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Organic farming beneficial for Bihar: ASSOCHAM

Promotion of organic farming in Bihar can raise the income of farmers and lead to wealth accumulation of over Rs. 1,000 crore besides generating exports worth Rs. 500 crore, according to a new study by the Associated Chambers of Commerce and Industry of India. The study was released on Friday.

According to the independent research study by ASSOCHAM titled 'Organic Bihar – Way to Agricultural Prosperity', with Bihar's agrarian population (nearly 81 per cent) generating 42 per cent of the State Domestic Product, organic farming has the potential to generate over 20 lakh jobs in the State within five years.

The study notes that around seven lakh additional jobs can also be generated if on-farm storing, processing, value addition, packaging and marketing facilities are included with the caveat that organic farms provide over 30 per cent more jobs per hectare as against non-organic farms.

“Adoption of organic farming can increase net per capita income of a farmer in the State by a whopping 250 per cent from Rs. 1,778 to Rs. 4,445 in the next five years,” says ASSOCHAM secretary-general D.S. Rawat, adding that such a move would effectively check the migration of people from Bihar to other States in search of jobs.

Onus on the State

The study proposes conversion of at least 35 per cent of the cultivable land in the State into organic farms in the next five years, thereby allotting seven per cent of the cultivable land annually for organic farming.

It recommends that the State Government promote the concept of an 'organic village' in each of the 38 districts to encourage use of organic fertilizers so that the land is protected from residual effects of chemical fertilizers that are currently being used.

It further notes that 'organic certification' is imperative for adding value to a default organic system and to enable farms to explore domestic and export markets in order to fetch better prices.

The study emphasises and supports formation of a State nodal agency, the Bihar Institute of Organic Agriculture (BIOA) for the purposes of training, certification and transferring technologies related to production, packaging, processing and marketing.

This agency may function through a public-private partnership model in consultation with the Agricultural and Processed Food Products Export Development Authority.

The report recommends that the government initiate the process by identifying five districts for complete conversion into organic hubs aided by facilitating buy-back arrangements and the presence of international retail giants like Wal-Mart and Carrefour.

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Recognition for 'CaneInfo' in taking agricultural extension forward

The website has bagged the "Best Tele-centre Initiative of the Year 2011" award



User-centric: The homepage of the 'CaneInfo' website (caneinfo.nic.in) which helps in sharing the knowledge resources of Sugarcane Breeding Institute of the Indian Council of Agricultural Research with the cane growers and other stake holders in sugarcane cultivation. — Photo: K. Ananthan.

Only a year old and the website of the Sugarcane Breeding Institute has bagged the “Best Tele-centre Initiative of the Year 2011” award from the eWorld Forum.

Launched in July 2010, www.caneinfo.nic.in has so far received over six lakh hits, according to the National Informatics Centre of the Ministry of Communications and Information Technology. It has helped many sugarcane farmers and provided timely intervention when needed.

A free-to-access, interactive and user-centric website, it provides a platform for sugarcane growers, cane development personnel, scientists and students to share information and knowledge on sugarcane. This is available now in Tamil, Hindi, and English, according to Principal Investigator of CaneInfo Project D. Puthira Prathap.

It gives information on new varieties, supply of inputs, early warning systems on drought, pests, diseases, and so on. The modules / links include Online Fertilizer Advisory Service, Ask a Specialist, Online Directory of research institutions and sugar factories, Discussion Forum, Suggest a Variety, Publications, and Media Gallery, besides others.

Director of the Sugarcane Breeding Institute N. Vijayan Nair said that a cross-section of people involved in sugarcane use the website.

“There are even personnel from sugar factories who use the website. A good panel is on hand to answer the queries and the response we have got so far has shown the site to be quite effective in its delivery. We are trying to make it more versatile by strengthening the Hindi component to aid farmers in Northern States,” he said.

While the answers that were given by the experts were recorded for everyone to access it when required, the discussion forum enabled cane growers and cane development personnel to share information through open discussions on sugarcane related issues of current interest. There were also debates and the forum had a moderator.

Mr. Prathap said that the institute knew that there would only be a lukewarm response during the initial stage.

“But we were surprised with the response. Even farmers who were not computer literate came forward to use the site with the help of their children once they were ensured that they would get timely help for their problems.

The “Ask a Question” section is the most sought after module. There have been many instances when timely intervention by the experts has helped identify a major pest of disease and curtail it before it spread and destroyed a large area of sugarcane,” he said.

The highlight of the panel was that it included experts from various areas of agriculture and not only from the institute. Depending on the problem of the farmer, the expert concerned in that area of specialisation was contacted to address the issue.

Though the website was India-specific, it had users from abroad as well. With the recent estimates showing that Tamil Nadu had over one million rural internet users, CaneInfo is expected to play a major role in disseminating correct and timely information to farmers and extension workers to make sugarcane production more remunerative in the State.

Published: August 13, 2011 00:00 IST | Updated: August 13, 2011 04:07 IST COIMBATORE, August 13, 2011

Free training in goat farming

The Veterinary University Training and Research Centre here will offer a free intensive training programme in goat farming on August 23 and 24.

According to a release, goat farming management has changed because of shrinkage of pasture lands, ban on grazing in forest areas and shortage of labour for range rearing of goats. The existing marketing of live goats and goat meat is not profitable for the producers as it has too many intermediaries. Hence, the training is expected to be profitable for goat farmers and entrepreneurs.

Those interested can contact the centre at Kalappati Pirivu, Saravanampatti P.O.; or call 0422-2669965.

Published: August 13, 2011 00:00 IST | Updated: August 13, 2011 04:11 IST MYSORE, August 13, 2011

Milk union records its highest procurement

The Mysore and Chamarajanagar Milk Union crossed a big milestone in July this year when it recorded its highest milk procurement of 5.13 lakh litres. This is the highest-ever procurement since the formation of the union, which covers the districts of Mysore and Chamarajanagar.

In a span of one year, milk procurement has gone up by 80,000 litres. The rise in milk production is attributed to managerial practices and support facilities for producers. The Mysore union is a unit of the Karnataka Milk Federation (KMF). Speaking to *The Hindu*, Mysore Milk Union Managing Director Kumaraswamy said the union had taken various measures to ensure increase in milk production. The procurement of 5.13 lakh litres last month was a record for the union, he said, adding that milk production in August was around 4.95 lakh litres.

Many milk producers, most of them farmers, have begun cultivating green fodder to boost milk production.

“We have been advising producers to feed green fodder to their cattle to increase milk yield.

The response has been very good as many farmers have started growing green fodder such as hybrid napier grass, guinea grass and para grass for cattle,” Mr. Kumaraswamy said.

He said the seeds to produce green fodder varieties were distributed at subsidised costs to them.

The advantage of feeding green fodder to cattle is that it improves their health substantially, according to the Managing Director.

“Cattle can easily digest green fodder. It requires less energy to consume green fodder than dry fodder. We have seen rise in milk production in cases where producers have been feeding their cattle with green fodder,” he explained.

Published: August 13, 2011 00:00 IST | Updated: August 13, 2011 04:09 IST Udupi, August 13, 2011

Workshop on rainwater harvesting for teachers

The Manipal Institute of Technology (MIT), in association with departments of Public Instruction and Information, and Rotary Club, will organise a workshop for science teachers on “Rainwater harvesting and clean drinking water” in Manipal on August 13.

Addressing presspersons here on Friday, Balakrishna S. Maddodi, assistant professor at MIT, said 180 science teachers from across the district would attend the workshop. It was necessary to make science teachers aware of the importance of conserving water through rainwater harvesting and also that of clean drinking water. They could in turn spread this awareness to their students.

He said the country received an annual average rainfall of 1170 mm. The country was second in the world in receiving high rainfall. There were 113 major rivers in the country. There were nearly 13 lakh lakes in the country. The number of lakes in the State was 35,972. While the number of lakes in Andhra Pradesh was 58,519, its number in Tamil Nadu was 39,202. But on the other side, 1,82,936 farmers committed suicide from 1997 to 2007. One of the reasons for the suicide was lack of proper supervision and usage of water.

Drinking water was now being sold in packaged bottles for Rs. 12 to Rs. 15 a bottle. Silt had accumulated in many of the lakes in rural areas. The storage capacity of dams too had come down owing to accumulation of silt, he said.

Reckless exploitation of groundwater had led to water sources such as open wells and borewells drying up.

Nearly 68 per cent of land in the country was prone to drought, while soil in 24.6 per cent of land had lost its fertility. There were 6,38,365 villages in the country. Of them, one lakh did not have access to clean drinking water. The menace of plastic had affected water sources as well. Lack of proper drainage facility had led to stagnation of water in public places, contributing to the growth and spread of diseases, Prof. Maddodi said.

Rotarians K.S. Jaivittal, Manjunath Upadhyya, and K.R. Patkar were present.

Published: August 13, 2011 00:00 IST | Updated: August 13, 2011 04:10 IST KOZHIKODE,
August 13, 2011

State to submit proposals for farm development

Chandy to hold meeting to finalise proposals

The State government will submit a detailed project proposal to the Union government on various development packages planned for total improvement of the agriculture sector and the welfare of farmers in the State, Minister for Agriculture K.P. Mohanan said.

He was addressing an agriculture seminar, organised by the district committee of the Socialist Janata (Democratic), here, on Friday.

Mr. Mohanan said the project details would be submitted to the Union government during the Chief Minister's visit to New Delhi along with other State Ministers on August 22. The Chief Minister would hold a final meeting with Ministers in Kozhikode on August 18 to finalise the demands of various departments to be submitted for the consideration of the Union government, he added.

Mr. Mohanan affirmed that agriculture and the animal husbandry sector would witness major improvement in Kerala with the financial support of the Union government. The Malabar region would get its deserving share in this process of development, he asserted.

Referring to the move by the government to promote quality research and guidance activities in the agriculture sector, Mr. Mohanan said the first such centre would come up at Koothuparamba in Kannur district. The proposed Agriculture Research and Training Institute would help farmers to familiarise themselves with the latest agricultural technologies and innovations, he added.

The Minister shared the plan of the government to deploy efficient and cooperative officials to coordinate new agricultural ventures. "Similarly, there would be initiatives on the part of the government to ensure the active participation of IT professionals in various agricultural ventures," he said.

Describing the newly introduced pension scheme as a token of appreciation for the farmers' fraternity, Mr. Mohanan said the government would make all possible efforts to make the benefit

of the scheme available to all farmers above the age of 60. He reiterated that no unwanted restrictions or screening measures would be imposed upon farmers to destroy the merit of the scheme.

Manayath Chandran, district president of SJ (D), presided over the seminar. Officials from the Agriculture and Animal Husbandry departments presented papers on the latest developments in the field.

Published: August 13, 2011 00:00 IST | Updated: August 13, 2011 04:12 IST HYDERABAD, August 13, 2011

Farm mechanisation for 10 lakh acres in three years: Government

The State government is planning to bring about 10 lakh acres of paddy and sugarcane cultivation under systematic intensification method and farm mechanisation in three years by setting up about 3,000 mechanisation promotion centres.

This move is aimed at helping farmers overcome labour shortage and reduce expenditure, which has been cited among the reasons for a section of farmers announcing crop holiday.

In the first year (2011-12), the government has decided to set up 110 Systematic Rice Intensification (SRI) and 37 Systematic Sugarcane Intensification (SSI) promotion centres to improve productivity and to reduce labour costs by providing machinery, soil pulverisers, transplanters, weeders, harvesters and others on hire to farmers. Bids for setting up the centres have already been invited from interest farmers/farmers' groups.

The government will give 50 per cent and 25 per cent subsidy for setting up SRI and SSI centres respectively.

The costs involved in setting up a SRI centre is Rs.75.34 lakh and Rs.133.35 lakh for SSI centre. Introduced in 2003-04, SRI paddy cultivation has not crossed 3 lakh acres in the State due to lack of farm mechanisation and it has spread in about 20 lakh acres in Tamil Nadu during the same period.

“Though, only 110 mechanisation promotion centres have been proposed for now, a proposal has already been sent to the Chief Minister for increasing the number to 300 this year alone,” official sources told *The Hindu* .

If plans go well, SRI cultivation and farm mechanisation will be extended to at least 25 lakh acres out of the total paddy cultivation in 1.2 crore acres in the next five years, the sources hoped.

About the crop holiday, the official said the State government can help farmers in terms of redesigning water release schedule and stepping up procurement and the Centre can increase minimum support price and make sufficient storage space available.

The Chief Minister has already told the Civil Supplies Corporation to be prepared for 35 lakh tonne paddy procurement in 2011-12 against 19 lakh tonne this year.

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VISAKHAPATNAM, August 13, 2011

Kharif: paddy transplantation yet to pick up

Ryots waiting for a good spell of rain

While the rice-rich Godavari districts are going through the problem of plenty leading to a crop holiday, transplantation is tardy in the current kharif season in the district.

July had more than normal rainfall leading to paddy farmers raising nurseries all over the district. Against a normal rainfall of 197 mm, July received 207 mm. June had deficit rainfall with only 60 mm, much below the normal of 128 mm, received. Though the rain had mostly occurred towards the end of July, it helped farmers raise nurseries. August has so far been disappointing. While the normal is 195 mm, about 60 to 70 mm has been received till now.

Unless the rainfall improves in the next fortnight, transplantation may continue to be sluggish.

The tribal areas that accounts for about 42,000 ha of paddy, however, is expected to fare well. With nurseries sown early, transplantation has already begun. Transplantation in about 60 to 70

per cent of the area has already been covered, say official sources. With operations already in advanced stages, it is likely to be completed by the month-end.

In the plain areas, that account for about 50,000 ha, however, only 5 to 10 per cent transplantation has been completed. The position is somewhat comfortable in areas like Chodavaram, Elamanchili, Payakaraopeta, parts of Narsipatnam, and Nathavaram areas where there is assured irrigation facility and Bhimili, Padmanabham, and Anandapuam under some tanks. That accounts for a mere 30 per cent of the area, say officials.

Unless, two, three spells of good rain is received by the month-end transplantation may not pick up, says an official.

Business Standard

Tuesday, Aug 16, 2011

Nod for 500,000 tn extra sugar export

BS Reporter / New Delhi August 13, 2011, 0:36 IST

Government also lowers export floor price of three premium rice varieties.

An empowered group of ministers (EGoM) on Friday cleared an additional 500,000 tonnes of sugar exports, taking the total sugar to be exported in the current crop year, ending September, to almost 1.5 million tonnes.

The ministerial panel headed by Finance Minister Pranab Mukherjee has also decided to lower the export floor price of three premium non-basmati rice varieties.

“The EGoM has decided to allow export of another 500,000 tonnes of sugar this season under an open general licence to help millers clear their inventories,” a senior food ministry official said after a meeting of the EGoM.

He added that an additional 78,143 tonnes of sugar had been allowed for exports to the US and Oman. But that is on a government-to-government basis.

In April and June, the government had allowed export of one million tonnes of sugar in two tranches, as domestic production exceeded demand during the current crop season.

Sugar production in the 2010-11 crop marketing year is estimated at 24.2 million tonnes (mt), while consumption is projected to be 21-22 mt.

Sugar output last year was 18.8 mt.

Last week, Food Minister K V Thomas had met Agriculture Minister Sharad Pawar to discuss the issue of allowing more sugar exports, following persistent demand from millers. Officials said the food ministry was not very keen to allow more exports at this juncture because of the coming festive season.

“This is a welcome move as the exports would help in reducing the inventory and give an opportunity to Indian sugar mills to make some profit, as the international prices are almost Rs 4,000 per quintal more than the domestic rates,” Abinash Verma, director general, Indian Sugar Mills Association, told Business Standard .

He said the ex-mill price of sugar in domestic markets had dropped by Rs 2,000-3,000 per quintal since February, leading to huge losses for the mills which could have made cane price payment to farmers difficult in the next crop season.

The EGoM has lowered the minimum export price (MEP) of ‘sona masoori’, ‘rose matta’ and ‘ponni’ from \$850 per tonne to \$600 a tonne.

In March, the government had allowed limited exports of these three varieties.

However, the MEP was kept high to prevent export of common varieties of non-basmati rice.

Officials said the decision on lowering the MEP of the rice varieties was taken, as the procurement during the current crop year was at a record high.

Officials said the panel of ministers could meet next week to deliberate on allowing export of another one million tonnes of non-basmati rice and decide on wheat exports.

Last month, the EGoM had okayed export of one million tonnes of non-basmati for the first time in more than three years, as rice stocks reached record levels.

It has also given an 'in-principle' nod to wheat exports, but could not come to a consensus on the quantity because of low international price. It had left the matter to the commerce ministry to decide on the quantum and timing of exports.

Madhya Pradesh tribals switch to kharif crops

Shashikant Trivedi / Kesla August 13, 2011, 0:26 IST

For the last two rainy seasons, Vikrant, a peasant's son and a jobbing labourer in Dhansain tribal village of Kesla block in Hoshangabad district, has a new job at home. He, along with his younger brother, spends the day tilling his father's field. Vikrant's father, Shobharam, has encouraged them to experiment with kharif crops like maize and paddy. Last year, Vikrant had raked in an additional income of Rs 15,000. He plans to buy a tractor five years from now.

Like Shobharam, farmers of the tribal Kesla block have switched over from millets and coarse grains to kharif crops.

Normally, farmers in tribal areas broadcast coarse grains like raagi, kodo, kutki, sawa (minor millets), and jowar (sorghum) during the rainy season.

"Each year kharif acreage in the tribal dominated Kesla block is increasing. This year paddy acreage has touched 4425 hectares, and soya acreage has reached 22985 hectares. The millet acreage has reduced to 700 hectares," says Vinay Dubey, a senior official in agriculture department.

Good monsoon, a fair credit off-take, and better prices have attracted many farmers in the state to adopt the two-crop pattern.

Like Hoshangabad, almost all states have recorded better kharif acreage this season. Soya acreage has touched a record high of 57.20 lakh hectares, against 55.60 lakh hectares last year. That of paddy has reached 16.79 lakh hectares, against 16.03 lakh hectares last year. Its 8.90 lakh hectares for maize compared to 8.31 lakh hectares last year. That of cotton has touched 6.50 lakh hectares, against 6.22 lakh hectares last year.

Availability of seed and fertilizers has also contributed to better acreage. According to a senior official in the agriculture department, this year, soya seed distribution has gone up 34% to touch 13.86 thousand quintals, from 9.65 thousand quintals last year. Similarly, maize seed distribution has reached 65,498 quintals, against 46879 quintals last year. Paddy seed availability has touched 145,196 quintals, against 10,098 quintals last year."

The main fertilizer, urea, is no more in short supply. This year, its availability has reached 6.25 lakh tonnes, against 6.00 lakh tonnes last year.

Farmers are now trying kharif crops even in isolated areas. "We have recorded eight thousand hectares of paddy acreage this year in Hoshangabad. The average production of paddy has reached 28 quintal per hectare in tribal areas, and 31-32 quintal per hectare in other areas in the district. It was hardly 17-18 quintal per hectare two years back. The seed quality has improved and irrigation facilities are better now," Dubey says.

It is not only the expectation of a better kharif yield that has risen hopes of Vikrant and his younger brother, they also feel relieved of erstwhile low-paid jobs in nearby towns. If rain God remains benevolent, as He was this kharif season, Vikrant may realise his dream of owning a tractor.

Incentives for cotton exports likely as huge stock piles up

Komal Amit Gera / Chandigarh August 13, 2011, 0:24 IST

Due to a lukewarm response from exporters to cotton being put on the Open General Licence, policy makers are considering correctives, including incentives.

International prices have fallen sharply in recent months, bringing these almost at par with the Indian market. Sources in the Directorate General of Foreign Trade say exporters' queries have been almost nil, even after quantitative restrictions were removed with effect from August 1. With an estimated six million bales (170 kg to a bale) of unsold stock with traders, ginners and farmers, and about 400,000 bales with Cotton Corporation of India, the country is sitting on stock of at least Rs 10,000 crore.

And, the next harvest is round the corner. With these huge opening stocks, CCI will have to be prepared to buy more cotton to stop prices falling below the minimum support price. Sources in CCI say instructions have gone to gear up for the need on additional storage.

A senior official in CCI said there might be some positive development by end-September. But, he confirmed, even CCI had not been able to offload any substantial quantities in the international market.

"We are expecting a crop size of about 35 million bales this year, owing to increase in acreage and favourable monsoon," said Dilipbhai Patel, president, All Gujarat Ginners Association. With prices of the benchmark Shanker-6 around Rs 34,000 to 34,500 per candy (356 kg) this week, traders expect it to remain in the range of Rs 30,000 per candy after September, too.

THE HINDU Business Line

Tea prices drop at N. India sales

Kolkata, Aug. 12:

Total offerings (packages) at the three North Indian auction centres in Kolkata, Guwahati and Siliguri this week were 4,25,304 compared with 3,45,163 in the corresponding sale of last year, according to J Thomas & Company Pvt Ltd., the tea auctioneers.

The offerings at Kolkata were 2,03,814 (1,78,720) comprising 1,54,522 (1,24,227) of CTC/Dust, 40,578 (47,907) of Orthodox and 8,714 (6,586) of Darjeeling. The corresponding offerings at Guwahati were 1,22,877 (93,963) and at Siliguri 98,613 (72,480).

Selected Assam CTC teas maintaining quality were irregular around last, while the remainder eased in value. Fannings saw an easier trend. Dooars were irregularly around last levels. Tata Global was the mainstay but there was fair enquiry from Hindustan Unilever. Western India dealers were active for the liquoring sorts. There was fair support from local and other internal sections. Exporters operated primarily on bolder brokens. Selected orthodox tippy whole leaf grades were firm, while the remainder were irregular around last. Fannings eased in value. Continental buyers operated for tippy sorts. Local dealers operated on the fannings and smaller brokens. North India operated on the bolder whole leaf.

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Tamil Nadu Govt won't encourage Bt cotton: CM



Ms J. Jayalalithaa
Chennai, Aug. 12:

The Tamil Nadu Government will not take steps at the Government-level to expand the spread of Bt cotton in the State, said the Chief Minister, Ms J. Jayalalithaa, in the Assembly on Friday.

In a 'suo motu' statement she said, the decision follows concerns expressed by some of the members over Bt cotton.

In the budget presented on August 4, the State Government had mentioned that a range of modern technologies would be adopted in agriculture to enhance output.

This included system of rice intensification for paddy, sustainable sugar initiatives in sugarcane, precision farming and promotion of Bt cotton.

Bt cotton had been approved for cultivation in 2002 by the Genetic Engineering Approval Committee and is being cultivated in several States.

Farmers in Tamil Nadu are also purchasing seeds from the private sector and cultivating the crop as it gives higher profit .

However, members and farmers had represented that Bt cotton should not be encouraged at the Government-level.

They had expressed concerns on the genetically modified crop and the lack of assured returns.

Therefore the government will not take any measure to spread Bt cotton, she said.

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Govt clears 5 lakh tonnes additional sugar exports

Premium non-basmati varieties floor export price cut to \$600/tonne

New Delhi, Aug. 12:

The Centre has decided to allow export of an additional five lakh tonnes (lt) on sugar under open general license (OGL) for the current 2010-11 season (October-September).

This is over and above the already permitted 10 lt, cleared through two equal instalments on April 19 and June 28. The go-ahead for export of an additional five lt quantity was given at a meeting of the Empowered Group of Ministers (EGoM) under the Finance Minister, Mr Pranab Mukherjee, here on Friday.

The latest move will benefit sugar mills, given that realisations from exports are way above domestic sales. Ex-factory prices are currently ruling at around Rs 25,500 a tonne in Maharashtra, Rs 26,500 a tonne in Tamil Nadu and Rs 28,500 in Uttar Pradesh.

Against this, Indian sugar of equivalent 100-ICUMSA quality is currently fetching roughly \$740 or Rs 33,600 a tonne. After deducting Rs 2,000 or so towards freight and port handling changes, mills in Maharashtra would stand to realise at least Rs 6/kg more from exports compared with sales in the domestic market. Alternatively, they could sell their sugar to exporters at a premium to the domestic price.

Globally, sugar prices are now on a roll, underpinned by successive downward revisions in Brazil's production for 2011-12 (April-March), from the initially estimated 34.6 million tonnes (mt) to 32.38 mt in July and the latest figure of 31.57 mt. In 2010-11, Brazil's sugar output amounted to 33.5 mt.

The decision to allow an extra five lt of exports by the EGoM was taken at the behest of the Union Agriculture Minister, Mr Sharad Pawar, in the face of opposition from his counterpart, Prof K.V. Thomas, in the Food and Consumer Affairs Ministry.

The Food Ministry apparently sought deferring any decision on further exports till end-September, by which time the peak festival season would be over and also a clearer picture of the 2011-12 crop may emerge.

It, however, succeeded in preventing a decision on lifting stock-holding and turnover limits on sugar dealers. These limits, effective since March 2009, restrict holding of sugar stocks by traders to a maximum of 200 tonnes, besides making it compulsory to rotate their stocks every 30 days.

MINIMUM EXPORT PRICE

Besides permitting five lt of additional exports under OGL, the EGoM also took a decision to reduce the minimum export price (MEP) for three premium non-basmati rice varieties, Sona Masuri, Ponni Samba and Matta, from \$850 to \$600 a tonne.

The Centre had, in March, permitted export of 150,000 tonnes of these three rice varieties, while fixing the MEP at \$850 a tonne. Since not even a third of this quantity has actually been shipped out, the EGoM has now asked the Commerce Ministry to notify a lower MEP, official sources said.

(This article was published in the Business Line print edition dated August 13, 2011)

Higher offtake, lower inflows perk up chana



Indore, Aug. 12:

Increased demand and weak arrivals perked up spot chana for the second consecutive day. Its price increased by Rs 25 to Rs 2,975-3,025 a quintal.

Chana (desi) ruled at Rs 2,925 a quintal. Beside higher stockist demand, speculators have also contributed to the rise. However, demand for chana dal remains weak, according to trade experts here. On Friday, demand for spot chana outpaced arrivals.

Rising spot chana perked up chana dal despite weak demand. Chana dal (bold) quoted Rs 25 up at Rs 3,750-3,775 a quintal in the spot market, chana dal (medium) at Rs 3,650-3,675 and chana dal (average) at Rs 3,525-3,550 a quintal.

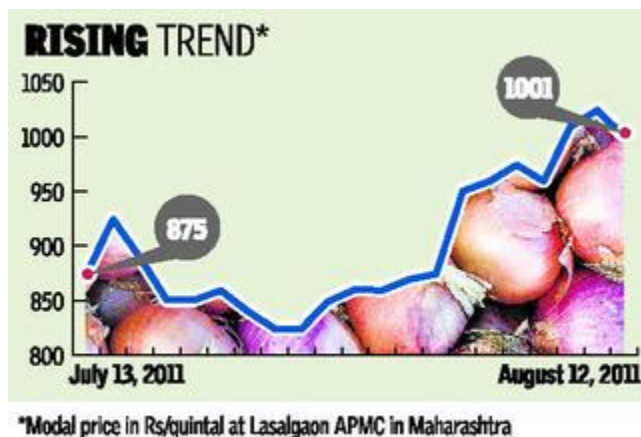
In contrast, all other pulse seeds and pulses ruled flat on sluggish demand in local *mandis*. Masoor (bold) remained firm at Rs 2,775-2,800, masoor (medium) at Rs 2,500, masoor dal (bold) at Rs 3,425-3,450, masoor dal (medium) at Rs 3,325-3,50 and masoor dal (average) at Rs 3,250-3,275 a quintal

Tur remained stable at Rs 2,950-3,000 a quintal on weak arrivals, while tur (Nimari) ruled at Rs 2,200-2,500 a quintal. Tur dal ruled steady, with tur (marka) being quoted at Rs 5,800 a quintal, tur dal (full) at Rs 5,200-5,250 and tur dal (*sawa* no.) at Rs 4,250-4,300.

Moong remained stable despite subdued demand. Moong (bold) ruled at Rs 4,000-4,200 and moong (medium) at Rs 3,300-3,700 a quintal.

(This article was published in the Business Line print edition dated August 13, 2011)

Lower kharif sowing firms up onion



Chennai, Aug. 12:

Onion prices firmed up further this week on speculation that the kharif crop could be lower than last year.

“Onion prices have gained a little. They were ruling stable during May-July. Monsoon has been erratic and scanty in Karnataka, Maharashtra and Gujarat. Onion farmers have been unable to transplant seedlings. Only around 80 per cent of the normal area under kharif onion has been covered,” said Dr R.P. Gupta, Director of National Horticultural Research Foundation.

At Asia's largest onion market in Lasalgaon, Maharashtra, the modal price or the rate at which most trades took place hit Rs 1,000 a quintal during the last three days of the week. On Thursday, it was Rs 1,025 before slipping to Rs 1,001 on Friday.

Arrivals in the Lasalgaon Agricultural Produce Marketing Committee yard were over 800 tonnes throughout the week. On Thursday, arrivals were over 1,000 tonnes.

“There is no need to panic about the crop. There is sufficient quantity in store from the rabi crop,” said Dr Gupta. On the price surge, he said some compensation was necessary for farmers for the rot, loss or sprout. “This is a normal Re 1-Rs 2 hike,” he said.

“Farmers will release stocks slowly as prices increase,” Dr Gupta said.

On the other hand, a lukewarm demand for export is keeping a leash on prices. “Demand for export is only 50-60 per cent of what it was last year,” he said. Prices have been kept under a check by the austere periods of Ramzan and *Shravan*, too.

“Some people do not take onions during this period. It is also helping,” said Dr Gupta.

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Imported oils gain on firm global reports



Mumbai, Aug. 12:

Imported soya oil and palmolein gained Rs 2 and Rs 4 for 10 kg as local refiners, tracking firm reports from foreign markets, quoted higher prices on Friday.

Cotton refined oil rose by Rs 2 for 10 kg. However, groundnut oil, rapeseed oil and sunflower oil remained unchanged despite festivals beginning on Saturday. Local demand was less-than-expected even as supplies from producers dropped.

Crude palm oil (CPO) futures on Bursa Malaysia Derivatives (BMD) closed higher for the third consecutive day on a bullish report for soyabeans and cotton from the US Department of Agriculture. Resellers traded 150-200 tonnes of palmolein at Rs 552-549.

Liberty offered palmolein at Rs 552, soya oil at Rs 636 and sunflower oil at Rs 695. Ruchi quoted palmolein at Rs 551, soya refined oil at Rs 632 and sunflower oil at Rs 695. Allana offered palmolein at Rs 552. In Rajkot and Saurashtra, groundnut oil remained unchanged at Rs 1475 for a *teli* tin and at Rs 955 for loose (10 kg).

Malaysia's BMD CPO September contracts closed at MYR3,062 (MYR3,053), October at MYR3,015 (MYR2,993) and November MYR2,983 (MYR2,963) a tonne. September contract of soya oil on National Board of Trade in Indore closed at Rs 652.50 (Rs 647) and October at Rs 633 (Rs 631).

Mumbai Commodity Exchange spot rate (Rs/10 kg): Groundnut oil 965 (965), soya refined oil 632 (630), sunflower exp. ref. 655 (655), sunflower ref. 700 (700), rapeseed ref. oil 683 (683), rapeseed expeller ref. 653 (653), cotton ref. oil 652 (650) and palmolein 553 (549).

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Demand increases for old rice stocks



Karnal, Aug. 12:

Buying emerged for old permal and PR-11 rice varieties, pushing their prices up by Rs 15-100 a quintal, while prices of all other aromatic and non-basmati varieties ruled firm on Friday.

New Permal and PR-11 rice varieties are available but traders are not showing any interest in buying at present, said Mr Praveen Kumar, a rice miller. Buyers are not keen to purchase new rice, while the demand of old Permal and PR-11 is rising, said Mr Amit Chandna, proprietor of Hanuman Rice Trading Company.

Though, earlier, traders were not expecting any uptrend in the prices of Permal and PR-11 at this time of the year, some domestic buying pushed prices upwards.

PR-11 (sela) rose further by Rs 25 and sold at Rs 2,000-2,300, while PR-11(raw) quoted at Rs 1,925-2,165 a quintal.

Permal (sela) increased by Rs 100 and sold at Rs 1,800-2,000, while Permal (raw) sold at Rs 1,900-2,050.

After witnessing an uptrend earlier this week, Pusa-1121 (steam) sold at Rs 4,950-5,220 , Pusa-1121(sela) at Rs 3,950-3,990, and Pusa-1121 (raw) ruled at Rs 4,400 .

For the brokens of Pusa-1121, Tibar sold at Rs 3,100-3,350, Dubar ruled at Rs 2,600-2,650 and Mongra was trading at Rs 1,900-2,150 .

Duplicate basmati was quoted at Rs 3,400-3,425 . Pure Basmati (raw) was ruling at Rs 5,850 , while Basmati Sela was quoted around Rs 3,940 a quintal.

Sharbati varieties continued to rule flat, Sharbati (steam) ruled at Rs 2,850, while the Sharbati (sela) was at Rs 2,720-2,750 .

Among the brokens of Sharbati variety, Tibar quoted at Rs 2,350-2,500, Dubar sold at Rs 2,100-2,250, while Mongra was trading at Rs 1,730-1,750 .

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Additional exports move sweeten sugar



Mumbai, Aug. 12:

Sugar prices ruled steady on the Vashi wholesale market on Friday with minor changes based on quality. However, the undertone was firm on the expectation that the empowered group of ministers (EGOM) would decide on the additional quantity for export. The EGOM decided to allow additional export of five lakh tonnes.

Mill tender rates jumped by Rs 20-25 a quintal on buying support. It helped naka rates gain by Rs 15-20 a quintal. A wholesaler said: "The demand from retail shopkeepers was higher before the market closes for three days from Saturday. The demand from other centres in the State has improved; buyers from the neighbouring States are also active as prices are higher in other producing centres. Arrivals and dispatches in the market were higher. The additional export decision will fuel a further price rise."

On Thursday, Maharashtra's mills sold over one lakh bags of sugar to State-level buyers. Good quality sugar was sold higher by Rs 20-25. Confectionery, snack and sweet-makers were active buyers. At the domestic level, 20-22 mills offered tenders and sold 1.20-1.25 lakh bags (each 100 kg) at Rs 2,600-2,670 (Rs 2,590-2,640) for 'S' grade and Rs 2,670-2,750 (Rs 2,640-2,750) for the 'M' grade. Arrivals in the market increased stood at 58-60 truckloads (each 100 bags) and local dispatches stood at at 54-55 truckloads. The freight rates were steady.

Bombay Sugar Merchants' Association's spot rates: S-grade Rs 2,716-2,855 (Rs 2,716-2,865) and M-grade Rs 2,781-2,951 (Rs 2,791-2,961).

Naka delivery rates: S-grade Rs 2,670-2,730 (Rs 2,660-2,710) and M-grade Rs 2,750-2,870 (Rs 2,750-2,880).

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Turmeric gains colour with cues from futures



Erode, Aug. 12:

Increased demand for the hybrid variety of turmeric lifted spot rates by Rs 350 a quintal on Friday.

“The demand for the hybrid variety was high and so buyers purchased it quoting high price. On Friday, the hybrid variety increased by Rs 670 a quintal. The other varieties increased by Rs 350 a quintal,” said Mr R.K.V. Ravishankar, President, Erode Turmeric Merchants Association.

“The price in other centres and also in the futures market increased by Rs 200 a quintal, reflecting in prices at Erode market.”

Further, he said the market will be closed for three days, so buyers purchased the produce paying a higher price to fulfil their orders. Out of an arrival of 8,000 bags of turmeric on Friday, 55 per cent of the stocks were sold.

He said bulk buyers are hopeful of getting orders from north Indian merchants within couple of days, when the prices may increase. The traders also expect that from next week. Growers said they had to sell their stocks at the prevailing rate to fund cultivation in the Lower Bhavani ayacut area.

At the Erode Turmeric Merchants Association Sales yard, the finger variety was sold at Rs 4,239-5,885 a quintal, while the root variety traded at Rs 4,064-5,367.

Salem Crop

The finger variety was sold at Rs 5,369-7069, the root variety at Rs 5,061-5,609. Of the 1,142 bags that arrived, 250 were sold.

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