THE HINDU

Published: December 22, 2011 00:09 IST | Updated: December 22, 2011 00:09 IST

TNAU earn while you learn programme

The Government of Tamil Nadu has expressed keen interest to provide 'soil health cards' to each and every marginal farmers within a period of three years. As per current records, there are about 82 lakh farm holdings in Tamil Nadu, of which 90 per cent are marginal and small farm holdings, with an average size of 0.83 hectare per holding. Therefore, it is proposed to analyze 25 lakh soil samples per year.

To achieve this mammoth task, the Government held several discussions with the with the Tamil Nadu Agricultural University officials.

There are 11 constituent colleges and four affiliated colleges of Tamil Nadu Agriculture University with about 5,000 students spread over in various districts of Tamil Nadu.

"The students will be shortly engaged during holidays and weekends to collect soil samples and also data on farm holding profile such as, name of the farmer, survey number, land area, source of irrigation, farm machinery owned by farmers, number of wells, livestock, etc," says Dr. P. Murugesa Boopathi, Vice Chancellor.

"About 15 to 20 soil samples can be collected by each student in a day for which they would be given remuneration of Rs. 100 per day.," he says.

This system is similar to the facilities available to students studying in USA and Canada where they can also earn by undertaking curricular oriented work.

To analyze the soil samples, the Government has soil testing laboratories, mobile soil testing laboratories and 385 Agri clinic centres which together can analyze only a few lakh samples i.e. about 8-10 lakh samples per year.

The students can be engaged during evening hours between 6-10 PM to analyze 500 soil samples per student per month in all the 10 constituent colleges. Necessary facilities required for soil analysis will be provided to them according to Dr. Boopathi.

For this, an incentive of Rs. 1,500 will be paid to each student per month to analyze 500 soil samples, which will facilitate them to cover their mess bill and other imminent curricular oriented expenses, thereby reducing the burden of their parents for the education of their children.

The University together with its scientist's team and students will actively engage in this enormous and vital task of preparing soil health card for each of the 75 lakh marginal and small farm holdings in Tamil Nadu along with the Department of agriculture.

For more details about the programme contact Dr. P. Murugesa Boopathi

Vice – Chancellor, Tamil Nadu Agricultural University, Coimbatore

Email: vc@tnau.ac.in, Phone: 0422 2431788.

Published: December 22, 2011 00:08 IST | Updated: December 22, 2011 00:08 IST

'Freebies and subsidies only destroy agriculture and production'

M. J. Prabu

The Hindu PLANNING A MUST: Kulandaisamy at his farm in Thanjavur. Photo; S.S. kumar

"It is a well known fact that the rural agricultural economy is in dire crisis today. Whether the government is aware of this or is deliberately ignoring farmers' issues is a million dollar guess," says Mr. R. Kulandaisamy a leading farmer and owner of Tari Bio-Tech, Thanjavur.

Prices plummet soon after harvest and traders refuse to buy the produce due to high stocks and volatile price fluctuations.

“The fluctuation in price or absence of buyers is mainly due to excess production of a single commodity. For main cereals such as paddy and wheat the government fixed a minimum price but today they are not able to purchase the entire quantity from farmers at that price,” says Mr. Kulandaisamy.

“If the farmer cannot sell the produce how can he get back his investment? A sugar factory is aware of its cane requirement and plans planting only for that requirement. Similarly Government must decide on its annual food grain requirement and decide to what extent crops need to be cultivated. But sadly that never happens,” he says.

The State agriculture department must select the most suited districts or taluks in terms of soil, water availability, and climate. Based on this, each area must be provided a target area of cultivation and season of cultivation.

“If this can be adopted then our resources will be saved – for instance Tiruvarur district, Tamil Nadu is suited only for paddy. But we find Ramnad farmers also growing paddy in spite of severe water shortage. Instead, these farmers can try to cultivate pulse or ground nut and get two harvests in a year,” explains Mr. Kulandaisamy.

While fixing the price, the Government should pay attention to the extent crops need to be grown. “If they do this, there will not be excess production and consequently any marketing problem,” he reasons.

Similarly each and every cropping pattern needs to be planned by the government before permitting farmers to cultivate. Even today a general belief exists that there is a shortage of cultivable lands.

“If the cultivable land availability is more, then the government needs to look at export market and fix a rate at least close to the international rate for the produce as well as the cultivation cost involved for a reasonable profit,” asserts the farmer.

One of the main reasons for declining produce is the freebies and subsidies. They are destroying agriculture and our lives, according to Mr. K. Tharsius his son.

Since power and water are provided free, a farmer does not feel the need to plan nor devise any improvised method to minimize their usage. “If farmers are charged for electricity it will help improve their efficiency in minimizing this scare resource,” says Mr. Tharsius.

Another impediment is the availability of fertilizers and chemicals. India is dependent on other countries and hence rates are increasing day by day. There are chances of these chemical fertilizers getting exhausted. The permanent solution is only through some renewable sources such as bio-fertilizers and organic manures, according to Mr. Kulandaisamy.

“It is high time the Government seriously starts thinking in proactive measures to revamp our agriculture system. The negative trend in agriculture today is bound to create adverse impact on the overall health of our nation’s economy. We need to find new avenues to keep farmers on the farm, attract new people to take up farming, and make agriculture profitable since it is the backbone of our country,” says Mr. Tharsius.

Mr. R. Kulandaisamy and Tharsius can be reached at email:tari_hitech@yahoo.com, website: www.tarigroup.com, mobiles: 98430-59117 and 98434-39909.

Published: December 22, 2011 00:00 IST | Updated: December 22, 2011 04:24 IST

Farm query

Sourcing hill banana

From where can I purchase Hill banana (M *alai vazhaipazhum* in Tamil) in Vellore region?

K. Raja

Tamil Nadu

You can contact Organic farming organisation at Vellore for your requirements. The organisation is also sourcing organic products such as vegetables, fruits, millets, rice pulses from Hosur, Tirupur and tribal areas in Jawadhu hills. For details contact Mr. G.S. Puruhsoththaman, advisor at Pasumai angadi, Poomali shopping complex, Opposite Karpagam co-operative super market, Officer's line Vellore: 632001, mobiles: 9361744641 and 9894784863.

Published: December 22, 2011 00:00 IST | Updated: December 22, 2011 04:20 IST

National body of turmeric farmers to be formed

Correspondent

In a two-day rally taken out by turmeric farmers from Maharashtra, Karnataka, Andhra Pradesh, and Tamil Nadu held at Sangli, it was decided to form a national body of turmeric farmers named Turmeric Farmers Council of India (TFCI).

It has been resolved in the rally that import of turmeric should be banned so that there should not be any unhealthy competition between indigenous turmeric and the imported one.

Reasonable price for turmeric based on cost of production should be ensured, a 50 per cent grant should be provided to farmers for building their own godowns to preserve turmeric.

P.K. Devasigamani of Tamil Nadu, a leader of the turmeric farmers, said that in other spheres of activity the producer had right to decide price of his product. But it was only in agriculture that farmer or producer had no right to decide the price of his farm product.

Price was decided either by the Government or market forces.

Prices of commodities should be decided after discussion among farmers, the State Government and the Centre, a suitable atmosphere should be created for this purpose, Mr. Devasigamani said.

- *'Price of turmeric based on production cost'*
- *'Pricing should be decided in consultation with farmers'*

Published: December 22, 2011 00:00 IST | Updated: December 22, 2011 04:18 IST

Consumers seek transparency in the revision of milk price

Raghava M.*'KMF must justify its demand for proposed increase in milk price'*

Milk prices in Dakshina Kannada and Udupi districts

	Toned (Blue sachet)	Homogenised (Cow's Milk) (Green sachet)	Shubham (Orange sachet)
Proposed	Rs. 27	Rs. 29	Rs. 32
Present Rate (since February)	Rs. 22	Rs. 24	Rs. 27
April 2010	Rs. 20	Rs. 22	Rs. 25
December 2007	Rs. 16	Rs. 22*	-----

Rates per litre * for full cream milk (not homogenized)

Source: Dakshina Kannada Milk Union Ltd.

The first thing many residents did here on Wednesday was to read advertisements in newspapers on how the rates paid by milk consumers in Karnataka are the lowest in the country.

H.L. Shenoy, a resident of Bikarnakatte, did not however believe the rate of the toned milk given in the advertisement of the Karnataka Milk Federation to justify its demand for an increase in the price of milk by Rs. 5. (The government is yet to decide on the quantum of increase).

"What we pay here is one rupee more than what has been mentioned in the newspaper. (The rate mentioned in the newspaper is Rs. 21 whereas the minimum cost here is Rs. 22). There is no explanation for this difference and also for the proposed hike," he said. Mr. Shenoy said: "Just releasing advertisement with comparative rates of milk in other States does not help."

The proposed hike has been the talk of the town with many expressing anguish over it. Many stated that the milk price was increased only in February this year. Nityananda Pai from Puttur Balakedarara Vedike said that the consumer had to know details that justified the proposed hike.

The KMF should explain the increase in the production cost and how it was cutting into the money paid to farmers, he added.

President of Dakshina Kannada District Cooperative Milk Producers' Societies' Union Ltd. (DKMUL) Raviraj Hegde said the proposed increase in the milk price was necessitated in order to meet the increase in the cost of fodder, diesel, labour, transportation and water charges.

Moreover, farmers in Kerala were getting Rs. 22.65 a litre, while farmers here got Rs. 20 (Rs. 18 from the union and Rs. 2 from the government). Consequently, Mr. Hegde said some farmers sold milk to the neighbouring State.

“Unless farmers are paid more, it is difficult to increase the production here,” he said.

Of the demand for 3.5 lakh litres, the union had been able to procure only 1.5 lakh litres from local farmers while for the rest, DKMUL depended on milk unions elsewhere in the State. Though not clearly specifying the total production cost, Mr. Hegde said it was around Rs. 26 in the State. It was comparable to the production cost in Kerala, he said.

Mr. Hegde said of the proposed increase of Rs. 5 a litre, 3.5 per cent would go to distributors towards commission.

But the quantum of increase in procurement price for farmers had not been decided yet.

Much of the additional revenue would go to meet increased establishment costs, including transport and electricity charges. A part of it would meet the administrative costs of the milk associations in villages, Mr. Hegde said.

He said that toned milk would cost more here because of the additional procurement cost in Dakshina Kannada and Uttar Kannada compared to other parts of the State.

Published: December 22, 2011 00:00 IST | Updated: December 22, 2011 04:22 IST

Incentive for paddy farmers

Staff Correspondent

It is for those who sell paddy for MSP

The State government has decided to pay incentive for farmers who sell paddy for the minimum support price (MSP).

Fine variety of paddy is being procured for the minimum support price of Rs. 1,110 a quintal and Rs. 1,080 is paid for a quintal of coarse variety at present.

In addition to the minimum support price, Rs. 250 will be paid for a quintal of both varieties.

The scheme for purchasing paddy at the minimum support price will continue till March-end.

The photo copy of land records should be furnished while selling paddy at the procurement centres.

For more details, contact District Manager of the Karnataka Food and Civil Supplies Corporation or call 08182 223174 and 9448496033.

Published: December 22, 2011 00:00 IST | Updated: December 22, 2011 04:17 IST

Port to install mechanised unit for bagging fertilizers

K.A. Martin

Move follows problem of paucity of workers

The Cochin Port Trust has decided to set up a mechanised unit for bagging fertilizers to tide over the problem of paucity of workers on port premises to evacuate imported fertilizers. It has invited parties to submit their bids to design and install an automatic fertilizer bagging unit.

The Port Trust's efforts to address the paucity of workers has not met with results as only about 600 to 700 tonnes of fertilizers are being despatched from its godowns daily, sources said.

A meeting was convened early this month by the port authority to end the system of compartmentalisation of workers in which workers in a particular pool, even if they were out of work, were not allowed to do the jobs done by workers in other pools.

Though the trade union of workers agreed to make the process of allocation of work transparent and to end the compartmentalisation, it had so far not resulted in supply of more workers to handle fertilizers, sources added.

They said that about 24,000 tonnes of urea and potash, from a consignment of 50,000 tonnes which arrived here more than a fortnight ago, has been held up at the port godowns. Similarly, the entire quantity of a 35,000-tonne consignment of potash was lying at the berth where it was unloaded.

With the small quantity of despatch daily the port authority fears that more vessels, scheduled to call here with fertilizer consignments, may be diverted to the neighbouring ports where cargo clearance may be faster.

Scarcity for farmers

The slow despatch of fertilizers had resulted in scarcity for the farmers in different parts of the State. It was learnt on Wednesday that efforts by Fertilizers and Chemicals Travancore (FACT) to use rail wagons to reach 1,200 tonnes of urea to Kottayam had been stalled. A consignment of 1,200 tonnes of urea was being now despatched to Kayamkulam, sources said.

- *Consignments of urea and potash held up*
- *Authorities fear that ships may move to other ports*

Published: December 22, 2011 00:00 IST | Updated: December 22, 2011 04:02 IST

33 farmers to get tips on organic farming

Staff Correspondent

Farmers from four villages near the ACC plant at Kuditini left for a visit to Anaburu and Hulikeri in Koppal district on Wednesday. The visit is aimed at creating awareness among the 33 farmers from these four villages on ways of farming without using chemical inputs, such as pesticides and fertilizers.

Farmers in these two Koppal villages have stopped using chemical inputs completely.

The trip is part of the plant's ‘sustainable agriculture development initiative'.

The farmers are from Siddamanahalli, Veni Veerapur, Vaddatti and Kuditini.

Plant director Umesh Pratap, who flagged off the “exposure” tour on Wednesday, said that farmers were the backbone of the country.

He urged the farmers to adopt cost-effective and safe methods of farming to ensure agricultural was sustainable.

Published: December 22, 2011 00:00 IST | Updated: December 22, 2011 04:22 IST

‘Raise subsidy for farmers'

Akhila Bharata Janavadi Mahila Sanghatane, Karnataka State Committee, has condemned the decision of the Karnataka Milk Federation seeking permission of the State Government to increase milk price by Rs. 5 a litre. Sanghatane State president Gowramma and general secretary K.S. Lakshmi have, in a release, said that the Government instead of burdening the people by increasing milk prices, should take steps to increase subsidy given to milk producers and protect the interests of farmers and consumers.

Published: December 22, 2011 00:00 IST | Updated: December 22, 2011 04:22 IST

New system to keep track of supply of fertilizers from January 1

Nagesh Prabhu

A mobile phone-based fertilizer monitoring system (mFMS) will come into effect on January 1, 2012, in the State to ensure timely availability of fertilizers to farmers during the kharif and rabi seasons.

Following a Union Government direction, the State Agriculture Department has decided to implement mFMS for effective monitoring of fertilizer supply.

Accordingly, all cooperative and private whole sale/retail sale dealers of fertilizes should compulsorily registers under mFMS. The objective of the facility was to track the movement of nutrients and obtain information about availability of fertilizers across the whole supply chain in the State, officials in the Agriculture Department told *The Hindu* .

All dealers have been instructed to get themselves registered under mFMS before December-end this year with the nodal district fertilizer manufacturer representatives nominated for the purpose. They should produce the wholesale/retail marketing license issued by the Department of Agriculture. Joint directors or taluk assistant directors of the Agriculture Department would help dealers to register under mFMs, the officials said.

Dealers who fail to register under mFMS would not be eligible to get fertilizer. The license of the dealer who has failed to register would also not be renewed by the Agriculture Department, according to the officials.

The officials said that each one of the fertilizer manufacturers has been assigned two or three districts for supply of nutrients during the year. As fertilizer is an important nutrient for increasing crop yield, the new system would help check black-marketeering, hoarding and sale of fertilizers at higher prices to farmers by dealers, they said.

The project covers areas such as stock reporting by manufacturers, wholesalers/retailers, receipts and sales confirmations by wholesalers, retailers and access to the system through web, mobile phones and interactive voice response (IVR).

Union Ministry of Chemicals and Fertilizers developed the project and National Informatics Centre is the technology partner. Unique Identification Authority of India chairman Nandan Nilekani would be monitoring the project regularly across the country.

The country has faced a shortage of fertilizers during the last kharif season and the State did not obtain its full quota of 23 lakh tonnes of inputs from the Union Government.

But the State could manage to avert a crisis only because it had facilitated pre-emptive measures to stock fertilizers for the season. The Government has given a guarantee for borrowings of Rs. 550 crore by the Karnataka State Cooperative Marketing Federation from commercial banks for purchase and stock of fertilizer, the officials said.

- *It is the mobile phone-based fertilizer monitoring system (mFMS)*
- *It is being implemented following a Union Government direction*

Published: December 22, 2011 00:00 IST | Updated: December 22, 2011 04:22 IST

Fertilizer dealers told to sign up

Staff Correspondent

Joint Director of Agriculture Bairappa has instructed private and cooperative fertilizer dealers in the district to register at the nodal office concerned before December 31 by presenting their licences obtained from the department.

Supply would be stopped to dealers who did not register.

Published: December 22, 2011 00:00 IST | Updated: December 22, 2011 04:22 IST

Karnataka farmers should take up rainwater harvesting, says expert

Being judicious:Zilla panchayat president Shivaprabhu Patil inaugurating the three-day Krishi Mela in Gulbarga on Wednesday.— Photo: Arun Kulkarni

Agricultural scientist and chairman of the Karnataka Agriculture Mission S.A. Patil on Wednesday urged farmers to make judicious use of available natural resources to overcome the problems arising out of scanty rainfall.

Speaking at the three-day Krishi Mela, organised by the Agriculture Research Station of the University of Agricultural Sciences on the outskirts of Gulbarga on Wednesday, Dr. Patil referred to the failure of the monsoon in most parts of the State this year, which affected standing crops, causing loss to farmers. He said the farmers were yet to learn about the judicious use of the available water and land.

“It is time for Karnataka farmers to emulate the success of those in Rajasthan, who have successfully adopted rainwater harvesting and increased the groundwater levels for providing water to their crops…The Karnataka farmers should seriously take up rainwater harvesting on their land without waiting for the Government to take up the job,” Dr. Patil said.

He said farmers should also adopt new technologies in cultivation to increase crop yield, citing the example of red gram, the yield of which can be increased considerably by adopting the transplantation method.

He said red gram growers in Bidar district had shown the way to the farmers elsewhere by transplanting the red gram crop for the first time on 10,000 acres of land, achieving a record increase in yield.

Vermicompost

Dr. Patil said the Government had achieved tremendous growth in the production of vermicompost, and according to one estimate, the State had produced 10,000 crore tonnes of vermicompost last year.

Congress MLC Allamprabhu Patil, in his address, expressed dissatisfaction at the absence of Minister for Agriculture Umesh Katti at the inauguration of the Krishi Mela and said the participation of the Minister in such programmes would help farmers gain more confidence and enable them to place their problems before him. He said the Government should allocate more funds to the agricultural college that had started functioning from this academic year at the Agriculture Research Station, and said he had already submitted a memorandum in this regard to Chief Minister D.V. Sadananda Gowda.

Congress MLA Sharanprakash Patil stressed the need for fixing scientific prices for agricultural produce, and said the welfare measures launched by the Government for the benefit of farmers should reach themdirectly, and middlemen should not be allowed to exploit the farmers.

The Krishi Mela was inaugurated by Gulbarga Zilla Panchayat president Shivaprabhu Patil.

THE ECONOMIC TIMES

Thu, Dec 22, 2011 | Updated 08.56AM IST

22 DEC, 2011, 06.58AM IST, SUTANUKA GHOSAL & MADHVI SALLY,ET BUREAU

Bad weather hampers Rabi oilseed cultivation

KOLKATA/AHMEDABAD: Delayed rainfall and the late arrival of winter are hampering the growth of oilseed crops such as mustard, groundnut and sunflower. Sowing in most non-irrigated land has been impacted this year. As on December 15 this year, 75.56 lakh hectare was sown with oilseed as compared to 81.52 lakh hectare in the corresponding period of 2010. This may impact edible oil prices if erratic weather conditions continue resulting in a lower production of oilseeds.

Sowing of oilseeds has been rather sluggish between mid-November and mid-December. The maximum drop has been in the mustard seed acreage. "This has happened due to the presence of a heat wave in the mustard sowing areas. In the last two days, there has been some drop in temperature. The next one month is very critical for oilseed production.

There should be some showers and winter chill should continue," said BV Mehta, executive director of Solvent Extractors' Association of India. The government has targeted an area of 104.4 lakh hectare under rabi oilseeds for 2011-12, as against a normal area of 94.52 lakh hectare. This includes a target area of 75.5 lakh hectare under rapeseed and mustard, the main rabi oilseed crop in the country. So far, sowing of mustard and rapeseed has been completed in 62.66 lakh hectare as compared to 66.63 lakh hectare previous year.

The dip in oilseeds area can be attributed to lower acreage in Rajasthan, Gujarat and Maharashtra, while states such as Jharkhand, Uttar Pradesh and Tamil Nadu have reported higher sowing. In Gujarat, this year's acreage is down by 0.60 lakh hectare when compared to the same period last year. In Rajasthan, the acreage has fallen by 3.74 lakh hectare and in Maharashtra by 0.62 lakh hectare over the last year.

Govindbhai G Patel, managing partner of Dipak Enterprise, based out of Rajkot said, "the groundnut area may remain at 10 lakh hectare similar to the previous year, though the mustard area will fall from 65 lakh hectare in the previous year to 62 lakh hectare.

Also, the acreage of the taramira crop will come down drastically from 5 lakh hectare to 1 hectare this year." Kolkata-based Sunrise Foods director Gaurav Sharma said, "The mustard oilseed production has been delayed as there have been no showers. If this trend continues, mustard oilseed prices will firm up. This will impact the price of the end product. A week ago, we had raised the price by Rs 2 per litre." According to market reports, the price of mustard is hovering around Rs 3,446 per quintal, which has risen from Rs 2,800 per quintal in the past 40 days.

22 DEC, 2011, 07.13AM IST, PK KRISHNAKUMAR,ET BUREAU

Dam row pushes up chicken & egg prices in Kerala

KOCHI: The controversy over the Mullaperiyar dam between Tamil Nadu and Kerala has hit the poultry market hard. Chicken and egg prices in Kerala, which normally drop during this time due to the Sabarimala pilgrimage season, have shot up because of the trade disruption near the border between the two states.Chicken prices have soared to Rs 80 per kg from Rs 55-60 per kg.

Till a few years ago, Kerala used to depend heavily on poultry products from its neighboring state. With local producers stepping up the supply, the flow from Tamil Nadu has waned a bit but is still significant since there is a heavy demand. Egg and poultry sales turn sluggish with the onset of the Sabarimala pilgrimage season in Kerala, when there is a rush of pilgrims from southern states. Prices shoot up briefly around Christmas and New Year.

But this time, the dam row has triggered a price rally with the obstruction of traffic at several border points. "Retail prices have jumped from Rs 55-60 per kg to Rs 82 per kg and could rise further," said Basheer, a local chicken merchant. A few merchants are expecting the prices to touch Rs 100 per kg. The supply to Kerala happens basically through four routes: Coimbatore-

Walayar, Cumbum-Kumily, Shenkottah-Kollam and Nagercoil-Thiruvananthapuram.

Of these, the Coimbatore-Walayar belt seems to be the least affected. Namakkal in Tamil Nadu is a chief market for eggs. "The trade through the other three borders has been hit. A part of the trade is being re-routed through the Coimbatore-Walayar border. Egg prices which were hovering below Rs 3 have touched Rs 3.20 per egg. A cold wave in nNorth India has also contributed to this," said Dr P Selvaraj, chairman of Namakkal National Egg Co-ordination Committee.

Coimbatore-based Suguna PoultryFarms, a leading player in the poultry business, is experiencing some difficulties in sending goods to Kerala. "We had reduced the supply to Kerala over the last few months as our products were fetching lower prices in the state. The dam row has partially affected the sales," said Ravindran K, director of sales and marketing of Suguna Poultry.

Business Standard

Thursday, Dec 22, 2011

Cardamom auctions to resume from Dec 26

George Joseph / Kochi December 22, 2011, 0:51 IST

Cardamom auctions, suspended over the Mullaperiyar dam row, will resume from December 26. A meeting of traders, auctioneers and growers will be held on Friday at the Spices Park in Puttady, Idukki district, to take a final decision on resuming auctions both in Bodinayakkanur in Tamil Nadu and in Puttady, the Spices Board informed.

The last auctions were on December 5 and trading has since come to a standstill. Due to tensions at the border of Kerala and Tamil Nadu, cargo movement was affected.

Lots purchased in auctions in Kerala could not be transported to Tamil Nadu and no trader came from Tamil Nadu in the auctions.

The price of cardamom has dropped due to large stocks piled with growers and traders. It is reported this is worth Rs 100 crore. In a couple of weeks, the price fell to Rs 300-350a kg from Rs 450.

Plucking of cardamom has also been affected for want of labour, which normally comes to Kerala from across the border. Roughly 20,000 Tamil workers are engaged in cardamom plantations of Idukki district. Roy K Poulose, vice Chairman of the Board requested all sections of the cardamom fraternity to join hands to resume trading of the spice.

Road traffic between the two states was stalled completely on Wednesday by protesters over the dam row.

Potato farmers in Gujarat demand financial package

BS Reporter / Mumbai/ Ahmedabad December 22, 2011, 0:41 IST

Faced with a supply glut, potato farmers in Gujarat headed to streets and dumped thousands of kilos of potato in Deesa, a major potato market in the state on Tuesday. Farmers demanded an intervention from the state government with a financial assistance to the farmers, who are facing a steep fall in the potato prices at Rs 1 per kg in recent weeks.

"We had approached the government about a couple of months back and explained them the gravity of the situation. But they failed to take necessary action and now the potato prices have fallen to as low as Rs 1 per kg in the wholesale market at Deesa," informed a farmer leader and potato trader, Ramanbhai Patel.

Deesa and Vijapur are the two major potato growing regions in the state with over 40,000 farmer families depending on potato cultivation.According to trader sources, nearly 1.5 million bags (a bag= 50kg) of last years' crop are lying in the cold storages at Deesa, while fresh arrivals are likely to start in a couple of weeks. According to sources, over 125 million kgs of potatoes are lying in cold storages across Gujarat and are priced at Rs 1 per kg.

"The situation would only worsen as cold storages are almost full with potatoes and no takers in sight. There has been heavy supplies from Uttar Pradesh but there were very less buying happening at Deesa market," said a potato trader from Deesa.

The farmers had submitted a memorandum demanding relief package to the state agriculture minister Dilip Sanghani about two weeks back. Nearly 10,000 farmers joined a huge protest rally organised in Deesa and dumped about 25,000 bags of potatoes, a trader source informed. Potato prices at Deesa mandi touched a high or Rs 8 per kg in March, since then the prices have been on a slide with minor fluctuations.

"We want a subsidy from the state government to enable the farmers to come out of this situation. This is not for the first time, that a subsidy to potato farmers is required. In the past, the government had offered subsidy to potato growers to overcome such a situation," said Ganpatbhai Ladhaji, a member of Gujarat Batata Utpadak Khedut Sangathan Samiti, an association of potato farmers.

It may be noted here that barely a week back, potato farmers in Punjab had dumped hundreds of quintals of potatoes on the roads in different parts of the state, including Jalandhar city."With such protest, we have expressed our plight to the government and people at large. They should understand that it is better to throw our crops than to get a meagre amount like Rs 1 per kg," said Jambhai Patel, a potato farmer in Deesa.

Farmers estimate potato production in the range of 15-16 million bales this year almost the same as last year. However, in the previous year, the potato production in the region stood at about 13 million bales with average prices hovered at about Rs 7-8 per kg.

Turmeric futures surge 3% on spot demand

Press Trust of India / New Delhi December 21, 2011, 14:48 IST

Turmeric prices rose by over 3% to Rs 4,588 per quintal in futures trade today, as speculators created fresh positions, driven by a rise in spot demand.

Restricted supplies following holding back of stocks by speculators on hopes of an improvement in prices in coming days, also supported the rise.

At the National Commodity and Derivatives Exchange, turmeric for delivery in April rose by Rs 140, or 3.15%, to Rs 4,588 per quintal, with an open interest of 10,115 lots.

The May contract moved up by Rs 54, or 1.23%, to Rs 4,444 per quintal, with a business turnover of 2,245 lots.

Analysts said apart from pick-up in demand in the spot market, holding back of stocks by speculators on hopes of rise in prices in coming days,also led to the rise in turmeric prices at futures trade here.

Global prices of fertiliser raw materials dip

Anindita Dey / Mumbai December 22, 2011, 0:49 IST

The rupee movement may not be favourable for fertiliser imports, but India’s position as the largest importer in the world has acted to its advantage.

With the declining orders from India, global prices of fertiliser raw materials, ammonia and phosphate, have started falling. Market sources said the demand for imports will slow down in the coming months due to slack domestic demand. Thus, the global prices will further subdue.

“India is a major driver of demand in the global market, given the current circumstances when the global demand is already very weak,” said an official source of a fertiliser company.

While urea is losing floor, ammonia prices came down by $50 a tonne from $625 a tonne to $575 a tonne in a month since November. Similarly, urea prices in global markets have been sliding and have fallen from $400-430 a tonne to $330-340 a tonne in a month. In mid-

2011, urea prices had gone to a high of $550-610 a tonne. Other raw materials like nitrogen and phosphate are also moving southwards. In India, annual urea supply is 21 million tonnes, while the demand is 28 million tonnes. Diammonium phosphate (DAP) prices have come down from $627 a tonne to $575 a tonne.

Sources in fertiliser companies said the global outlook for all categories was bearish till the beginning of next year, as was evident from forward swap rates in the market.

However fertiliser companies have started sourcing from the local market. Companies said even if the quantity of raw material manufactured locally is more by one or one and half kg compared to that of the imported material, the price for the same quantity of raw material works out cheaper, even after accounting for the import cost with the rupee at 52-53 per dollar.

“Even at 53-54 per dollar, the ammonia cost will be $35,000-36,000 a tonne in the local market, while the landing cost of the same amount of ammonia still works out $40,000 a tonne,” said a company official. In November, Iffco got a discount of $35 a tonne and $25 a tonne in DAP and nitrogen phosphate potassium fertiliser, respectively, from suppliers.

Fertiliser is a highly import-dependent sector, where 70 per cent of the raw material is imported. While potash is completely imported, DAP is 70 per cent imported.

In India, DAP prices, which ruled at Rs 11,000 a tonne at the beginning of the kharif season in May-June, have shot up 65 per cent to Rs 18,500 a tonne at present. Since April 2010, when the government de-controlled non-urea fertilisers, prices of DAP almost doubled from Rs 9,350 a tonne.

More sugar exports likely after mills fill quota

Bloomberg / New Delhi December 22, 2011, 0:51 IST

India, the world's second-largest sugar producer, will consider more overseas sales after mills exhaust a quota of one million metric tons allowed last month, Food Secretary BC Gupta said.

The country will maintain enough stockpiles to meet demand for three months, Gupta said in an interview at his office in New Delhi on Wednesday. Sugar production may total 24.6 million tons in the year that began on Oct. 1, compared with estimated demand of 22.5 million tons, he said.

The surplus available for exports may total about 2 million tons, he said.

Rising exports from India may widen the first global sugar surplus in three years and weigh on prices, which have fallen 27 percent this year in New York on expectations of increased production from Thailand, Russia and the European Union.

"We will assess sugar production and cane planting before allowing more exports," Gupta said. "Supplies are comfortable this year." India allowed mills export 115,686 tons of sugar from the new crop season, the food ministry said on its website on Wednesday. Producers were allowed to ship 2.6 million tons in 2010-2011.

The government plans to promote sugar beet cultivation to boost output, Gupta said.

Mills can process beet once they complete cane crushing, he said.

Aska mill starts sugarcane crushing

BS Reporter / Kolkata/ Berhampur December 22, 2011, 0:37 IST

The Aska Cooperative Sugar Industries Ltd (ASCIL) has started processing sugarcane from Wednesday for the crop year 2011-12 (October 2011-September 2012) with a target to produce 160,000 tonnes of sugar, almost double from last year.

Last year, the factory crushed 81,924 tonnes of sugarcane and had produced 6,618 tonnes of sugar, with a recovery percentage of 8.1 per cent. The factory operated for only 57 days in the previous crop year.

“We expect the factory will run more days and produce more sugar this year as the cane acreage has gone up,” said P C Padhy, the Cane Development Manager (CDM) of ASCIL. Sugarcane area in the state rose to 7,282 acres in the current crop year, from 5,491 acres planted in 2010-11. Ganjam Sugarcane Growers' Association has, however, said the sugarcane acreage in the state may not grow in the years to come if the government does not assure irrigation. The irrigation engineers in the key sugarcane growing area have expressed their inability to supply water as most of the reservoirs in the district have lower water due to limited rains in the last monsoon session. For the current crop year, ASCIL is paying Rs 210 more per tonne of sugarcane, totaling to Rs 2,210 per tonne. Besides, the farmers would be getting transport subsidy in case of transportation beyond 10 km from the factory.

THE HINDU Business Line

Volume hits 13-week low at Coonoor tea auction

P.S. Sundar

Coonoor, Dec. 21:

About 12.48 lakh kg will be offered at Sale No: 51 of Coonoor Tea Trade Association auctions to be held on Thursday and Friday, reveals an analysis of brokers' listing.It is the lowest volume in the last 13 weeks. It is as much as 1.52 lakh kg less than last week's offer but 69,000 kg more than the offer this time last year.Of the 12.48 lakh kg on offer, 8.90 lakh kg belongs to the leaf grades and 3.58 lakh kg belongs to the dust grades. As much as 11.58 lakh kg belongs to CTC variety and only 0.90 lakh kg, orthodox variety. This is the last auction for 2011. The market will remain closed from December 23 for Christmas and New Year celebrations.

(This article was published in the Business Line print edition dated December 22, 2011)

Upside in cotton prices unlikely on ample stocks, say traders

Latha Venkatraman

Mumbai, Dec. 21:

Cotton prices that have declined sharply from highs touched in March are nearly at their bottom and are likely to trade in a broad range in the near term, cotton traders and exporters said.

But an upside in prices is unlikely, they said. The lowest they are likely to touch is Rs 30,000 a candy (of 356 kg), said Mr Shirish Shah, Partner, Bhaidas Cursondas & Co, a cotton ginning and trading company.

Prices have declined 10 per cent in the new season that commenced on October 1. Prices of Sankar-6 variety have dropped to Rs 34,400 a candy of 356 kg, data from Cotton Association of India Web site showed.

In March, prices of the same variety touched a high of Rs 62,000-64,000 a candy prompting the Centre to suspend shipments and subsequently allow exports in a restricted manner.

“Cotton prices should trade in the range of Rs 30,000-35,000 a candy in the next few days unless the Government intervenes. It is unlikely that prices would go below Rs 30,000,” Mr Shah said.

Yarn prices

If prices move down exporters are likely to step in and buy, said Mr M.B. Lal, Managing Director, Shail Exports Pvt Ltd. Mr Lal is the former Chairman and Managing Director of Cotton Corporation of India and headed the Government's Technology Mission on Cotton. While mill consumption has declined, demand for cotton yarn especially from European countries has been sluggish, he said.

Last year, many mills had bought cotton at high prices and have not been able to recover the cost as yarn prices also crashed in sync with cotton rates.

Mills today are consuming 14-15 lakh bales every month against the normal average of 22 lakh bales, said Mr Bhadresh Mehta, Managing Director, Bhadresh Trading Corporation Ltd.

Exports are also low due to weak demand and unfavourable prices, he said.

The sharp spike in cotton prices last year has wreaked havoc on the industry and the repercussions are felt till today, exporters said.

The fall in rates has prompted cotton growers, especially in Maharashtra, to demand higher support prices. Recently, the Maharashtra government agreed to offer assistance to cotton farmers in the state.

Cotton farmers in Gujarat have also raised demand for financial aid.

Upside unlikely

The country is on track for a huge crop with Cotton Advisory Board estimating an output of 356 lakh bales (of 170 kg) for the 2011-12 (October-September) cotton season, up from the previous season's 325 lakh bales.

World output of cotton is also seen higher at 26.86 million tonnes for the year 2011-12 (August-July) compared with 24.88 mt in the previous year.

Also, arrivals that have been slow this season would start picking up after mid-January, traders said. Cotton arrivals until December 18 stood at 73.63 lakh bales compared with 100.35 lakh bales for the same period last year.

(This article was published in the Business Line print edition dated December 22, 2011)

Spot rubber improves on covering buys

Our Correspondent
Kottayam, Dec. 21:

Spot rubber turned better on Wednesday. The market improved mainly on covering purchases as the domestic futures finished marginally higher on the National Multi Commodity Exchange. “We expect the prices to strengthen further since the market managed to sustain above the Rs 200-level consecutively for three days”, an analyst said. The volumes were comparatively better.

Sheet rubber improved to Rs 202.50 (201) a kg according to traders. The grade increased to Rs 202 (201) a kg both at Kottayam and Kochi as reported by the Rubber Board.

In futures, the January series closed at Rs 203.91 (203.72), February at Rs 206 (205.49), March at Rs 209.90 (208.83), April at Rs 213.50 (213) and May at Rs 214.10 (214.50) and June at Rs 213 (211.74) a kg on NMCE.

RSS 3 (spot) improved to Rs 179.44 (177.99) a kg at Bangkok. The December futures expired at ¥260 (Rs 175.34) while the January futures improved to ¥261.4 (Rs 176.27) from ¥253.1 a kg during the day session but then slipped to ¥260.5 (Rs 175.64) a kg in the night session on the Tokyo Commodity Exchange.

Spot rates were (Rs/kg): RSS-4: 202.50 (201); RSS-5: 198 (197); ungraded: 192 (191); ISNR 20: 189 (188) and latex 60 per cent: 110 (110).

(This article was published in the Business Line print edition dated December 22, 2011)

Karnataka planters to hold coffee area meet in Israel

Anil Urs

Bangalore, Dec. 21:

The Karnataka Planters Association (KPA) is holding its next Coffee Area Scientific Symposium (CASS) in Israel. Through this trip, the planters are to study drip irrigation and horticulture productivity.

According to Mr Marvin Rodrigues, Chairman of KPA, “the scientific committee of the KPA is organising an ‘agricultural study tour' to Israel for the members, as part of CASS for a better understanding of the reasons for the success stories of the country.”

“Agricultural research and development in Israel, has led to dramatic increase in the quantity and quality of crops. It is also a pioneer in drip irrigation and fertigation technology,” he said.

The planters had visited Vietnam early this year to study plantation management, processing and adoption of good harvesting and cultivation practices.

The planters' 10-day visit to Israel is scheduled in the first week of February.

The planters are to visit Kibbutz Marom Golan located north of the Golan Heights, Kibbutz Ginosar enroute to Haifa and finally the Naan Kibbutz, known for drip irrigation, fertigation and climate control technologies.

“The main intention of the trip is to study irrigation technologies developed in Israel as the country is known for it and thereby, save water and fertiliser and increase our output,” said Mr Nishant R. Gurjer, Convenor, Scientific Committee, KPA.

“In addition to irrigation, we are looking forward to visit and study how the unique farming community ‘Kibbutz' functions and how the country, located in the middle of a desert, is growing horticulture crops with productivity being the highest in the world,” he said.

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(This article was published in the Business Line print edition dated December 22, 2011)

Spices Board meet on Friday to resume cardamom auctions

Our Bureau

Kochi, Dec. 21:

The Spices Board has expressed its keenness on resuming cardamom auctions that got suspended during the last two weeks on account of the Mullaperiyar issue. The suspension of auctions has brought miseries to the farmers in Idukki district since stocks started piling up.

Small and marginal farmers were put to dire straits since their crop could not be sold and their liquidity got affected. It is estimated that around 1,000 tonnes of cardamom are kept in stock by farmers awaiting auctions, a press release issued here said.

The Spices Board has decided to convene a joint meeting of the cardamom growers, auctioneers, traders at the Spices Park in Puttady on December 23 to work out the modalities to resume the auctions from December 26 onwards.

The Spices Board has appealed to all the farmers associations, auctioneers and traders to participate in the meeting and help in resuming the auctions. This stalemate has come at a time when the country's exports of cardamom have started picking up. During April-October this year, exports of cardamom peaked to an all-round record level of 2,300 tonnes as against 470 tonnes during the corresponding period of the previous year.

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(This article was published in the Business Line print edition dated December 22, 2011)

PDS sugar: Talks soon on ending mills obligation

Need to look into financial implications, says Food Minister

Seeking dilution: Mr Narendra Murkumbi, President, ISMA (right) with Prof K.V. Thomas, Union Minister of State for Food, Public Distribution and Consumer Affairs at the 77th AGM of Indian Sugar Mills Association, in the Capital. — Kamal Narang

New Delhi, Dec. 21:

The Food Ministry plans to discuss with States, the Finance and Agriculture Ministries on removing some of the controls such as doing away with the mandatory obligation to offer sugar for the public distribution system (PDS) in the New Year, said Food Minister, Prof K.V. Thomas on Wednesday.

He was speaking to reporters after addressing the 77 {+t} {+h} Annual General Meeting of the Indian Sugar Mills Association (ISMA).

The industry has been demanding removal of controls such as the obligation to supply 10 per cent of output for the PDS at discounted price to the Government for public distribution system and also the monthly regulated mechanism by which each mill is told how much to sell every month.

“We have to look into the financial implications and need to discuss the issues in detail,” he said.

Consensus needed

As decontrol involves a large number of stake-holders – from farmers, the sugar mills, the State Government to the consumers, a consensus need to be arrived at the issue, Mr Thomas told the AGM.

The recent removal of stock holding limits on bulk consumers should help improve the sugar off take in the domestic market, Mr Thomas said.

He also urged the State Governments to consider the impact on the sustainability of sugar sector before announcing radical increases in cane prices as the wide disparity between cane and other crops may also adversely affect the food security of the country.

On the industry demand for a cane price formula, wherein the cane pricing would be fixed in relation to the prices of sugar and its by-products, Mr Thomas said the issue is under examination by the Economic Advisory Council to the Prime Minister.

Requesting decontrol of the sugar sector, the ISMA President, Mr Narendra Murkumbi, urged the Minister to allow further exports at the earliest, a move that would help the industry meet its cash flows during the crushing season when the fund requirement to pay the farmers is the highest.

Such a move would also help the exporters take advantage of global prices, which are higher than domestic prices, but are on a downward trend and are likely to fall further.

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(This article was published in the Business Line print edition dated December 22, 2011)

Higher inflow crushes spot castor

Our Correspondent

Rajkot, Dec. 21:

On the back of demand at lower level, castor futures inched up, while in the spot despite demand price slid as arrivals increased.

On the National Commodity and Derivatives Exchange (NCDEX), castorseed January contract increased by Rs 25 to Rs 3,927 a quintal, with an open interest of 4,350 lots and February contract gained by Rs 6 to Rs 3,805 with an open interest of 3,630 lots.

On the Rajkot Commodity Exchange (RCX), castor March contract increased by Rs 38 to Rs 3,718 from its previous day close of Rs 3,682 a quintal. RCX spot castor traded lower by Rs 52.50 at Rs 3,925 for 100 kg.

On ACE, castorseed January contract gained Rs 13 at Rs 3,920 a quintal and February increased by Rs 14 to Rs 3,811 for 100 kg.

About 22,000-23,000 bags of castorseed arrived in Gujarat and the average price was Rs 775-795 for 20 kg. Around 2,300-2,400 bags arrived in Saurashtra with the average price being Rs 750-780 for 20 kg.

An RCX trader, Mr Harilal Chaganlal, said: “New crop is about to come. After 15-20 days, arrivals will gain. Spot price may come down further in the coming days.”

However, shippers and mills demand will also emerge in the market soon, arresting the drop in price.

(This article was published in the Business Line print edition dated December 22, 2011)

Ample supplies pound Pusa-1121 rice

Our Correspondent

Karnal, Dec. 21:

Prices of Pusa-1121 varieties continued to tumble, while all the other aromatic and non-basmati varieties were quoted with marginal variations on Wednesday on adequate supplies against lower offtake.

An increase in arrivals against subdued demand kept the rice market under pressure, said Mr Amit Chandna, proprietor of Hanuman Rice Trading Company. “Ample stocks and easy availability are not allowing a recovery in the the market,” he added.

Pusa-1121 (steam) eased further by Rs 75 and quoted between Rs 4,050-4,100 a quintal, while Pusa-1121 (sela) was at Rs 3,200 a quintal, down Rs 20 from previous levels. The prices of duplicate basmati ruled flat and sold at Rs 3,100-3,250 a quintal.

Pure Basmati sela sold at Rs 3,700-3,745 a quintal, while Basmati (raw) sold at Rs 4,100 a quintal.

Among the brokens of Pusa-1121, Tibar sold at Rs 3,000, Dubar went down by Rs 100 and was at Rs 2,500, while Mongra was trading at Rs 2,025 a quintal.

Sharbati (steam) quoted at Rs 2,800-2,900, while Sharbati (sela) was quoted at Rs 2,750-2,765 a quintal.

PR11 (sela) sold at Rs 2,100-2,200 a quintal, while PR-11 (raw) quoted at Rs 1,900-2,150 a quintal. Permal (sela) sold at Rs 1,800-1,930 a quintal, while Permal (raw) was around Rs 1,900-1,950 a quintal.

Paddy arrivals: Around 11,000 bags of different paddy varieties were received at the Karnal grain market terminal. PR arrived with a stock of around 1,250 bags and sold at Rs 1,020-1,145 a quintal. The 1,000 bags of Sharbati variety received quoted at Rs 1,220-1,250, while DB arrived with a stock of 1,000 bags and sold at Rs 1,290-1,350. Around 6,000 bags of Pusa 1121 arrived and quoted at Rs 1,400-1,650 a quintal, while around 2,000 bags of Pure Basmati arrived and sold at Rs 1,750-1,930 a quintal.

(This article was published in the Business Line print edition dated December 22, 2011)

Weak futures, demand grind chana

Our Correspondent

Indore, Dec. 21:

Chana continued to trade low on slack demand and weak futures. The downtrend continued in chana (kanta) on bearish futures and weak buying support from the millers.

In the spot, chana (kanta) declined to Rs 3,300-3,325 a quintal (down Rs 75), while Chana (desi) ruled at Rs 3300 (down Rs 50). Taking cues from bearish sentiment in spot chana, the declining trend continued in chana dal with chana dal (average) being quoted at Rs 4,025-50 a quintal (Rs 4,075-4100), chana dal (medium) declined to Rs 4,125-50 (Rs 4,175-4,200). Similarly ,chana dal (bold) declined by Rs 25 to Rs 4,350-75 a quintal.

Dollar chana ruled flat at Rs 7,600-7,800 a quintal amid arrival of 7,000-7,800 bagsMasoor ruled firm at Rs 2,975-3,000 a quintal on subdued demand. Masoor dal also remained unchanged 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 a quintal.

Tur (Maharashtra) further declined to Rs 3,350-3,400 a quintal, while tur (Nimari) ruled at Rs 2,300-2,500. Tur dal was steady with tur marka remaining firm at Rs 6,000 a quintal. Moong ruled flat on subdued demand 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 ruled steady with moong dal (medium) being quoted at Rs 4,900-4,950.

Urad also remained firm at Rs 3,400-3,500 a quintal, while urad (medium) ruled at Rs 2,800-3,000.

(This article was published in the Business Line print edition dated December 22, 2011)

Edible oils gain as arrival season ends

Our Correspondent

Mumbai, Dec. 21:

Edible oils prices extended gain barring palmolein that lost Re 1 for 10 kg on Wednesday. Indigenous oils improved as peak arrival season for rapeseed, soyabean and groundnut has come to an end across the nation, while demand from stockists is reported to be supporting across the major markets.

Arrival of palmolein from Gujarat on stock transfer basis in Mumbai at lower rates keep its price under pressure. Despite higher closing of Malaysian market, palmolein showed weakness in domestic market.

Groundnut oil extended gain by Rs 5 taking the total rise to Rs 120 this month, tracking the sharp rise in Saurashtra market. Similarly, rapeseed refined oil improved by Rs 17 with a total rise of Rs 55 this month.

Soya refined oil increased by Rs 3, sunflower expeller refined by Rs 5, cotton oil by Re 1. Source said that weak demand during middle of the month and selling by Gujarat-based players on stock transfer basis with lower parity at Mumbai kept palmolein under pressure.

Onset of winter across the country will lead to decline in palm oil consumption as it freezes in cold weather. Hence, traders are expecting lower demand for palm oil and more demand for indigenous oils coming days.

Resellers offered palmolein at Rs 580-582, while refineries kept rates unchanged. About 150-200 tonnes of palmolein and other edible oils were traded.

Liberty quoted palmolein at Rs 585-587 for December-January delivery and super palmolein at Rs 605. Ruchi was quoting palmolein at Rs 581, soya refined oil at Rs 665 and sunflower refined oil at Rs 705 for January. Allana's palmolein was at Rs 585 for December. Mewah was quoting palmolein at Rs 585 for December and super palmolein at Rs 605.

In Gujarat after continuous rise, groundnut and cotton oil ruled steady. Lower demand from exporters for nuts arrested price rise.

In Rajkot, cotton oil was at Rs 610-612 (Rs 610-612). Groundnut oil was at Rs 1,500 (Rs 1,500) for *Telia* tin and Rs 980 (Rs 980) for loose-10kg.

Malaysia's BMD CPO's January contracts settled higher at MYR 3,074 (MYR 3,020), February MYR 3,075 (MYR 3,021), March MYR 3,072 (MYR 3,020) and April MYR 3,065 (MYR 3,011) a tonne.

Soya oil for January futures closed lower at Rs 679 (Rs 680.20) on the National Board of Trade in Indore.

Bombay Commodity Exchange spot rates (Rs/10 kg): groundnut oil 970 (965), soya refined oil 660 (657), sunflower exp. ref. 660 (655), sunflower ref. 710 (720), rapeseed ref. oil 775 (758), rapeseed expeller ref. 745 (728), cotton ref. oil 632 (631) and palmolein 583 (584).

(This article was published in the Business Line print edition dated December 22, 2011)

Turmeric gleams on local buying

Our Correspondent

Erode, Dec. 21:

Spot turmeric prices increased on Wednesday following the emergence of local demand.

"Due to local demand, spot turmeric price increased. The near-month contract in the futures market expired on December 20. So traders quoted a higher price for turmeric," Mr R.K.V. Ravishankar, President, Erode Turmeric Merchants Association.

He said that farmers brought over 14,000 bags of turmeric on Wednesday. Mr Ravishankar said quality goods arrived; so traders quoted higher price purchasing limited stock.

The hybrid variety Salem crop increased by Rs 200 a quintal. Overall, 40 per cent of 14,000 bags was sold.

At the Erode Turmeric Merchants Association sales yard, the finger variety sold at Rs 3,136-4,015 a quintal. The root variety sold at Rs 3,001-3,889.

Salem crop: The finger variety sold at Rs 4,579-5,009. The root variety sold at Rs 4,329-4,846.

Totally 3,075 bags arrived for sale, of that 607 were sold.

At the Erode Co-operative Marketing Society, the finger variety fetched Rs 3,770-4,221.

The root variety Rs 3,696-4,129. Some 1,402 bags were sold as against the arrival of 1,447.

(This article was published in the Business Line print edition dated December 22, 2011)

Sugar perks up on domestic demand

Our Correspondent

Mumbai, Dec 22:

Sugar prices improved in Uttar Pradesh on improved domestic demand, while they were range-bound in Maharashtra on Wednesday. In Maharashtra, S-grade improved by Rs 10 a quintal, while M-grade ruled flat. In Uttar Pradesh, sugar produced last season that ended in September was quoted Rs 20 a quintal higher at Rs 2,820. Sugar produced this season was by a similar margin at Rs 2,920.Due to lack of demand in Maharashtra, gains in naka rates were limited to Rs 10 for superior quality. Mill tender rates declined by Rs 10-15 on increased selling pressure.

Mr Mukesh Kuwadia, Secretary of the Bombay Sugar Merchants Association, told *Business Line*: “Sugar prices are expected to decline slightly further this week as selling by mills is going to be more aggressive for filling the current months quota allotment.”At the Vashi wholesale market on Tuesday, 17-18 mills offered tender and sold about 25,000-30,000 bags in the range of Rs 2,790-2,850 (Rs 2,800-2850) for S-grade and Rs 2,850-2,960 (Rs 2,880-2,970) for M-grade. Arrivals in Vashi market were at 50-51 truckloads and local dispatches were around 47-48 truckloads.The Bombay Sugar Merchants Association's spot rates were: S-grade Rs 2,944-3,015 (Rs 2,941-3,001) and M-grade Rs 3,001-3,122 (Rs 3,000-3,122).*Naka* delivery rates were: S-grade Rs 2,900-2,930 (Rs 2,900-2,920) and M - grade Rs 3,000-3,060 (Rs 3,000-3,050).

(This article was published in the Business Line print edition dated December 22, 2011)