## THE

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## Agriculture department takes all steps to boost productivity

**Special Correspondent** 

The agriculture department is fully geared up to register maximum productivity in Samba and Thaladi this season. Arrangements for supplying fertilizers, agriculture inputs and methods to ensure crop protection have been made, said Collector T. Munusamy at the monthly grievances day meeting here on Friday.

Mr. Munusamy said transplantation of nurseries is in full swing in the district.

The administration has made arrangements for sale of urea (3,814 tonnes), DAP (1,589 tonnes), potash (1,496 tonnes) and complex (670 tonnes).

## Availability of fertilizers

Steps have been taken to ensure availability of fertilizers throughout the season, he said, adding that the Cooperative Department has also stepped up sanctioning of farm loans to farmers.

Subsidy-based seeds would be supplied to groundnut cultivators, raising the crop during Margazhi pattam.

Under the National Food Security Programme, agricultural inputs, including zinc sulphate had been stocked.

Implements such as oil engine, power tiller, would be supplied to farmers with subsidy of 50 per cent. Priority is being given to encourage drip and sprinkler irrigation.

Referring to farmers' plea for advance intimation about moisture content in paddy, O. S. Manian, MP, said that he will take the issue with the government.

He also assured steps for provision of paddy dryer at direct procurement centres and for increasing per bag capacity from 40 kg to 50 kg.

Farmers complained that sewage from underground drainage mixed with the Arupathi channels in Mayiladuthurai. Mr. Manian assured spot inspection of the site for suitable action.

K. Kalairajan, senior regional manager, Tamil Nadu Civil Supplies Corporation, Muruganandam, joint director of agriculture, participated in the meeting.

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#### Survey to identify farmers omitted under farmers' protection scheme in Tiruchi district

#### Special Correspondent

An enumeration was currently under way in the district to identify omitted farmers for the issue of identity cards under the farmers' protection scheme, Collector Jayashree Muralidharan said here on Friday.

Already about 2.73 lakh farmers were identified in the district for the issue of the cards and tokens have been distributed to them, except to about 3,000 farmers.

Farmers who have not got the tokens so far, can get the same from the offices of the village administrative officers, she said speaking at the Farmers Grievances Day meeting. The cards would be issued to the eligible farmers after the enumeration was complete. Ms.Muralidharan also instructed all government departments to send in prompt replies to all petitions received at the meeting.

Earlier, R.Raja Chidambaram, state secretary, Tamizhaga Vivasayigal Sangam, called upon the district administration to rectify discrepancies in the draft market value guideline for properties.

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#### Haryana to issue smart cards for farmers

The Haryana Government has decided to introduce a new scheme of issuing electronic smart cards for farmers in the State.

Stating this here on Friday, an official spokesperson said the card would be made available to each farmer by the market committee concerned. The cards will have all details such as the name of the farmer, his village, age, description of his land and the crops grown by him.

The card will also have details about sale of agriculture produce of the farmers and payments made to him for the same.

With the issuance of this card, the farmers will not need to keep a separate record of their yields and income, the spokesperson added.

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## Machine comes as boon to cotton growers

Special Correspondent



Surendra Babu of Amsri Chemicals demonstrating the functioning of the cotton picking machine in Gulbarga on Friday.

A machine developed by a Secunderabad-based company has made the harvest of cotton crop faster and easier for growers in the region.

The hand-held and battery-operated cotton picking machine is easy to operate and does not damage the crop. Also, it allows boll formation for the second and third flushing of the crop. The machine 'Viswas 999' picks cotton only from fully-bloomed bolls, thus reducing wastage.

According to Surendra Babu, executive at Amsri Chemicals which has created the innovative machine, Viswas 999 has come as a boon to cotton growers, who were finding it difficult to get

trained hands to harvest the crop. Also, the cost of labour had shot up considerably, making it unviable to cultivate cotton.

Mr. Babu, who has put up a stall at the 'Krishi Mela' at the Agriculture Research Station here, said the machine was first introduced in the cotton-growing areas in Andhra Pradesh, such as Guntur, Krishna, East Godavari, Karimnagar and Khammam.

In Karnataka, it was first introduced in Raichur. Now, it is being popularised in the cottongrowing areas in Yadgir and Gulbarga districts.

On an average, the machine can harvest 15 kg of cotton an hour, while manually the maximum harvest a day would be 20 to 25 kg. The harvesting machine can be used for up to six hours at a stretch. It is portable and weighs only 600 gm. The machine comes with a bag, in which the plucked cotton is collected and transported.

Vijayakumar Ghante, scientist at the University of Agricultural Sciences, Raichur, said the machine would be useful in areas with shortage of labour.

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### Enough stock of fertilizers for supply

#### Staff Reporter

There is enough stock of fertilizer at the Primary Agriculture Cooperative Banks in Dharmapuri district for supply to the needy Agriculture Cooperative Societies, it was informed at the monthly farmers' grievances meeting held at the Collectorate on Friday.

#### Encroachments

The meeting was presided over by S. Ganesh, District Revenue Officer. would be given training on modern agriculture equipment soon.

Encroachments on lakes and irrigation canals would be removed. The district administration is implementing distribution of lands to Dalit women through TAHDCO.

#### Subsidy

It was also informed that the government has issued an order to release 100 per cent subsidy to the small and marginal farmers, who are implementing drip irrigation, and for others 75 per cent subsidy.

Authorities would take steps to divert excess water from Eeachambadi Dam to Nalleri.

Those applying for crop loan should submit their loan papers along with proper documents.

If any village has a population of about 5,000 cattle, the authorities would initiate steps to establish a sub veterinary hospital.

K. Rajan, Joint Director, Agriculture, E. Kakkan, Personal Assistant to Collector (Agriculture), Kalaichelvi, Deputy Directory, Horticulture, P. Jogi, Joint Director, Cooperative Societies, K. Anandhi, Special Officer, Dharmapuri District Cooperative Bank, and Gnana Ubaharam, Joint Director, Animal Husbandry, among others participated.

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## Adopt SSI technique to reap rich harvest with less water

**Special Correspondent** 

Cultivation is less expensive and enhances income: scientists



ONE AFTER ONE: A farmer raising a point at the grievances day meeting at the collectorate in Thanjavur on Friday. Photo: - B.Velankanni Raj

Sugarcane farmers of the district have been advised to take up Sustainable Sugarcane Initiative (SSI) to produce more yield using less water and other technology.

S.Sukanya and B.Balasubramanian, scientists from Soil and Water Management Research Institute (SWMRI), explained SSI to farmers at the monthly grievances day meeting here on Friday.

Next to Brazil, India accounted for high sugarcane production, they said, adding that Tamil Nadu contributed to 10 per cent of the total sugar production in India.

Under SSI, farmers can plant bud chips with necessary gap and use drip irrigation on the crop, which will save water.

## Inter-cropping

Farmers can also undertake inter-cropping in the sugarcane field in which SSI method of cultivation is followed.

As the total expenditure of cultivation under SSI is less, it will aid in augmenting income of farmers, the scientists felt.

"SSI is the answer to labour and water shortage," they said.

Collector K.Baskaran presided over the meeting.

He said that during the samba season, paddy has been cultivated in 70,812 hectares under System of Rice Intensification (SRI) method.

Transplantation has been completed in 97,111 hectares. Thaladi has been transplanted in 36,334 hectares.

Farmers demanded proper supply of electricity to agriculture pump sets, supply of agriculture equipments with subsidy, and water supply from Grand Anicut for completing samba paddy cultivation.

PWD engineers said that 10,000 cusecs is drawn from the Mettur dam and it will be supplied based on requirement from Grand Anicut into Cauvery, Vennar and Grand Anicut canal systems.

Rajkumar, joint director of agriculture (in-charge), participated in the grievances day meet.

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Saturday, Dec 24, 2011

## FCI's paddy procurement touches 20.32 mt

## Vijay C Roy / Chandigarh December 24, 2011, 0:23 IST

The Food Corporation of India (FCI) has procured 20.32 million tonnes (mt) of paddy in the current procurement season, of the arrival of 26.03 mt as on December 22. According to officials, on the back of an expected bumper crop, the corporation has plans to procure a record of 35.30 mt in 2011-12. The procurement data includes the procurement by FCI, state agencies which procure for central pool and levy rice (done by millers).

According to the FCI data, the procurement is faster than the corresponding period of last year. Last year at this time, FCI and state agencies had procured 18.04 mt of paddy of the total arrival of 22.33 mt. While, overall in financial year 2010-11, it procured 32.70 mt of rice.

Although the procurement season is almost over in Punjab and Haryana — the major contributors to the central pool — officials mentioned they were expecting to achieve the target from Andhra Pradesh, Chhattisgarh, Karnataka, Madhya Pradesh, Bihar and Orissa from the kharif and rabi paddy crop.

According FCI data, various government agencies managed to procure 11.35 mt of paddy in Punjab this year as on December 1. From Haryana, it has procured 2.93 mt.

Earlier, a senior FCI official said the procurement target for 2011-12 had been kept on the higher side in view of higher production estimates. The agriculture ministry is expecting a record 102 mt of rice production in the 2011-12 crop year against 95.32 mt last year. If the food ministry achieves the procurement target, this would help the government meet the requirement under the proposed National Food Security Act.

It is worth mentioning that the government's nodal procurement agency, FCI, has been procuring paddy (common) at Rs 1,080 per quintal and paddy (Grade A) at Rs 1,110 per quintal in the ongoing 2011-12 marketing year. Last year, it was Rs 1000 per quintal for common variety and Rs 1030 for the grade A variety.

#### Buffer stock and storage

On the present buffer stock with FCI, a senior official mentioned that at present 27.06 mt of rice was lying with them, including the stock of state agencies as on December 1, 2011. Last year, it was 24.52 mt during the corresponding period. He said inter state movement of rice was going for the PDS system. In October, 17.14 mt of rice was moved out from FCI godown for PDS.

At present, it has record grain stock (including wheat and rice) of 54.12 mt against the storage capacity of 63 mt. In order to counter storage problems, the FCI has already allotted tenders to private players for creation of storage capacity under the centre's Private Entrepreneur Guarantee Scheme (PEGS). The country may add about four mt of foodgrain storage capacity by the end of this year for the central pool. This would be part of the 15 mt of additional storage capacity to be created.

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#### Vijay C Roy / Chandigarh December 24, 2011, 0:23 IST

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#### No aid to sugar mills in Maharashtra

## Sanjay Jog / Mumbai December 24, 2011, 0:22 IST

State government refuses financial help to mills seeking fixed cane purchase tax, export grant.

We can't give you financial help, the Maharashtra government has told the state's ailing sugar industry. For, it has said, similar demands would then come from farmers in dry regions. The sugar industry, unable to cope with the mismatch between the cost of

production and ex-mill realisation, pressed for a sugarcane purchase tax at Rs 40 per tonne (on weight basis), instead of three per cent of the cane price (including harvesting and transportation charges). Plus, a Rs 1,000 per tonne export grant.

Besides, the government has rejected the industry's demand to provide default guarantees for 12 sugar mills with negative worth, for availing working capital loan, of Rs 1,000 crore during the current season.

The government's stand was revealed by Chief Minister Prithviraj Chavan and his deputy, Ajit Pawar, during their meeting with Vijaysinh Mohite-Patil, chairman of the Maharashtra State Cooperative Sugar Factory Federation. The Federation is a representative body of 200 cooperatives. The government's decision also comes at a time when mills have incurred a loss of Rs 30 crore on account of short margin. The total loss on this front is estimated at Rs 1,000 crore by the end of the season. In view of the increase in the recovery, the state has restored its earlier sugar production estimate of 9.3 million tonnes.

Mohite-Patil told Business Standard, "We had sought the state government's immediate intervention, as sugar factories are losing almost Rs 200 per quintal since October due to the mismatch between the cost of production and ex-mill realisation. Even on Friday, the ex-mill price is Rs 2,725 per quintal against the cost of production of Rs 2,950-3,000 per quintal. The appeal was on behalf of factories to have a fixed sugarcane purchase tax of Rs 40 per tonne instead of three per cent of the cane price. This was necessary in view of the rise in cane payment. The demand was also made for providing an export grant of Rs 1,000 per tonne in view of low realisation." However, he said the government had not accepted their demands on grounds of limitations on its finances.

Mohite-Patil said the chief minister had promised to lead a delegation for taking up the industry's demand for export grant with the Union finance minister.

According to the Federation official, the government has also turned down a demand for providing default guarantees for the working capital loan of Rs 1,000 crore needed by 12 mills with negative net worth. The government has said it cannot take the burden at this point in time. Besides, the Maharashtra State Cooperative Bank has issued strong norms for availing working capital loans, especially by mills with a negative net worth.

On the Federation's demand for allowing export of three million tonnes during the current season, Mohite-Patil said the chief minister had said he would take up the issue with the central government. So far, the government has approved export of one million tonnes.

On providing grant for the purchase of harvestors by factories, Mohite-Patil said the government had agreed to revise its notification, whereby mills which had already procured such harvestors would be entitled for grant.

## FMC probes rise in guargum price

## Dilip Kumar Jha / Mumbai December 24, 2011, 0:19 IST

The Forward Markets Commission (FMC) has commenced investigations into the alleged manipulation in prices of guargum and guarseed on the National Commodity & Derivatives Exchange (NCDEX).

The market regulator has sent investigation teams to major trading centres for the commodity — Rajasthan, Delhi, Madhya Pradesh and Uttar Pradesh — to check the possibility of price rigging.

NCDEX officials have joined these teams and the exchange is playing its part in the probe, as a third of its volumes comes from guargum and guarseed trade.

"We have sent teams to leading trading centres across the country to check traders' accounts. The teams are selected in coordination with exchange officials," said FMC Chairman Ramesh Abhishek.

"Earlier, FMC had asked the exchange to look into the complaints. Now, FMC has sent its own teams with exchange officials. The major objective of the team is to check the accounts of top clients and discover wrongdoings," he added.

There has been a phenomenal rise in the prices of guarseed and gum. From Rs 2,800 a quintal in April this year, the spot price of guarseed has jumped 146 per cent to Rs 6,900 a quintal. Similarly, guargum price has shot up by 177 per cent to Rs 23,000 a quintal, from

Rs 8,300 a quintal in April.

Several industry stakeholders have complained to the commodity derivatives market regulator that a handful of traders, including a couple of large companies, are cornering guargum for the last few months.

A similar situation had arisen in 2005 when the share of the two commodities had shot up even higher — at 40-50 per cent of NCDEX's total turnover. The regulator had penalised the traders involved in line with FC(R)A guidelines. After that, a huge special margin was levied to curb the price volatility.

"While a number of small traders had been involved in 2005, this time large companies, including a Delhi-based construction company and Gujarat based multi-crore commodity company, have built large positions in guargum under various names," said a large Jaipurbased trader.

"While a number of small traders had been involved in 2005, this time large companies, including a Delhi-based construction company and Gujarat based multi-crore commodity company, have built large positions in guargum under various names," said a large Jaipurbased trader.

Guargum is used as a thickening and binding agent in the food, textile, paper, pharmaceutical and oil industry. Highly refined guargum is used in the food industry as a stabiliser in ice creams (butter scotch ice cream is made from guargum), as a meat binder and a stabiliser for cheeses, instant puddings and whipped cream substitutes. It is used in industrial applications, including cloth and paper manufacture, oil well drilling, explosives, ore flotation, and many other applications.

"We are investigating into the matter," said Ananda Kumar, chief (corporate services), NCDEX. Of NCDEX's Rs 60,856-crore turnover during the November 1-15 fortnight, guarseed contributed Rs 15,752 crore, while guargum share was Rs 4,525 crore.

Since India's share in the global guargum market stands at over 97 per cent, the participants who have been allegedly cornering the commodity, could be doing so to sell it

in overseas markets on premium in the long run.

According to the exchange's research, the current upward pressure on guar complex prices can be attributed to fundamentals of a rising export demand and lower domestic supply. In fact, the growing demand for guargum seems could have led to the pressure on guarseed prices too, as almost 90 per cent of guarseed is used for producing guargum. According to market estimates, guargum exports jumped sharply to 145,000 tonnes in the first quarter of the current financial year from 71,340 tonnes in the same period last year.

# Business Line

#### Pulses imports seen rising with consumption

#### New Delhi, Dec. 23:

Driven by rising consumption, India's pulses imports for the current financial year may stay at last year's levels of around 3 million tonnes. This is despite a record-high output of 18 million tonnes in the 2010-11 crop year.

"Total imports in the current fiscal are expected to be around the same as in 2010-11," said Mr Rajiv Agarwal, Secretary, Ministry of Consumer Affairs, Food and Public Distribution.

High imports are on account of growing consumption of pulses, a major source of protein for the large populace.

Besides, rising income levels, adequate availability and lower prices of pulses are also seen aiding consumption. Mr Agarwal was speaking at the launch of the Global Pulses Conclave 2012 that will be held in Mumbai in February next year.

Imports during the first half of the current fiscal stood at 1.66 million tonnes against 1.63 million tonnes in the corresponding period last year. "The current trend shows that imports are likely to be at last year's levels," Mr Agarwal said.

About 3 million tonnes of pulses were imported in 2010-11, lower than the previous year's 3.5 million tonnes. However, the pulses trade estimates that imports this year will be lower on

account of higher domestic output and the over 20 per cent devaluation of rupee making imports costlier.

"We expect the imports to be in the range of 2.5 to 3 million tonnes this year," said Mr Pravin Dongre, President of the India Pulses and Grains Association. Importers have so far absorbed the impact of the rupee decline, Mr Dongre said. "If the rupee falls further, then importers will have to start passing on the costs to consumers," he said.

The country produced a record 18 million tonnes of pulses in 2010-11 crop year against 14.66 million tonnes in the previous year.

In the current year, the Government had set a production target of 17 million tonnes, a marginal decline on account of inadequate rains in certain States such as Karnataka, Andhra Pradesh and Maharashtra.

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(This article was published in the Business Line print edition dated December 24, 2011)

#### Scanty rain slows sowing of rabi crops

#### New Delhi, Dec. 23:

Scanty rains have affected the sowing of most rabi crops including oilseeds and pulses as on December 23 this year compared with the corresponding period last year. Wheat has been the exception.

The acreage under wheat is marginally higher this year (see table) mainly on account of higher area coverage reported from Madhya Pradesh, Rajasthan, Chhattisgarh and Jharkhand. However, Maharashtra, Gujarat, Karnataka and Punjab have reported lower area so far. Sowing of pulses is lower on account of poor coverage in Maharashtra and Karnataka due to lack of rains. The area under pulses in Maharashtra is down by 2.85 lakh ha and Karnataka 1.6 lakh ha over corresponding last year.

In case of gram, the dominant rabi pulse crop, sowing has got over in 85.7 lakh ha against 89.6 lakh ha last year. The area under lentil is also down marginally, whereas sowing of peas, moong

and urd is up marginally. Sowing of oilseeds, especially rapeseed-mustard, safflower and sunflower is down this rabi, while that of groundnut is up marginally. The area under rapeseed mustard is down by about 4 per cent to 63 lakh ha.

Sowing of coarse cereals and rice transplantation is progressing at a sluggish pace this year, mainly on account of less rain.

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(This article was published in the Business Line print edition dated December 24, 2011) Poor quality pulls onion down

#### Chennai, Dec. 23:

Poor quality of arrivals continued to affect onion prices in markets around growing centres in Maharashtra and Gujarat. The drop in prices has resulted in farmers even staging road blockades earlier in the week.

A move by the Karnataka Government to procure onions at price slots of Rs 700, Rs 500 and Rs 300 a quintal, based on quality, has further angered farmers in Maharashtra, according to trade sources.

"Prices are reflection of quality of onions that are arriving in Maharashtra. Good quality onions are commanding prices between Rs 600 and Rs 900. It is poor quality onions that are getting lower price," said Mr Rupesh Jaju, Director of Nashik-based United Pacific Agro Pvt Ltd.

Nearly 11,400 tonnes have arrived in the last three days and at least 70 per cent was of poor quality, trade sources said.

In the Rajkot Agricultural Produce Marketing Committee (APMC) yard, the modal price or the rate at which most trades took place dropped to Rs 400 a quintal. In the Lasalgaon APMC in Maharashtra, the modal price on Thursday was down to Rs 475 a quintal.

"Exporters are unable to get orders at current minimum export price of \$250 a tonne. In the global market, onion has dropped to \$200 a tonne. We have suggested that the export floor

price be cut to \$150," said Dr R.P. Gupta, Director of National Horticulture Research and Development Foundation in Nashik.

"Some exports are taking place. Shipments are going to the Gulf and Malaysia," said Mr Jaju.

Quality of kharif onion has been affected by lack of rains. The late kharif onion expected to arrive in a fortnight's time could also be affected due to the same factor.

"In two weeks time, we are going to see kharif and late kharif onions flooding markets. Prices could come under further pressure," said Dr R.P. Gupta.

"If the quality of late kharif is better, then prices could improve," said Mr Jaju.

Prices in the coming week are expected to rule flat.

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(This article was published in the Business Line print edition dated December 24, 2011) Cotton may wilt on lower Chinese orders



## Rajkot, Dec. 23:

While higher arrivals and lower demand pulled down cotton here on Friday, it gained in north Indian markets on lower arrivals and demand from mills. According to market sources, cotton prices are likely to fall substantially in the next two months as the biggest importer, China, cuts orders at a time when local supplies are set to peak and Indian buyers remain on the sidelines as demand for yarn is weak. The Sankar-6 variety was down Rs 300 to Rs 33,800-33,900 a candy of 356 kg. During the past five days, cotton has shaved off almost Rs 1,000 a candy in Gujarat. About 60,000-70,000 bales of 170 kg each arrived in Gujarat. *Kapas* or raw cotton also decreased by Rs 20-25 to Rs 845-850 for a *maund* of 20 kg.

Arrivals in Maharashtra increased to about 1,500 trucks and sold at Rs 800-830 for delivery at Kadi.

Traders said spinners have boosted purchases after improvement in yarn offtake. Earlier, they were buying only to meet daily needs, while now they are covering for two days. In North India, 28,000 bales of new cotton arrived.

Ready delivery RG cotton traded at Rs 3,385-3,430 a quintal in Punjab, at Rs 3,305-3,325 in Haryana and at Rs 3,310-3,320 in Rajasthan.

(This article was published in the Business Line print edition dated December 24, 2011) Low demand takes flavour off aromatic rice

## Karnal, Dec. 23:

Aromatic and non-basmati rice ruled flat on Friday on poor domestic consumption.

Local demand is low as prices continue to fall, said Mr Amit Chandna, Proprietor, Hanuman Rice Trading Company. Rice is likely to quote around current prices for the next few days and may witness changes in the first week of January, he added.

After dropping to the season's lowest earlier this week, Pusa-1121 (steam) was flat and quoted at Rs 4,050-4,100 a quintal while Pusa-1121 (sela) was at Rs 3,200 a quintal. Duplicate basmati sold at Rs 3,100-3,250 a quintal.

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

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

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

PR-11 (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

Paddy arrivals remained sluggish with around 12,000 bags of paddy varieties arriving at the Karnal grain market terminal. Around 1,000 bags of PR arrived and sold at Rs 1,030-1,150 a quintal. About 1,000 bags of Sharbati variety arrived and quoted at Rs 1,250-1,290. Around 1,500 bags of DB arrived and sold at Rs 1,320-1,350. Around 6,000 bags of Pusa-1121 arrived and 1,380-1,700 a quintal while around 2,500 bags of pure basmati arrived and sold at Rs 1,700-1,900 a quintal.

(This article was published in the Business Line print edition dated December 24, 2011)

#### Sugar resumes journey southward



Mumbai, Dec. 23:

Sugar prices resumed their south-bound journey on Friday following poor demand and ample supplies in markets across the country.

In central Uttar Pradesh, sugar produced this season that began in October dropped to Rs 2,940 a quintal from Rs 2,950 on Thursday. Sugar produced last season was quoted at Rs 2,840 (Rs 2,860).

In Maharashtra's Vashi wholesale spot market, prices dropped by Rs 3-5 a quintal.

*Naka* and mill tender rates were unchanged despite demand easing. Demand may rise next week because of New Year festivities. Volume was unchanged on the spot market but lower at the mill level, said a wholesaler in Mumbai.

"Demand was lower on Friday compared with Thursday. Buyers from other States, too, were not forthcoming," said a trading source from Uttar Pradesh.

Local demand is need-based in Maharashtra, said the Mumbai wholesale trader. Local producers focused on the State market as there are no orders from buyers in neighbouring States.

Most players are now waiting for the announcement of January's free-sale quota. In Vashi on Thursday, about 15-16 mills offered tenders and sold about 35,000-40,000 bags at Rs 2,800-2,860 (Rs 2,800-2860) for S-grade and Rs 2,870-2,960 (Rs 2,870-2,960) for M-grade. Arrivals in Vashi were at 52-54 truckloads and local dispatches were around 50-52 truckloads. Freight rates were unchanged.

Bombay Sugar Merchants Association's spot rates: S-grade — Rs 2,936-3,011 (Rs 2,941-3,020); M-grade — Rs 3,001- 3,102 (Rs 3,006-3,102).

*Naka* delivery rates: S-grade — Rs 2,885-2,920 (Rs 2,885-2,920); M-grade — Rs 2,975-3,020 (Rs 2,975-3,020).

(This article was published in the Business Line print edition dated December 24, 2011)