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Farmers urged to go for crop insurance

“Protect crops from calamities such as flood, pest attacks”

CUDDALORE: As the sowing of paddy crop for the samba season is gaining momentum in Cuddalore district, Joint Director (Agriculture) C. Ilangovan has appealed to the farmers to go for crop insurance.

In a statement released here, Mr. Ilangovan said it was expected that paddy would be cultivated on 97,000 hectares in the district for the current season. Already, sowing was completed on 30,000 ha.

However, he underscored the point that since normal north-east monsoon was predicted this year, the farmers should guard their crops against natural calamities such as flood and pest attacks.

He noted that if the standing crop on an acre were to be insured for Rs. 13,024, the farmers would have to pay a premium ranging from Rs. 117 (for the small and marginal farmers) to Rs. 130 (for others). The government would give a subsidy ranging from 50 to 55 per cent on the premium amount to be paid.

The farmers could obtain applications from the offices of the Assistant Director (Agriculture) and submit the filled-in forms along with the premium payment either to the respective Primary Agricultural Cooperative Banks or the nationalised banks.

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Superior millet variety coming for farmers and diabetics

Shastry V.Mallady

Trials on barnyard millet in progress at ACRI in Madurai

Photo: K. Ganesan

BETTER: The barnyard millet advanced variety plants under trial at Agricultural College and Research Institute in Madurai. —

MADURAI: A superior/advanced variety of barnyard millet which would be very friendly to farmers and diabetics is currently being developed at the Agricultural College and Research Institute (ACRI) in Madurai.

Various factors are taken into account for this biotech-based improved version of barnyard millet, called as ‘Kuthiravaali' in Tamil, so that it would suit the soil, climate and water salinity factors in southern districts.

Two researchers of ACRI in the Department of Plant Breeding and Genetics- C. Vanniarajan, Associate Professor, and B. Rajagopal, biotechnologist, are involved in this one-year-old project.

Alternative to rice

“Barnyard millet is an old crop and is a nutritious alternative for rice. We want to develop a superior variety for southern Tamil Nadu and popularise it. Instead of rice, diabetics can go for ‘Kuthiravaali' as it controls their sugar levels,” says Dr. Vanniarajan.

The variety, which will be drought-tolerant and suitable for water-deficient areas, is being developed through various tools of biotechnology.

K. Vairavan, Dean, ACRI, said on Wednesday that the Tamil Nadu Agricultural University was keen to develop/launch varieties by keeping the people's apprehensions in mind.

Very nutritious

In an attempt to popularise the barnyard millet consumption in southern districts, the ACRI scientists are planning to create awareness that barnyard millet is highly nutritious and an ideal alternative to rice or wheat.

“Kuthiravaali should come back to our food consumption system. We are taking the expertise of International Crops Research Institute for the Semi-Arid Tropics situated in Hyderabad,” Dr.Vanniarajan said.

Molecular level tests are being conducted in the ACRI campus and a suitable barnyard millet variety is expected in a year or two. Tests are in progress under different conditions and later it would be done at the field level.

“It will take some more time for us to complete the work since the tests have to be repeated in seasons,” he said.

Barnyard millet is good not only for diabetics but also lactating mothers also. The research project was taken up in October last year after applying to the Department of Biotechnology.

Farmers and general public interested to know more about barnyard millet can contact Dr.Vanniarajan on mobile number 94438-37677.

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Farming operation begins

Staff Reporter

Nagercoil: The agriculture operation is picking up in a few parts of the district and farmers have raised nursery on over 500 hectares and it could be transplanted on over 5,000 hectares, said the Joint-Director of Agriculture (in-charge), S. Nagamony Pillai.

He said that owing to copious rain fall farming activities could begin in the tail-end areas. The Agriculture Department has fixed a target of 11,000 hectares in the second season. However, farmers were expected to raise paddy crops on over 9,000 hectares. Regarding harvest of the paddy, he said that the farmers have completed 50 percent of the areas.

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FARMER'S NOTEBOOK

It is very easy to get a loan from Micrograam

M.J. PRABU

Getting a short-term loan from nationalized banks is still not easy

- Photo: Special arrangement

New innovation:Rangan Varadan, CEO (extreme right) at an interaction with some farmers who benefited.

Farming and the economy are complementary.

“A farmer's work is no child's play. It calls for right decisions at the right time, and wise investments. Even if one fails it leads to disaster,” says Mr. Rangan Varadan, CEO, Micrograam, an online, competitive, microfinance marketplace (website: www.micrograam.com) in Bangalore, that enables people to invest in other people at low interest rates and facilitates micro credit to farmers.

“It is six months since we launched our online presence and we are happy to share the tremendous progress that we are making till date,” says Mr. Rangan.

Absenteeism

“Go to any rural bank in any part of the country and chances are that in many of them you cannot see the manager as he will either be on a long leave (waiting to be transferred) or out for some other work.

“Though the government claims that farmers' loans are being increased and outstanding loans written off, farmers who applied for some crop loan can come out with numerous stories about their futile visits to the bank to meet the ever absent manager.

“In the last five years compare the price of buying a car and essential food items. While you may observe a slight fall in car prices in some cases, the same cannot be said about food commodities, whose prices seem to be hitting the roof. So a farmer who produces these food items wallows in poverty,” he adds. Despite many microfinance initiatives aimed at reducing farmers debt financing for agriculture remains a problem.

Getting a loan of Rs.10,000 from a nationalized bank still remains a dream for many small farmers. For this reason Micrograam chose to look at what role it could play, and intervene to improve agriculture production and improve farmers' lifestyle.

Credit facility

By providing credit through local NGOs, Micrograam introduced flexible financial services to meet the needs of small farmers by extending the grace period before loan repayment starts, extending the period between payments from weekly to fortnightly, monthly or even quarterly, requiring regular payments only of service charges during the first part of the loan period, and offering seasonal loans with lump-sum repayment after harvest.

Micrograam and several NGOs' have joined together to provide training in improved farming techniques, crop diversification and animal husbandry.

“We strongly believe that under this innovative service, farmers will be able to pay off moneylenders and rid themselves of the burden of debt that many of them carried perpetually.

“Better still, they have been able to buy land, make home improvements, vaccinate their poultry, and in some cases, create employment opportunities for others within their villages,” says Mr. Rangan.

Availing a loan from MicroGraam is simple and fast, according to Mr. Rangan. Given the flexible repayment terms, the farmer does not get burdened with organizing funds or repayment and can concentrate on improving the produce.

How to get loans

MicroGraam extends the credit facilities to both an individual farmer or to a group of farmers. The farmer must be a member of a SHG group that works closely with an NGO in their area. The average time for the borrowers to wait for the loan is about 2-3 months from the time of their application approval process begins.

Repayment

A loan of Rs 5,000 to Rs 25, 000 is disbursed for seed purchase, fertilizer, organic farming etc and can be repaid after the first six months or after the harvest time, whichever is earlier up till the next six months upto a maximum interest rate of 16 per cent per annum.

MicroGraam screens the applications and if the farmers request is accepted its field partner completes the investment request form and uploads the profile and photo to

MicroGraam.

After translation or editing, the profile becomes visible on the marketplace portal. At this point, the potential investors are able to browse the farmer's or farmers' profile and choose to make an investment.

Direct investment

“By supporting a specific farmer or group of farmers, they are directly investing in the livelihood creation,” he adds.

Current areas of operation include Dindigul, Salem, Vaiyampatty, Kancheepuram, Virudhunagar, Madurai, Pudukottai, Trichy in Tamil Nadu and Dharwad, Mysore, Gulbarga, Chitradurga, Koppal, Kolar, Malur, Raichur in Karnataka.

For more details readers can contact Micrograam at No 42, 7,5th Cross, J P Nagar 3rd Phase, Bangalore-560078, email:info@micrograam.com, phone no: 080-65791390.

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FARM QUERY **Junglescape model**

Can you kindly give me the contact details of any organization that works on forest and wildlife projects?

L. Nandini Dharwad

You can contact junglescape, an NGO that works on sustainable wildlife conservation and eco friendly livelihoods. Contact the NGO at 080-25295788 or email bm.ragini@junglescapes.org, website: www.junglescapes.org for your details.

THE ECONOMIC TIMES
Thu, Oct 07, 2010 | Updated 06.41AM IST

7 Oct, 2010, 12.54AM IST,REUTERS

Sugar delays at Brazilian ports may ease next season

LONDON: Investment in Brazilian ports and higher forecasts for Indian output are set to prevent a repeat of severe loading delays for the new sugar crop next year, but terminals will be pressured to meet booming demand.

A huge line-up of vessels at Brazilian ports has triggered lengthy delays in loadings of sugar cargoes, contributing to a surge in sugar futures to seven-month highs this week, above the psychological 25 cents a lb resistance level. “The Brazilian industry is going to continue to grow sugar production, and there will be a need for logistics to match that,” said Toby Cohen, head of research at London-based sugar merchant Czarnikow.

Brazilian port officials say improvements in infrastructure and new investments in logistics will improve the capacity of Brazil to meet its increasingly onerous export commitments. Brazil has been loading up to 2.6 million tonne of sugar a month this year, up from 2.2 million a year ago, underlining the strength of physical demand, especially in the June-July period when Brazil is the predominant supplier of the world’s sugar.

“Brazil’s projected export growth will likely further expose the underlying inadequacies of the sector,” said Cole Martin, commodities analyst with Business Monitor International. “Steps towards private investment in the country’s ports have generally been lacking.”

A big logistical problem has been transport access to major sugar ports such as Santos. “In theory, Santos has the capacity to ship all Brazilian sugar exports in only three months, but there are other bottlenecks such as the (road) access to the port,” said Carlos Kopittke, commercial and development director at Santos port.

The port is investing in dredging to deepen Santos harbour canal. Next year it will have a depth of 15 metres, being able to receive bigger ships and vessels for loading.

Three companies that operate terminals in Santos, including Cosan, are interested in building covers over the berth, enabling them to load bulk sugar when it rains. Kopittke said the construction of these covers would take about 12 months after their approval. Companies are also investing in faster ship loaders. The immediate impact of improved logistical support will help cut congestion and lead to less waiting times for ships. “As loading times decrease ... Brazil will be able to ship more

sugar and will further distance themselves, in terms of export volume, from other suppliers,” said Andrew Winkler, analyst with dry bulk consultants Commodore Research.

Business Standard

Thursday, Oct 07, 2010

Oilmeal exports rise 53% in September

BS Reporter / Mumbai October 07, 2010, 0:55 IST

India’s oilmeal exports rose 53 per cent in September on improved availability for crushing and a rise in the free-on-board realisation.

Data by the Solvent Extractors’ Association (SEA) showed total exports surged to 354,252 tonnes compared to 231,297 tonnes in the corresponding month of the previous year.

However, overseas shipments during the first half of the financial year recorded a marginal rise of 12 per cent to 1.38 million tonnes as compared to 1.23 million tonnes in the same period of the previous year.

The second quarter of the current financial year was better than the first quarter as farmers released heldover stocks amid fears that prices may collapse after the new crop hits the market in October.

Close to 40 per cent of nearly 9.7 million tonnes soybean produced last year was held by farmers until June in anticipation of higher prices in the ongoing lean season. But farmers and stockists released stocks gradually to create space for the new crop. A sudden recovery in price made crushing profitable, resulting in mills raising their capacity to clear last year's stocks before new arrivals begin. This year, the output of oilseeds is estimated to rise, with soybean output likely to be over 10 million tonnes for the first time.

In the first quarter, oilmeal exports were 536,700 tonnes as compared to 614,528 tonnes in the previous year, a decline of 13 per cent. However, they recovered in the second quarter to 839,509 tonnes as compared to 619,433 tonnes in the same period of the previous year.

Soymeal exports rose 32 per cent in the first half of the current financial year to 852,877 tonnes from 644,569 tonnes in the corresponding period of the previous year.

Oilmeal imports by South Korea April-September 2010 were 181,803 tonnes as compared to 182,920 tonnes, consisting of 109,387 tonnes of rapeseed meal, 64,604 tonnes of castor seed meal and small quantity of 7,812 tonnes of soybean meal.

China reported import of 182,007 tonnes as compared to 169,702 tonnes of last year, consisting of 155,758 tonnes of rapeseed meal, 13,371 tonnes of groundnut meal, 12,273 tonnes of soybean meal and 605 tonnes of castorseed meal.

Japan reported import of 388,778 tonnes as compared to 171,920 tonnes last year consisting of 373,478 tonnes of soybean meal and 15,300 tonnes of rape seed meal.

Vietnam imported of 224,342 tonnes as compared to 328,656 tonnes last year consisting of 144,457 tonnes of soybean meal, 26,735 tonnes of rape seed meal and entire 53,150 tonnes of rice bran extraction.

The export from Kandla is reported at 611,019 tonnes (44 per cent), followed by Mumbai including JNPT which handled 456,244 tonnes (33 per cent), Mundra handled 229,562 tonnes (17 per cent), Kolkata handled 53,150 tonnes (4 per cent), Bedi handled 18,800 tonnes (1 per cent) and Bhavnagar handled 7,434 tonnes (1 per cent).

Global pepper prices may fall 5% this month

George Joseph / Kochi October 07, 2010, 0:09 IST

Global pepper prices may fall five per cent in the coming weeks on increased supply. Indonesia and Brazil, the two leading producers, have ample stock for the coming months to meet the demand from major consumers like the US and the EU.

So, experts believe the market will be in a bearish mode for the next six-seven weeks with no shortage in the market.

Indonesia, the top producer, is currently offering the Asta grade variety for $4,050 a tonne. The country has a stock of 65,000 tonnes, with a carryforward stock of 30,000 tonnes. It has shipped 31,700 tonnes in the last nine months.

In Brazil, the total production for the season is estimated at 28,000 tonnes and the fresh stock has already arrived in the markets. The overall stock in the country is estimated at 50,000 tonnes with a carryforward stock of 12,000 tonnes.

Garlic on boil, to rise 25% more by December

Dilip Kumar Jha / Mumbai October 7, 2010, 0:08 IST

The prices of garlic, a culinary spice and medicinal herb, are likely to rise 25 per cent by the end of the current calendar year on increasing domestic demand, export orders and lower residual availability on poor output last year.

The spice which is used as a medicine for protection against heart disease, cancer and infections has already quadrupled since June this year to trade currently between Rs 80 and Rs 100 a kg in Mumbai wholesale mandi while the same is available for retail consumers at Rs 130 a kg depending upon the area of purchase.

Traders believe that the price may set an all-time record to surpass Rs 200 a kg this year before the beginning of the next harvesting season that is January 15, 2011. In Delhi, however, stockist quote the commodity at Rs 80-150 a kg, nearly four times higher than the prevailing prices in June. In Faridabad, the commodity is quoted by stockist between Rs 120 and Rs 200 a kg while retailers sell at Rs 140-160 a kg.

In Indore mandi, too, garlic rose proportionately to Rs 100 a kg. Madhya Pradesh contributes over 50 per cent of India's total annual garlic production.

"Prices are unlikely to ease during this lean season. Farmers bought seeds for ongoing sowing season at Rs 130-140 a kg. This necessarily means that prices would continue to move upwards during the next season also," said a Mumbai-based trader.

According to an estimate, India produces nearly 600,000 tonnes of garlic every year. But, last year (in 2010) the output declined nearly 20 per cent due to adverse climatic condition. In 2009 also, the output was very low as farmers shifted to other remunerative crops due to low price of garlic in 2008.

"In 2008, it slumped to Rs 10 a kg as against then cost of production at Rs 12-15 a kg. Therefore, farmers dedicated less area in 2009 and 2010 resulting into lower output during both years," said Moin Ali, partner of Ali Traders, an Indore-based garlic trader.

India exports nearly 15,000 tonnes of garlic every year mainly to Malaysia, Pakistan, Bangladesh and Sri Lanka. According to data compiled by the Spices Board, total export between April-August this year was recorded at 13,250 tonnes as against a mere 3,100 tonnes in the corresponding period of the previous year, a rise of 102 per cent.

Apparently, higher global prices fetched appreciably higher realisation to an average Rs 37.59 a kg in the period ending August this financial year as against Rs 20.39 a kg in the previous year. Spices Board had set an export target of 13,000 tonnes for 2010-11 worth Rs 35 crore.

"The current price hike can be attributed more to rising domestic festival demand than exports. Inter-state transportation has aligned high prices in one state to another," said Sardar Natha Singh, general secretary of the Garlic Merchant Association.

In Delhi’s Azadpur mandi, total stocks currently stand at 15,000 bags of 50 kg each. This is normal level as exports have almost halted due to sudden spurt in prices. Export demand has eased in the last two-three months as supply from China has become cheaper compared to India. Dubai-based traders prefer imports from China, the world’s largest producer, to India due to better quality.

Deadlock between Haryana, millers may hit rice lifting

Press Trust Of India / Chandigarh October 7, 2010, 0:02 IST

A standoff between the Haryana government and rice millers is threatening to derail the procurement of paddy in Haryana, with growers accusing authorities of not lifting the crop despite heavy arrival in markets.

The state government said it is hopeful of settling the issue with state rice millers within a day or two, while claiming to have lifted ‘each grain’ of paddy.

Peeved at the slow pace of paddy lifting at various places in the state, farmers have even threatened to launch an agitation against the state government.

At the beginning of the paddy lifting season, Haryana rice millers refused to sign agreements with state government for placing the paddy crop at their premises under the Custom Milling Rice (CMR) policy.

“Unless the agreement is signed with rice millers by the state government, the purchased paddy from grain markets could not be unloaded at rice millers’ shellers for converting into rice,” pointed out Makhan Singh, the General Secretary of the Haryana Pardesh Rice Millers & Dealers Association.

He added, “As a result of it, the paddy lifting is going slow.”

State rice millers are primarily demanding removal of holding charges that have been sought by the state government for the delay in delivering rice in 2009-10.

“We never delayed the rice delivery. It happened (delay) because of shortage of space with Food Corporation of India (FCI),” Singh alleged, while claiming that the state government was demanding holding charges to the tune of Rs 50 crore from rice millers.

While comparing the state’s policy with neighbouring Punjab, he said, “Punjab government is not levying any charges from its rice millers, despite millers not delivering rice for the last year.”

Rice millers are also demanding that the Centre relax the norms for discolouration and damage to paddy, which have been fixed at 4.5 per cent and 4 per cent, respectively. They also sought a reduction in the limit for making rice out of paddy from 67 per cent to 64 per cent due to low yield.

Agitated over the slow pace of procurement, paddy growers in Karnal had blocked the national highway on Monday.

“The state government is responsible for slow paddy lifting in the state. We will launch an agitation at full scale in the state if the state government does not speed up paddy lifting,” Akhil Bhartiya Kisan Sabha President Dayanand Punia said.

Paddy has arrived in various places like Karnal, Kaithal, Kurukshetra, Sirsa, Ambala, Panchkula and Yamun Nagar. “As the crop arrivals are picking up, if the state government does not resolve the issue at the earliest, farmers could be forced to go for distress sale,” said Singh.

When contacted, Haryana Food and Supply Secretary Navraj Sandhu said, “We are talking to rice millers and looking into their demands. We are hopeful of resolving the matter within a day or two.”

Stating that the state government was ensuring buying of the entire arrivals of paddy crops, she said, “Paddy has just been trickling in and the crop (at present) has higher moisture level, which is beyond specification of 17 per cent due to last month’s rains. Farmers have been told about the same (moisture content) and they have understood it.”

Groundnut oil declines on sluggish demand

Press Trust of India / New Delhi October 6, 2010, 16:43 IST

In limited deals, groundnut oil prices declined by Rs 50 per quintal in the wholesale oils and oilseeds market today owing to reduced demand from millers.

Traders said fall in demand from millers at prevailing higher levels, mainly led to a decline in groundnut oil prices.

In the national capital, groundnut oil declined by Rs 50 to Rs 8,250 per quintal.

Following are today's quotations in Rs per quintal:

Oilseeds: mustard seed 2,525-2,655 and groundnut seed 2,100-2,850
Vanaspati ghee (15 litres tin) 815-910

Edible oils: Groundnut mill delivery (Gujarat) 8,250, groundnut Solvent refined (per tin) 1,400-1,410, Mustard Expeller (Dadri) 5,280, Mustard Pakki ghani (per tin) 720- 875, Mustard kachi ghani (per tin) 875-975

Sunflower 6,300, Sesame mill delivery 5,850, soybean Refined mill delivery (Indore) 4,740 Soyabean degum (Delhi) 4,540, Crude Palm Oil (Ex-kandla) 4,050, Cottonseed mill delivery (Haryana) 4,500, Palmolein (RBD) 4,850, Rice bran (phy) 3,750 and Coconut (per tin) 1,225-1,275

Non-edible oils: Linseed 4,100, Mahuwa 4,000, Castor 8,550-8,650, Neem 3,750-3,850, Rice bran 3,300-3,400 and palm fatty 3,225-3,300

Oilcakes: groundnut de-husk 800-850, sesame 950-1,150, Mustard (new) 1,000---1,025, Mustard 1,200-1,210 and Cottonseed 1,075-1,175

'Basmati paddy to fetch high price this season'

Press Trust of India / Dehra Dun October 6, 2010, 16:36 IST

Prices of Basmati paddy are expected to touch their highest level of Rs 3,400 per quintal during the forthcoming harvesting season, says a research report.

The prices of traditional Basmati paddy are in the range of Rs 2,650-3,350 per quintal this month, and are expected to be Rs 2,500-3,200 per quintal in Novemeber.

In December, however, they will go up to Rs 2,700-3,400 per quintal, depending on the varieties, the report said.

The forecast has been made by the agricultural economics department of G B Pant University of Agriculture and Technology, Pantnagar, the varsity said in a statement today.

The objective of the project is to make price forecast of selected agriculture commodities during harvesting.

Scientists have advised the farmers to take marketing and storage decisions of their produce of traditional Basmati paddy well in advance in view of the price they will fetch.

A team of scientists working under a national agriculture innovation project, "Establishing and networking of market intelligence centres in India", conducted a survey at Rudrapur regulated market, a major market for traditional Basmati paddy in Uttarakhand, and analysed the price data that prevailed for the last 15 years.

West Bengal, Uttar Pradesh, Andhra Pradesh, Punjab, Tamil Nadu, Bihar, Orissa, Karnataka, Assam and Haryana are the major paddy producing states in the India.

Govt may raise cotton export cap if output exceeds estimates

Press Trust Of India / New Delhi October 7, 2010, 0:57 IST

Commerce ministry says exports beyond 5.5 million bales will attract duty.

The textiles ministry favoured of cotton exports beyond the present cap of 5.5 million bales this year if production exceeds the estimate of 32.5 million bales.

“The textiles ministry would be the first to support the movement (of cotton) out of the country in the form of exports (if production exceeds 32.5 million bales),” Secretary in the textiles ministry Rita Menon, said when asked if the government would allow cotton exports beyond the current ceiling of 5.5 million bales in the cotton season. Cotton season starts in October.

She was talking to reporters after the inauguration of a handloom and handicrafts fair at Dilli Haat. Menon, however said, requirement of the domestic textiles industry should be kept in mind before permitting exports beyond 5.5 million bales.

The domestic textiles industry is likely to consume 22 million bales this year.

Earlier, the government had announced that duty-free exports of 5.5 million bales (of 170 kg) would be allowed in the current cotton marketing season. The Commerce Ministry had said that exports beyond 5.5 million bales would attract duty. To curb exports in wake of rising domestic prices of cotton, a duty of Rs 2,500 a tonne was imposed.

When asked if the government would impose any curbs on exports beyond 5.5 million bales, Menon said “the instruments that we will use after 5.5 million bales (of exports) will be considered by the government after a review meeting later this month.”

The Textiles Commissioner has started registration of cotton export contracts from October 1 and the actual shipments would start from November 1.

The registration of contracts would stop automatically the moment the ceiling of 5.5 million bales is reached.

Currently, the cotton prices in the domestic market are ruling over 65 per cent higher than Rs 22,400 (per candy) in the same period last year.

Further Menon said that a Yarn Advisory Board has been recently set up by the Textiles Ministry to take a stock of the yarn availability in the domestic market. “The board has seen that there is a gap between the production and requirement by the mills. I feel when it (board) will be strengthened, the gap between the yarn required and exported will be reduced," she said.

Asked if the cotton prices would crash in the coming days, the Secretary said, "I believe that there will never be a situation where the cotton prices will crash, as there is enhanced capacity creation which is taking place in the industry."

Govt registers export deals for 405,605 bales

NewsWire18 adds: The Textile Commissioner has registered export of 405,605 bales (1 bale = 170 kg) of cotton since October 1 as against applications for overseas sales of 2.53 million bales.

A Group of Ministers had last month decided to permit export of 5.5 million bales of cotton in 2010-11 (October-September) after registration of cotton export contracts with the Textile Commissioner.

Agriculture Minister Sharad Pawar last week said the ministers' panel has decided to permit registration of cotton export contracts with the Textile Commissioner from October 1, but actual export shipments would be allowed only from November 1.

Registration of export contracts with the Textile Commissioner is mandatory for selling the commodity overseas.

The government had put cotton under the restricted list of exports in 2009-10, as exports had hit a record 8.3 million bales, resulting in sharp rise in domestic prices.

It has since relaxed export curbs as the country's cotton production in the current crop year that started July 1 is estimated at a record 33.5 million bales.

Kharif crop loan disbursement overshoots target

BS Reporter / Kolkata/ Berhampur October 7, 2010, 0:55 IST

Disbursement of crop loan in Orissa through the cooperative sector during Kharif-2010 stood at Rs 1804.27-crore, 13 percent higher than the target fixed by the government.

The state government aimed to provide Rs 1600-crore crop loan during this Kharif season against the last year's achievement of Rs 1407.82-crore.

The Kharif agriculture season ended on September 30. The share of cooperative agriculture credit is about 70 percent of the total crop loan disbursed in the state.

"We have achieved 113 percent target in disbursement of crop loan through the primary agriculture cooperative societies", said the managing director of Orissa State Cooperative Bank Limited (OSBL), TK Panda.

While Rs 1367.27-crore was provided in cash, Rs 437-crore was disbursed in the form of fertilizers, pesticides and seeds. During this Khariff season 11, 17,867 farmers availed cooperative agriculture credit compared to 10, 11,203 farmers last year.

Close monitoring of loan disbursement by OSEB, active support by the cooperative and agriculture departments are attributed as the reasons for all time high achievement in loan disbursement this year. Besides the reduction of interest rate in cooperative loan to 3 per cent was another factor for more number of farmers to come forward to take crop loan, said a government officer.

The government has set a target to provide Rs 1400-crore crop loan during the coming Rabi agricultural season. Last year, the government had disbursed Rs 1274.35 crore loan in the Rabi season to 8, 21,099 farmers in the state.

The OSCB sources said, except the Central Cooperative (CCB), Nayagarh, other 16 CCBs have exceeded their target in disbursement of crop loan during Kharif, 2010. Top achievers were Sambalpur CCB with disbursement of Rs 252.81 crore loan to 1, 24,077 farmers followed by Cuttack CCB with disbursement of Rs 229.02 crore loan to 1,78,151 farmers. Similarly, Balasore CCB has achieved 121 percent of its target, said the sources.

The achievement of other CCBs included Angul (104 percent), Aska (100 percent), Banki (105 percent), Berhampur (111 percent), Bhawanipatna (105 percent), Bolangir (107 percent), Boudh (103 percent), Keonjhar (104 percent), Khurda (103 percent), Koraput (100 percent) Mayurbhanj (106 percent), Sundargarh (103 percent) and Puri-Nimapara (113 percent).

The Nayagarh CCB achieved 97 percent of the target in providing crop loan in the Kharif season, the sources said.

Paddy procurement commences in Punjab

BS Reporter / New Delhi/ Chandigarh October 07, 2010, 0:33 IST

Government agencies and private millers procured more than 851,415 tonnes of paddy in Punjab till last evening.

Of the total procurement in the procurement centres of Punjab, Government agencies procured 826,311 tonnes (97.1 per cent) whereas private traders procured 25,104 tonnes (2.9 per cent) of paddy.

Till October 5, Punjab State Grains Procurement Corporation had procured 222,089 tonnes (26.9 per cent) whereas Markfed procured 178,842 tonnes (21.6 per cent).

Punjab State Civil Supplies Corporation procured 211,150 tonnes (25.6 per cent), Punjab State Warehousing Corporation procured 123,835 tonnes (15 per cent) whereas Punjab Agro Industries Corporation was able to procure 79,553 tonnes (9.6 per cent) of paddy.

The Central government agency Food Corporation of India (FCI) had been able to procure 10842 tonnes (1.3 per cent). The State Government has set up almost 1,700 procurement centres

Paddy procurement in Haryana gets tardy

Vikas Sharma / New Delhi/ Chandigarh October 07, 2010, 0:31 IST

The Paddy procurement in Haryana has not commenced on a promising note amidst reports of protests made by farmers and rice millers in the state.

While the rice millers in Haryana have refused to lift paddy in Haryana till their demands are met, farmers in Haryana have been protesting for last three days alleging non-lifting of paddy by government as well as private agencies.

As much as 124,959 metric tonnes of paddy arrival across various terminal market in Haryana has been reported till yesterday.

The rice millers in the state have threatened not to lift any paddy arriving in the terminal market (mandis) till their demands are met.

Rice millers on behalf of government agencies normally procure the paddy at terminal markets and after cleaning and milling it supply it to Food Corporation of India (FCI), for which they are paid milling charges.

The rice millers in Haryana have alleged the state government agencies have been penalising the millers in the state. The millers maintained alleged state government agencies have imposed charges on millers for not delivering paddy to FCI within prescribed limit. Millers maintain due to want of space with FCI , paddy could not be supplied to FCI and now they are being penalised.

Rattan Mann, National Vice President, Bharti Kisan Union alleged that while the procurement of paddy at terminal market should have commenced from October 1 the process was delayed. The paddy arriving at the market remained lying there as government agencies and millers continued refused to lift the paddy.Mann maintained continued protest by farmers in Haryana for three days resulted in government agencies and private agencies finally succumbing to the pressure.The government agencies maintained that since moisture content was beyond prescribed limits in the early arriving varieties of paddy it was not lifted.

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Back **Understanding excess food stocks**

Narendra Pani

We have to understand that the Green Revolution strategy of using the same mechanism to provide farmers remunerative prices while simultaneously ensuring food security, no longer works. The two objectives require separate strategies.

Infusion of largefood stocks into the market will almost certainly force food prices down to politically unacceptable levels from the farmers' standpoint.

The picture of foodgrains being allowed to rot instead of being distributed to the poor has been so ethically disturbing that even the Supreme Court was tempted to comment on the issue. But this focus on the injustice of the situation is not without its downside.

It converts a complex issue into a simple one of an insensitive government standing against a seemingly obvious solution. In the process it diverts attention away from the real challenge the Government faces: that of transforming a public distribution mechanism that has far outlived its utility.

The mechanism of the current public distribution system (PDS) was best suited for the needs of the food deficit years before and during the Green Revolution. It was then necessary for the government to first offer credit and technology to the farmers to help them raise production, and once that was achieved, to guarantee their entire stock of the Green Revolution crops — rice and wheat — would be procured. The procured rice and wheat could then be sold in the PDS at a price that incorporated whatever further subsidy the government of the day could afford.

This mechanism worked best as long as whatever was offered in the PDS was bought. But as we moved to a period when the off-take from the PDS did not absorb all that was offered, the system was left with unsold stocks. And since these stocks had already been paid for they only added to the food subsidy.

The free market response — indeed the neo-liberal solution — to this problem would be for the Government to procure less and to get rid of the stocks by dumping them in the market. Distributing the food to the poor, so as to reduce the costs of storing grain, would be not just a politically attractive option but would also reduce the food subsidy.

PRICES IN AGRICULTURE

What makes this option unacceptable, though it is consistent with the ideological leanings the government is believed to hold, is the larger problem in agriculture. The crisis in agriculture has seen Indian farmers becoming more dependent on prices for their economic survival. The scope to increase earnings through higher yields has been rather limited.

Moreover, the net cultivated area has not increased by much over the last half a century, while the rural population has grown manifold. The number of persons dependent on a unit of land has thus grown quite substantially. And it does not help that the growing inequality and the awareness of lifestyles in better-off urban families increases the material aspirations of the next generation of the families of farmers.

Any action that would reduce the prices farmers can get is then almost certain to be resisted very strongly by the farming community. And the infusion of large food stocks into the market will almost certainly force food prices down to politically unacceptable levels. It is theoretically possible to argue that if this additional food is given only to those who are not currently buying food in the market there would be no impact on prices.

But in a country where some States provide Below Poverty Line cards to around 80 per cent of the population no one believes the food will be given only to those who have no resources to buy food in the open market. The Government is thus left in a position where it prefers to take on the Supreme Court rather than court the anger of farmers by distributing surplus food.

WRONG CROP CHOICES

The Government could get some relief if there is an increase in yields so that the farmers don't need artificially inflated prices for their economic activity to be remunerative. But here again the procurement mechanism comes in the way.

The guaranteed procurement of rice and wheat at remunerative prices makes these crops insensitive to the usual market signals. This can result in a cropping pattern that is not designed to make the best use of local conditions. Punjab has become a major producer of rice when it is clear to all that its water resources make the continued production of this crop unsustainable. The administered prices of rice may well have ensured that the state has moved away from crops that it is best suited to produce.

It is thus imperative to come to terms with the fact that the Green Revolution strategy of using the same mechanism to provide farmers remunerative prices while simultaneously ensuring food security, no longer works.

ALTERNATIVE STRATEGY

The two objectives require separate strategies. Farmers require better directed strategies in a number of areas other than administered prices. There is a need to develop an innovative mechanism that will help farmers deal with risk without distorting their decisions on the crops they will grow. There is a need to improve yields by not just adopting new technologies, but also by removing the economic and other bottlenecks to their being used by farmers.

This would allow for a separate and better directed food security strategy. The procurement could cover a wider range of crops and without any compulsion to gather excess stocks. The resultant savings on the food subsidy can be directed towards public investment in dryland agriculture. This would contribute to an overall improvement in yields. And even if such an increase in yields is modest, we would at least not have to see grains bought with a substantial food subsidy being wasted on rats.

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Back **Global firms turn to Indian tobacco; scour Karnataka**

Rising interest because of poor crop in Africa, Spain.

Anil Urs

Hubli, Oct 6

Global tobacco majors have begun to tour the tobacco-growing regions in Karnataka.

Tobacco companies participating at the Global Tobacco Networking Forum (GTNF) meet being held at Bangalore have begun to tour the tobacco growing taluks in Mysore district.

Fall in output

Flue Cured Virginia (FCV) or commonly called Virginia or cigarette tobacco is grown extensively in light soil mainly in the taluks of Periyapatna, Hunsur and H D Kote in Mysore district.

Global tobacco companies have shown interest in India after the steep decline in tobacco output in key growing countries such as Zimbabwe and Kenya in Africa and Spain in Europe.

A delegation from British American Tobacco toured and interacted with the growers on Tuesday.

A similar delegation from Philip Morris International is expected to tour on October 9.

‘preferred choice'

According to Tobacco Board official, “FCV tobacco grown in Karnataka and has low nicotine and is a good neutral filler and blends well with any tobacco. Hence it has become a preferred choice for foreign companies.”

“Companies before placing orders with their trade counterpart in India, always tour and assess the crop every year before they take part in the Karnataka tobacco auctions in large numbers,” the official said.

Auctions

The board official also said the quality of this year's crop is good compared to last year. “Rains at regular interval in April to July and early August have facilitated early growth. Quality and quantity is also much better,” he added.

Since tobacco is a restricted crop in the country, Tobacco Board has fixed 100 million kg for Karnataka.

At the end of 13th day of auctions, about 8.52 lakh kg of FCV tobacco variety were marketed at various platforms in Karnataka. Of the quantity marketed, Bright grades comprised of 35.64 per cent, and traded at an average price of Rs 124.83 a kg. Medium grades comprised of 52.18 per cent traded at an average price of Rs 109.16 a kg, and low grades comprised the rest traded at an average price of Rs 71.78 a kg.

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Back **Bullish trend in soya despite higher arrivals**

Our Correspondent

Indore, Oct. 6

Notwithstanding the increased arrival of soyabean in Madhya Pradesh mandis (reported to be about 4 lakh bags against 1.75 lakh bags on Tuesday), prices of soyabean and soya oil further improved in the spot market and plant deliveries following increased demand at plant level. The rise was also due to the apprehension of damage to the standing soyabean crop that are reported to have got infected with Yellow Mosaic disease.

In view of the fear of damage to soyabean crop, stockists and plant operators have started building inventories of quality of soyabean arriving at the mandis, thereby leading to escalation in its prices.

According to farmers and soyabean experts, in Indore division alone soyabean crops spread over 1.06 lakh hectares are reported to be infected with the disease. Damage to soyabean crops may lead to decline in production in Madhya Pradesh that is seen at around 61 lakh tonnes.

The soyabean market remained bullish with prices in the spot on Wednesday quoting Rs 70-100 higher at Rs 1,900-1,950 a quintal. Similarly, plant deliveries of soyabean also perked up by Rs 35-40 to Rs 1,990-2,010 a quintal.

On the National Commodities and Derivative Exchange, soyabean futures closed higher with October and November futures closing at Rs 2,002.50 and Rs 2,041, respectively.

On the other hand, soya oil prices continued to be bullish following rise in demand ahead of festive season. In the spot, soya refined oil quoted Rs 5 higher at Rs 457-460/10 kg, while soya solvent prices also quoted up Rs 5 at Rs 427-431. On the National Board of Trade, soya oil prices opened at Rs 483 and closed a little higher at Rs 483.10.

Similarly, soya meal or de-oiled cake spot delivery quoted Rs 100 up at Rs 15,500.

Output seen higher

Meanwhile, according to the forecast made by the Soybean Processors Association of India (SOPA) here, in spite of late monsoon, the national productivity of soyabean is estimated to go up.

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Back **Edible oils rebound on global cues**

Our Correspondent

Mumbai, Oct. 6

After declining continuously in the last three trading sessions, edible oil prices bounced back on Wednesday, taking cues from international markets and Indore soya futures. Stockists' buying was lower. The volume was thin.

On the Mumbai spot market, palmolein rose by Re1 for 10 kg, soya refined oil increased by Rs 5. Groundnut oil went up by Rs 10 on a sudden demand spurt in Gujarat, where groundnut oil(in tins of 10 kg and “loose”) rates shot up by Rs 20-30. Other oils such as cottonseed, sunflower oils ruled steady. Rapeseed oil dropped by Rs 5.

The Bursa Malaysia Derivatives crude palm oil November and December futures closed higher by 27 and 25 ringgits (MYR) respectively and they may extend gains in the coming days, tracking rebound in soya oil futures and speculative buying. Indore soya oil futures rose sharply initially. However, profit–booking by speculators cooled down the market. In Mumbai market, demand for palmolein eased and the total volume was about 300-400 tonnes on Wednesday, market sources said. Palmolein resale was done in the range of Rs 447-450. Refineries were quoting higher rates in the line with firm international markets. In Gujarat, about 60,000-70,000 bags of groundnut arrivals were reported.

CPO futures' November contracts ended at 2,729 (2,702) MYR and December at 2730 MYR. Indore NBOT soya oil October futures closed higher at Rs 485.30 (Rs 483) .

Spot rate (Rs/10kg):

Groundnut oil 850 (840); soya refined oil 470 (465); sunflower expeller refined 540 (540); sunflower refined 590 (590); rapeseed refined oil 555 (560); rapeseed expeller refined 525 (530); cotton refined oil 485 (485) and palmolein was 447 (446).

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Back **Nabard's SMS-based advisory service**

Hyderabad, Oct. 6

The National Bank for Agriculture and Rural Development (Nabard) has launched a SMS-based crop advisory and information service to farmers, utilising the increasing penetration of mobile phone in the rural areas. Members of the watershed committees involved in the execution of projects under the Indo German Watershed Development Programme will also be covered under this service. The service will provide personalised and customised agricultural information covering crop advisory services, market prices and weather forecast to maximise the productivity and income of farmers

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Back **Singapore bourse to launch pepper futures**

G. K. Nair

Kochi, Oct 6

An international commodity exchange that will conduct pepper futures will come up in Singapore soon.

According to a report, the Singapore Mercantile Exchange (SMX) “will launch the world's first international black pepper futures contract platform with physical delivery-based settlement, as its first agricultural commodity derivatives product”.

Reacting to this development, Mr Kishor Shamji, a long- time President of the India Pepper and Spice Trade Association (IPSTA), told Business Line that IPSTA had mooted the idea of having an international commodity exchange trading in pepper futures about a decade ago and the Government had also given its green signal to it. But, unfortunately, it did not take off due to lack of confidence among the producing countries. “Now, the scenario has changed and Singapore being a common platform for trading, international players dealing in Malabar, Lampong,Vietnam and Brazil (MLVB) could operate from there. Therefore, it is worthwhile to give it a try,” he said. However, he said, all the outstanding positions should end up in delivery only and not in cash settlement and “then only it will function properly”.

It is in no way going to affect the futures trading in India, where no international player is able to participate, and rather “it could set international parameter for pepper trade,” he said. SMX has obtained approval from the Monetary Authority of Singapore (MAS) to list SMPEPPER on its trading platform. SMX is, at present, working with relevant industry partners to create awareness about the new Contract, while collecting their feedback to streamline the physical settlement procedure.

The Chief Executive Officer of SMX, Mr Thomas J. McMahon, was quoted as saying “Exhaustive research and close consultation, with key industry players is one of our primary objectives. This latest contract constitutes noteworthy fruition of such efforts.

“We are listing the most commonly traded grade of black pepper, from discussions and partnerships with key exporters and importers both on a regional and global basis.

Trading hours will span all major markets, providing exciting opportunities for price discovery leading to global benchmarking. Managing price volatilities is a very crucial factor in agricultural products such as Black Pepper, where markets are unpredictable, he said.

“The marketplace seems excited by this latest development, and on our part agriculture commodity derivatives is a key segment for expansion,” Mr McMahon added.

Meanwhile, according to Mr Vijaykumar Iyengar, Managing Director of Agrocorp International Pte Ltd, “Over the last two decades we have witnessed Vietnam overtake India as the world's largest producer and exporter of black pepper. Overall the key producers are still in Asia, while the larger consuming nations are in the West. Such listings by SMX essentially bring all market players to the same table, ensuring efficient price discovery."

The Chairman of the Vietnam Pepper Association, Mr Do Ha Nam, said: "Having a black pepper futures contract would give rise to natural price discovery which would benefit the entire value chain participants of black pepper."

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Back **Pepper futures fall on speculative activities**

G. K. Nair

Kochi, Oct. 6

The pepper futures fell sharply on Wednesday on speculative activities without any selling pressure on account of the fundamentals.

"The futures market has become 'a gambling den' of those with money power, i.e. both bull and bear operators, and it is not a healthy sign. None, be it farmer, trader, exporter or importer, is benefitted by such activities," market sources told Business Line.

The reason cited for the market being pulled down today is that it was pushed up without any reason yesterday and, hence, had been pulled down today.

But there were buyers yesterday. Investors who were hitherto selling farm-grade pepper and validity-expired stocks held by them at a discount of Rs 2 to Rs 3.50 below the Oct delivery price, withdrew as the number of buyers increased. Thus, strong demand outweighed supply, the trade sources claimed.

But the situation today was different — the sellers' offers were not accepted by the buyers and, hence, there was no buying or selling in the terminal market. In fact, efforts to put pressure on the investors to liquidate had failed, they said.

Hence "there was no justification for pulling the market down," they said.

In fact, it is domestic demand that is keeping Indian pepper prices at higher levels and not export demand as India is said to be now importing more than what has been exported in recent months, they claimed.

The October contract fell by Rs 434 to close at Rs 18,750 a quintal. November and December dropped by Rs 447 and Rs 364 respectively to close at Rs 18,900 and Rs 19,100 a quintal.

The total turnover, however, increased on the screen on buying and selling by 4,739 tonnes to14,909 tonnes. Total open interest increased by only 15 tonnes to 15,641 tonnes.

October open interest dropped by 150 tonnes to close at 10,743 tonnes, while that of November and December moved up by 127 tonnes and 39 tonnes to 3,826 tonnes and 877 tonnes.

Spot prices, moving in tandem with the futures market trend and not on any selling pressure, dropped by Rs 300 to close at Rs 18,400 (ungarbled) and Rs 18,900 (MG 1) a quintal.

Indian parity in the international market declined to $4,450-$4,475 a tonne and remained out-priced.

Overseas market trends

Vietnam pepper prices were easier on Wednesday, according to a report from there today. The prices were FAQ 500 g/$4,000 a tonne (fob.) Hcmc; FAQ 550 g/$4,200 and white pepper double-washed $5,990 a tonne.

Brazil was also marginally lower with B Asta at $4,050 a tonne (fob) Belem; B1 560 g/ at $3,990nd B2 500 g/ $3,935 a tonne. Lasta was quoted at $4,100-4,200 a tonne (fob).

Prices quoted by US brokers for different origins of black pepper/tonne in dollar Sep/Oct shipments c&f New York were: MG 1 asta – 4,650-4,750; Vietnam asta 4,375-4,400 Feb/Mar; Lampong 500g/ – 4,100 (fob); Lampong asta 4,400; Ecuador asta - quantity limited, ask for offer; Sri Lanka 500g/3,800-3,900 (fob); Sri Lanka 550g/3,900-4,000 (fob); Brazil B2 500g/3,950-4,000 (fob); Brazil B1 560g/4,000-4,050 (fob); Brazil asta 4,100-

4,150 (fob); spot MLSV asta 4,400 ex-warehouse New York/New Jersey.

Prices quoted for white pepper from Vietnam and Muntok were $6,350 and $6,025-6,100 a tonne (c&f) respectively.

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Back **Agencies, millers mop up paddy arrivals**

Our Correspondent

Karnal, Oct. 6

Good trading session of paddy was witnessed in the Karnal grain market, as Government agencies, rice millers and traders lifted the entire stock that arrived in last the five days on Wednesday. The stocks were not procured earlier following a dispute between the Government and millers.

PR paddy varieties such as PR-11, PR-47 and PR-14 ruled between Rs 1,030-1,050 a quintal. PR varieties are traded at the Minimum Support Price level of Rs 1,000 for normal paddy and Rs 1,030 for Grade-A.

Other varieties ruled according to their moisture level and quality. Around 40,000 bags of different paddy varieties arrived on Wednesday. 1R8 variety ruled at Rs 925-950 a quintal.

Prices of the Sharbati variety ruled between Rs 1,300-1530 a quintal. Sugandha-999 prices ruled at Rs 1,250-1,525 while the DB Mucchal variety was around Rs 1,550-1,750. RS10 was quoted at Rs 1,150-1,225 a quintal.

The entire stock was lifted by the agencies and the millers.

Mr Tara Chand Sharma, a rice trader, told Business Line that the entire stock of fresh paddy has been cleared. From October 10, new paddy of Pusa-1121 would arrive in the market and traders are expecting that from October 20 Basmati variety would also be in the market, he said.

On the other hand, aromatic and non basmati varieties witnessed a steady trend. With low trading in the market, prices maintained their previous levels.

Pusa-1121 (steam) ruled around Rs 5,300 a quintal, Pusa-1121 (sela) at Rs 4,200-4,300; Pusa-1121 (raw) at Rs 5,200-5,300.

Pusa (sela) quoted at Rs 3,200-3,250 a quintal and Pusa (raw) at Rs 4,000-4,100.

Prices of Basmati sela ruled between Rs 6,100-6,200 a quintal, while basmati raw was quoted at Rs 7,200.

The Sugandha-999 sela was quoted at Rs 2,700-2,720 and PR14 (old) was around Rs 2,200-2,250 while the PR14 (new) was at Rs 2,150; Sharbati sela at Rs 2,670-2,700 and Sharbati steam at Rs 2,850. PR11 sela was around Rs 2,160-2,170, PR11 (raw) at Rs 2,130 and PR (steam) at Rs 2,270 a quintal.

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Back Range-bound movement in sugar

Our Correspondent

Mumbai, Oct. 6

Spot sugar prices on the Vashi wholesale market witnessed a range-bound movement on Wednesday with a Rs 5 increase in good quality M–grade sugar and Rs 10 decrease in the most–preferred S–grade sugar.

Mills were not keen to sell at lower rates on expectation of higher festival demand . Naka delivery rates decline by Rs 5-10 on resale pressure.

Mr Jagdish Rawal, Joint Secretary of Bombay Sugar Merchants Association, told Business Line: “Compared with Monday, retail demand eased on Tuesday and higher arrivals put pressure on Naka and spot rates. Mills were quoting higher rates for tenders, resulting in poor response . On Tuesday evening, about 10-12 mills came forward with tender offer but they managed to sell only 40,000-45,000 bags with the S–grade ranging Rs 2,550-2,610 (including excise) and M–grade quoting Rs 2,620-2,650.

“ The price movement will depend up on at what rate mills offload sugar in the market. Availability and crushing of sugarcane will also play an important role in the coming days for the sugar market”

In 2010-11 season, sugar production is expected at 250-260 lakh tonnes (lt) against 188 lt in 2009-10. Fresh tender offer from mills on Wednesday are expected to be Rs 2,580-2,610 for S-grade and Rs 2,630-2,650 for M-grade. Total arrivals in the Vashi market was 48-50 truckloads (10 tonnes each) and demand / lifting was lower at 42-45 truck loads.

According to Sugar Merchants Association, Spot rate was S-grade: Rs 2,650-2,701 (Rs 2,665-2,711) and M-grade: Rs 2,706-2,791 (Rs 2,701-2,791). Naka delivery rates were S-grade: Rs 2,630-2,660 (Rs 2,625-2,660) and M-grade: was Rs 2,680-2,710 (Rs 2,680-2,720).

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Back **Bulk purchases boost turmeric**

Our Correspondent

Erode, Oct. 6

Turmeric prices have increased by over Rs 150 a quintal in the spot market in the last couple of sessions.

At the Erode Turmeric Merchants Association sales yard on Monday, the finger variety was sold at Rs 9,396 - Rs 14,519 a quintal; root variety at Rs 9,006-Rs 14,389. At the Gobichettipalayam Agricultural Cooperative Marketing Society, the finger variety sold at Rs 13,950-14,639 and , root variety Rs 12,906-14,469. quintal.

At the Erode Cooperative Marketing Society, the finger variety was sold at Rs 14,196-14,655. The root variety sold at Rs 14,106-14,497 . All the 1,050 bags that arrived for sale were purchased by bulk buyers.

Prices were up by Rs 155 a quintal compared with the prices at the beginning of the week. In the Regulated Market, the finger variety was sold at Rs 13,956-14383 and root variety Rs 13,939-14,319 . Bulk buyers purchased 1,214 bags of the arrivals of 1,253 bags.

“Buying trend at the bulk level seems to be encouraging . Turmeric was quoted at Rs 14,498 in the beginning on the futures market. This reflected in the spot market also. The buyers quoted good price, Rs 150 a quintal higher than Monday's pricesaid Mr R.V. Ravishankar, President of the Erode Turmeric Merchants Association.

He also said the demand is picking up gradually; as reflected in the buying pattern .

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Back **Export demand lifts castorseed futures**

Our Correspondent

Rajkot, Oct. 6

Castorseed futures on the Rajkot Commodity Exchange (RCX) increased on Wednesday on the back of export demand. But spot prices dropped on increased hopes of a good crop.

New arrival of castor has started in Andhra Pradesh and this put pressure on the spot price.

On RCX, castorseed December contract was traded at Rs 3,503 a quintal, up Rs 14 from Tuesday's close of Rs 3,489.

The spot price was lower by Rs 50 a quintal at Rs 3,627.50 from the previous close.

About 2,000-2,500 50-kg bags of castorseeds arrive in Gujarat everyday. Castorseed was quoted at Rs 728-735 for 20 kg. Arrivals in Saurashtra were 300 bags and the price was Rs 690-720.

Spot prices in Hyderabad mandis was Rs 2,950-3,000 a quintal. Fresh arrivals of 15,000 bags were reported on Wednesday.

A market source said that “the new crop from Andhra Pradesh has put pressure on the market. Till date about 3 lakh bags of new crops have arrived in the market. But export demand is keeping things hot. Local industrial demand supports the market from falling.”

The RCX Vice-President, Mr Bharat Vasa, said: “A mixed trend will be seen in the market. Price will not come down much but neither will it increase much.”