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17 scientists from TNAU to go on exposure visit

Special Correspondent

Seventeen scientists from Tamil Nadu Agriculture University, Tamil Nadu Rice Research Institute at Aduthurai and other research stations of the TNAU will attend an exposure visit to rice fallow black gram fields at Vijayawada and Guntur in Andhra Pradesh from December 21 to 23, according to a press release issued by Dhanuka Agritech Ltd here on Sunday.

The company, as part of its public-private partnership activities, is arranging the visit. In delta districts, pulses are cultivated after harvesting of paddy in an area of 3 lakh acres with very low crop yields per acre as compared to the same crop raised in Krishna delta districts of Andhra Pradesh. In a bid to understand the Andhra Pradesh pulses cultivation methods, the exposure visit has been arranged. Scientists from Thanjavur district to take part in visit are T.Jayaraj, Director, Tamil Nadu Rice Research Institute (TRRI), Aduthurai, V.Ravi, Professor, Agronomy, TRRI, R.Panneerselvam, Professor, Agronomy, TRRI, K.Cholan, Professor, Agronomy, (Entomology), TRRI, Assistant Professors T.Ramesh and S.Vallakannan, TRRI, and T.Senguttuvan of Krishi Vigyan Kendra, Needamangalam. Other scientists are from Tamil Nadu Agriculture University, Coimbatore, and other Krishi Vigyan Kendras and Agriculture Research Stations affiliated to TNAU.

The public-private partnership activities are carried out with Krishi Vigyan Kendras, Agriculture departments, Agriculture Universities, and Agriculture Research Stations for Transfer of New Crop Improvement Technologies to ensure food security and sustainability in the future.

Visit arranged to enable understanding of cultivation practices of Andhra Pradesh farmers

Published: December 12, 2011 00:00 IST | Updated: December 12, 2011 04:18 IST

Poultry owners see red as Mullaperiyar issue simmers

C. Jaishankar

Consumers happy as price of chicken sees a steep fall



Good buy: People buying chicken in Ramanathapuram on Sunday. - Photo: L. Balachandar

As Mullaperiyar issue simmers and boils, the heartburn due to this is being felt by poultry farm owners in the State as the prices of chicken has slumped to an abysmal low.

With transportation from Tamil Nadu to Kerala coming to a halt due to this issue, the poultry farm owners are unable to transport their produce to Kerala.

As fifty percent of the chicken demand in Kerala is met by growers from Tamil Nadu, this amount is now being pumped into the local market leading to reduction in price.

It is said that transportation of about a lakh live chicken every day from Tamil Nadu's poultry farms has been suspended.

The Sabarimala season has also added to the woes of the traders with many regular consumers going vegetarian for the period.

Live chicken in Ramanathapuram now costs Rs.55 a kilo, a decrease of Rs.40 to 50 from last week.

The cost of a skinned chicken now hovers around Rs.65.

“We have been flooded with a supply of live chicken during the last few days as against our requirement and this has resulted in fall in prices,” says A. Zia ul Haq, a chicken vendor in Ramanathapuram.

As lovers of chicken consume the dish with relish, it is said that this slump in prices may continue for a few more days giving nightmares to poultry farm owners.

Wheat crop remains unaffected by high temperatures

The Karnal-based Directorate of Wheat Research (DWR) on Sunday said wheat crop in Punjab and Haryana remains unaffected by the high temperatures prevailing in the region during winter season. However it has asked wheat growers to complete crop sowing within the recommended time schedule to prevent any harmful impact of high temperatures on the crop. DWR is a nodal agency for wheat research in the country.

Overall temperatures in Punjab and Haryana, two of the country's major wheat growing States, remained 3 – 4 degrees more than average temperatures of the last 4 – 5 years. “We have not seen any adverse impact of high temperatures on wheat crops in Punjab and Haryana during this December,” DWR project director Indu Sharma said.

Acknowledging that the temperature in December has remained a bit higher in the region as against average temperatures, she said mercury levels had so far remained within acceptable limits.

“We have observed that the overall temperature has not crossed the 20-degree mark in December which will not harmfully impact the crop,” she asserted.

However, she said that the “winter crop” could be affected if farmers do not follow the recommended timing for crop sowing. “Farmers who grew the PBW 550 variety in October instead of the recommended timing of sowing after November 15 could face problems,” she said.

Pointing out that high temperatures had the potential to adversely impact the crop's development, she said, “increasing temperatures during the winter can impact the shoot development of the crop.”

Over 90 per cent of wheat sowing has been completed in both Punjab and Haryana in the current rabi season.

However, Ms. Sharma advised farmers to keep a check on crops which are now 40 days old to prevent yellow rust infection, which had attacked the crops last season in Punjab, Haryana and Jammu and Kashmir.

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Maharashtra Opposition raises pitch on cotton prices

Meena Menon

The Shiv Sena and the Bharatiya Janata Party (BJP) on Sunday raised the pitch for higher remunerative cotton prices and called for a bandh on December 15 in the three cotton growing areas of Maharashtra.

On the eve of the winter session of the Assembly, Leader of the Opposition in the Assembly Eknath Khadse told the media that unless the government agreed to give cotton farmers Rs. 6,000 per quintal the legislature would not be allowed to function.

Mr. Khadse said if sugarcane could get so much money and packages, cotton, soyabean, paddy and other crops should also get a better price. He has written to Chief Minister Prithviraj Chavan, demanding a discussion on the issue and Mr. Chavan said he had no objection for a meeting. Farmers under the leadership of Raju Shetti of the Swabhimani Shetkari Sanghatana are planning a protest march to the Assembly on the opening day on Monday. The Sanghatana is agitating for higher prices as well.

Mr. Khadse plans to raise over 43 issues in the session but the main focus will be prices on agricultural produce and the agrarian crisis in Vidarbha. The various packages had resulted in more corruption and the suicides continued, he pointed out.

Mr. Chavan said he had already asked the Centre whether the government could give a bonus for cotton in addition to the minimum support price which was announced. He said the pricing was already decided by the Commission for Agricultural Costs and Prices and he had met Union Agriculture Minister Sharad Pawar in this regard. However, a package for farmers would have to wait till the local body election was over and the code of conduct was lifted, he said. The elections to the municipal councils began on Sunday and the last phase is on December 23.

He said he was willing to hold discussions with the Opposition and one such meeting had already been held in Mumbai. He was very positive about helping the farmers, he added. The Opposition boycotted the customary tea party and Mr. Chavan faced some flak from journalists too for not passing a law for their protection.

Journalists protested by wearing black badges and the Action Committee against Attacks on Journalists has called for a protest march on December 15 to demand a law for their protection.

The Cabinet appointed a sub-committee on July 4, headed by Industries Minister Narayan Rane. It recently submitted a report which was not in favour of a special act. The report questioned the need for journalists to be protected at all, angering the media.

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- *Opposition to focus on agrarian crisis in Vidarbha*
 - *Ready for discussions with Opposition: Chavan*
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Published: December 12, 2011 00:00 IST | Updated: December 12, 2011 04:26 IST

German expertise for farmers to tackle climate change

R. Sairam

The National Bank for Agriculture and Rural Development (NABARD) has joined hands with a German federal organisation to help communities and farmers in Tamil Nadu adapt to the climate change.

In collaboration with GIZ, a German Federal body, NABARD has begun implementing a 'climate proofing' project in Poosaripatti and Appiampatti micro watersheds in Dindigul district.

While being implemented on a pilot basis initially, the project would be replicated across the State based on the response, S. Natarajan, Deputy General Manager, NABARD Watersheds Unit, which covers eight southern districts, told *The Hindu* here on Sunday.

“Through this project, the adaptive capacities of people will be increased with respect to innovative potential, flexibility and decision making power,” he said.

Through Climate Proofing, the success of a project would be ensured despite of climate change through the adaptation options. They include early warning systems, plans for maintenance and renovation of existing structures, insurance systems and financial products for adaptation.

Livelihood measures like introduction of heat, drought and salinity resistant crop varieties, crop diversification, drought tolerant livestock, innovative farming techniques such as mixing long and short duration crops, inter cropping and early sowing would also be suggested.

NABARD had organised a stake holders meet with the climate experts of GIZ at Madurai on September 28 and 29 with another workshop proposed in the third week of December to finalise the interventions.

Interviews, meetings and participatory rural appraisal exercises were conducted in the project villages.

A federal enterprise with worldwide operations, the GIZ (Deutsche Gesellschaft für Internationale Zusammenarbeit) supports the German Government in international cooperation for sustainable development and in international education work.

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Farmers' meet today

The grama panchayats in the district will host farmers' meets on Monday as part of issuing Kisan credit cards. The cards, according to District Lead Bank Manager P.V. Raveendran, will enable farmers to obtain timely credit under single window system with flexible and simplified procedures. Loans up to Rs.3 lakh can be obtained through the card. Farmers who produce requisite documents during the meet will be issued the cards on the spot.

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DECCAN Chronicle

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Farmers get Rs.245cr input subsidy

Claiming that their government was pro-farmer, the minister for revenue, Mr N. Raghuvveera Reddy, said that they have allocated Rs.3,590 crore for the district farmers in the last seven years. Addressing the farmers at the collectorate on Sunday, the minister said that the government had so far spent Rs.3,590 crore in the form of loan waiver, waiver of interest, pavala vaddi loans, input subsidy, crop insurance, subsidy on groundnut seeds, and other heads. On the occasion, Mr Raghuvveera Reddy, distributed cheques to the extent of Rs.245 crore under input subsidy to farmers, who lost their crops due to Jal cyclone in 2010. He said that the compensation will be directly deposited into the accounts of farmers giving no scope for any irregularity. The minister directed the bankers to give this money to farmers, though earlier

loans were due. Admitting that the compensation was meagre, Rs.1,800 per acre, he said that it would help the cause of farmers. Assuring farmers that the government would give Rs.2,500 compensation per acre irrespective of yield, Mr Raghuveera Reddy called upon farmers not to commit suicides. He also assured water to Jeedipalli reservoir from Anant Handri-Neeva programme. The Anantapur MP, Mr Ananta Venkatrami Reddy, said that the government will take all steps to help farmers and asked them not to lose hope.

Source URL: <http://www.deccanchronicle.com/channels/cities/regions/anantapur/farmers-get-rs245cr-input-subsidy-063>

THE ECONOMIC TIMES

Mon, Dec 12, 2011 | Updated 10.56AM IST

12 DEC, 2011, 12.17AM IST, SUTANUKA GHOSAL,ET BUREAU

Tea prices stay firm on robust demand

Production may not reach 1,000 m kg

Tea production may not cross the 1,000-million kg mark this year though there has been a substantial increase in production till September. Cumulative production for the year till September stands at 729.6 million kg as against 692.9 million kg in 2010.

Production in north India during the nine months is seen higher by 41 million kg when compared with the same period of 2010, while south Indian production is seen lower by nearly 4million kg. The country had produced 966.4 million kg of tea in 2010.

Temperature in north Indian gardens has been dropping since October which is likely to reduce production. In south India, erratic rains and a cold weather has led to a marginal decline in production.

Prices rule firm on steady demand

Robust demand from the domestic market has kept the prices firm. Domestic consumption is growing at the rate of 3.5%. The CTC tea price is ruling at Rs 128 per kg, which is higher by Rs

5 compared to the previous year. Even Darjeeling teas, which are generally exported, have fetched a good price at auctions as Indians are preferring quality teas due to a rise in income.

Companies like Tata Global, HUL, Wagh Bakri Group and western Indian buyers are still active at the auctions and are buying teas in good amount. In south Indian auction centres, arrival is up by almost 20%. The prices of CTC dust teas in the south Indian market have jumped by Rs 3-5 per kg supported by a robust internal demand.

Prices touched

Rs 93.5 per kg with premium varieties edging closer to Rs 100 per kg. Orthodox tea prices are, however, down by Rs 40 per kg as these teas have not been exported to Iran due to a payment problem.

Exports down due to payment problem

Indian exports are lower for the year despite a lower production in other countries. Exports during the January-September period is seen lower by 13 million kg at 130.28 million kg as against 143.48 million kg during the same period of 2010. "Payment problems with Iran and Iraq have not been settled.

Egypt is also lifting lower volumes. Tunisia and CIS are the only countries actively sourcing," a trader said. Tea exports during 2010 stood at 193.3 million kg.

Kenya output likely to fall 9% this year

Annual tea production in Kenya, India's immediate competitor, is expected to fall by about 9% as a result of frost and dry weather conditions this year. In the first nine months of this year, production is pegged at 259.3 million kg as compared to 289.3 million kg in the corresponding period of the previous year. Prices of Kenyan tea have gone up significantly and are fetching \$2.95 - \$3.60 per kg at the auctions.

12 DEC, 2011, 12.14AM IST, ET BUREAU

Fruit, vegetables fuelling inflation now: Reserve Bank of India deputy governor Subir Gokarn

PUNE: Reserve Bank of India deputy governor Subir Gokarn said proteins, fruits and vegetables were fuelling inflation in the last four years while sugar and cereals were driving the numbers for four decades from the 1960s.

Gokarn was delivering the Kale Memorial lecture at the Gokhale Institute of Politics and Economics on 'Food Inflation: This Time It's Different.' "The more worrying attribute of food inflation is persistence.

In the four decades since 1960s, the drivers of food inflation were cereals and sugar with a supporting role being played by proteins and fruits and vegetables in the second half of the period," said Gokarn. "While contribution from proteins has gone down somewhat in 2011-12, which is the basis of the declines we have seen in food inflation in the most recent date releases, the pressure from fruits and vegetables have sustained."

Gokarn said people eat better as they get richer. But on the supply side, there were problems. Productivity of pulses has oscillated around 600 kg/hectare for the last decade and a half. "There are several states, in which pulses may constitute an important part of the typical diet, whose productivity is significantly below the national average. If overall productivity is to be improved, a strategy which focuses on the specific bottlenecks in these states is probably the best way to go about it," he said.

He pointed out the rising wages of agricultural labour and the stocks of agricultural commodities as the two important factors exerting influence on their prices.

12 DEC, 2011, 12.08AM IST, ET BUREAU

Sugar production in maharashtra to decline by 3.22%

PUNE: Sugar output in Maharashtra, the top producer in the country, is expected to be less by two lakh tonne as cane production is expected to be less by about 5-7%, Maharashtra co-operation minister Harvardhan Patil said in Pune.

The state will now produce about 89 lakh tonne to 90 lakh tonne sugar instead of its earlier

estimate of 92 lakh tonne. The estimate of cane crushing has also been revised downward from 825 lakh tonne to 775 lakh tonne. The present average sugar recovery in Maharashtra is 9.87%.

"The decision of revising the production estimate downward has been taken because the production of cane is now expected to drop by 5% to 7%. This will happen due to less rainfall in August and September," said Patil.

The state has crushed 148 lakh tonne cane till December 9 and produced 146 lakh quintal sugar. "There is an increase in the recovery by 0.40% to 0.50%. As compared to the previous year, the state has crushed 12 lakh tonne more cane this year even after a late start," said Patil.

ET had reported about a fall in sugar production and an increase in recovery. He accepted that mills in the state owe arrears of Rs 114 crore to cane farmers from 2005 till last year.



Punjab announces freight subsidy for potato growers

SUNDAY, 11 DECEMBER 2011 21:53

PNS | CHANDIGARH

In a major reprieve to the potato growers across the State, the Punjab Government on Sunday announced freight subsidy for transportation of potato crop in domestic as well as export markets.

A day before, the potato growers had threatened to throw potato on roads in Jalandhar on December 15 to protest fall in crop's price to as low as `1 per kg and "insensitive" attitude of the State Government.

Announcing reprieve, Punjab Chief Minister Parkash Singh Badal directed Punjab Rural Development Board (PRDB) to immediately release a sum of Rs 2 crore from the Rural Development Fund (RDF) to the Markfed to implement freight subsidy scheme for inter-state movement and export of potato, stated an official release.

Badal gave his nod to the proposal mooted by the Markfed — a nodal agency for the export of potatoes.

Markfed proposed to offer freight subsidy of 0.50 paise per kg for marketing of potatoes within country and Rs 1.5 per kg for export, a senior official of Markfed said.

However, farmers were demanding from the State Government to provide freight subsidy of Rs1 per kg on marketing of old crop in domestic market and Rs 2 per kg for export. They turned down the offer saying they would go ahead with their agitation on December 15. “We do not accept the meager amount of freight subsidy offered by the Punjab Government as it will not be helpful for us,” said Jalandhar Potato Growers’ Association president JS Sangha describing the subsidy as a “cruel joke”.

“The freight subsidy is proposed to be offered on the pattern of 2009 when the subsidy was offered due to low prices at that time,” Markfed official said.

In the year 2009, when potato rates plummeted, the Punjab Government had offered same amount of freight subsidy to growers. Because of excess supply of crop this year, farmers are fetching unexpectedly lower rates of Rs 1 per kg for potato, which was stored in cold storages while Rs 2 to 3 per kg for early sown crop.

It may be recalled that a delegation of potato growers called on the Chief Minister in the first week of December at Jalandhar, demanding immediate release of freight subsidy to ensure remunerative prices to them, as the bumper potato crop this year is either being sold below the market price or perished due to slow movement or recession.

Plan to benefit farmers: Hooda

SUNDAY, 11 DECEMBER 2011 21:51

PNS | CHANDIGARH

Haryana Chief Minister Bhupinder Singh Hooda on Sunday said that the Central Government was considering a proposal under which instead of making an annual increase in prices of

agricultural produce, while fixing the Minimum Support Price (MSP), 50 per cent of the cost of agricultural production would be added as profit to the farmers.

Talking to the media persons at Ratia, Hooda said that the proposal would soon be implemented and the farmers across the country would be benefited.

He further stated that the State Government would implement the Right to Play on the pattern of Right to Education and with its implementation, the State and country would certainly get outstanding sportspersons who would make their marks by giving themselves good account in sports.

Hooda also listened to the grievances of the people of Ratia Assembly constituency and ordered the officers to redress them promptly.

He said the victory of Congress candidate in Ratia Assembly by-election had ensured that the Congress party would form the next Government in the State. The victory of Congress in Ratia had set in the process of new political polarisation in the State, added the Haryana Chief Minister.

No impact of heat on wheat crop, says DWR

SUNDAY, 11 DECEMBER 2011 21:49

PNS | CHANDIGARH

The Karnal-based Directorate of Wheat Research (DWR) on Sunday said wheat crop in Punjab and Haryana remains unaffected from prevailing high temperature in the region during winter. However, the DWR has asked wheat growers to complete crop sowing within recommended time schedule to prevent harmful impact of high temperature on crop.

Overall temperature in Punjab and Haryana, the major wheat growing States in the country, remained 3 to 4 degree more than the average temperature of last 4 to 5 years.

“We have not seen any adverse impact of high temperature during December on wheat crop in Punjab and Haryana,” said Indu Sharma, Project Director, Directorate of Wheat Research (Karnal). DWR is a nodal agency for wheat research in the country.

Acknowledging that temperature remained a bit higher in the region in December against average temperature, she said that mercury so far had remained within acceptable limit.

“We have observed overall temperature has not crossed 20 degree mark in December which will not cause harmful impact on crop,” she asserted.

However, she said that ‘winter crop’ could be affected if farmers did not follow recommended timing of crop sowing.

“Farmers who have grown variety like PBW 550 in October against the recommendation of sowing after November 15, their crop could face problems,” she said.

Pointing out that high temperature had the potential to hit the development of the crop, she said, “Increasing temperature during winter season can impact tillering stage of wheat crop, which means shoot development of crop can be affected.”

Over 90 per cent wheat sowing has been completed in both Punjab and Haryana in current Rabi season.

Business Standard

Monday, Dec 12, 2011

After kharif, coarse cereals face trouble in rabi season

Sanjeeb Mukherjee / New Delhi December 12, 2011, 0:53 IST

The plans of distributing nutritious coarse cereals along with grain under the proposed Food Security Act could run into rough weather, as overall output of these is expected to be poor this year.

An indication has come from below-normal sowing of coarse cereals like jowar, bajra, barley and maize during the current rabi season. These cereals saw a two million tonne shortfall in output in the kharif season.

The government's estimates of 2011-2012 had pegged coarse cereals' output during kharif at 30.42 million tonnes. The drop was due to poor rains in Gujarat, Maharashtra, Madhya Pradesh and Karnataka.

The situation seems unlikely to change much during this rabi season, despite the fact that coarse grains are normally planted in arid land.

Department of agriculture data show that the area under coarse cereals was almost 424,000 hectares less at 4.78 million hectares till December 9 this year, as against last year.

Maharashtra saw the the biggest drop, with the area under jowar (sorghum) estimated to be around 3.53 million hectares, almost 347,000 ha down from last year.

The government plans to substantially augment its annual coarse cereal procurement, along with wheat and rice, to meet its obligations.

A DOWNWARD TREND

States	2011 -2012	Change Over Previous Year
Maharashtra	2.45	-246,000
Karnataka	1.06	-50,000
Andhra Pradesh	0.27	-40,700
Rajasthan	0.27	- 8,700
Total	4.78	-424,000

NOTE: The total might not match as all the states where coarse cereals are grown during the rabi season has not been included.
Source: Department of Agriculture

Distribution of coarse cereals to poor sections has also been strongly favoured by many civil society organisations. The proposed food bill seeks to distribute these cereals at ~1 per kg to priority category households.

In the 2010-2011 crop marketing year that ended in October, the government procured 127,825 tonnes of coarse cereals largely comprising jowar, bajra, maize and ragi. In 2009-10, it had procured 406,828 tonnes.

Among other main rabi crops, the acreage under wheat was around 180,000 hectares down till last week. Sowing of oilseeds is marginally down as compared to the same period last year. While pulses acreage was 140,000 hectares more than last year, till last week.

THE HINDU Business Line

A slew of economy data to anchor direction

K Raghavendra Rao



Boost to liquidity? The inflation figures to be announced by the Government on Wednesday will be watched keenly by market participants. RBI is meeting on Friday to decide on key rates. A fall in headline inflation will give more leeway to RBI to infuse liquidity. (file picture)

December 11, 2011:

The stock markets have already factored in none too encouraging IIP numbers expected today and there could be a surprise up move.

Benchmark indices, however, are expected to remain in the range of five to seven per cent each on either side from last week's closing price until this month end.

Equity derivatives will continue to vacillate heavily within the above range in the absence of market depth. This will increase volatility, and create confusion until end of the calendar year.

This week will see a slew of economic data, both from India and abroad, making it interesting.

Inflation data on December 14 and RBI's mid-quarter review of the monetary policy on December 16 will set the direction of financial markets.

Yield on 10 year G-Secs is expected to hover in the range of 8.45 per cent (worst case) to 8.65 per cent. This will continue till the fresh set of fiscal deficit numbers come in which in all likelihood will result in higher government borrowing.

More than expected government borrowing will put pressure on liquidity and spike 10-year G-Sec yields if RBI does not do open market operations.

The much awaited Rs 10,000 crore tax-free bond issue of the National Highways Authority of India will coast through due to a better quality yield than its peer set.

The rupee can surprise the street with an upside, given the fact that the currency has been logging in gap openings as large as 40 paise to a dollar in recent times.

Global cues will fully depend on the Euro zone. The announcement of a fiscal union last week can result in the Euro rising to 1.37 dollars per Euro in the first half of the week.

But the fact still remains that the European Banking Authority (EBA) has estimated that banks in the Euro zone require another 114.7 billion Euros to re-capitalise their balance sheets.

On December 8 the EBA recommended that banks build up permanent and temporary buffers equal to September end market prices against sovereign debt exposures. It also wanted that these buffers be set aside such that core Tier -1 capital reaches nine per cent by June 2012.

It was not for revision in quantum of the buffers.

Finally, it said that sovereign bond sales could not be used as a substitute for maintaining the buffers as their primary objective was to reassure markets on the ability to absorb shocks (and still be capitalised) and not cover losses in sovereigns.

The US economy, on the other hand is showing more resilience on the back of improved job data. US stocks could rally this week as a result of liquidity moving away from US treasuries, sending yields from 2.05 levels to 2.20 levels.

Any upside breach of 80 levels on the dollar index sends out a strong bullish signal. Nymex crude futures and gold are expected to shed around three to four per cent from last week's levels.

Finally, watch out for a lot of global data points this week. Data on new Chinese loans in November, consumer price index data from US, Euro zone and UK and rate decisions from US and Switzerland are expected this week.

Also on the anvil are inflation numbers from UK, December monthly report from the European Central Bank, economic sentiment from Germany (ZEW sentiment) and large manufacturer's outlook from Japan (Tankan).

Kingsman trims India sugar output forecast to 25.5 mt

OUR BUREAU

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New Delhi, Dec. 11:

Delayed start to crushing in Maharashtra coupled with lower yields across the country has prompted leading industry analyst Kingsman SA to pare its India sugar output forecast marginally down to 25.5 million tonnes for 2011-12 sugar year starting October.

Earlier, Kingsman had predicted an output of 26 mt.

In the first two months of harvesting, the country has produced 20 per cent more than it did in the same period last year.

"This worries us that we may have reduced our estimate too much too soon. However, the main reason for better production so far is that Uttar Pradesh started crushing earlier than last year," Kingsman said in its latest update.

Kingsman expects consumption in India to grow from 22 mt to 22.55 mt. "Lower domestic prices in 2010-11 are expected to have stimulated demand.

In addition, the Government has lifted the restrictions on the amount of sugar trades can keep.

As a result, we expect to see the pipeline fattening up again and the mills sales increasing," Kingsman said.

Kingsman's earlier estimates of production and consumption were similar to that of the industry body — Indian Sugar Mills Association (ISMA), which has pegged the 2011-12 output at 26 mt and consumption at 22 mt.

In its fourth revision this year, Kingsman has predicted a marginal increase in global output to 174.12 mt for 2011-12, up from 173.244 from its previous estimates.

This is on account of upward revision in output in countries including Brazil, China, the European Union and Vietnam. However, it has left the numbers unchanged for Thailand despite the impact of floods and also for the Philippines.

Besides India, Indonesia and the United States are the other countries where Kingsman has projected a decline in output.

(This article was published in the Business Line print edition dated December 12, 2011)

Nearly 21% Coonoor tea remain unsold

P.S. Sundar

Coonoor, Dec. 11:

As much as 21 per cent of the 4-week low offer of 14.23 lakh kg worth about Rs 1.75 crore offered for Sale No: 49 of Coonoor Tea Trade Association auctions remained unsold despite shedding Rs 2 a kg.

“Orthodox leaf lost Rs 2-3 a kg. CTC leaf market lost up to Rs 2 following a general low demand. Orthodox dusts showed irregular up and down movement of Rs 5-10. While high-priced CTC dusts gained Rs 2-3, plainers lost Rs 1-2,” an auctioneer told *Business Line*.

Among CTC teas, Homedale Estate, auctioned by Global Tea Brokers, topped at Rs 141 a kg. Vigneshwar Estate got Rs 138, Hittakkal Estate Rs 135, Shanthi Supreme Rs 134 and Blue Monte Speciality Rs 133. In all, 54 marks got Rs 100 and more.

Among orthodox teas from the corporate sector, Chamraj got Rs 183, Curzon (Rs 178), Tiger Hill clonal (Rs 166), Kairbetta (Rs 162), Highfield Estate (Rs 159) and Havukal (Rs 155). In all, 33 marks got Rs 100 and more.

On the export front, Pakistan bought in wide range – Rs 50-73 a kg and the CIS Rs 47-64.

Quotations held by brokers indicated bids ranging Rs 43-48 a kg for plain leaf grades and Rs 80-133 for brighter liquoring sorts. They ranged Rs 44-49 for plain dusts and Rs 85-138 for brighter liquoring dusts.

(This article was published in the Business Line print edition dated December 12, 2011)

Pepper market sees mixed trend

G.K. Nair

Kochi, Dec. 11:

Pepper market last week witnessed mixed trend with limited activities due to slack demand from both overseas and domestic market.

Though the Indian parity last week remained below other origins and was complimented by overseas buyers, there was no orders forthcoming. One of the reasons attributed was the alleged delay in transshipment from here for want of timely mother vessels. Reports of easier Vietnam market used by the bear operators as a tool pulled the market down while bull operators capitalising on the current limited availability pushed up prices. Dec contract on the NCDEX last week increased by Rs 510 to close at Rs 35,620 a quintal, while Jan and Feb dropped by Rs 180 and Rs 360 respectively to close at Rs 34,700 and Rs 34,405 a quintal.

Total turnover increased only by Rs 2,462 tonnes last week to close at 26,093 tonnes. Total open interest moved up by 982 tonnes during the week to end at 12,235 tonnes.

Spot prices increased by Rs 400 during the week to close at Rs 33,500 (ungarbled) and Rs 35,000 (MG 1) a quintal.

During last week some good quantities were traded on the spot due to non-movement of consignments from Idukki to the other side of the border in Tamil Nadu because of the unrest across the border due to the Mullaperiyar dam dispute.

Lack of overseas demand for the past one week could also be attributed to the fluctuation in the currency rates on the one hand and reports of Vietnamese new crop arrival next month on the other.

There was reportedly good pressure last week from Karnataka, which has reduced its offering price for 550 GL to Rs 338-339 a kg delivered Kochi.

(This article was published in the Business Line print edition dated December 12, 2011)
