

Date : 12.09.2013

# THE HINDU

## Onion prices still remain high in Coimbatore



*Costly commodities: Vegetable prices remain prohibitive during festival season in Coimbatore. – File*

*PHOTO: S. SIVA SARAVANAN*

Onions continue to bring tears to consumers in Coimbatore as prices remain high. Though the prices came down slightly last month, they have shot up again.

On Tuesday, wholesale price of big onion was Rs. 30 a kg to Rs. 40 a kg for arrivals from Karnataka and nearly Rs. 55 a kg for those from Maharashtra, according to M. Rajendran, president of Thyagi Kumaran Market Vegetable Merchants' Association.

The price of small onion continued to remain over Rs. 50 a kg and may even go up in the coming days as the supplies for the next two months will be mainly from the stocks, he says.

Coimbatore is a major vegetable supplier to Kerala. With Onam round the corner, the demand for vegetables has shot up. This year vegetable prices have gone up to very high levels here.

On some days, price of green chilli went up to Rs. 80 a kg and that of tomato to more than Rs. 50.

While one of the reasons is deficient rainfall last year, another major cause for the high prices is the increasing fuel rates and other input costs. When vegetables come from other States, the transportation cost is high.

However, rain has been good for the last three months and vegetable arrivals from the new crop will start in another two months.

Then the prices will come down, he says.

*Wholesale price of big onion is between Rs. 30 a kg to Rs. 55 a kg*

*Green chilli costs Rs. 80 a kg*

*Tomato Rs. 50 a kg*

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### **Cattle distributed**

Minister for Forests M.S.M.Anandan distributed 37 cattle to as many beneficiaries under a government scheme, at Avinashi near here recently. The cattle distributed on the day, were the excess ones at the 'goshalas' attached to NR and CE-controlled temples in Thirumuruganpundi, Ayyampalayam and Avinashi.

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### **Water level**

Water level in the Papanasam dam on Wednesday stood at 98.60 feet (maximum level is 143 feet). The dam had an inflow of 609.40 cusecs and 1,273.50 cusecs of water was discharged from the dam. The level of the Manimuthar dam stood at 60.95 feet (118 feet). The dam had an inflow of 11 cusecs and 10 cusecs was discharged.

### **Nagercoil**

The level in the Pechipparai dam stood at 21.60 feet, while it was 57.90 feet in Perunchani, 8.95 feet in Chittar I, 9.05 feet in Chittar II and 31 feet in the Mambazathuraiyaru dam.

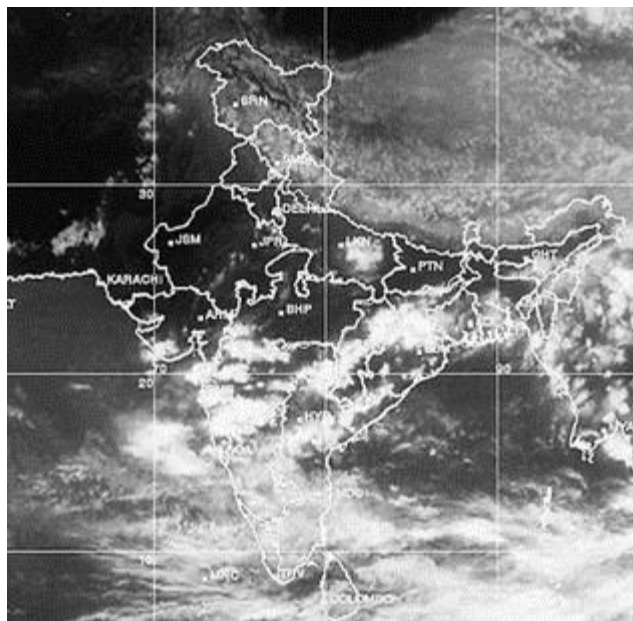
### **Rain**

Meanwhile, widespread rain lashed different parts of Kanyakumari district, particularly catchment areas, on Wednesday. The maximum rainfall of 18 mm was recorded at Surulode followed by 8.6 mm in Perunchani, 5.8 in Kannimar, 4.2 in Chittar 1, 2 in Aralvoimozhi and 2 in Balamore.

The inflow of water to the Pechipparai dam was 262 cusecs, 151 cusecs to Peruunchani dam and 138 cusecs to Chittar I.

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## Weather



*INSAT PICTURE AT 14.00 hrs. Observations recorded at 8.30 a.m. on September 11th.*

	Max	Min	R	TR
New Delhi (Plm)	36	26	0	518
New Delhi (Sfd)	36	25	0	787
Chandigarh	33	25	0	821
Hissar	37	23	0	507
Bhuntar	32	19	0	403
Shimla	21	14	0	811
Jammu	31	21	30	1245
Srinagar	28	16	0	230
Amritsar	34	24	0	759
Patiala	34	25	0	722
Jaipur	37	25	0	661
Udaipur	35	22	0	656
Allahabad	37	27	0	943
Lucknow	34	22	19	726
Varanasi	35	27	0	741
Dehradun	32	21	26	2768
Agartala	30	25	1	817
Ahmedabad	36	27	0	772
Bangalore	25	20	1	572
Bhubaneshwar	32	25	8	752

Bhopal	35	23	2	1116
Chennai	31	23	84	589
Guwahati	34	23	2	735
Hyderabad	30	23	11	594
Kolkata	33	26	6	1532
Mumbai	30	24	8	2078
Nagpur	34	25	0	1328
Patna	34	27	0	554
Pune	31	21	57	626
Thiruvananthapuram	31	23	9	983
Imphal	30	22	tr	962
Shillong	23	17	1	861

*The columns show maximum and minimum temperature in Celsius, rainfall during last 24 hours (tr-trace) and total rainfall in mm since 1st June.*

#### MAINLY DRY WEATHER

The withdrawal line of Southwest Monsoon continues to pass through Sriganaganagar, Bikaner and Barmer.

Rainfall: Rain/thundershowers have occurred at many places over Uttarakhand and at isolated places over Haryana, Himachal Pradesh, Jammu and Kashmir, Punjab, and east Uttar Pradesh.

Weather was dry over rest of the region. The chief amounts of rainfall in cm are: (2 cm and above)

HIMACHAL PRADESH: Bangana 4, JAMMU AND KASHMIR: Jammu 3, EAST UTTAR PRADESH: Sawayajpur 4, Gorakhpur 3 and Lucknow, Balrampur and Haidergarh and UTTARAKHAND: Tehri 4, Kosani, Chamoli, Dehradun and Jakholi 3 each and Bageshwar, Haldwani and Rudraprayag 2 each.

FORECAST FOR REGION VALID UNTIL THE MORNING OF 13th SEPTEMBER 2013 :Rain/thundershowers may occur at one or two places over Jammu and Kashmir, Himachal Pradesh, Uttarakhand and east Uttar Pradesh. Weather would be mainly dry over rest of the region.

FORECAST FOR DELHI AND NEIGHBOURHOOD VALID UNTIL THE MORNING OF 13th SEPTEMBER 2013: Partly cloudy sky.

#### Mushroom culture from hyacinth

##### **The variety has higher content of proteins, carbohydrates and vitamins**

Water hyacinth (Eichornia), a fast growing aquatic plant found in freshwater habitats such as ponds, lakes and pools, is proving useful for growing mushrooms.

The hyacinth provides a bed on which high-nutrient mushrooms flourish, according to G. Lakshmanan, Associate Professor and Head, Postgraduate Department of Zoology, Aditanar College of Arts and Science, Tiruchendur.

Generally, mushrooms are cultivated from agricultural waste such as paddy straw, cotton waste and sugarcane pith.

Hyacinth is collected, dried and sterilised to prepare beds into which mushroom spawns are introduced. The mushrooms are ready for harvesting in 23 days, Dr. Lakshmanan said here on Wednesday.

Mushrooms grown on hyacinth beds have a higher content of proteins, carbohydrates and vitamins, and are fleshy and tasty, he said.

“Mushrooms are a source of energy and are used in the preparation of many continental dishes. They have medicinal value and can prevent cancer, reduce cholesterol and are used for curing diabetes, ulcer and lung diseases,” Dr. Lakshmanan added.

*Hyacinth is collected, dried and sterilised to prepare beds into which mushroom spawns are introduced.*

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### **Areca growers to get payout of Rs. 12,000 per hectare**

The State government has released the first instalment of Rs. 3.50 crores to Dakshina Kannada for disbursing among arecanut growers whose plantations have been affected with fruit rot disease during 2013, according to Deputy Director of Department of Horticulture, Dakshina Kannada, Yogesh H.R.

Each affected farmer would be given a maximum of Rs. 12,000 per hectare as “horticulture input subsidy”, he said.

The affected farmers would have to apply for the subsidy with the village accountants by specifying the survey number of the land, details extent of damage and loss. If the affected farmers have already submitted their applications with details either to the horticulture department or to the revenue department, they need not apply again.

The government would release the “input subsidy” amount to the district in phases to meet the demands of all affected farmers, he said.

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### **Heavy rain hits natural rubber production**

The Rubber Board has lowered the natural rubber (NR) production outlook by nearly 10 per cent on account of an unprecedentedly intensive southwest monsoon and an abnormal leaf fall in traditional planting areas.

Addressing the 172nd meeting of the Rubber Board here on Wednesday, chairman Sheela Thomas said the NR production in the country during the current fiscal (2013-14) is likely to be 8,70,000 tonnes in place of the 9,60,000 tonnes projected earlier, denoting a fall of 9.37 per cent, amounting to 90,000 tonnes. However, the extent of tapped area has shown a marginal increase, 5,04,000 ha in 2012-13 to 5,18,000 ha in 2013-14. Also, the heavy rain has resulted in a higher level of moisture content in the soil.

These two factors could contribute to an increased level of production in the coming months. The projected closing stock of NR in 2013-14 is 2,70,000 tonnes, said the chairman. Domestic production of NR during April-August 2013 is 2,65,000 tonnes, against a consumption level of 4,08,805 tonnes. Import and export of NR during April-August 2013 were 1,28,465 tonnes and 2,319 tonnes respectively. Consumption of NR for the year 2013-14 is projected at 9,45,000 tonnes. As per a report from the International Rubber Study Group (IRSG), the world production of NR during April-August declined by 0.9 per cent.

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#### **Heavy rain forecast in next 48 hours**

Moderate to heavy rain has been forecast in several districts of the State in the next 48 hours due to the low pressure that lay over the Western Central Bay of Bengal and adjoining coastal Andhra Pradesh.

Several parts of the city are also likely to receive a few spells of rain, and at times heavy spells.

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#### **Cabinet may consider 10 per cent export duty on cotton**

The Cabinet Committee on Economic Affairs (CCEA) is likely to take up on Thursday the proposal of the Textiles Ministry to impose 10 per cent duty on shipment of surplus cotton to ensure its availability in the domestic market.

Officials said the Textiles Ministry had proposed a new Cotton Distribution Policy for putting in place a stable, transparent, production and tariff-driven cotton market to balance the interests of stakeholders in the entire value chain.

Under the new policy, the Ministry has recommended imposition of an export duty of 10 per cent ad valorem on f.o.b. (freight on board) basis or maximum of Rs.10,000 per tonne, whichever is less, for all cotton exports over and above the declared/revised exportable surplus.

The Ministry said the imposition of export duty on cotton would lead to revenue collection and also improve inclusiveness of the textile industry in the economic activity.

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## Controlling anthracnose infestation in soyabean

The most important disease reported to cause economic losses to the soyabean is anthracnose. Symptoms of the disease typically appear during early reproductive stages on stem, pods and petioles as irregularly shaped brown lesions.

### Symptoms

Foliar symptoms include necrosis of leaf veins, leaf rolling, petiole canker and premature defoliation. Reddish brown spots appear on the pods and later turn black.

Anthrachnosed plants are significantly shorter, with fewer pods and seeds with reduced seed weight compared to non affected plants. Infected seeds often show brown discoloration.

To prevent the infestation farmers are advised to go in varieties that are resistant to this disease.

Mehandi at 10 and 15 per cent was found least effective and caused minimum inhibition (40.36 per cent) of the test pathogen.

Garlic extract at 20 per cent concentration appeared to be best followed by onion, ginger and neem extracts.

Fungicides like thiophanate methyl followed by pyrimethanil and tabuconazole sprayed two times at the stage of flowering was found to give good results.

### Instructions

In the field, Carbendazim at 0.1 per cent or Mancozeb at 0.1 per cent or four sprays of Dithane Z-78 (0.25 per cent) followed by Cupramer (0.25 per cent) and Ziram (0.25 per cent) significantly reduced the disease.

Seed treatment with Captan (0.2 per cent) and two sprays of Bavistin (0.1 per cent) at 15 days interval or seed treatment with MBC (0.15 per cent) and two sprays of MBC (0.1 per cent) at 15 days interval effectively controlled the disease.

### Integrated field

Under integrated field condition, seed treatment with Carboxin, Tricoderma viride, neem leaf extract and Carbendazim as foliar spray significantly reduced the disease intensity and gave increased seed yield.

(Utpal Dey, scholar and G.P. Jagtap, Assistant Professor, Department of Plant Pathology, Marathwada Agricultural University, Parbhani, 431402, Maharashtra, India, email: utpaldey86@gmail.com, mob.ile 8275824103.)

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## Palani guava growers export to West Asian countries



*New initiative: 25 guava farmers were brought under the direct supervision of a team of specialists.—*

*Photo: M.J. Prabu*

Ayakudi, a small village near Dindigul and Palani in Tamil Nadu, is famous for its guavas. Though the fruits are delicious and much sought after by the locals, they never fetched a good price for the growers.

For many years farmers used to sell the fruits in the local market and on the Dindugal-Palani highway for as little as Rs 8 to Rs.9 a kg.

### **Old story**

“All the farmers in the region have been growing this fruit for years. Almost every farmer has two or three guava trees in his garden. But getting a good price always proved to be a challenge as the local traders decided on the price. But all this changed two years ago, when the growers were brought together to form a group called “Guava growers stakeholders for exploring export market,” says Dr. T.N. Balamohan, Special Officer, Tamil Nadu Women’s Horticulture and Research Institute, Navalur, Kuttapattu, Tiruchi.

The project spearheaded by the Tamil Nadu Agriculture University is funded under the National Agriculture Innovation Project scheme by ICAR, New Delhi.

“The scheme became operational from June 2009 to enhance guava productivity and quality through good agricultural practices (GAP). Importance on reducing post-harvest losses, enhancing the shelf life through scientific pre and post harvest management practices, strengthening of guava processing through entrepreneurship development, and facilitating growers to get a hold on the domestic and international market were all considered,” says Dr. Balamohan.



**Selection**

Accordingly 25 guava farmers were identified by the University and brought under the direct supervision of a team of specialists who constantly guided the growers on scientific cultivation practices through several training programmes and demonstrations, which included soil testing, drip irrigation technology, soil based micro and macro-nutrient application, integrated pest and disease management, introduction of biological pest management, and post harvest technologies.

The beneficiaries were selected after exhaustive field visits and personal interactions.

Accordingly farmers growing the crop in 2-4 acres, those with interest, and a pro active approach were selected.

They were also supplied with necessary inputs like fertilizers, cutters, nylon nets etc.

“By 2012 we started getting good feed back from them. The group in two years time followed the recommendations proposed by the specialists team and was able to harvest 15 tonnes of fruit from an hectare against nine tonnes in the past,” says Dr. Balamohan.

“But this was far from the goal we had set for ourselves. Unless market intelligence is exploited increasing production alone cannot solve problems for a farmer. Marketing linkage plays a vital role to realize a better income for whatever crop is grown,” he reasons.

**Next step**

As a next step, a meeting of farmers, traders, exporters, processors, retailers, bankers and graders was arranged. A private exporter volunteered to export the fruits to West Asian countries, but placed a condition that only the best ‘A’ grade fruits should be supplied.

Initially farmers became worried as to what they could do with the second grade fruits as it would find no takers.

The specialist team convinced them that local traders would buy it and also roped in a private trader at Coimbatore to take the consignments.

Once assured that a ready market existed, farmers happily agreed to supply the fruits.

Both TNAU scientists and officials from the exporting firm visited the beneficiaries several times to brief and educate them as to how to harvest and pack the ‘A’ grade fruits. That hard, back breaking work for the last two years has paid off.

**Export details**

Today 250 kg of guavas are being exported every alternate day to nearly 14 countries in the Gulf.

Farmers realise a premium of Rs.30 to 35 per kg against the Rs. 8 to 10 per kg in the past. Presently 560 acres in the region are under guava cultivation.

“The beneficiary farmers have invested their income in buying some more lands and cultivating the same guava crop in them. This is quite an encouraging trend in this belt because today we are flooded with a lot of enquiries from other growers to be also consider them under this project,” smiles Dr. Balamohan with a sense of pride.

#### **Award**

Dr. Balamohan was recently conferred the Kadali Puraskar Award by the Government for a similar outstanding work on Banana growers, for consolidating them into a banana growers association.

To visit the place, interested readers can contact Dr.T.N. Balamohan, Special Officer & Co-PI NAIP (Mango and Guava) & e-course, Horticultural College &Research Institute for Women, Navalur Kuttapattu, email:tnb@tnau.ac.in, Tiruchi: 620 009, mobile: 9442076437.

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## Weather

Chennai

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Chennai - INDIA

**Today's Weather**

**Thursday, Sep 12**

Max | Min

29° | 24°

Rainy

Rain: 2      Sunrise: 05:57  
 Humidity: 94      Sunset: 06:12  
 Wind: normal      Barometer: 1007

**Tomorrow's Forecast**

**Friday, Sep 13**

Max | Min

32° | 24°

Cloudy

**Extended Forecast for a week**

Saturday Sep 14	Sunday Sep 15	Monday Sep 16	Tuesday Sep 17	Wednesday Sep 18
32°   25° Cloudy	33°   25° Overcast	33°   24° Overcast	33°   24° Overcast	33°   24° Overcast

**Airport Weather**

Chennai

▼

Chennai

Rain: 2      Sunrise: 05:57  
 Humidity: 94      Sunset: 06:12  
 Wind: normal      Barometer: 1007

### Scanty rainfall spells trouble for Jharkhand farmers

Jharkhand farmers – as well as the state government – have been left looking at the skies as deficient monsoon rains threatens to take a heavy toll on the state's agriculture sector, specially paddy production, this year.

While the overall rainfall deficit between June 1 and July 11 stood at 30 per cent, the deficit in July has reached a staggering 63 per cent.

The end result is that farmers have been able to plant paddy seedlings in only 10 per cent of the targeted 18.20 lakh hectares till date, posing a major worry for the state's agriculture department.

The meteorological department has already sounded an ominous warning saying that the next ten days would be crucial for the state. "If the current rainfall condition continues even in the third week of July, several districts may face partly drought condition," said AK Sen, director at the Patna met office.

The state has received a mere 42.6mm rainfall from July 1 to July 11 while average normal rainfall during the period is 116.2mm. The overall rainfall between June 1 to July 11 is also very high, standing at just 218.8mm compared to the normal rainfall of 313.7mm.

If the weatherman's prediction goes right, Jharkhand would not see heavy rains till July 13. "The state may see sporadic rainfall at a few places but there is no indication of major rainfall, at least for the next 72 hours," Sen said. He said that a low pressure condition has formed over Odisha coast but its movement is very slow. "If the system becomes active over the state, monsoon rains may again return to Jharkhand after July 14," Sen added.

According to met office, some of the districts like Chatra (-67%), Dumka (-56%), Hazaribag (-48%) and Dhanbad (-45%) are inching towards drought-like situation. Even though few districts experienced rainfall in the last 24 hours but the quantum was nothing to write home about. Ranchi recorded 18 mm, Jamshedpur 2.2mm, Bokaro 17mm and Daltanganj 2.2 mm rainfall in the past 24 hours.

Agriculture department officials said that in most of the districts the paddy saplings are starting to wilt due to lack of rains.

Jatashankar Choudhary, director of State Agricultural Management and Extension Training Institute (SAMETI), said paddy has been sown in less than 10 per cent area till date

He, however, said that the weather condition was conducive for maize, oil seeds and pulses. Maize has been sown in around 40 per cent area against the target of 3.05 lakh hectare, pulses and oilseeds sown on 15 per cent area against a targeted 5.11 lakh hectares and 76,000 hectare areas respectively till date.

"If there is rain in next the five days, paddy sowing coverage would improve. If it delays for more than five days, it may impact paddy production heavily," Choudhary added.

Rainfall deficit chart (June-1 to July-11)

District	Rainfall Deficit
Chatra	-67%
Dumka	-56%

Hazaribag	-48%
Dhanbad	-45%
Giridih	-44%
Ranchi	-28%
East Singhbhum	-22%
Bokaro	-18%

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## THE ECONOMIC TIMES

### PAU inks pact with Gujarat state seed corporation

NEW DELHI: Aiming at developing and commercializing cotton transgenic hybrids, the Punjab Agricultural University (PAU) entered into a strategic partnership with Gujarat State Seed Corporation (GSSC) through the signing of memorandum of understanding during Global Agriculture Summit of Vibrant Gujarat 2013, held at Gandhi Nagar.

Dr Baldev Singh Dhillon, Vice-Chancellor, PAU, said that the major motive of entering into an agreement with GSSC is the introgression of BG-II genes-event Mon 15985 to the parental lines of PAU cotton hybrids. Besides, the PAU has also signed a material transfer agreement with Assam Agricultural University (AAU), Jorhat for the development of chickpea transgenic, informed Dr Dhillon. Under this pact, the AAU will supply seeds of two transgenic lines, BS100B and BS100E carrying Cry1Ac gene for evaluation against helicoverpa resistance and introgression breeding, he added.

Tracing the history, Dr Dhillon divulged that during 1960-61, the area under cotton in Punjab was 4.46 lakh hectare and the production was 7.05 lakh bales with productivity of 269kg lint/hectare. With the advent of production and protection technologies, the productivity started improving and it touched 607kg lint/hectare, in 1991-92.

One year after the recommendation of Bt cotton in Punjab, ever highest productivity of 750kg lint per hectare was realized in 2006-07, he said, revealing that the productivity of cotton in Punjab in 2011-12 was 535kg lint per hectare from 5.15 lakh hectare area, and the total production was 16.21 lakh bales.

Currently, more than 90 %of the cotton area is under Bt cotton, he told. Pointing out that the exorbitant price of the seed of Bt cotton hybrid is adding to the cost of production, Dr Dhillon observed that the situation will further aggravate with the supply of spurious seed in the market. The PAU vice chancellor had met U.D. Singh, MD, GSSC, and held personal discussion on collaboration between PAU and GSSC for the development and commercialization of cotton transgenic hybrids. Consequently, the seeds of parental lines of one cotton hybrid were supplied to GSSC.

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## Farm GDP growth can more than double from 1.9% to 4.5%: Crisil



*Farm GDP growth could more than double from last year's 1.9% to 4.5%, said Crisil in its 'State of the Nation' report released on Wednesday.*

KOLKATA: Agriculture is set to surprise on the upside because of a bountiful and well-distributed monsoon. Farm GDP growth could more than double from last year's 1.9% to 4.5%, said Crisil BSE -0.27 % in its 'State of the Nation' report released on Wednesday. This will help check food prices and support rural consumption.

Crisil released its first 'State of the Nation' report, a unique top-down-meets-bottom-up analysis that offers a holistic perspective on the economic state of India.

The study strings together deep analyses from the micro to the macro level. It uses granular data on 2,481 companies that CRISIL rates as investment grade; these account for 32% of banks' corporate lending.

It leverages CRISIL's industry research spanning more than 70 sectors. Finally, the analysis has a strong overlay of CRISIL's macroeconomic research capabilities and profound understanding of risk. The report flags concerns, disproves some perceptions and throws light on key positives.

Roopa Kudva, Managing Director & CEO, CRISIL, said: "In the current environment, we thought it was important to present a comprehensive analysis that is objective and fact-based. This

study draws on the wealth of data and information in CRISIL, and our wide-ranging and deep analytical perspectives."

The report says that forex volatility is the least of the sources of stress for 2,481 companies CRISIL rates as investment-grade (BBB- and above). It affects only 6% of them.

What stresses nearly a quarter of the companies analysed is the demand slowdown. Two out of three sectors will see a decline in revenue growth. The collapse of the investment cycle will severely dent infrastructure, capital goods, automobiles and real estate sectors.

Larger firms with operating income over Rs.1,000 crore are more severely impacted by higher levels of indebtedness and increasing stress on financing cost. "Stretched working capital cycles are aggravating liquidity pressures on companies. Overall, liquidity pressures are a source of stress for 16% of the companies analysed; but for larger firms it is higher at 27%," Kudva pointed out.

Rupee depreciation has increased India's currency competitiveness. "The rupee could rebound to Rs.60/USD by March 2014 as the current account deficit declines to 3.9%, but the currency will remain significantly depreciated compared with last fiscal," Kudva said. Hence, export-linked sectors such as IT-ITES, pharmaceuticals, textiles, readymade garments and cotton-yarn spinning will do well.

Separately, the farm fillip and pricing power will help the tractor and telecom sectors, respectively, to do well. Services, which have been the bulwark of the economy for several years, will grow at just 6.5% this fiscal compared with the nearly 10% through the last decade.

CRISIL's GDP growth estimate has been reduced to a decade-low of 4.8% for 2013-14. "With luck, if agriculture surges 6%, it could push overall GDP growth to 5.2%," she said. What the above analysis adds up to is that the economy will stay in L-shaped trajectory through this fiscal, unlike the V-shaped recovery seen after the Lehman crisis in 2008.

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## FCI to sell 2 million tonnes of wheat in international market



*FCI will export two million tonnes of wheat in the coming months to earn valuable foreign exchange of nearly \$ 600 million for the country.*

NEW DELHI: The Food Corporation of India(FCI) will export two million tonnes of wheat in the coming months to earn valuable foreign exchange of nearly \$ 600 million for the country.

The proposal to export the wheat from the stocks of the central pool of FCI was approved by the Cabinet Committee on Economic Affairs (CCEA) last month. A sub-committee, headed by FCI Chairman and MD C Viswanath, will meet soon to finalise the formalities for floating international tenders.

The wheat export of 4.2 million tonnes undertaken by FCI last year had fetched \$ 1.4 billion in the international market.

"The acceptability of Indian wheat in the international market is an encouraging sign as evident from the sale last year. Therefore, another 2 million tonnes of wheat will be offered to the foreign buyers," said an officer of FCI. "We have the stocks. It is also the right time to enter the international market," he added.

After the tenders are floated, an Empowered Committee, headed by the Commerce Secretary, will approve the successful bidders. The foreign buyers of Indian wheat in the international market are mainly from South Korea, Bangladesh and Ethiopia.

In the exports of 4.2 million tonnes completed last month, the Indian wheat had fetched an average price of \$ 311.38 per tonne.

According to the CCEA decision, the exports of the 2 million tonnes of wheat this year will have to be completed by 31st March, 2014.

The FCI will undertake the exports through the State Trading CorporationBSE 1.62 %, PEC and Metals and Minerals Trading Corporation of IndiaBSE 1.62 %, which will float the tenders.

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### Not traders, farmers turn onions into storehouse of value



*Permanent storage structures of onions have allowed farmers to decide on phased release of the crop.*

PUNE: Anand Ostwal, 30-year-old farmer from Satana in Nashik district, who had given last chance to farming after having failed for a decade, is holding on to 500 quintal onions in the hope of buying a car.

"If I get a price of Rs 50/kg for the 500 quintal onions, I will get bonus amount of Rs 5 lakh to buy a car. Otherwise, I will have to drop the idea," said Ostwal. He had produced 3,000 quintal onion in the rabi season last year and sold them in a phased manner at rates ranging from Rs 8/kg to Rs 40/kg from June till now.

Ostwal has re-paid most of his loan of about Rs 20 lakh and also regained faith in agariculture and is still holding on to his onions to fulfill his dream of driving a car. He owns three onion

storage structures, having capacity of holding 1,500 quintal onions that enabled him to store the perishable tuber for five months.

He spent Rs 1.37 lakh on building the last structure of 80 feet length and 5 feet width three years ago. Ostwasl's is not the only story.

In a drive through the onion belt of Nashik, one can see a storage for onions in almost every onion field. A sort of revolution of setting up permanent onion storage structures has created a storage capacity of 15 lakh tonne in Maharashtra, half of the total onion storage capacity of the country as a whole.

If traders manipulated the onion prices, it were farmers who decided their phased release in the market this year thanks to the 15 lakh tonne storage capacity, mainly with farmers in Maharashtra. That is why, Union agriculture minister Sharad Pawar kept on saying that farmers are also getting benefit of high onion prices unlike in the past.

Earlier, it were traders who used to do hoarding of onions and would be the sole beneficiary of inflationary onion prices.

The onion storage structure is a simple structure, with a concrete base, wooden walls and roof of Italian tiles or asbestos sheets, giving ample scope for aeration and keeping away heat and moisture. Of the 15 lakh tonne storage capacity creation in Maharashtra, 8 lakh tonne was created due to subsidy given by the Maharashtra State Agricultural and Marketing Board (MSAMB) from 2002 till 2010. About 3 lakh tonne to 4 lakh tonne capacity has been created by farmers on their own.



"We gave 50% subsidy to farmers from the Rashtriya Krishi Vikas Yojana (RKVY) funds. We had to discontinue to the scheme because RKVY did not allow to give funds for onion structures. But we are again likely to get approval," said Milind Akre, general manager, MSAMB. Meanwhile, the National Horticulture Mission has also started giving subsidy for onion storage structures.

The individual state governments have to submit proposals for taking benefit of these schemes.

### Overseas markets see rise in value of Indian wheat



*"The Indian wheat getting more takers because of better quality is also evident from the price at which we are exporting."*

NEW DELHI: Indian wheat particularly produced in Madhya Pradesh is high on demand in the international market, food ministry officials said. Beating the earlier trend when more and more Indian wheat was believed to be imported for animal feed in many countries now because of the good quality produce in MP, Punjab and Haryana are being used for human consumption.

Senior food ministry sources said that so far about 42.5 lakh tonnes in 2012-13 while the target set was 45 lakh tonnes. The main importers of grains are Korea, South Africa, Middle East, Bangladesh and a few European countries. Officials added that though June end was the deadline for meeting the export target soon government will export another 50,000 tonnes to mop up a tally of 43 lakh tonnes.

"The Indian wheat getting more takers because of better quality is also evident from the price at which we are exporting. When we invited tenders for the first time in 2012 keeping reserve price at \$228 per tonne considering the global bad economic condition the minimum price quoted by importers was \$296 per tonne," said a ministry official.

He added that when the second batch of tenders was out last December government had increased the reserve price to \$300 per tonne. Though there were a few who quoted less most of the bidders offered better price. The weightage average price was approximately \$311.38 per tonne. "Some of the bidders even quoted at \$350 per tonne. MP wheat is has greater demand for its high protein content and all other indicators are close to the best international standard. Even major Indian companies prefer to buy MP wheat because of the quality. Even wheat from Punjab and Haryana is also of international quality," the official added.

India had banned wheat export in 2007, but in September 2011 the ban was lifted.

During current financial year, government plans to export another 20 lakh tonne wheat at reserved price of \$300 per tonne. India is the world's second-largest wheat producer. It would soon resume exports after a gap of three months.

According to industry insiders, the depreciating Rupee may make Indian wheat more competitive in the world market.

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# THE TIMES OF INDIA

## Greenhouse fodder in 7 days brings cheer to farmers

PANAJI: Growing fodder in a small space without soil, less water and by the seventh day of production?

Hydroponics technology has made it possible, as it involves growing plants without soil. "Hydroponics green fodders are produced in green houses under controlled environment," N P Singh, director, Indian council of agricultural research (ICAR), Old Goa complex, said.

Goa State Cooperative Milk Producers' Union Limited, Curti in Ponda, set up ten units at different dairy cooperative societies under the Rashtriya Krishi Vikas Yojana (RKVY) scheme of the central government for the production of hydroponics green fodder. One unit was also set up at the ICAR in Old Goa for research.

The lack of availability of land, salinity problems, costly labour inputs and more time (up to 45-60 days) for its growth are major constraints in fodder production.

"Hydroponic fodder helps farmers as an alternative to conventional methods of fodder cultivation," said Prafulla Kumar Naik, ICAR's senior scientist (animal nutrition).

Maize is considered the best for fodder production. "Goa's climate is hot and humid and maize, as a khariff crop, is suitable," Naik said. If air conditioning is used in the green houses in which hydroponic fodder is grown then the input cost goes up but the selection of maize obviates the need for it. The nutrient content is also good as it contains proteins, carbohydrates and fats which make it apt for cattle feed.

Farmers are unhappy about the high inputs of dairy feed as it leads to an addition in milk production costs.

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### Onion prices continue to rise at Lasalgaon

NASHIK: The average wholesale onion prices in country' largest market at the Lasalgaon Agriculture Produce Market Committee (APMC) further increased by 4.65% to Rs 4,451 a quintal on Wednesday, close to the all-time high of Rs 4,500 on August 13. According to sources, the prices are expected to create a new all-time high in a week due to decline in the supply.

The average wholesale onion prices in the district APMCs were recorded in the range of Rs 4,400 - Rs 4,551 a quintal on Wednesday, against Rs 4,300 - Rs. 4,451 the previous day.

At Lasalgaon APMC, the average wholesale prices rose 4.65% to Rs 4,451 a quintal on Wednesday, as against Rs 4,300 on Tuesday. The minimum and maximum prices were recorded at Rs 2,100 and Rs 4,661 respectively. Around 6,130 quintals of onions were auctioned.

On August 13, the Lasalgaon APMC recorded an all-time high of Rs 4,500 due to a sharp rise in demand and a decline in supply. Since then, the average wholesale prices of onions have remained in the range of Rs 3,200 - Rs 4,300 a quintal. On Wednesday, the average wholesale prices were recorded at Rs 4,451, which is close to the previous all-time high of Rs 4,500 recorded on Aug 23.

The average wholesale onion prices are expected to remain above Rs 4,000 until the arrival of the fresh crop in October. The good rains the district witnessed in the past two days will be helpful for the kharif crop. The crop from the belt of Kalwan, Satana, Deola, Malegaon and Chandvad tehsils in the district, which has been sowed earlier than usual this season, is expected to arrive in the market by the last week of September or the first week of October. The regular supply of fresh onions is expected arrive in the market by mid October.

The sources further said, "The stocks stored by farmers are gradually coming to an end. Farmers are bringing their crop in the market gradually as they are getting good prices. This will continue till the arrival of the fresh kharif crop."

The average wholesale onion prices at the Pimpalgaon APMC were recorded at Rs 4,551 a quintal on Wednesday, against Rs 4,300 on Tuesday. The minimum and maximum prices were recorded at Rs 3,180 and Rs. 4,825 respectively on Wednesday. Around 4,000 quintals were auctioned.

The average wholesale prices at Yeola APMC were recorded at Rs 4,400 a quintal on Wednesday, against Rs 4,300 the previous day. The minimum and maximum prices were recorded at Rs 2,200 and Rs. 4,750 respectively and around 1,500 quintals were auctioned.

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### **Farmers look for alternative methods to fight drought**

DALTONGANJ: Residents of Baiga Tola in Chiyanki are fighting drought in their own way. Mahipal Singh Chero (45) has resorted to low land farming and hopes to have a good yield of paddy crops, this year despite scanty rainfall. Low land farming has proved to be a boon for people living in this hamlet. Mahipal owns a little over one-and-a-half bighas and has never thought of growing any other crop but paddy. Water bodies are running dry owing to insufficient rainfall but incidentally low land can hold water giving the farmers a reason to cheer. Adit Singh Chero and Jagdish Singh Chero also reap harvest on low land suitable for paddy. Although the Chero farmers are financially unstable they hire women field labourers for managing the fields for Rs 120 per day. Male labourers charge Rs. 200 a day and are less efficient when compared to their counterparts. Hence in Palamu, women field labourers are more in demand, said Surajmal Singh Chero. A noted social activist Gyanchand Pandey said the ill effects of scanty rainfall would start showing in just a few weeks' time but he hopes that maize crop which was revived in major areas of Palamu will keep their hunger at bay for some more time. Palamu DC Manoj Kumar said efforts are on to start a job scheme in every village of Palamu and increase scope of employment for the youth. Although the administration claims that there is no shortage of schemes to render jobs, the ground reality is that labourers still go without work and pay in Palamu, said sources.

Shanker Thakur, a barber by profession runs his shop near the Head Post Office in Daltonganj. "Whenever there is a drought, local people avoid coming to my shop for hair cut and shave as it saves Rs 15 to 20 from the poor man's pocket".

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# DECCAN Chronicle

## Bananas, chips sell for less at Kerala fair



*Madras Kerala Samajam's annual fair, celebrating the festival of Onam kick-started on Wednesday. Four and a half tonnes of plantain has been bought for the sale at the fair from Kerala. — DC*

**Chennai:** Madras Kerala Samajam's week-long fair every year has been a hit among Chennaites and Malayalees in the city alike. Everything from plaintains to mundu and pickles find their way to the stalls and are available at cheap rates too. The fair, which began Wednesday, will go on till Sunday. Almost four tonnes of plaintains have been brought from Palakkad in Kerala for sale at the fair. Kumblendad Unnikrishnan, one of the organisers, says, "We have been conducting the fair for the past 25 years. And the idea has been to provide for the festival of Onam at low rates." Bananas, which cost nearly Rs 90 elsewhere in the city, are available for Rs 60 a kg at the venue. Another hit with the buyers over the years has been banana chips. K.K. Ramakrishnan, a retired teacher managing one of the stalls selling chips, said, "It is not just Malayalees but other people also, including north Indians, who visit the stalls." Chips, which cost Rs 300 outside, is just Rs 200 at the venue. Unnikrishnan adds, "The profits go to run the school which helps children from underprivileged background."

Though most of the stalls were manned by Malayalees who have settled down in Chennai, there were some Chennaites too. Clement Mildred, who had a stall of clothes, says, "We just wanted to be a part of the celebrations."

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# Business Standard

Wheat exports to fetch \$600 million this year

**FCI to export two million tonnes at a realisation of \$300 a tonne**



With a 150 per cent excess foodgrain stock, Food Corporation of India (FCI) has decided to export two million tonnes of wheat this financial year. Doing so would get it \$600 million (Rs 3,800 crore).

The food ministry and the Cabinet Committee on Economic Affairs (CCEA) have approved the move. FCI, the government's foodgrain procurement and distribution agency, similarly sold 4.2 mt of wheat in two lots during 2012-13. The coming export would create space for the new crop, set to hit the market in a couple of weeks. And, there'd be an inflow of foreign currency, needed to protect the rupee from further depreciation.

"We will float global tenders soon to initiate the process," said an FCI official. A committee headed by FCI Chairman and Managing Director C Viswanath will meet soon to finalise the formalities.

CCEA had approved 4.5 mt of wheat export in FY13; actual export was 4.2 mt, fetching \$1.4 billion (Rs 7,000 crore). The wheat, sold as 'India' brand, got a premium of nearly \$40 a tonne over the \$267 a tonne on the benchmark Chicago Board of Trade. The current price is \$233 a tonne; FCI might get about \$300 a tonne. Realisation could be higher in rupee terms, due to the

big fall in the rupee against the dollar. Last year, it was 54 to a dollar; it is 20 per cent lower now. This would make up for the lower global price of wheat.

“The acceptability of Indian wheat is an encouraging sign, as evident from the sale last year. Therefore, another two mt will be offered to foreign buyers. We have the stocks. It is also the right time to enter the international market,” said a senior FCI officer. The agency has 38.36 mt of wheat in its warehouses, against the requirement of 14 mt.

<b>TAKING STOCK</b>		
Figures in million tonnes		
Particulars	Rice	Wheat
<b>Requirements</b>		
Buffer norms (as on Oct 1)	5.2	11.0
Strategic reserves (as on Oct 1)	2.0	3.0
<b>Total</b>	<b>7.2</b>	<b>14.0</b>
<b>Availability</b>		
Stock in central pool (as on Sept 1)	20.57	38.36

After the tenders are floated, an empowered committee, headed by the commerce secretary, will approve the successful bidders. The foreign buyers of Indian wheat in the international market are mainly from South Korea, Bangladesh and Ethiopia. FCI will undertake the export through State Trading Corporation, PEC and MMTC.

### Sugar output to peak, set to worsen glut

**Futures are headed for a third-year of losses, the longest slump since 1992, as the world heads for a fourth year of surplus in 2013-14**



Sugar production in India, the world's second-biggest grower, may be more than estimated as the highest monsoon rainfall in 19 years boosts yields hurt by a drought a year earlier, a growers' group said.

The harvest will total 24.5 million tonnes in the 12 months starting Oct. 1, compared with 23 million tons predicted in March, Vinay Kumar, managing director of National Federation Cooperative Sugar Factories Ltd., said in a phone interview. That compares with a crop of 25 million tons this year and more than the 23.5 million needed to meet domestic demand, he said. Output may total 23.7 million tons in 2013-2014, the Indian Sugar Mills Association estimates.

Futures are headed for a third-year of losses, the longest slump since 1992, as the world heads for a fourth year of surplus in 2013-2014. Worldwide supplies will outpace demand by 4.5 million tons in the season that starts in October, following a 10.3 million-ton surplus this season, the International Sugar Organization said Aug. 22.

A bigger than estimated crop and five-year high stockpiles may increase exports from India. "Good rainfall in drought-affected Maharashtra and Karnataka this year has improved prospects for a better production," Kumar said today. "The country may make more raw sugar if there is demand for exports next year."

Monsoon rainfall is 6 per cent above a 50-year average since June 1, according to India Meteorological Department. The precipitation in the three months ended August 31 was the highest since 1994, data from the agency showed. Parts of Maharashtra and Karnataka, which together account for 45 percent of the country's sugar output, faced drought because of below-average monsoon rains in the past two years. Shipments from India may exceed 1 million tons in the year beginning Oct. 1 as a surplus and a weakening rupee spur demand among importers, according to Narendra Murkumbi, managing director of Mumbai-based Shree Renuka Sugars Ltd., the nation's biggest refiner. Exports from the local crop may total 300,000 tons this season, Kumar estimates.

The rupee is the worst performer among 24 major emerging economies in the past six months on concern that foreign capital outflows will accelerate as the US Federal Reserve prepares to

trim stimulus. The currency weakened 14 per cent against the dollar this year, reaching a record low of 68.845 on August 28.

Raw sugar for delivery in October was little changed at 17.19 cents a pound on ICE Futures US at 12:13 pm in Mumbai today, while white sugar for December delivery climbed 1.1 percent to \$490.90 a tonne on NYSE Liffe in London yesterday.

Sugar inventories in India may expand 11 percent to about 10 million tonnes on October 1, 2014, compared with an estimated 9 million tonnes at the start of 2013-2014 season, Kumar said. Farmers planted 4.87 million hectares (12 million acres) to sugar cane as of September 6, compared with 5 million hectares a year earlier, according to the Agriculture Ministry. Output may total 24 million tonnes due to good rains, said Prerana Desai, vice president for research at Kotak Commodity Services Ltd.

"The yield and recovery would be better because of the good monsoon," Desai said by phone from Mumbai. "This is what has resulted in overall improvement in the production prospects.

Earlier it was expected that because of drought in Maharashtra and Karnataka last year, we will have dramatically lower production. But that is not happening, because of improvement in weather."

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### [Assam to increase onion production](#)



Assam will soon go on a "mission mode" to increase production of onion in the state. Assam has been selected as one of the six states by the central government to increase the production of

onion and the state's agriculture department has taken a new initiative named 'CM'S Onion Mission' to substantially push onion production in the state.

Assam chief minister Tarun Gogi recently reviewed the progress of activities of the agriculture and irrigation departments at a meeting and issued the directive to go on a 'mission mode' for onion production.

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### FCI to export 2 million tonne wheat to realize \$600 mn

#### **Wheat export of 4.2 million tonnes undertaken by FCI last year fetched \$1.4 bn in overseas market**



The public sector grain procurement agency the Food Corporation of India (FCI) will soon float an international tender for selling two million tonnes wheat to realize \$600 million in coming months.

The proposal to export the wheat from the stocks of the central pool of FCI was approved by the Cabinet Committee on Economic Affairs (CCEA) last month. A sub-committee, headed by FCI Chairman and Managing Director C Viswanath, will meet soon to finalise the formalities for floating international tenders.

Wheat export of 4.2 million tonnes undertaken by FCI last year had fetched \$1.4 billion in the international market.

“The acceptability of Indian wheat in the international market is an encouraging sign as evident from the sale last year.

Therefore, another 2 million tonnes of wheat will be offered to the foreign buyers,” said a senior officer of FCI.

“We have the stocks. It is also the right time to enter the international market,” he added.

After the tenders are floated, an Empowered Committee, headed by the Commerce Secretary, will approve the successful bidders. The foreign buyers of Indian wheat in the international market are mainly from South Korea, Bangladesh and Ethiopia.

In the exports of 4.2 million tonnes completed last month, the Indian wheat had fetched an average price of \$311.38 per tonne.

According to the CCEA decision, the exports of the 2 million tonnes of wheat this year will have to be completed by 31st March, 2014.

The FCI will undertake the exports through the State Trading Corporation, PEC and Metals and Minerals Trading Corporation of India, which will float the tenders.

Stock report (million tonnes)		
Particulars	Rice	Wheat
Requirements		
Buffer norms (as on Oct 1)	5.2	11
Strategic reserves (as on Oct 1)	2	3
Total	7.2	14
Availability		
Stocks in central pool (as on Sept 1)	20.57	38.36

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## Crude palm oil up 0.7% on rise in demand

### **Firm trend in overseas markets influenced the crude palm oil prices in the futures market**



Crude palm oil futures prices rose by Rs 4.20 to Rs 532.90 per 10 kg today as speculators created fresh positions on hopes of rise in spot demand.

A firm trend in overseas markets also influenced the crude palm oil prices in the futures market.

At the Multi Commodity Exchange crude palm oil for October rose by Rs 4.20, or 0.79%, to Rs 532.90 per 10 kg, with a trading volume of 20 lots.

Similarly, the oil for delivery in September moved up by Rs 3.90, or 0.73%, to Rs 536 per 10 kg, with a business volume of 21 lots.

Marketmen said fresh buying by speculators on hopes of a pick-up in spot demand amid firming overseas trend mainly led to the rise in crude palm oil futures prices.

The crude palm oil advanced 0.70% to 723 dollar a metric ton on the Malaysia Derivatives Exchange.

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## Coriander up 1.4% on higher demand, tight stocks

### Coriander for delivery in October rose by 0.82%



Coriander prices rose by 1.49% to Rs 5,560 per quintal in futures trade today, as speculators created fresh positions, driven by pick-up in spot market demand.

The sentiment further improved as a result of limited stocks position on account of restricted arrivals from major growing areas.

At the National Commodity and Derivative Exchange, coriander for September delivery rose by Rs 82, or 1.49% to Rs 5,560 per quintal in open interest of 3,910 lots.

Similarly, coriander for delivery in October rose by Rs 47, or 0.82%, to Rs 5,750 per quintal, with open interest of 21,990 lots.

Market analysts said fresh buying by speculators on pick up in demand in the spot market against less arrivals, mainly pushed up coriander prices at futures trade.

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### Chana up 1.1% on high buying activity

#### **Chana prices for delivery in October traded higher by 0.84%**



Chana prices rose by Rs 33 to Rs 3,028 per quintal in futures trade today as traders enlarged their holdings on account of good demand in the market.

Restricted arrivals of the commodity in the physical market pushed the prices tracking a pick-up in festival demand.

At the National Commodity and Derivatives Exchange, chana for delivery in September rose by Rs 33, or 1.10%, to Rs 3,028 per quintal, with an open interest of 31,520 lots.

Similarly, chana prices for delivery in October traded higher by Rs 26, or 0.84%, to Rs 3,118 per quintal, with an open interest of 1,39,320 lots.

Traders said speculators increasing their holdings on hopes of rise in spot market demand against restricted arrivals of the commodity in the physical market.

They said, fresh enquiries from millers at lower levels against fall in supply from the producing regions of Rajasthan and Madhya Pradesh further supported the uptrend.

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### Cardamom up 1.4% as demand picks up

#### **Tight stocks position following less arrivals from producing regions influenced cardamom prices**



Cardamom prices rose 1.46% to Rs 798 per kg in futures trade today as traders enlarged positions driven by pick-up in spot market demand.

The tight stocks position following less arrivals from producing regions also influenced cardamom prices.

At the Multi Commodity Exchange, cardamom for delivery in in October rose by Rs 11.50, or 1.46%, to Rs 798 per kg, with a business turnover of 315 lots.

Similarly, the spice for delivery in November edged up by Rs 6.80, or 0.83%, to Rs 823.50 per kg with a business turnover of 34 lots.

Marketmen attributed the rise in cardamom future to pick up in spot market demand against restricted arrivals from producing belts.

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### Levying 10% export duty on surplus cotton likely to be discussed

**The ministry was also for registration of cotton export contracts with the directorate general of foreign trade, to monitor the exports**



The government might on Thursday discuss a proposal to impose 10 per cent tax on cotton exports above the declared surplus, to streamline exports and ensure a stable price regime.

Officials said the proposal, floated by the textiles ministry, had recommended imposing the duty on the freight on board value or a maximum of Rs 10,000 a tonne, whichever is less, for all cotton exports over the declared exportable surplus. Other proposals included declaring exportable surplus in September every year, based on the estimates of the Cotton Advisory Board.

The ministry was also for registration of cotton export contracts with the directorate general of foreign trade, to monitor the exports. The ministry wanted an inter-ministerial group to review the cotton position and make recommendations to vary or suspend the duty. However, the agriculture department was against the proposal. “The department of agriculture is clear that any sort of curb on export of farm commodity hurts the interest of growers,” a top official said.

India’s cotton production in 2013-14 crop marketing year that starts from October was expected to be 40 million bales (1 bale=170 kg), almost 4 million bales more than last year. This, trade sources said, could leave 10-12 million bales of surplus of which almost 10 million could be easily exported.

Agriculture Minister Sharad Pawar too had written a letter to Prime Minister Manmohan Singh few weeks back urging him to maintain a stable export policy for agriculture products in the interest of farmers.

India's cotton production in 2013-14 crop marketing year that starts from October is expected to be around 40 million bales (1 bale=170 kilograms), almost 4 million bales more than last year because of benign weather during the sowing stage.

This, trade sources said will leave almost 10-12 million bales of surplus cotton of which almost 10 million could be easily exported.

'I don't see the justification in bringing such a distribution policy as any move to scuttle exports will only harm the farmers,' an official from a leading international trading firm said.

He said India's cotton will find it difficult to find market in 2013-14 crop year as China is expected to offload a huge almost 10 million bales of cotton next year in the international markets which will pull down prices.

"In such a situation if the government wants to impose further curbs on exports, it will out price Indian cotton," a trader said.

Recently, textiles minister Kavuri Sambasiva Rao advocated for the need to create a cotton stabilisation fund. He had said that fund would be used for the benefit of importers only and charged from surplus export.

Cotton has been sown in around 11.31 million hectares, down just 0.26 per cent from the same period last year till last week in 2013-14, according to data by the agriculture department.

Year	Cotton Production*	Cotton Export*
2008-09	29	3.5
2009-10	30.5	8.3
2010-11	33.9	7.65

2011-12	35.3	12.88
2012-13	33.4	8.1
2013-14**	40	---
*In million bales. 1 bale=170 kilograms		
**Estimated		
Source: Cotton Corporation of India (CCI)		

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# THE HINDU Business Line



*Impact on prices: Onion prices have eased marginally on arrival of fresh crop in parts of Karnataka and Andhra Pradesh. The Government expects prices to come down further over the next couple of weeks with pick-up in arrivals. In Delhi, onion prices are hovering around Rs 50 a kg against over Rs 60 two weeks ago. — Kamal Narang*

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## Oilseeds output set to rebound on higher acreage in groundnut, soya

<b>Sowing kharif hopes</b>		<b>(in lakh tonnes)</b>			
<b>Crop</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>
Groundnut	56.17	38.52	66.43	51.27	31.00
Soyabean	99.05	99.64	127.36	122.14	122.14
Castorseed	11.71	10.09	13.50	22.95	21.77
Sesamum	6.40	5.88	8.93	8.10	6.54
Sunflower	3.57	2.14	1.92	1.47	1.51
<b>Overall output*</b>	<b>178.08</b>	<b>157.28</b>	<b>219.22</b>	<b>206.91</b>	<b>208.60</b>

\*Overall output includes other oilseeds Source: Ministry of Agriculture

Chennai, Sept. 11:

Oilseeds production is set to rebound this kharif season but the jury is still out if it can scale higher than the record 219.22 lakh tonnes (lt) achieved during 2010-11.

“Soyabean and groundnut production will be higher this year. But we are not sure if it can touch the high that we saw three years ago,” said Govindlal G. Patel, managing partner of G.G. Patel & Nikhil Research Co. Patel is a renowned crop statistician.

“Going by the acreage, it is clear that we will have a higher crop this kharif,” said B.V. Mehta, Executive Director of the Solvent Extractors Association of India.

According to the Ministry of Agriculture, till September 6, oilseeds have been planted on 191.6 lakh hectares (lh) against 117.6 lh during the same period a year ago.

But as in the case of other kharif crops, excess rain could affect the final output since damage to crops has been reported from some areas of the country.

Soyabean

“The soyabean crop has been damaged in some parts of Madhya Pradesh and Maharashtra due to excess rainfall. The area under soyabean this year is 122 lh against 107 lh last year,” said Patel.

Soyabean production could be between 115 lakh tonnes (lt) and 120 lt against 107 lt, he said.

“Even if we get one tonne from a hectare, soyabean production should go up by 15 lt. However, if we are to account for the damage, then maybe, we could get an additional 10 lt over last year,” said Mehta.

Though continuous rain from June to August-end had threatened the soyabean crop, sunshine during the last two weeks has raised hopes of a better crop.

Soyabean is the main kharif oilseeds crop accounting for over half the total production with groundnut, sesamum, nigerseed and sunflower making up the rest.

Groundnut



“Groundnut is making a comeback this year after the crop faced problems in the last two years,” said Mehta.

According to Patel, the groundnut crop in Gujarat could be 42 lt this year, though the crop requires another spell of rainfall.

“Prospects for another spell of rainfall are bleak going by forecasts. Those who have irrigation facilities are better off, while others may not be able to take advantage of excellent weather earlier this season,” said Patel.

“The higher area under kharif oilseeds could get translated into 15 lt-20 lt of additional oilseeds,” said Mehta.

The higher production could keep oilseed prices either at current levels or a little lower.

“Over 60 per cent of our vegetable oils need is met through imports. So, prices will tend to tow the global trend,” Patel said, adding that prices could rule around last year’s average.

“Prices could come under pressure because this is also the peak palm oil production period,” said Mehta.

However, with demand for edible oils rising by seven per cent every year, the additional production would go only toward meeting it. “This will keep prices steady,” said Patel.

Imports are expected to be around this season’s level of 105 lt-110 lt. From November to August of the current oil season, about 80 lt of vegetable oils have been imported. “Another 26-30 tonnes could arrive by October, taking the total imports to nearly 100 lt,” said Mehta.

“The new crop will start arriving in November and we could see the arrivals checking imports,” he said.

“Imports will also depend on the rupee exchange rate. Any fall in the rupee will make imports costlier and hence, it will affect shipments,” said Patel.

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### **Castorseed futures fall on selling**

Rajkot, Sept 11:

Castorseed futures prices continue to move down due to selling pressure from bear operators on Wednesday.

Though there was marginal gain in spot, overall trend was not so bullish and the prices may decline in the coming days, according to market sources.

On Rajkot Commodity Exchange (RCX), September contract declined by Rs 69 to Rs 3,638 for a quintal and December contract decreased by Rs 44 to Rs 3,901. RCX spot castor gained by Rs 2.50 to Rs 3,545.

At the National Commodity and Derivatives Exchange (NCDEX), castor September traded down by Rs 20 to Rs 3,644, with an open interest of 18,830 lots. NCDEX October contract moved down by Rs 55 or 1.45 per cent to Rs 3,795, with an open interest of 1,65,930 lots.

About 40,000-45,000 bags of castor arrived in Gujarat and were quoted at Rs 705-725 for 20 kg while 5,000-5,100 bags arrived in Saurashtra at Rs 670-695. Castor oil was traded at Rs 740 for 10 kg. According to traders, demand for castor oil and castor is a bit slow and its arrivals are high at present. In the present condition, prices may decrease in the coming days.

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### Physical rubber rules firm

Kottayam, Sept 11:

Physical rubber prices were almost steady on Wednesday.

The only gainer of the day was sheet rubber which made marginal gains amidst scattered transactions.

The grade improved to Rs 187.50 (Rs 187) a kg both at Kottayam and Kochi, according to traders and the Rubber Board.

The transactions continued to be dull.

The September futures firmed up to Rs 188.35 (Rs 187.80) while the October futures declined to Rs 185.39 (Rs 186.40), November to Rs 185.70 (Rs 187.17) and December to Rs 187.90 (Rs 188.93) on the National Multi Commodity Exchange.

RSS 3 (spot) surrendered further to Rs 172.81 (Rs 176.44) at Bangkok.

The September futures remained inactive on the Tokyo Commodity Exchange.

Spot rubber rates Rs/kg were: RSS-4: 187.50 (187); RSS-5: 183 (183); Ungraded: 177 (177); ISNR 20: 172 (172) and Latex 60%: 133 (133).

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### Indian to write chapter in agronomy book for 5th time

Chennai, Sept. 11:

Soil scientist K. Prabhakaran Nair has been invited for a record fifth time to contribute a chapter to “ *Advances in Agronomy*”, the *magnum opus* of agricultural science.

The chapter, titled “The Relevance of The Nutrient Buffer Power Concept in African and Asian Soils”, has been published in book form and launched in London, and has gone online.

It chronicles more than three decades of Nair’s pioneering research in Europe, Africa and Asia on a revolutionary soil management technique, which has challenged chemically-powered agriculture, euphemistically known as the Green Revolution, that has led to global environmental problems, such as degraded soils, dried aquifers, polluted groundwater due to indiscriminate fertiliser use and vanishing bio diversity.

The “cradle” of the green revolution, Punjab, is an example of this environmental tragedy.

The Nutrient Buffer Power Concept has won Nair several awards, including the International Fertilizer Award, Paris, and the Robertson Memorial Gold Medal For Outstanding contributions in Agronomy.

*Advances in Agronomy* is a prestigious 150-year-old publication with the highest impact factor of 3.85.

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### Coonoor tea sale volume marginally up

Coonoor, Sept. 11:

A volume of 12.77 lakh kg has been catalogued for Sale No: 37 of Coonoor Tea Trade Association auctions to be held on Thursday and Friday, reveals our analysis of the brokers’ listings.

It is 40,000 kg more than last week’s offer and 97,000 kg more than this time last year.

Of the 12.77 lakh kg on offer, 9.11 lakh kg belongs to the leaf grades and 3.66 lakh kg belongs to the dust grades.

As much as 12.20 lakh kg belongs to CTC variety and only 0.57 lakh kg, orthodox variety.

The proportion of orthodox teas continues to be low in both the leaf and dust grades.

In the leaf counter, only 0.32 lakh kg belongs to orthodox while 8.79 lakh kg, CTC.

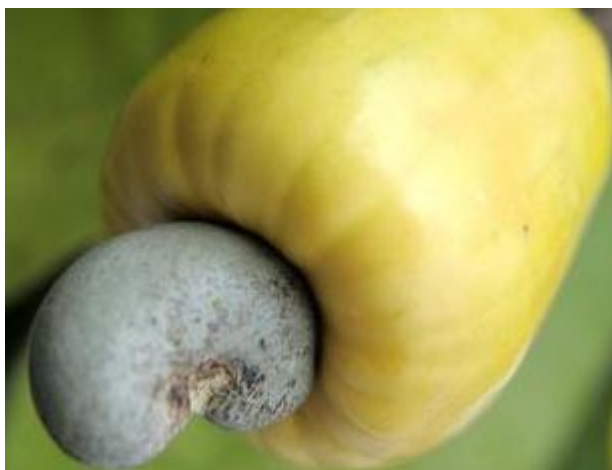
Among the dusts, only 0.25 lakh kg belongs to orthodox while 3.41 lakh kg, CTC.

Fresh tea accounts for 11.91 lakh kg.

As much as 0.86 lakh kg comprises teas which had remained unsold in previous auctions.

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## Buoyancy seen in domestic cashew market



Kochi, Sep 11:

Domestic cashew market, which was very quiet for several weeks, has been active during the last couple of weeks. Prices for splits and pieces have moved up by 10-12 per cent in a fortnight.

Processors expect demand and prices for wholes to pick up during the coming 2-3 weeks, market sources said.

The depreciation of the rupee since May and the volatility in the last 2-3 weeks has created an uncertainty in prices of all nuts in the domestic market but this is expected to stabilise in the current range.

However, overseas cashew markets were very quiet in August after a fair amount of activity during June-July. There has not been much change in prices. All offers at the lower end of the range, mainly nearbys, are being picked up. Prices were: W240: \$3.85; W320: \$3.35; W450: \$3.05; SW320 \$3.10; Splits: \$2.30 and Pieces: \$1.60 for a lb (f.o.b.).

Limited availability

The raw cashew nut (RCN) market is quiet. Availability for India and Vietnam in the next six months is limited to small quantities from Indonesia and East Africa.

Looking at the next six months, "we feel that it will be demand side which will influence the market trend and price range. Supply factors cannot have much impact since there is very little RCN, say less than 25 per cent of world production, to be traded in the next six months," trade sources claimed.

During Sept/Oct, the trade claimed, they expect a fair amount of buying interest from roasters for first half of 2014 and traders for shipments from Oct/Nov onwards.

Unless buyers are prepared few cents higher, selling interest will be limited to nearbys, as every processor will be reluctant to sell forwards at lower levels because replacement availability is limited. If Indian demand picks up in the next few weeks as expected, it would keep many Indian processors away from the international market, they said.

According to the trade, "downside from current levels is limited." There is a reasonable possibility of a small, gradual rise by end of the year, with a slight possibility of the market crossing the \$3.50 a lb barrier. Any large increase is ruled out unless there is a big spurt in demand, they added.

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### **Import of canola oil from Canada may double next year**

New Delhi, Sept 11:

Canola oil imports from Canada are rising on increase in awareness and demand from health-conscious consumers, a Canadian trade body said.

The Canola Council of Canada, which represents the interest of canola growers and the extraction industry, expects exports to India could double by next year as more and more health-conscious Indians are seen to be switching over to healthier oils.

Canada, the largest exporter of canola oil exported about 16,000 tonnes in 2012 from about 400 tonnes in 2011.

"We could probably double the exports to India in the coming year" said Bruce Jowett, Vice-President-market development, Canola Council of Canada, which has been running an awareness drive since the past two years.

This is despite a weakening trend in rupee, which has made imports costlier.

"I don't think a weak currency would impact imports," he added.

The council is positioning canola oil as the healthiest to Indian consumers, where lifestyle-related health issues are on the rise.

healthy aspects

"Canola oil is heart-healthy, as it has the least saturated fat compared with other cooking oils," Jowett claimed.

It has a neutral taste and is ideal for deep frying, because of its high smoke point, he added.

In fact, canola oil is cheaper when compared to olive oil, he said.

In India, canola oil is sold under brands such as Hudson, Jivo and Sattvic and the price ranges from Rs 170 to Rs 395 a litre.

The council has roped in celebrity chefs Kunal Kapoor and Ajay Chopra to promote the usage of canola oil in Indian cuisine.

Canada is the largest producer and exporter of canola oil.

About 85 per cent of the 15 million tonnes of the oil is exported to countries such as the US, Japan, China and Mexico, Juwett said.

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### Cardamom loses flavour as supply outstrips demand



Kochi, Sept. 11:

Cardamom prices dropped due to an upsurge in arrivals at auctions held last week. Arrivals outstripped demand. Demand and inquiries came from upcountry markets but due to problems relating to rolling of the finances, buyers were handicapped. Arrivals have also increased substantially as the second round of harvesting is in full swing, market sources in Kumily told *Business Line*.

Supply has, by and large, outstripped demand. Consequently, prices of all the graded varieties dropped at auctions and in the open market at Bodi, market sources in Bodinayakannur said.

Prices declined at the auctions held by the Cardamom Planters Association by Rs 20 to 30 a kg on Monday. The auction average dropped to Rs 588.54 from Rs 605.95.

Prices at this auction were comparatively lower because of the inferior quality of the material. Exporters bought an estimated 60 tonnes last week as exportable variety capsules were available at Rs 725-750 a kg. An upsurge in the arrivals was visible as the second round of picking reached its full swing. From the volume so far this season, it seems that the crop could be better than last season.

According to market sources, 8mm bold capsules fetched Rs 1,000–1,100 last weekend. Individual auction average continued to remain above Rs 600 a kg, but slipped compared with the previous week and vacillated between Rs 605 and Rs 655 a kg.

Total arrivals at the Sunday auction held by KCPMC were the highest in the current season at 97 tonnes against 105 tonnes the previous Sunday. Almost the entire quantity was sold out, Mr P C Punnoose, General Manager, CPMC said.

The maximum price was Rs 989 and the minimum Rs 419. The auction average price was nearly steady with a marginal decline at Rs 620.47 from Rs 621.61.

The current season's total arrival starting August 1 stood at 2,493 tonnes against 2,453 tonnes during the same period last season. Sales were 1,818 tonnes against 1,726 tonnes. The weighted average price as on September 8 stood at Rs 620.47 a kg against Rs 760.14 during the period a year ago.

Prices of all the graded varieties fell last week and their prices in Rs/kg were : AGEB 760 -770 ; AGB 590 -600; AGS 560- 570 ; and AGS -1: 540 - 550. Bulk was being sold at Rs 450 –1,100 a kg.

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### Sluggish trend likely to continue in tur



Indore, Sept. 11:

Chana (kanta), which had been trading low on weak demand and buying support, gained marginally today on improved demand.

Chana (kanta) ruled at Rs 3,100 (up Rs 50), while chana (desi) was quoted at Rs 2,700-2,800 a quintal, chana (mausmi) at Rs 3,000-3,300, chana (vishal) Rs 3,000-3,100, while Kabuli Bitki ruled at Rs 2,900-3,100.

According to traders, chana prices are expected to remain range-bound in the coming days amid subdued demand and buying support even as its arrival has gained momentum. Sluggish trend will likely to continue in tur on better crop prospect and rise in sowing area.

Chana dal (average) in Indore mandis was being quoted at Rs 3,650-75, chana dal (medium) at Rs 3,750-75, while chana dal (bold) ruled at Rs 4,050-75.

Dollar chana ruled flat at Rs 4,400-4,600 on subdued demand even as arrival stood at 30,000-32,000 bags.

In container also dollar chana ruled stable on slack demand with dollar chana (42/44 count) at Rs 5,400-25 , 44/46 count at Rs 5,200-25, 46/48 count ruled at Rs 5,000-25, 58/60 count at Rs 3,725-50, while dollar chana (60/62 count) ruled at Rs 3,625-50 . Better crop prospect and weak demand have also dragged tur in Indore mandis in the past one week by Rs 100 a quintal, with tur (Maharashtra) being quoted at Rs 4,400 , while tur (Madhya Pradesh) ruled at Rs 3,800-4,100.

Tur dal (full) was Rs 6,000-6,400 , tur dal (sawa no.) at Rs 5,600-5,900, while tur marka ruled at Rs 6,700-7,000.

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### Turmeric farmers hold back produce



Erode, Sept. 11:

A record low arrival of turmeric bags was witnessed in the Gobichettipalayam Agricultural Cooperative Marketing society for sale.

For the first time in the history of turmeric only 12 bags arrived for sale at the Gobichettipalayam Agricultural Cooperative Marketing Society.

The society authorities said that only two farmers brought their produce on Wednesday.



The turmeric farmers said that they are much aware that the yellow spice is not fetching good price now, so they are keeping the stock with them.

“Traders have not yet received any upcountry orders. Exporters and bulk buyers did not purchase any turmeric . But the local traders procured just 800 bags on Wednesday and stockists have purchased few bags of turmeric,” said R.K.V. Ravishankar, President, Erode Turmeric Merchants Association.

On Wednesday, due to poor quality arrival, the price of the hybrid turmeric was decreased by Rs 200 a quintal.

But the demand for the turmeric was high in the Regulated Market Committee and the prices were increased by Rs 350 for more than 400 bags.

Remaining 350 bags were sold Rs 5,800 . At Erode Turmeric Merchants Association sales yard, the finger variety was sold at Rs 3,616-5,709; the root variety Rs 3,711-5,011 a quintal.

Salem Hybrid Crop: The finger variety fetched Rs 5,319-6,219 and the root variety Rs 4,669-5,436.

Of the 570 bags that arrived, 219 were sold.

At the Regulated Market Committee, the finger variety was sold at Rs 5,019-6,189; the root variety Rs 4,666-5,379. All the 764 bags found takers.

At the Erode Cooperative Marketing Society, the finger variety quoted Rs 4,749-5,669 and the root variety Rs 4,410-5,179. Of the 322 bags on offer, 320 were sold.

At the Gobichettipalayam Agricultural Cooperative Marketing Society, the finger variety was sold at Rs 5,112-5,910; the root variety Rs 4,811-5,312. All the 12 bags were traded.

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### Liquidation takes sting off pepper



Kochi, Sept. 11:

The running contract on the pepper futures market continued to slip on liquidation as its maturity is nearing. Those holding positions were liquidating. Other contracts across the board also dropped and they were getting adjusted to realistic levels, market sources told *Business Line*.

On the spot, material, mainly from the plains, was arriving. But it was highly infested by fungus, the trade alleged. Therefore, the processing cost has gone up substantially, they claimed.

On the spot, 38 tonnes of farm grade pepper arrived and they were traded at Rs 409-415 a kg depending upon the quality and area of production, they said. They said that representatives of multinational companies were looking for high bulk density and are said to be at the door steps of growers and dealers in the high ranges. But, sellers were not forthcoming. There continued to witness good selling pressure from Kerala's plains, probably to meet the Onam festival expenses.

Much of the domestic demand was met by direct supplies from Karnataka at Rs 400 delivered at the doorsteps of the buyer anywhere in India on cash and carry basis, market sources said.

Good demand was reported for high bulk density pepper from exporters, industry and as well as the dealers. But the material was not available. On the NMCE, September and October contracts fell sharply by Rs 390 and Rs 517 to Rs 43,350 and Rs 43,850 a quintal. Nov contract decreased by Rs 1,165 to Rs 43,850 .

Total open interest declined by one tonne to 49 tonnes. Total turn over increased by 21 tonnes to 55 tonnes.

Spot prices remained unchanged on matching demand and supply at Rs 40,900 (ungarbled) and Rs 42,900 (garbled) a quintal.

Indian parity in the international market rose to \$7,100 (c&f) Europe and \$7,350 a tonne (c&f) for the US and remained competitive.

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### New crop arrivals may cool edible oils further



Mumbai, Sept. 11:

Strong domestic currency, weak Malaysian palm oil futures and fear of early arrivals of new crops pulled down select edible oils prices by Rs 10 for 10 kg on Wednesday.

Palmolein and rapeseed oil declined by Rs 10 each, while groundnut oil dropped by Rs 20 and soyabean refined oil eased by Rs 2.

Sunflower and cotton oil ruled steady. The volume remained thin amid slack demand.

Tracking weak foreign market and sufficient advance purchases by stockists, volumes remained thin. Slack demand forced local refiners to reduce their rates by Rs 10-15.

Towards the day's close, Liberty was quoting palmolein at Rs 575, super palmolein Rs 615 and super deluxe Rs 635, soyabean refined oil Rs 660 and sunflower refined oil Rs 830.

Ruchi quoted palmolein at Rs 575, soyabean refined oil Rs 651 and sunflower refined oil Rs 820.

Allana was quoting palmolein at Rs 575, super palmolein Rs 625, soyabean refined oil Rs 660 and sunflower refined oil Rs 830.

Gokul's rate were Rs 580 for palmolein.

At Rajkot, groundnut oil dropped further by Rs 20 to Rs 1,240 for *telia* tin and loose (10 kg) to Rs 800 (Rs 800).

Malaysia BMD crude palm oil's October -contracts closed lower at MYR 2,342 (MYR 2,354), November at MYR 2,330 (MYR 2,351) and December at MYR 2,326 (MYR 2,351).

The Bombay Commodity Exchange spot rates (Rs/10 kg) were: groundnut oil 830 (850), soya refined oil 655(657), sunflower exp. ref. 735 (735), sunflower ref. 815(815), rapeseed ref. oil 720(730), rapeseed expeller ref. 690 (700) cottonseed ref. oil 660(660) and palmolein 575 (585).

Vikram Global Commodities (P) Ltd quoted Rs 626/10 kg for Malaysia super palmolein -forward delivery.

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### Sugar stockists avoid bulk purchases



Mumbai, Sept. 11:

Sugar prices on the Vashi wholesale market dropped by Rs 5-10 a quintal at the lower end while at the upper level it was unchanged. Naka rates were mixed with S-grade gaining Rs 10 while M-grade lost Rs 20. Mill tender rates were down by Rs 10 as mills continued selling old stocks before new crushing season starts. With routine volume sentiment remained steady, said sources.

Sources said, "Sentiment will remain positive on expectation of higher festival demand during October- December. Currently sugar prices are ruling below cost parity. Due to higher production, demand from neighbouring States and for exports remain absent since long in Maharashtra, forcing local producers to depend on State-level local markets. Vashi markets continuously carry inventory stocks of more than 120 truck loads. Hence stockists keep away from bulk buying."

Arrivals in the Vashi market were 62-63 truckloads (of 100 bags each) while local dispatches were 61-62 loads. On Tuesday evening, 20-21 mills offered tenders and sold about 64,000-

65,000 bags at Rs 2,870-2,950 (Rs 2,880-2,960) for S-grade and Rs 2,980-3,050 (Rs 2,990-3,060) for M-grade.

Bombay Sugar Merchants Association's spot rates were: S-grade Rs 3,026-3,145 (Rs 3,026-3,142) and M-grade Rs 3,166-3,312 (Rs 3,170-3,312). *Naka* delivery rates were: S-grade Rs 2,970-3,030 (Rs 2,960-3,040) and M-grade Rs 3,070-3,200 (Rs 3,100-3,220).

Uttar Pradesh rates were: Lakhimpur Rs 3,420 and Muzzafarnagar Rs 3,330.

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### Fresh buying lifts wheat



Karnal, Sept. 11:

With some buying emerging on small scale, prices of dara wheat and flour improved in the physical market while a downtrend was witnessed in the futures market on Wednesday.

Some fresh buying pushed dara wheat and flour prices upwards, said Radhey Shyam, a trade expert.

Dara wheat is likely to rule range-bound for the next few days but within a positive territory, he said.

Domestic demand is providing good support to the market, said Radhey Shyam.

In the physical market, dara wheat improved by Rs 15 and quoted at Rs 1,465-1,470 a quintal.

Around 900 bags of wheat arrived and stocks were directly offloaded at the mills.

Mill delivery was at Rs 1,465 while delivery at the chakki was at Rs 1,470 .

A weak tone was witnessed on the National Commodity and Derivatives Exchange on Wednesday.

Wheat for September contracts dropped by Rs 6 and traded at 1,552 with an open interest of 7,910 lots.

October contracts went down by Rs 3 and traded at Rs 1,572 .

In the spot market, wheat spot prices on the exchange improved by Rs 17.5 and traded at Rs 1,535 .

#### Flour Prices

Following an uptrend in wheat, flour too went up by Rs 20 and quoted at Rs 1,740 .

Similarly, Chokar moved up and sold at Rs 1,230 a quintal, Rs 30 up from previous levels.

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