Back](#) **Sugar continues to be range-bound**



Our Correspondent

Mumbai, Oct 20

Spot sugar prices on Vashi wholesale market ruled almost steady for the third consecutive day.

On Wednesday, spot prices for low quality S-grade were marginally up Rs 10. Prices for good quality S-grade and M-grade were steady.

Mr Mukesh Kuwadia, Secretary of Bombay Sugar Merchants Association, told Business line: "As the new season's production has started in Maharashtra traders feel market will see a range-bound movement. Traders are waiting for announcement on sugar exports. This year, we are expecting 270-275 lakh tonnes sugar production compared with 188 lakh tonnes last year.

The total area under sugarcane cultivation is 16 per cent more at 50 lakh hectares compared with 42 lakh ha last year. Yield will also be higher than last year.

On Tuesday evening, Maharashtra's mills sold about 1.25-1.50 lakh bags sugar including two-three rakes bought to North-based buyers for Rs 2,610-2,640 for S-grade and Rs 2,630-2,680 for M-grade.

Most of the volumes were on condition of month-end lifting validity. Demand from bulk consumers such as sweet /confectionary makers also supported the trend. Local retail demand for Diwali festival was as expected, traders said.

On Wednesday, total arrivals on Vashi market were higher at 64-65 truckloads (10 tonnes each) and lifting was about 62-63 truckloads.

According to the Sugar Merchants Association, spot rate for S-grade was Rs 2,709-2,736 (Rs 2,696-2,736) and M-grade Rs 2,730-2,811 (Rs 2,730 -2,811). Naka delivery rates were: S-grade Rs 2,660-2,690 (Rs 2,660-2,690) and M-grade Rs 2,715-2,760 (Rs 2,715-2,760).

Date:21/10/2010 URL:

<http://www.thehindubusinessline.com/2010/10/21/stories/2010102151621900.htm>

Back Downtrend persists in groundnut oil



Our Correspondent

Mumbai, Oct. 20

Groundnut oil continued to decline sharply for the fourth consecutive day losing Rs 40 more for 10 kg in the Mumbai edible oils market.

In last four trading sessions, groundnut oil price has dropped 100 for 10 kg on higher arrivals at producing centres, especially Sourashtra. Other edible oils also came under pressure but ruled steady. Cotton oil and rapeseed oil were up Rs 5 on fresh retail demand for Diwali.

Gujarat and Maharashtra consume cotton oil higher than other States. North India consumes more rapeseed/mustard oil. With the higher trade volume, the market sentiment was strong.

A Mumbai-based wholesaler said that in the spot market fresh demand continued to support higher volume. On Wednesday refineries – Liberty and Allana – managed to sell nearly 750-850 tonnes of palmolein at a higher price. About 200-250 tonnes palmolein resale was done in the range of Rs 473-475. Liberty quoted palmolein at Rs 476, Ruchi Rs 471 and Allana Rs 474. The resale rates for palmolein increased further by Rs 2/10 kg on cues from the higher closing of Malaysian markets.

Malaysia's BMD CPO futures closed at , MYR 2990 (2920) for November and 2990 (2914) MYR for December. Indore NBOT soya oil futures increased to Rs 525.20 (Rs 523.20) for November contracts.

Mumbai commodity exchange spot rate (Rs / 10kg): Groundnut oil 780 (820), soya refined oil 492 (492), sunflower expeller refined (575), sunflower refied (630), rapeseed refined oil 575 (570), rapeseed expeller refined 545 (540), cotton refined oil 500 (495) and palmolein 472 (472).

Date:21/10/2010 URL:

<http://www.thehindubusinessline.com/2010/10/21/stories/2010102151591900.htm>

[Back](#) Local demand boosts turmeric



Our Correspondent

Erode, Oct. 20

Turmeric prices increased by Rs 100 a quintal despite lack of demand from upcountry market.

In the Erode Turmeric Merchants Association sales yard, the finger variety was sold at Rs 10,496–14,265. The root variety fetched Rs 9,019–14,109. Of the 1,269 bags that arrived, 315 were sold.

In the Gobichettipalayam Agricultural Cooperative Marketing Society, the finger variety was sold at Rs 13,608–14,260. The root variety sold at Rs 13,227–14,151. Of the 160 bags that arrived, 141 were sold. In the Erode Cooperative Marketing Society, the finger variety fetched Rs 13,905-14,305, root variety sold at Rs 13,574-14,149. Of the 518 bags that arrived, 425 were sold.

In the regulated market, prices of both varieties of turmeric increased. The finger variety was sold at Rs 13,669–14,279, this is Rs 250 higher than the week beginning price.

The root variety fetched Rs 13,566–14,119 a quintal, an increase of Rs 85. Of the 1,178 bags that arrived, 1,052 were sold.

A bulk buyer said: “There was no change in futures and it has stayed stable for the past two or three days, as the October contract ends on Wednesday. So there was no demand from north Indian buyers. We are purchasing the yellow spice to cater to local demand. We

are also expecting that the product price will remain stable till Diwali.

Date:21/10/2010 **URL:**

<http://www.thehindubusinessline.com/2010/10/21/stories/2010102151581900.htm>

[Back](#) **Export buying checks castor's slide**



Our Correspondent

Rajkot, Oct 20

The downtrend in castor prices witnessed last week has been brought to a halt as exporters re-entered the market this week resulting in prices rising marginally on Wednesday.

On the Rajkot Commodity Exchange (RCX), castor October futures increased Rs 26 to Rs 3,378 a quintal, while spot price rose Rs 25 to Rs 3,352.5/100 kg.

About 1,000-1,200 bags of castor arrived in Gujarat at Rs 665-675/20 kg. Arrivals in Saurashtra were at 200-250 bags and they were quoted at Rs 640-655.

A week ago, castor futures were quoted at Rs 3,558 on RCX. This week, on the back of heavy arrivals in Andhra Pradesh, they decreased by Rs 180 and spot price came down

by over Rs 260 a quintal.

Currently, exporters are buying for European shipment.

According to market sources, selling pressure is over for now. But the market will not witness a continuous rise in the price. Only demand will help the price move up.

On the back of higher acreage and firm prices, castorseed production is likely to see a quantum jump in 2010-11.

Industry players estimate castor production at over 10 lakh tonnes, which, according to The Solvent Extractors' Association of India, is a record.

Date:21/10/2010 URL:

<http://www.thehindubusinessline.com/2010/10/21/stories/2010102152042000.htm>

Back Lower volume on offer at Coonoor tea auctions

P. S. Sundar

Coonoor, Oct. 20

A volume of 11.95 lakh kg will be offered for Sale No: 42 of the auctions of the Coonoor Tea Trade Association to be held on Thursday and Friday, reveals an analysis of the listing by brokers.

It is 44,000 kg less than last week's offer, and as much as 5.87 lakh kg lower than the offer this time last year.

Of the 11.95 lakh kg on offer, 7.83 lakh kg belong to the leaf grades and 4.12 lakh kg belong to the dust grades. As much as 11.09 lakh kg belong to CTC variety and only 0.86 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 0.44 lakh kg belong to orthodox while 7.39 lakh kg, CTC. Among the dusts, only 0.42 lakh kg belong to orthodox while 3.70 lakh kg, CTC.

In the 11.95 lakh kg, fresh tea accounts for 10.87 lakh kg. As much as 1.08 lakh kg comprise teas remaining unsold in previous auctions. Reduced volume and quality offer has been helping prices remain steady.

“Our two grades of Red Dust (RD), auctioned by Global Tea Brokers, got the first two prices of Rs 134 and Rs 132 a kg this week. This was the highest price this week among all CTC teas. In all, 8 of our marks got Rs 118 and more,” Mr Prashant Menon, Managing Partner, Homedale Tea Factory, told Business Line.

Date:21/10/2010 URL:

<http://www.thehindubusinessline.com/2010/10/21/stories/2010102151212100.htm>

Back Meet to discuss climate change impact on crops

Our Bureau

Kozhikode, Oct. 20

A national symposium on various aspects of climate change and its impact on the diseases of agricultural crops will begin at the Indian Institute of Spices Research (IISR) here from October 22.

The two-day meet on 'Changing Plant Diseases Scenario in Relation to Climate Change' is being jointly organised by the Indian Phytopathological Society, South Zone, and IISR.

There will be around 60 poster presentations and 15 invited talks during the event, which will be inaugurated by D. V.A. Parthasarathy, Director, IISR.

The symposium will also deliberate on key issues in areas such as global warming and climate change, remote sensing and surveillance, impact assessment, plant health in changing climate and sustainable development. The preliminary selection of contestants for the Prof. M.J. Narasimhan Academic Merit Award will also be held at the event.