THE HINDU

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Takers on the rise for TNAU technologies

Amutha Kannan

The Business Planning and Development Units are involved the process

Reaching out

Name of Technology	Year of Licensing
TNAU Panchagavya	2008
TNAU Egg Removal Device	2009
Herbal Insect Repellant	2009
cry 2Ai Gene	2010
Solar Crop Drier	2010/11
TNAU Master Trap	2011
SRI Power Weeder	2010/11
Ready to cook mix food from Pearl Millet	2011
Minimal Processing of Banana Pseudostem	2011
TNAU Stored Grain Insect Management Kit	2011
Banana Pseudostem Injector	2011

It has been a constant worry of the agricultural scientific community that the technologies developed by them are not being put to good use by farmers. Tamil Nadu Agricultural University set up the Directorate of Agri-Business Development (ABD) in 2007 to ensure that the many viable agro-technologies developed by the university reached the farmers.

Since the university cannot commercialise the technologies, it uses private companies and entrepreneurs, to which it transfers the technology for a fee, to commercialise and market them.

While the response of the private companies at the initial stages was lukewarm, the present scene shows an altogether different picture.

The Business Planning and Development Units (BPD) of the ABD is involved in commercialising the technologies.

From 2008 till date, it has successfully commercialised 11 technologies. From one technology a year in 2008, it is now seven technologies so far in 2011 alone. According to P. Sivasubramanian, Director, ABD, the response is mainly because of two reasons.

The university has been promoting the technologies in various events attended by relevant stakeholders, and the other is that many businesspersons and entrepreneurs are showing interest in agro-based industries.

The commercialisation process happens this way: Once a company is identified, it presents a letter of interest to the Director.

The university fixes the one-time technology transfer fee based on the market potential of the desired technology.

This is informed to the licensee company.

The university gives the company the license to use the technology of the university.

The company pays a royalty to the tune of three to four per cent of the annual gross sales of the product every year to the university.

The university officials periodically visit the company to ensure compliance of quality and monitor sales of the product. Though the university is keen to commercialise more number of technologies, it ensures that there is no outright sale or exclusive licensing. Some technologies are licensed to more than one company so that more farmers are benefitted. Some technologies / products are subsidised.

The university gives the prototype to the company which manufactures the commercial model.

The university tests the product and based on its report the Government gives the subsidy.

The Directorate also has an agri-business incubator which now supports ventures of 40 members.

P. Murugesa Boopathi, Vice-Chancellor of the university, is evidently happy with the increasing response.

“There are 80 lakh farming families in the State. Out of these, a majority are small and marginal farmers possessing small holdings. The technologies and machinery / equipment developed by

TNAU will help these people continue farming in the face of labour shortage and other constraints,” he said.

Agreeing that more entrepreneurs were showing interest in agro-based industries, the Vice-Chancellor said this meant cost-effective and efficient agro-technologies would reach a large number of farmers.

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Store potato: farmers told

Staff Reporter

Price to go up Likely to decline after February

The Domestic and Export Market Intelligence Cell of Tamil Nadu Agricultural University has asked farmers to store the Kadaibogam potato being harvested in December.

Harvest

The potato, sown in September-October, is harvested from December 15.

According to the results of the analysis made based on the price that prevailed for the last 21 years at the Nilgiris Co-operative Marketing Society, Mettupalayam, farmers are asked not to sell potato immediately.

The price of potato is expected to hover around Rs. 14 and Rs. 16 a kg in December and between Rs. 15 and Rs. 17 a kg during January 2012.

The price is expected to be around Rs. 19 in February next year. After February 15 it may start declining due to arrival of Kolar potato.

Hence, farmers are asked to store potato and sell in January or February 2012, but not later than February 15.

Contact

For details, contact 0422-2431405.

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Farmers told to be cautious of foot and mouth disease in cattle

Staff Reporter

Farmers rearing cattle are advised to be cautious and prevent their cattle from getting contracted by viral diseases – especially foot and mouth disease.

The special weather advisory bulletin from the Krishi Vigyan Kendra (KVK) states that measures should be taken as the change in climatic conditions during this season could favour spread of such diseases.

Prevention

KVK Programme Coordinator Dr. B. Mohan said that occurrence of such diseases could be prevented by disinfecting the sheds in which the cattle are sheltered – by mixing 4 percent sodium carbonate, phenol or glutaraldehyde (at 4 grams in 1000 ml water) and spraying it in the sheds.

He said that affected animals should be isolated from the healthy ones and treated for their wounds in mouth. The weather report from Wednesday to Friday from the Agrometeorological Advisory Services states that the sky will be cloudy due to mild presence of the northwest monsoon over south coastal Tamil Nadu. With the weather expected to turn colder the maximum day temperature is expected to come down to 28°C while minimum night time temperature could remain around 17°C.

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Meet on ‘Industry and Institute Interaction in Biotechnology'

Staff Reporter

The Biotechnology Department of K.S. Rangasamy College of Technology, Tiruchengode, is organising a conference-cum-scientific meet on ‘Industry and Institute Interaction in Biotechnology'.

Over 60 eminent biotechnology firms across the country would be participating in the conference to be conducted on December 22 and 23 at the institution premises. Eminent academics from the reputed institutions such as University of Hyderabad, University of Mysore, IIT (Chennai), NIT (Calicut), Anna University (Chennai), National Chemical Laboratory (Pune), University of Madras, Pondicherry Central University, Cochin University of Science and Technology and Acharya Nagarjuna University (Andhra Pradesh) will address students.

Head of the Department P. Ponmurugan said that the interactive programme is aimed at facilitating a link between the industries and institutes to help students to have better exposure to the industry.

Dr. Ponmurugan expressed confidence that the programme would work towards joint research programmes between industries and institutions, field visits for faculties and students in the industry site and pave way for promotion of entrepreneurship in technical institutions.

Representatives of various biotech companies will deliver a brief presentation. Project presentation

Project idea presentations by the students will be conducted the following morning, during which students will present their research proposals to the companies. The most relevant project will get funding upto Rs. one lakh.

The event will be a great enriching experience for the student community, Mr. Ponmurugan said.

Small tea growers to be given awards

D. RADHAKRISHNAN

In tune with the proactive role which the Tea Board has been playing over the last few years to create a niche for the small tea growers segment in the tea producing community of the country, an award scheme has been evolved to motivate stake holders.

Christened ‘QualiTEA 2010',the award stated to be the first of its kind is aimed at consolidating the efforts of the Tea Board vis a vis Quality Upgradation among the small tea growers particularly of the Nilgiris.

It was being presented in recognition of their contribution to quality upgradation in tea production in South India.

Pointing out that it will encourage them to produce high quality tea consistently, the Executive Director, Tea Board R. Ambalavanan, told *The Hindu* here on Tuesday that the quality movement set in motion by the Tea Board in association with the United Planters Association of Southern India (UPASI) not only facilitated but also inspired the small sector to become a force to reckon with.

Categorised as small tea growers or progressive small tea growers depending on the extent of land owned by them in the Nilgiris, Wayanad and Idukki, it is proposed to give rupees 10,000 each to fifty of them who have done well.

In the Bought Leaf Tea Factories category the top three will get Rs. 1 lakh, Rs. 75,000 and Rs. 50,000 respectively. Regional awards would also be given.

Pointing out that a significant corollary of the Quality Upgradation Programme was the formation of small tea grower societies, he said that ten of them will get Rs. 50,000 each.

In the Buyers category six will receive certificates.

The awards will be presented at Coonoor on December 28 by the chairman, Tea Board, M.G.V.K. Bhanu.

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Training for farmers

Special Correspondent

A day long training programme for farmers was organised under the aegis of the Horticultural Research Station (HRS) of the Tamil Nadu Agricultural University at Kookalthorai near Kotagiri on Monday.

Addressing the farmers N.Selvaraj, Head, HRS, underscored the need to revive cultivation of traditional crops.

Excessive intake of rice should be discouraged and consumption of nutritious vegetables encouraged. The farmers should take up organic cultivation and improve their health.

During the main season in 2012, seeds of the traditional grains and different beans varieties will be supplied by the HRS, to the farmers

of Kookalthorai watershed. Samraj of the Keystone Foundation said that an organic farmers association should be formed.

Magesh of Nokia Services, Bangalore also spoke. Rajendran proposed a vote of thanks.

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‘Interest-free lending to farmers extremely difficult'

Special Correspondent

Rangarajan for upgrading the retail system of marketing

C. Rangarajan, Chairman, Economic Advisory Council to the Prime Minister, on Tuesday ruled out large-scale interest-free lending to farmers and said that it was extremely difficult to extend this facility in view of the absence of any incentive to depositors in terms of interest on the money they deposit in banks.

Corruption

Speaking on ‘The current economic scene' at an interaction with global and Indian visionaries, organised by the Kristu Jayanti College here, Mr. Rangarajan said corruption affected good governance, added to the cost of the projects and led to misallocation of funds and resources.

He stressed that the corrupt should be punished through administrative mechanism. Controls, permits and quota raj were still in vogue and they bred corruption, he added.

On the rising prices of petroleum products, the economist said that it was because of the fluctuating price of crude oil in the international market, and oil companies here, mostly PSUs, had been given a free hand. In some countries, petrol price fluctuates almost every day, but Indian companies are supposed to review it every fortnight, he said.

On foreign direct investment (FDI) in multi-brand retail, he said there was a need for upgrading the retail system of marketing and FDI would help consumers, a large network of retailers, and farmers. It would also help improve food availability in the country, he added.

Mr. Rangarajan said the percentage of below the poverty line families in India had come down from 37 in 1993-04 to 30 in 2004-05. He hoped that the Indian economy could continue to grow at 9 per cent with savings at 34 per cent of the GDP and other parameters.

His wife, Haripriya Rangarajan, was present.

Programme coordinator Aloysius Edward J. welcomed the gathering and Rev. Fr. Jose P.J., principal in-charge, proposed a vote of thanks.

- *'FDI retail will help improve food availability in the country'*
- *'The corrupt should be punished through administrative mechanism'*

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Training in breeding fish

The Marine Products Export Development Authority (MPEDA) will organise a five-day training for youth in breeding ornamental fish on its premises in Mangalore. MPEDA will give 50 per cent subsidy to small and medium export projects that will be taken up by those who complete the training. For details, contact MPEDA office at 0824-2440360, 9686141922 and 9620606936.

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'Government should keep its assurance to cashew farmers'

The Karnataka Pradesh Krishik Samaj has urged the State Government to keep its assurance given to cashew growers in 1957.

President of the district unit of the Samaj Ashok Kumar Kodgi told presspersons on Tuesday that the State Government had given barren land to farmers in Udupi and Dakshina Kannada districts to grow cashew plantations, on a lease of 30 years at nominal rates in 1957.

As per the terms of the lease agreement, the farmers should have got the ownership of the land in 1987-88. But this had not happened.

Various farmers' organisations had taken up the issue with successive governments. The Government had given the land for cashew cultivation on a 30-year lease in 1957 at nominal rates.

A committee comprising the District In-charge Ministers of Udupi and Dakshina Kannada, Chairman of the Taskforce for the Implementation of the Third Finance Commission Report A.G. Kodgi, and elected representatives and legal experts, had recently decided to give the (earlier leased) lands to the owners after taking an amount nearly 1,000 times to the nominal rates fixed in 1957. There were 286 farmers who got land on a 30-year lease for cultivation of cashew in Udupi. The number of such farmers in Dakshina Kannada was around 450. Office-bearers of the Samaj Pradeep Hebbar, S.D. Sampath Samrajya, Subhashit Kumar, and Naveenchandra Jain were present.

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Mission to save rare wild pepper variety

T. Nandakumar

Threat due to unsustainable extraction from habitat

Preservation: Jawaharlal Nehru Tropical Botanic Garden and Research Institute's Division of Plant Genetic Resources Head P.J. Mathew beside the vines of wild pepper planted at the institute near Thiruvananthapuram.

Scientists at the Jawaharlal Nehru Tropical Botanic Garden and Research Institute (JNTBGRI) at Palode near here are racing against time to save a rare type of wild black pepper from being wiped out of existence.

The institute had taken up vegetative propagation of the wild variety that is threatened by unsustainable extraction from its natural habitat in the remote forests of the south Western Ghats. Characterised by a lemon-scented leaf, the genetic variant named Piper nigrum L. ‘PMM' had been found to possess unique properties that imparted it a high commercial potential.

Tests carried out at the institute had revealed that the fruits of the species possessed a significantly higher yield of essential oils and contained a larger percentage of piperine (the constituent that imparted it the pungent taste).The scientists were trying to cross- pollinate the wild species with cultivated varieties for genetic improvement of the spice crop.The second generation of the vines collected from the wild and planted at the institute had also been found to possess the same properties. Chemical analysis tests revealed that the unique lemon scent of the leaves was due to the presence of aroma chemicals such as citral derivatives and bicyclogermacrene while the high pungency of the fruits was attributed to the elevated level of piperine.“The south Western Ghats, one of the biodiversity hotspots in the world, is the centre of origin and diversity of pepper. However, reckless harvesting from the wild has led to heavy gene erosion. There have been reports of tribes pulling out the vines by their roots for sale to middlemen,” according to K.B. Rameshkumar, scientist, Department of Phytochemistry, JNTBGRI. It was in 2008 that a team of scientists from the institute stumbled upon the wild variety of pepper in the Western Ghats during a plant exploration mission. Stem cuttings were taken back to the experimental garden at the JNTBGRI for planting and propagation.

Considering its coexistence with other types of pepper in the wild, the scientists concluded that the unique properties of Piper nigrum L. ‘PMM' were genetically determined and not just due to the influence of the environment. They felt that the genetic variation could have accumulated as a result of inter-crossing, segregation, and random mutations. “The international market for black pepper is quality-oriented. This is where genetic variants with characteristic attributes assume significance in plant improvement,” says P.J. Mathew, Head, Division of Plant Genetic Resources.

'Inflation above comfort level, govt concerned'

Agencies Posted online: Tue Dec 20 2011, 18:29 hrs

New Delhi : The government today said inflation, which is above comfort level, is a matter of concern and steps are being taken to address the price situation.

"...inflation has been above comfort level and is a matter of concern," Finance Minister Pranab Mukherjee told the Rajya Sabha in a written reply.

He, however, expressed satisfaction that inflation has started to decline.

The headline inflation declined to 9.11 per cent in November against 9.73 per cent in the previous month. Similarly, food inflation eased to a nearly four-year low of 4.35 per cent for the week ended December 3.

Mukherjee said both the government and Reserve Bank were taking steps to contain inflation.

Steps taken by government include, reducing import duties on pulses and edible oil to zero and banning export of certain edible oil and pulses. Besides, the government has reduced customs duty on crude oil.

The RBI on its part has adopted a tight monetary policy since March 2010 in its bid to tame inflation.

When asked if increasing interest rates was the only option in the monetary policy to contain inflation, Mukherjee said RBI has multiple monetary policy instruments at its command. However "the use of each instrument is situation specific".

Mukherjee further said high inflation and some of the efforts to control liquidity "has detrimental" effect on growth in the short term.

Since March 2010, the RBI has cumulatively raised the cash reserve ratio (CRR) by 100 basis points, and hiked the policy rate (repo rate) 13 times by 375 basis points.

However, in its latest mid-quarter review, the RBI refrained from raising interest rates.

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the pioneer

Haryana to focus on raising farm yield

TUESDAY, 20 DECEMBER 2011 23:09

PNS | CHANDIGARH

Haryana will lay emphasis on increasing foodgrain yield in wake of the proposed Food Security Act, which has mandated to provide food to poor families at low rates.

“The State Government has now decided to focus on vertical growth in agriculture as there has been stagnation in its horizontal growth,” CM Bhupinder Singh Hooda told reporters on the sidelines of a seminar. He was asked about steps to be taken by the State to raise production after implementation of Bill.

Hooda acknowledged that the farm yield in both Punjab and Haryana has reached plateau. “There is a need to remove yield gap by increasing credit flow to farmers and providing technical assistance to them,” he said, adding that the State Government has already started taking effective steps to increase vertical agricultural production.

While one Centre of Excellence for agriculture production has been set up at Gannaur with the help of Israel, 12 more such centres would be set up in the State to give boost to agricultural production, he added.

Earlier, addressing a seminar organised by NABARD, the Chief Minister asked banks to provide Kisan Credit Cards to all farmers, bring the entire farming community into the banking fold, and play a decisive role in accelerating the pace of economic growth. He said 1,838 unbanked villages, having a population of more than 2,000 in Haryana, have been identified and allocated to different banks for coverage.

Business Standard

Wednesday, Dec 21, 2011

India`s milk procurement up 1% in 2010-11: NDDB

Bs Reporter / Mumbai/ Ahmedabad December 21, 2011, 0:26 IST

World Bank's approval for NDP-I is expected soon, says Amrita Patel,

Milk procurement by the dairy cooperatives in the country showed marginal growth of one per cent over the last year with a milk collection of 9.6 million tonnes in the current year, informed National Dairy Development Board (NDDB) in its annual report for 2010-11.

However, marketing of the liquid milk by dairy cooperatives rose by around 4 per cent over the previous year and stood at about 8.2 million tonnes in 2010-11, the report stated.

According to NDDB, India continued to be the largest milk producing country in the world during 2010-11 with estimated milk production of 121 million tonnes for 2010-11. This constitutes close to 17 per cent of world milk production.

In order to meet the rising domestic demand for milk, NDDB planned a multi-state initiative and prepared a National Dairy Plan (NDP) with a fifteen year horizon. "NDP - I has been appraised by the World Bank and the approval for the project is expected shortly," informed Amrita Patel, chairman, NDDB.

Additional funding for activities that are commercial in nature such as plants for milk processing and manufacture of cattle feed, are being explored with the International Finance Corporation (IFC), an affiliate of the World Bank, NDDB informed in a statement issued on

Tuesday.

According to Patel, Higher GDP growth, increased incomes in rural areas through schemes like MGNREGA and a growing population are contributing to a rapidly growing demand for milk. Increasing domestic milk production at the pace required through adoption of a scientific approach would be the only way to meet the surge in demand.

The NDP aims at contributing to increasing milk production by increasing milch animal productivity in existing milch animals through a focused and scientific process for breeding and feeding.

The first phase of the NDP is proposed to be implemented over a period of six years and envisages an investment of around Rs 2,000 crore for various activities aimed at improving milk production.

The project is proposed to be carried out by End Implementing Agencies (EIAs) including state cooperative dairy federations, district cooperative milk producers unions, producer companies and state livestock development boards to create an enabling environment for the successful implementation of the project.

Castorseed futures fall on profit-booking

Press Trust of India / New Delhi December 20, 2011, 13:24 IST

Castorseed futures prices weakened by Rs 117 to Rs 3,850 per quintal today, on the back of profit-booking at higher levels.

Marketmen said increased supply and reduced offtake by consuming industries in physical markets, put weight here on castorseed futures prices.

Profit-taking on existing higher levels also put pressure on the prices.

At the National Commodity and Derivatives Exchange, the December contract plunged by Rs 117, or 2.95%, to Rs 3,850 per quintal, witnessing an open interest of 2,980 lots.

January castorseed also fell by Rs 16, or 0.41%, to Rs 3,889.50 per quintal, persisting an open interest of 4,620 lots.

Guarseed futures hit upper circut on limited stocks

Press Trust of India / New Delhi December 20, 2011, 12:47 IST

Guarseed futures prices hit a daily upper limit of four% by adding Rs 255 to Rs 6,616 per quintal today, on the back of low inventories amid firm export demand.

All the seven running contracts hit the upper circuit today in early morning.

Marketmen said tight stocks position triggered by fall in production this year mainly pushed up the prices.Strong export demand and firming trend in overseas markets also influenced the trading sentiments, they said.At the National Commodity and Derivatives Exchange, the December contract shot up by four%, or Rs 255 at Rs 6,616 per quintal, with an open interest of 8,020 lots.
January guarseed too remained higher by a similar margin by adding Rs 260 at Rs 6,757 per quintal, having an open interest of 1,45,670 lots.

The far June month contract also freeze in daily upper limit of four%, or Rs 276 to Rs 7,169 per quintal, clocking an open interest of 310 lots.

THE HINDU Business Line

Cashew market subdued on volatile global economy

G.K. Nair,Kochi, Dec. 20:

The cashew market was very quiet last week with a steady to soft tone. There was very little buying interest.

However, some selling interest from few processors was seen, but most of the large processors were withdrawn, trading sources in Mumbai said.

Price levels were more or less unchanged at around $4 for W240; $3.75 for W320; at around $3.60 for W450; at around $3 for Splits & Butts and for Pieces at around $2.85/lb (f.o.b).

China continued to buy selectively in Vietnam. Indian market continued to be very quiet.

Raw Cashew Nut (RCN) market is at a standstill. There is no activity in Tanzania as the Board is not willing to accept lower bids in the auctions.

Traders, who have stocks, have reduced their offers but there is not much buying interest because of dull kernel market and depreciation of Indian rupee against the dollar, Mr Pankaj N. Sampat, a Mumbai-based dealer told*Business Line*.

Economic uncertainty

The volatile economic situation in Europe and to some extent in the US, is making things difficult for all businesses to take any long term positions as it is impossible to forecast how things will develop in the coming weeks and months, he said. And what happens there will effect other countries too.

One concern which was voiced earlier also, is that the cashew trade might find itself in a situation where RCN are available but kernel supply could be tight.

Normally by the end of Dec, 90 per cent of the Tanzania crop is shipped out and instead, this year, it will probably be less than a third.

This could mean that processing in India and Vietnam in first quarter will be much lower than normal. Apart from that, delay in shipments will mean deterioration in quality and kernel yield.

It seems that the stand-off in the market will continue for some time. Until there is some indication of demand trend, buyers will be reluctant to buy at current levels.

(This article was published in the Business Line print edition dated December 21, 2011)

Turmeric market closed

— Our Correspondent

Erode, Dec. 20:

Following the death of a member of the Erode Turmeric Merchants Association, all the four turmeric markets were closed on Tuesday. The auction will be conducted on Wednesday.

Traders said that they are expecting heavy arrival of more than 15,000 bags of turmeric for sale on Wednesday, when certainly the prices will go down sharply. — Our Correspondent

(This article was published in the Business Line print edition dated December 21, 2011)

India remains world leader in milk production: NDDB

OUR BUREAU

Anand (Gujarat), Dec. 20:

India continues to be the largest milk producing nation in the world in 2010-11, the National Dairy Development Board (NDDB) said here on Tuesday.

NDDB's Annual Report for 2010-11 said the country's estimated milk production for 2010-11 is 121 million tonnes (mt), close to 17 per cent of world milk production.

During the year, dairy cooperatives collected 9.6 mt, a growth of around one per cent over last year. Liquid milk marketing by cooperatives increased by around 4 per cent over the previous year and was about 8.2 mt in 2010-11, according to an NDDB statement.Higher GDP growth, increased incomes in rural areas through schemes such as MGNREGA and growing population are contributing to a rapidly growing demand for milk, said Dr Amrita Patel, Chairman, NDDB. It is, therefore, imperative that a scientifically planned multi-State initiative is launched.

The first phase of NDDB's 15-year plan, known as National Dairy Plan (NDP), has been appraised by the World Bank and approval for the project is expected in early 2012, she added.

(This article was published in the Business Line print edition dated December 21, 2011)

Sugar mills in a fix over drop in prices

M.R. Subramani

Chennai, Dec. 20:

A near 10 per cent drop in sugar prices since the beginning of this month has left mills in a quandary. The situation is particularly grim with regard to mills in Uttar Pradesh, according to sources in central Uttar Pradesh.

“Sugar prices in Uttar Pradesh have dropped to Rs 2,900 and below for a quintal. At the same time, production costs, including higher cane price, have increased by Rs 500 a quintal. Last year, during the same period we were getting Rs 3,000. Even at that price we would have made loss,” said a miller from the northern State.

For the current season that began in October, Uttar Pradesh has increased the State Advised Price for sugarcane to Rs 2,500 a quintal, up Rs 400 over last year.

“If Uttar Pradesh is going to produce 60 lakh tonnes of sugar as projected, then the industry in the State will end with Rs 300 crore loss,” the miller, who did not wish to be identified, said.

Besides higher price for cane, mills have to incur additional conversion costs such as diesel, petrol, labour and bags, including jute, for packaging. “The higher conversion cost could come to around Rs 70 a quintal,” he said.

Things are a little better in Maharashtra, the other major sugar producing State. “Maharashtra mills could be making a loss between 50 paise and Re 1 a kg against Rs 5 a kg in Uttar Pradesh,” said an industry source from Mumbai.

“Uttar Pradesh mills are suffering because of politics dictating policies. This is because the State is heading for elections soon,” the source said. “Also, recovery of sugar from the cane in the northern State is lower at 8.5-9 per cent against 10 per cent in Maharashtra,” the source said.

Open market sale quota

Sugar prices have dropped over Rs 300 since the beginning of the month and the industry attributes this to higher open market sale quota declared by the Government for this month at 17 lakh tonnes (lt). This is apart from the 2-lt to be distributed through ration shops. Every month, the Centre decides on the quantity of sugar to be sold in the open market and through rations shops. The industry has been asking the Government to end this practice in vain.

“The problem is not sale quota but mills in Karnataka, Andhra Pradesh and Punjab going to courts to supply more sugar in the market. Some 1-1.5 lakh tonnes come to the market through court orders and these suppress the market,” the industry source said, adding that such sugar is sold at a discount of Re 1 a kg.

Bids in the futures market to close or cut open positions are also seen as dampener on sugar prices, according to trade sources.

On December 13 and 14, prices dropped by Rs 200 a quintal in the futures market, affecting the spot market, they said.

The decision by the Centre to allow 10 lt sugar exports was taken late, said the UP miller. But the industry source said the decision has been taken well before February when a clear picture on the production front will be available.

“Sugar production is estimated between 240 lt and 260 lt (243 lt last year). It will be clear only by February,” the industry source said.

According to the miller, sugar prices ruled in the global market around $670 in October. Had the Centre taken a decision then, it would have earned them a premium of Rs 8 a kg. “Now, we can look to a premium of Rs 2 a kg only,” the miller said, pointing to the gains that have been lost. On Tuesday, refined or white sugar was quoted at $607.

The outlook on the price front is not bright in view of higher production this year.

“If current situation prevails, cane payment to farmers will be affected,” said the miller.

Currently, mills avail loans from banks that provide 85 per cent of the sugar price as advances. “We are paying what we get as loans to farmers for the cane. This means they are not paid fully,” the miller said.

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(This article was published in the Business Line print edition dated December 21, 2011)

Mixed trend in spot rubber

Our Correspondent
Kottayam, Dec. 20:

Physical rubber prices saw a mixed trend on Tuesday. Traders seemed to be cautious since the market is hovering just above the critical level of Rs 200 a kg for sheet rubber.

Either an improvement in supplies or buyer resistance could trigger another bear spell, an observer said.

In the international market, natural rubber prices strengthened tracking the gains in crude oil.

Moreover, expectations that China might initiate purchases much ahead of the Chinses New Year which falls on January 23 improved sentiments.

Sheet rubber finished unchanged at Rs 201 a kg, according to traders.

The grade increased to Rs 201 (200.50) a kg both at Kottayam and Kochi, according to the Rubber Board.

In futures, the January series closed at Rs 203.90 (203.29), February at Rs 205.72 (205.23), March at Rs 208.66 (208.49), April at Rs 213 (213) and May at Rs 214 (214.40) a kg for RSS-4 on the National Multi Commodity Exchange.

RSS-3 (spot) inched up to Rs 177.99 (177.18) a kg at Bangkok. The December futures for the grade improved from ¥250 a kg to ¥251.5 (Rs 170.88) in the night session on the Tokyo Commodity Exchange. Spot rates were (Rs/kg): RSS-4: 201 (201); RSS-5: 197 (197); ungraded: 191 (190); ISNR 20: 188 (187.50) and latex 60 per cent: 110 (110).

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Farm labour shortage triggers higher herbicide usage

VISHWANATH KULKARNI

Market size for such products put at Rs 2,000 cr

New Delhi, Dec. 20:

Shortage of farm labour triggered by migration and social welfare schemes such as Mahatma Gandhi National Rural Employment Guarantee Act is resulting in increasing usage of herbicides in the country. Also the rising labour wage component in the total cost of cultivation is aiding such a trend.

Companies including Monsanto India, Dhanuka Agritech, Excel Crop Care Ltd and state-run Hindustan Insecticides Ltd (HIL) have seen a rise in herbicide sales in the past couple of years.

“With the rising costs and labour shortage, farmers are inclined to use herbicides which are cheaper and more economical (compared to manual weeding),” said Mr M.K. Dhanuka, Managing Director, Dhanuka Agritech. The company has seen its herbicide sales almost double in the past five years and now account for a third of its overall sales. Dhanuka earns more than Rs 100 crore from Targa Super alone, a proprietary herbicide belonging to Nissan Chemicals, which it distributes in India.

The herbicide or weedicide category in India has been growing at over 15 per cent and the market size for such products is estimated at Rs 2,000 crore. Weeds are wild plants that grow on the fields and obstruct the growth of crops thereby, affecting productivity. They also consume a portion of fertilisers and water applied to the field. Weeding of such unwanted plants has largely been a manual process so far in the domestic agriculture sector.

The oft-repeated weeding is an important process of the crop cycle and accounts for a chunk of the cultivation costs. The average farm labour costs have risen by over 125 per cent in the past eight years. The popularity of rural job schemes has resulted in shortage of labour for the farm sector.

Monsanto India has also seen a rise in sales of Roundup, a glyphosate-based herbicide. “The demand is not only from farm or plantations sector, but also for non-crop use in the industrial segment,” said Mr Gyanendra Shukla, Director, Corporate Affairs at Monsanto India.

Roundup is being increasingly used to contain weeds in industrial premises as the labour costs on the rise, he added.

Hindustan Insecticide Ltd has also seen a rise in its herbicide sales, which will play a major role for the company going forward, said Mr N. Ramamoorthy, General Manager for Marketing. HIL, which has a portfolio of some six-seven herbicide products including that of butachlor, has seen its revenues grow from the category by about 15 per cent on an annual basis.

The increasing proliferation of genetically modified crops such as Bt cotton has also opened up growth opportunity for the weedicide segment. For Excel Crop Care Ltd, revenues from weedicide have gone up to 25.43 per cent of its total revenue of Rs 470 crore in 2010-11. Weedicides accounted for 23.6 per cent of Excel Crop Care's revenue of Rs 403.9 crore in 2009-10.

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Mixed trend in edible oils

Mumbai, Dec. 20:

Edible oils witnessed a mixed trend on Tuesday. Soya refined oil and rapeseed oil rose by Rs 2 and Rs 4 respectively tracking firm reports of lower arrivals in producing areas.

Cotton and palmolein declined by Re 1 each on fresh selling pressure and price reduction made by local refineries. In absence of demand, the volume was very thin and need based. Resalers were offering palmolein Rs 582–583, while refineries rates were higher. About 100-150 tonnes of edible oils were traded. Liberty was quoting Palmolein at Rs 585-587 for December – January delivery and super palmolein at Rs 605. Ruchi was quoting Palmolein at Rs 585, Soya refined oil at Rs 665 and Sunflower refined oil at Rs 705 for January. Allana's Palmolein was at Rs 583 for December. Mewah was quoting Palmolein at Rs 585 for December and super palmolein at Rs 605.

Bursa Malaysia Derivatives crude palm oil January contracts closed at MYR 3,011 (MYR 3,021), February at MYR 3,019 (MYR 3,020), March at MYR 3,020 (MYR 3,020) and April at MYR 3,011 (MYR 3,018) a tonne. Soya oil for January futures closed lower at Rs 680.30 (Rs 685.10) on National Board of Trade in Indore.

Bombay Commodity Exchange spot rates (Rs/10 kg): groundnut oil 965 (940), soya refined oil 657 (655), sunflower exp. ref. 655 (660), sunflower ref. 720 (720), rapeseed ref. oil 758 (754), rapeseed expeller ref. 728 (724), cotton ref. oil 631 (632) and palmolein 584 (585).

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Nut shortage heats up groundnut oil

Our Correspondent

Rajkot, Dec. 20:

Despite nominal retail demand, prices of groundnut oil rose to Rs 1,600 a tin of 15 kg on the back of stockist and brands demand.

Groundnut oil gained Rs 10 to Rs 1,590-1,600 for 15-kg new tin. Groundnut oil loose was up by Rs 10 to Rs 970-975 for 10-kg. In some private trade, loose oil was traded at Rs 1,000 for 10 kg. while in Mumbai groundnut oil was traded at Rs 960 for 10 kg. About 100-150 tonnes groundnut oil was traded from oil mills in Saurashtra.

Cotton oil also increased in line with groundnut oil. It was traded at Rs 610-613 for 10 kg. Cotton oil new tin was traded at Rs 1,060-1,070 for 15 kg. About 700-800 tonnes cotton oil was traded here on Tuesday.

Mr Samir Shah, President, Saurashtra Oil Mills Association (SOMA), said: “The prices have increased because millers are facing a shortage of groundnut for crushing. Most of the groundnut is consumed for export at present. Moreover, farmers are increasingly holding on to the crop as they want higher prices for groundnut.” He said: “Most of the groundnut oil mills are working only two to three days in a week since last month.”

Groundnut is currently traded at Rs 4,000-4,100 a quintal and about 35,000 bags have arrived in Gujarat to add to a tally of about 1 lakh bags that came in earlier this month. According to a survey by the Solvent Extractors Association, kharif groundnut production this year is estimated to be 17.75 lakh tonnes (lt) against 18.70 lt last year.

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Slack buying takes pulses off the boil

Our Correspondent

Indore, Dec. 20:

Pulses either ruled flat or sluggish on weak buying interest from the millers. Besides sluggish buying from the millers, cheap availability of vegetables has also added to bearish sentiment in pulses. Chana (kanta) declined by Rs 25 to Rs 3,400 a quintal, while chana (desi) ruled at Rs 3,350. Chana dal also declined on weak demand with chana dal (average) being quoted at Rs 4,075-4,100 a quintal (Rs 4,100-4,125), chana dal (medium) at Rs 4,175-4,200 (Rs 4,200-4,225), while chana dal (bold) ruled firm at Rs 4,375-4,400.

Downtrend continued in masoor on weak buying support and demand with masoor (bold) being quoted at Rs 3,000 a quintal (down Rs 25), while masoor (medium) ruled at Rs 2,750. Masoor dal, however, ruled flat on subdued demand with masoor dal (average) being quoted at Rs 3,350-75 a quintal, masoor dal (medium) at Rs 3,475-3,500, while masoor dal (bold) ruled at Rs 3,575-3,600.

Weak demand also dragged down, tur with tur (Maharashtra) in the spot being quoted at Rs 3,400-3,450 (down Rs 50), while tur (Maharashtra) ruled at Rs 2,400-2,500. Poor buying support also dragged tur dal in the past two days with tur marka declining by Rs 100 at Rs 6,000 a quintal, tur dal (full) ruled at Rs 5,400-5,450, while tur dal (sawa no.) remained firm at Rs 4,400-4,450. Moong also declined on weak buying support with moong (bold) being quoted at Rs 4,200-4,300 a quintal, while moong (medium) ruled at Rs 3,600-4,000. Moong dal, on the other hand, ruled steady with moong dal (medium) being quoted at Rs 4,900-4,950 a quintal, moong dal (bold) at Rs 5,450-5,500, while moong mongar ruled at Rs 5,600-5,700.

Urad remained firm at Rs 3,400-3,500 a quintal, while urad (medium) ruled at Rs 2,800-3,000. Urad also ruled steady on subdued demand with urad dal (medium) being quoted at Rs 4,050-4,100 a quintal, urad dal (bold) at Rs 4,850-4,900, while urad mongar ruled at Rs 5,600-6,000 a quintal.

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Sugar rules flat on lukewarm demand

Our Correspondent

Mumbai, Dec. 20:

Sugar prices remained flat in Uttar Pradesh on lukewarm demand but saw a slight improvement in Maharashtra on Tuesday following increased demand from stockists at lower levels.

Maharashtra's mills sold over one lakh bags at ruling price to local traders on Monday evening. In Uttar Pradesh, sugar produced last season that ended in September was quoted at Rs 2,800 a quintal, while the one produced this season ruled at Rs 2,900.

In physical market, prices rose by Rs 10 a quintal while naka delivery prices showed mixed trend with Rs 20 plus or minus based on quality and need.

A wholesaler said that higher production parity is keeping millers to hold price. Buying by neighbouring States is also expected to improve along with local demand for coming Christmas festival. Once the upcountry buying improves prices are expected to rise sharply.

Sugar price in other producing centres and in futures were showing slight improvement. As of now, Vashi market is carrying an inventory of nearly 90 – 100 truckloads (of 100 bags each).

On Vashi market about 24-25 mills offered tender and sold 1-1.25 lakh bags in the range of Rs 2,800-2,850 (Rs 2,800-2850) for S-grade and Rs 2,880-2,970 (Rs 2,880-2,970) for M-grade.

Arrivals were at 50-52 truckloads and local dispatches were around 48-50 truckloads. Bombay Sugar Merchants Association's spot rates: S-grade – Rs 2,941-3,001 (Rs 2,931-3,000) and M-grade – Rs 3,000- 3,122 (Rs 3,000-3,112).

Naka delivery rates: S-grade – Rs 2,900-2,920 (Rs 2,900-2,940) and M-grade – Rs 3,000-3,050 (Rs 2,980-3,060).

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Low arrivals, offtake keep wheat firm

Our Correspondent

Karnal, Dec. 20:

Steady domestic demand coupled with low arrivals kept wheat prices firm on Tuesday.

It's unlikely to see any major alterations in dara prices in this week and prices may continue to rule firm around current levels, said Mr Sewa Ram, a wheat trader.

In the physical market, dara wheat prices increased by Rs 5-10 a quintal. Around 60 tonnes of dara variety arrived from Uttar Pradesh.

Dara at the Karnal Grain Market Terminal was quoted at Rs 1,130-1,140 a quintal, mill delivery was at Rs 1,160-1,170, while delivery at chakki was at Rs 1,175-1,180.

Limited stocks of desi wheat varieties arrived from Madhya Pradesh. Samrat was quoted at Rs 1,885, Tohfa was at Rs 2,040 a quintal, while Red Rose was trading at Rs 2,200 a quintal.

Wheat futures are also likely to remain supportive in this week following weak supplies in major producing States.

On the National Commodity and Derivatives Exchange, wheat for January delivery increased by Rs 9 to Rs 1,198 quintal; it had touched a high at Rs 1,208 earlier on Tuesday.

While wheat February contracts increased by Rs 8 to Rs 1,225.

Flour prices continued to rule flat and quoted at Rs 1,160-1,170 for a 90-kg bag. Chokar prices remained unchanged and sold at Rs 650-655 for a 49-kg bag.

Wheat sowing

Sowing of wheat has almost completed in this area and the remaining sowing will be completed by the first week of January.

An announcement of higher minimum support price was made in the last week of October and as a result area under wheat cultivation has also increased.

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Dam row hits coconut arrivals from TN

C.J. Punnathara

Kochi, Dec. 20:

With the Mullaperiyar issue becoming a sticking point, coconut oil arrivals into Kerala have fallen sharply and prices in Tamil Nadu have plunged.

“Arrivals from Tamil Nadu have fallen to a quarter of the previous levels and prices in Kerala remain subdued,” Mr Prakash B. Rao, Vice-President of the Cochin Oil Merchants Association (COMA), said.

Coconut oil prices were quoting at Rs 79 a kg in Kerala markets and Rs 74 in Tamil Nadu. Copra prices have fallen to Rs 53 a kg in Kerala and Rs 50 in Tamil Nadu markets. With corporate demand not surfacing, prices are likely to remain low, sources in the market said. This is even as prices of competing edible oils have been strengthening. Coconut arrivals from Andhra Pradesh are also stifling prices in Tamil Nadu.

With the erosion of the rupee against major currencies, imported edible oil prices have been moving up. Also, speculators have moved into edible oils as the price spurt became more pronounced. Normally coconut oil prices would also have moved up in tandem with the strengthening edible oil prices or it would have tempered the price rise.

However, this time nothing of that nature seems to be happening as coconut oil prices have become a hostage to the Mullaperiyar issue.

The increased demand for coconuts during the Sabarimala pilgrimage season is likely to strengthen the price trends. But the subsequent conversion of Sabarimala coconut to copra and then to coconut oil might ease prices further, although not very significantly, sources said.

Prices of competing edible oils such as palm oil have moved up sharply to Rs 64, while palm kernel oil prices have shot up to Rs 72 – close to coconut oil prices.

Unless the Mullaperiyar issue is kept in the backburner or corporate demand re-surfaces, coconut oil prices are not expected to make any recovery.

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