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New Centre of Excellence for Vegetables opened in Haryana

Rajesh Ahuja

Evolving new technologies to avert another “onion crisis”: Pawar

NEW VISTAS:Union Agriculture Minister Sharad Pawar (left) with Haryana Chief Minister Bhupinder Singh Hooda (centre) and Israeli Ambassador Mark Sofer during the inauguration of a new Centre of Excellence for Vegetables, a joint India-Israel project, at Gharaunda in Karnal on Monday.

CHANDIGARH: Union Agriculture Minister Sharad Pawar on Monday called for development of new technologies to avert a recurrence of the “onion crisis”.

Inaugurating a new Centre of Excellence for Vegetables, set up in collaboration with Israel, at Gharaunda in Karnal district, Mr. Pawar said changes in climatic conditions were responsible for the loss of onion crop in Maharashtra's Nashik district, which contributes 40 per cent of the crop produced in the country.

The Minister said that 70 per cent of the crop grown in the Nashik region was damaged due to unprecedented heavy rainfall which resulted in “scarcity”.

“The farmers suffered a lot, and nobody was concerned about their loss,” he added.

“The India-Israel projects will help by showing us a new path where water and manure are used optimally and the national problem is solved,” he said.

Referring to the recent hike in the prices of vegetables, he put forward a proposal for providing subsidy for greenhouse farming of vegetables in a 20-25km radius around townships with a population of two lakh to three lakh.

He further said the government was trying its level best to bring the prices of vegetables down.

Mr. Pawar added that Haryana farmers had the capacity to meet the growing demand for fruits and vegetables in the Delhi market.

He assured Haryana Chief Minister Bhupinder Singh Hooda that the request for setting up a Centre of Excellence for Flowers at Chaudhary Charan Singh Haryana Agricultural University, Hisar, would be favourably considered if it was made in writing. “We will also talk with the Israeli authorities regarding this,” he added.

The Centre of Excellence for Vegetables has been set up at a cost of Rs. 6 crore as part of the 2006 India-Israel agreement on agricultural cooperation.

Complimenting the Haryana Government on the same, Mr. Pawar said a similar Centre for Fruits was coming up in Sirsa district.

Raising the issue of decreasing land holdings, Mr. Hooda called for adoption of modern technology in farming for maximum production using least amounts of water and fertilisers.

The two Centres would enhance the production and quality of fruits and vegetables with the use of extremely modern technology, he said.

Israeli Ambassador Mark Sofer said the centre would serve as a model for farmers.

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Acreage under food crops shrinking

K.A. Martin

Large extent of cultivable land brought under cash crops

'Trend indicative of changing relative profitability of crops'

There will be a huge gap between demand for 40 lakh tonnes of paddy and production

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KOCHI: Spiralling agri-commodity prices will worsen Kerala's food security concerns as fresh research data on cropping patterns paint a bleak picture of shrinking acreage under food crops while chunks of cultivable land are being taken over by cash crops like rubber and spices.

The acreage ratio (area under a particular crop as percentage of the total cropped area) of rice, tapioca and cashew has declined continuously between 1980-81 and 2008-09, said K. Satheesh Babu, Professor at the Agricultural Market Intelligence Centre of Kerala Agricultural University.

The acreage ratio of rice fell from 27.79 during 1980-81 to 8.69 during 2008-09 while natural rubber strode from 8.24 to 19.20 during the period.

In absolute terms, rubber is the most widely cultivated crop in the State (5,12,000 ha) after coconut (8,19,000 ha). Rice comes third at 2,29,000 hectares and pepper fourth with an acreage of 1,75,000 hectares.

Tapioca, once the common man's diet in Kerala, is no longer a much welcome addition to the food basket as indicated by a fall in its acreage ratio from 8.49 to 3.24 during the 1980-2009 period.

The extent of coconut cultivation increased, though not significantly, as shown by the gain in acreage ratio from 22.58 to 29.23 between 1980 and 2009. Cashew, like rice, showed a dramatic fall in acreage ratio, from 4.90 to 1.97 while the acreage under banana increased from 1.71 to 3.89 during the period.

The acreage ratio analysis indicates that the area gained by rubber is at the expense of crops like cashew, tapioca and to some extent paddy in certain areas, said Dr. Babu.

Rice, coconut, tapioca, rubber, pepper, banana and cashew together accounted for 77.46 per cent of the total cropped area of Kerala at the beginning of the 80s. But the acreage under rice, tapioca and cashew declined continuously since then. “The trend is truly indicative of the changing relative profitability of these crops,” said Dr. Babu.

Though this trend does not augur well for food security, there is a glimmer of hope, says P. V. Balachandran, Director of Extension, KAU and Director of State Paddy Mission.

“We still can bring back about 50,000 hectares under paddy cultivation,” he says pointing to substantial gains in rice production if we have better cropping intensity. The addition of 50,000 more hectares means that we will have more than three lakh hectares under paddy cultivation in the State.

But still there will be a huge gap between the demand for 40 lakh tonnes of paddy annually and local production of around six lakh tonnes.

Jose Joseph, Professor of Agricultural Extension, College of Agriculture, Padanakkad, vouches for the fact that large tracts of the eastern areas of Kasaragod district are rapidly coming under rubber cultivation. He said even in Idukki district, there was a change in the pattern of cultivation, which did not point to a food secure future for the State.

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Coal Ministry seeks permission from Forest Ministry for mining

Atiq Khan

LUCKNOW: To avoid a clash with the Union Environment and Forest Ministry over environmental clearance for coal projects, the Coal Ministry has sought permission for mining on the land which is not under dense forest and wildlife corridor.

A proposal to this effect has been submitted to Prime Minister Manmohan Singh, by Union Minister of State for Coal Sriprakash Jaiswal. It is against the backdrop of increasing coal production that permission has been sought from Dr. Singh.

According to Mr. Jaiswal, a Group of Ministers (GoM) has been constituted by the Prime Minister for deliberating on the issue.

It is expected that a decision by the GoM would be taken within a couple of months, the Minister said.

Describing the issue pertaining to the dispute between the two ministries as alive, Mr. Jaiswal said it had been also proposed that in the case of environmental damage to light forests caused by coal mining, the task of afforestation would be undertaken by the Coal Ministry.

“The trees planted on the denuded light forest areas would be two and a half times more than the trees uprooted during the mining exercise,” the Union Coal Minister told reporters here on Monday.

He added that in 20 to 25 years, the area would be transformed into dense forest.

It has been also suggested that dereliction of duty by coal officials in the afforestation exercise should be treated as a serious offence.

Mr. Jaiswal said problems related to the threat to environment and forest areas and steps to increase coal production were inter-related. However, efforts would be made to ensure that no damage is caused to the environment and the forests during mining exercise.

He was quick to deny the reported differences with the Union Environment and Forest Ministry.

The policies of the environment and coal ministries were the common policies of the United Progressive Alliance government, the Minister stated.

Stating that alternatives for increasing coal output were being explored, Mr. Jaiswal said the feasibility of "clean coal technology" was being studied, with the possibility of "coal to liquid" (CTL) technology used in South Africa being adopted in India.

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Gadkari accuses Congress of neglecting farmers, poor people

Special Correspondent

"The poor have become poorer while leaders of Congress have all become richer"

Nitin Gadkari

BHUBANESWAR: The Bharatiya Janata Party (BJP) president Nitin Gadkari on Monday alleged that the United Progressive Alliance (UPA) government led by the Congress had done little to solve the problems facing the farmers and the neglected sections of society in the country's interiors.

“The poor have become poorer in the country under the Congress regime while the leaders of the Congress have all become richer,” observed Mr. Gadkari, while addressing an impressive rally against corruption organised by the State unit of his party here.

The reports of several committees appointed by the Planning Commission spoke volumes about the poverty situation, he said.

Terming 2010 the ‘year of scandals,' Mr. Gadkari said the government did little to prevent farmers' suicides or provide jobs to the youth but plundered public money in the name of sports.

“Raja, Bajayega Congress Ka Baja' [Raja will ruin the Congress],” Mr. Gadkari said while speaking on the 2G spectrum scam, which was brought to light by the Comptroller and Auditor General of India.

He also came down heavily on the United Progressive Alliance government for its alleged failure to check price rise.

The fuel prices had increased seven times in the past six months, he said.

The BJP president also accused the Naveen Patnaik government of looting Orissa's land, minerals and other natural resources by indulging in corruption to show undue favours to companies such as Vedanta and Posco.

Accusing Chief Minister Naveen Patnaik of betraying the BJP days before the 2009 general election, Mr. Gadkari said Mr. Patnaik was hand-in-glove with the Congress.

Expressing concern over lack of irrigation facilities for farmers in many regions across the country, Mr. Gadkari urged the people gathered at the rally to strengthen the BJP which was “committed to work for the development of the country.”

Assurance on irrigation

The BJP, if voted to power, would shift irrigation from the State list to the concurrent list to provide irrigation facilities to the farmers with the Central government bearing 50 per cent of expenditure, he added.

Mr. Gadkari said the BJP was set to emerge as an alternative to provide a better government in Orissa.

The people were “not keen to see the Congress in power again, or to allow Naveen Patnaik's Biju Janata Dal to continue its rule further.”

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Suspend onion imports for 10 days, NCCF tells government

Gargi Parsai

NEW DELHI: Even as the price of onions remained high in domestic retail markets, the National Cooperative Consumers Federation of India (NCCF) on Monday urged the government to suspend the import of the vegetable for 10 days, by when the prices are expected to fall due to better arrivals.

“The recent import of onions from China and Pakistan has created panic among our farmers, and many of them have started harvesting the crop prematurely so that they do not incur losses,” NCCF chairman Virendra Singh told journalists here.

While 11 tonnes of onions contracted on private account landed at Mumbai on Friday, another 200 tonnes imported by state agencies reached the Mundra Port in Gujarat on the same day.

Mr. Singh said he was not questioning the government's decision to import, but “it will be better if onion shipments are suspended for the next 10 days, by when the situation will improve substantially,” he said in reply to a question that Commerce Minister Anand Sharma had said that more onions would be imported.

Mr. Singh said the onions that had arrived from Pakistan and China were not of good quality. “Onions landing at Mumbai from China are bulky — each weighing about half-a-kg — full of water and not pungent,” he said.

He said he had not seen the onions from Pakistan, adding: “In any case Indian onions are far superior.”The NCCF, which entered the market on January 10, will sell “good quality” onions at Rs.35 per kg through its 365 outlets in Delhi. This will be in addition to the outlets run by Mother Dairy and the National Agricultural Cooperative Marketing Federation of India.

Mr. Singh said the NCCF had received requests from Rajasthan, Kerala and Tamil Nadu for subsidised onions, but unless the government decided to extend its subsidy, the onions will be made available to these markets at the economic cost.

The cooperative procures onions from all producing States. On Monday, the average rate in wholesale markets was between Rs.22-26 per kg.

Sources said that with the government's intervention to sell the commodity at a subsidised rate of Rs.35 per kg, the prices will begin to “cool” as arrivals from Maharashtra and Gujarat improve further.

The import of onions from Pakistan and China on private accounts will also affect the market sentiment and prevent hoarding

NCCF officials claimed that the decision to import onions and the government's intervention in the market should have happened earlier.

The officials disagreed that the continuing export of onions even after the crop had been damaged due to untimely rains had created a shortage. According to them, as against the 17 lakh-tonnes export, only 13 lakh tonnes have been exported this year. India exports onions mostly to the Middle-East countries, Pakistan and Bangladesh.

Unseasonal rains and unhindered exports to Pakistan had affected tomato supplies as well, with the price of the vegetable at Rs.60 per kg in most retail markets on Sunday. Mother Dairy was selling the “desi” tomato for Rs.36 per kg on Monday.

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Sub-surface drip irrigation gains popularity

S. Sundar

ADVANTAGE:The technology of sub-surface drip irrigation system for sugarcane being explained to top officials of sugar mills in Maharashtra at a farm in Keelakottai in Sivaganga district on Monday.

SIVAGANGA: Sub-surface drip irrigation system is gaining popularity among sugarcane farmers for its utility especially in rain-fed areas like Sivaganga district.

The lateral tubes laid 10 cm below the earth helps using harvesting machinery without damaging the drip irrigation pipes. It could be used for as many as six ratoons (six harvests without re-plantation).

Over 120 representatives of sugarmills from Maharashtra were brought for a field visit by the Jain Irrigation Systems to educate them on the new drip irrigation system on Monday.

Interacting with the chairpersons, managing directors and other top officials of the sugarmills, its vice-president P. Soman said that the yield had gone up by at least 10 tonnes in an acre in Sivaganga district.

Developed in Hawaii, Jain Irrigation systems made it suit Indian conditions, like small farms, usage of smaller machinery and economic conditions. The technology had been used to cover 4,500 hecatares in Tamil Nadu, 800 ha in Andhra Pradesh in the last five years.

Speaking on the advantages, Dr. Soman said that evaporation loss in this technology was 10 per cent to 20 per cent less than the conventional drip irrigation system. Besides, only one weeding is required. “The average yield in Tamil Nadu conditions which is 28 tonnes in an acre had gone up to 40 acres. The highest yield had been 80 tonnes.”

E. Sivaprakasam, a farmer in Koomachipatti, said he had increased cane cultivation from 10 acres to 27 acres in the last three years with the same source of water using this drip irrigation system. Additional yield of 10 tonnes in an acre was possible with the spacing between crops.

Along with sub-surface drip irrigation, Sakthi Sugars, has been promoting spacing between the plants that would enable harvest using machines. Mr. Sivaprakasam said 17 labourers worked for 50 days to cut the cane on 9 acres, two years back. Last year, the harvest machine did the job on 10 acre in two-and-a-half days. While the manual cutting cost Rs. 450 a tonne, the harvest machine cost only Rs. 290 a tonne.

Vice-President of Sakthi Sugars, L. Arumugam, said his mill had seven harvesting machines. He hoped to use the machine for at least 2 lakh tonnes out of the 4.5 tonnes of sugar. “We are giving an incentive of Rs. 5,000 an acre for farmers who are going for drip irrigation to sustain the cane area,” he said.

This is over and above 65 per cent subsidy given by the State Government for drip irrigation.

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Report envisions turning waste land into ‘energy fields'

Special Correspondent

Chennai: The vast stretches of waste lands in Dharmapuri district can be turned into ‘energy fields' as the district has the highest potential of solar energy production. Even with five per cent of utilisable waste land, nearly 5,750 megawatt of electricity can be produced through solar photovoltaic (PV) systems, according to a report published by the World Institute of Sustainable Energy (WISE).

The report, titled 'Solar Road Map for Tamil Nadu,' relies on solar radiation data determined using METEONORM (Global solar radiation database) and NASA (National Aeronautics and Space Administration) database.

Vellore, The Nilgiris, Tiruvannamalai and Salem are the other locations considered suitable for solar energy production with the potential of 2,672 MW; 2,232 MW; 2,170 MW and 1,853 MW using five per cent of utilisable waste land.

As per the preliminary potential assessment study by WISE, the estimated gross potential for land-based grid connected Solar PV in the State is in the range of 4,000 MW to 21,700 MW. The potential for Concentrating Solar Power (CSP) or solar thermal projects is estimated to be around 400 MW to 2,000 MW in the State.

The report has recommended installation of at least six to seven demonstration grid connected solar power projects using Solar PV.

Suggesting setting up of solar specific SEZs to facilitate indigenous manufacturing of solar devices, the WISE report recommended a Solar Energy Policy on the lines of Gujarat and the creation of Clean Energy Fund (by levying Green Cess) as in Maharashtra. The report also underlined the huge potential for installation of rooftop PV and small scale solar power projects and solar heating applications, all incorporated into a comprehensive Solar Energy Development Policy. It also suggested reduction of taxes and duties on balance of systems such as inverters and deep discharge batteries.

The report has been prepared for Confederation of Indian Industry (CII) and Tamil Nadu Energy Development Agency (TEDA) by Surendra Pimparkhedkar, Ranjeet Singh and Mangesh Ghungrud of WISE.

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'Take up guava cultivation'

Special Correspondent

THANJAVUR: The Department of Horticulture has urged the farmers of the district to take up guava cultivation.

Guavas, that are rich in Vitamin C, are currently cultivated on 160 hectares of land in the district. Hybrid guava seeds, priced at Rs. 12 each are available in the government horticulture farm at Marunkulam, according to a press release issued here on Monday by M. Selvaraj, Deputy Director of Horticulture.

Varieties of seeds available at the farm are Angabad, Lucknow 49 and Lucknow 46.

Seedlings that will start bearing fruit in two and a half years, give a yield of 20 tonnes a hectare.

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Consumers sore at soaring prices

Sruthisagar Yamunan

Middle and lower income groups are the most affected as family budgets get tighter

PUDUCHERRY: For S. Vijaya, a housewife residing in Muthialpet, Pongal celebrations have never been more costly. Picking her “budget diary,” she makes a comparison of her festival expenses in the last two years.

“For vegetables and groceries, I spent Rs.960 during Pongal last year. This year, our expenses have touched Rs.1300. This is after I cut down on the quantity of certain commodities,” said Vijaya. This was even as her husband's income had remained almost constant over the last one year.

Such soaring prices of essential commodities have had a telling effect on family budgets, with the middle and lower income groups being the most affected in the Union Territory.

Several shopkeepers in the town said that when compared to the festive season last year, the prices of almost all commodities — from pulses, rice and vegetables to cooking oil, butter and spices — have increased by at least 30 percent.

For example, the vendors said that the price for a kilogram (kg) of garlic last January was around Rs.160, whereas this year it was sold for Rs.250 per kg. Dry red chillies that sold for Rs.80 last year were sold at Rs.120 this year. Sugarcane, perhaps the most important commodity for Pongal celebrations, saw an increase of Rs.10 per pair over last year.

According to Sathyamurthy, a private school teacher, the price rise has affected every aspect of his life including what he ate and what he wore. “We are no longer able to afford stuff we used to buy two years ago. It was our family tradition to prepare three sweets on Kaanum Pongal day and take it to our family deity. We did not make sweets at all this year owing to the price of sugar and ghee,” he said.

Petrol price hike

If consumers were facing the heat following steep rise in prices of groceries, the recent petrol price hike has made the situation more difficult.

“The autos were already charging exorbitant rates. With every petrol hike, the auto drivers make a killing by hiking their rates,” said Sukanya, who works at a private firm on Anna Salai. Commuters said that the absence of a good public transport system in the town was adding to their woes and they were forced to take the autos despite high rates.

“The fleet of government buses is so small and the buses are always crowded. Unless the government starts plying more buses, we would continue to suffer,” she said.

Civil Supplies and Consumer Affairs Minister M. Kandasamy said that a meeting to discuss the spiralling prices and take appropriate measures would be convened on Tuesday with the officials concerned. He said that streamlining prices of commodities in all markets would be the first step to fight the price rise.

“We are trying to put up boards with the prices in all markets for certain commodities and also conduct inspections to see if they are followed. This would be applicable to auto rates as well,” he said.

DECCAN Chronicle On The Web
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Tomato set to add to price woes

By Age correspondent
Jan 18 2011

After onion, “market forces” determining tomato and edible oil prices are set to add to the government’s woes.
While retail onion prices were between `50-60 per kg, tomato sold at `60 per kg in the city on Monday owing to short supply. On January 15, retail tomato prices had peaked to `70-80 per kg, traders said.

Prices of edible oils like sunflower, groundnut, mustard, soya and vanaspati have also increased sharply across the country by up to 62 per cent in the past one year, according to consumer affairs ministry.
Food inflation continues to remain high at 16.91 per cent for the week ended January 1.
Against the high retail prices, the wholesale price of tomato was `15-30 per kg in Azadpur mandi, general secretary Tomato Merchants Association Subhash Chuk said.
The scene in other metros too was the same. Tomato sold at `50 per kg in Mumbai in retail while prices stood at `35 per kg in Kolkata and `40 per kg in Chennai, traders said.
Arrival of tomato is almost 40 per cent less from producing states Gujarat, Haryana, Uttrakhand and Rajasthan, where the crop is not ripening because of winter chill. Besides, traders in Delhi are exporting about half of the quantity they are buying to Pakistan.
“Out of a total of 20-30 trucks of tomato each carrying 10 tonnes arriving in Azadpur daily, almost 10-15 vehicles are dispatched to Pakistan through Attari-Wagah border everyday,” Mr

Chuk said.

In the edible oils, the maximum rise in retail prices was in sunflower oil, which increased to `110 per kg in Delhi on January 14 from `68 per kg last year. In Kolkata and Chennai sunflower oil prices during the same period were `75-85 per kg.

Source URL:
http://www.deccanchronicle.com/national/tomato-set-add-price-woes-291

Tue,18 Jan 2011

Chennai - INDIA

Today's Weather		Tomorrow's Forecast	
Clear	**Tuesday, Jan 18** Max Min 31° | 24°	Cloudy	**Wednesday, Jan 19** Max Min 30° | 20°
Rain: 00 mm in 24hrs	Sunrise: 6:35		
Humidity: 83%	Sunset: 18:02		
Wind: Normal	Barometer: 1012.0		

Extended Forecast for a week

Thursday	Friday	Saturday	Sunday	Monday
Jan 20	**Jan 21**	**Jan 22**	**Jan 23**	**Jan 24**
26° | 19°	25° | 19°	25° | 21°	25° | 22°	26° | 22°
Cloudy	Cloudy	Cloudy	Cloudy	Cloudy

Weather

Business Line

Business Daily from THE HINDU group of publications

Friday, Jan 18, 2011

Suspend onion imports by another 10 days: NCCF

NEW DELHI: Warning that a massive influx of onions from Pakistan and China is creating "panic" among farmers, cooperative major NCCF today asked the government to suspend imports of the vegetable for 10 days, by which time the rates are expected to cool down.

"Recent import of onions from China and Pakistan has created panic among our farmers and many of them have started harvesting the crop prematurely so that they do not incur losses," National Cooperative Consumers Federation of India Ltd (NCCF) Chairman M r Virendra Singh told reporters.

While 11 tonnes of onions contracted by a private trading house landed at Mumbai on Friday, another 200 tonnes imported by state-run PEC and STC reached the Mundra Port in Gujarat on the same day.

"We are not questioning decision of the government (to go for import of onions to replenish domestic supplies), but it will be better if its shipments are suspended for the next 10 days, by when the situation will improve substantially," Singh said in re ply to a question that Commerce Minister Mr Anand Sharma has favoured more imports of onions.

The NCCF Chairman claimed the onions shipments that arrived recently in the country from China and Pakistan were not of good quality.

“Onions landing at Mumbai last week from China are big in size, each weighing about half-a-kg. It’s full of water and not pungent,” he added.

“Pakistani onions, I have not seen personally,” he said, adding, “In any case, Indian onions are far superior to them.”

The import has made our farmers “unhappy”, Singh said voicing the concerns of the farmers.

“We received reports that many onion farmers in Gujarat and Maharashtra have started plucking their crops prematurely due to this,” he claimed.

Accompanied by NCCF Managing Director Mr M K Khan, Mr Singh claimed the onion imports have in fact delayed amelioration of the domestic situation by almost a week.

Mr Singh said the situation has started improving and claimed the price of onions will come down to the comfortable level of Rs 25—28 a kg in retail markets of the country in the next 10 to 15 days.

The NCCF chief said the cooperative acted promptly to the crisis situation by selling onions at a subsidised rate of Rs 35/kg at its outlets, as directed by the government.

In addition to its 15 NCCF outlets in the national capital, the cooperative has 10 mobile vans selling onions at same rate of Rs 35/kg, he said.

Mr Singh hailed Delhi Chief Minister Ms Sheila Dikshit for acting promptly to provide relief to the citizens with the help of cooperatives and said NCCF has promised assistance to other state governments too. - PTI

Retail tomato prices ruling at Rs 60/kg in Delhi

NEW DELHI: As consumers wait for the retail prices of onion to cool from Rs 50-60 a kg, tomato continues to rule high at Rs 60 a kg in the national capital due to supply crunch and export of the commodity to Pakistan.

Tomato retail prices, which zoomed to Rs 70-80 a kg in the retail market on Saturday, saw a marginal slide today to Rs 60/kg, traders said.

Wholesale prices are ruling at Rs 15-30/kg in Azadpur (Asia's biggest wholesale fruits and vegetables market) today, the General Secretary of Tomato Merchants Association, Mr Subhash Chuk, told PTI.

Wholesale prices are continuing at this level for the last one week. Other metros too are not being spared, he said.

Tomato costs Rs 50/kg in Mumbai in the retail market, while it stood at Rs 35 per kg in Kolkata and Rs 40 per kg in Chennai, traders said.

Mr Chuk attributed the soaring prices in Delhi to supply crunch to the tune of 40 per cent and also export of the commodity to Pakistan.

Besides, even amid restricted arrival of the crop, traders in the national capital are sending about half of the quantity (they are acquiring) for export to Pakistan.

"Out of a total of 20-30 trucks of tomato (each carrying 10 tonnes) arriving in Azadpur daily, almost 10-15 vehicles are dispatched to Pakistan through Attari-Wagah border everyday," Mr Chuk said.

The Azadpur market based President of Tomato Merchants Association, Mr Darshan Lal Arora, echoed similar views.

The Vice-President of Amritsar Exporters Association, Mr Rajendra Singh Uppal, told PTI over phone that almost 30-35 truck load of tomatoes are going to Pakistan through Attari-Wagah border daily nowadays.

Mr Chuk and Mr Arora said the prices might come down by next week with the increase in flow of the commodity from Ahmedabad, Haldwani and Jaipur due to faster ripening of the crop. This is due to expected rise in temperature as a result of easing of wint er in these regions. — PTI

Limited activity keeps cardamom steady

G.K. Nair

Kochi, Limited activities in the cardamom market last week due to holidays and cold wave conditions in upcountry markets kept prices of the commodity nearly steady at auctions.

Severe cold wave conditions in the north Indian States have led to a slowing of buying activities. The market is expected to be activate in the coming days and remain lively till Holi, trade sources said.

At the same time, arrivals have shrunk and they are just about one-third of the arrivals during the peak time of the season, they said. Prices for 8mm green colour bold continued rule steady at Rs 1,650-Rs 1,700 a kg while bulk is being sold at Rs1,380-Rs1,425 a kg.

Exporters stayed away as the prices were not comfortable. However, upcountry dealers were active on the anticipation that arrivals will decline with the beginning of the lean season and consequently prices might move up, they said.

Last week on account of Makar Sankranti there were no auctions on Saturday and Sunday. The individual auction average oscillated between Rs 1,300 and Rs 1,407 a kg, they said.

Arrival at the Friday auction conducted by the MAS enterprises was at 24 tonnes and almost the entire quantity was sold.

The maximum price was at 1,557.50 and the auction average was at Rs 1,406.79 a kg.

According to Mr P.C. Punnoose, General Manager, CPMC, the market had been on a holiday mood till Sunday and it is expected to become activated from today. The chances of prices declining during the current season is unlikely given the strong fundamentals, he said.

Arrivals last week declined to 125 tonnes from 230 tonnes the previous week, he said. Arrivals during the current season from August 1 to January 14, 2011, stood at 6,352 tonnes. Of this 6,220 tonnes were sold.

Arrivals and sales in the same period of the previous season were 6,410 tonnes and 6,290 tonnes respectively. Weighted average price as on January 14, 2010, was Rs 1,098 a kg, up from Rs 742.90 a kg same day last year.

Prices remained unchanged for graded varieties in rupees per kg Monday according to official sources were AGEB 1,620 – 1,630; AGB 1,510 – 1,520; AGS -1,490 – 1,500 and AGS1 -1,470 – 1,480. Prices according to trade sources in the open market in Bodinayakannur in rupees per kg were AGEB (7mm – 8 mm) 1,490- 1,520 ;AGB (6mm – 7 mm) 1,395 – 1,415; AGS (5mm – 6mm)1,370- 1,390 and AGS 1 - 1,355 –1,370 (not available).

Weather conditions were favourable last week in the growing areas, and if the growing regions received a couple of showers that would help improve the plants, growers said.

Chilli hots up on crop damage fears

M.R. Subramani

Chennai, Jan. 17

Chilli prices rose to a week's high on the spot and futures market on fears that the new crop has been badly damaged.

“Farmers had been hoping for a good crop this year. But unseasonal rain in the first week of December affected the crop and the damage is reported to be severe,” said Mr S. Surya, an exporter from Guntur.

“At least 50 per cent of the crop is feared to have been damaged by the cyclonic storm that hit the growing areas in December. In addition, diseases are also affecting the crop,” said Mr Alapati Srinivasa Rao, another trader in Guntur.

“The quality of the crop is inferior but we think the damage is not as bad as it is being reported to be. We find too much of speculation on the futures exchanges,” said Mr Mahaveer Kumar of Rajendra Spice Products in Guntur.

Modal price

On Monday, quality chilli of the new crop commanded as high as Rs 9,200 a quintal, though the modal price or the rate at which most trades took place was Rs 7,000. Against this, the prices before the market closed for Sankaranti holidays were Rs 6,600-8,900, while the modal price was Rs 6,600.

“In view of the crop failure, we have been told that the new crop's opening price will be Rs 7,000 a quintal,” said Mr Rao.

“Prices for chilli this year will be far higher than last year,” said Mr Surya.

On NCDEX, February contracts rebounded to Rs 8,406 a quintal against Rs 8,082 during the weekend, while March contracts ended at Rs 8,554.

On January 4, February futures hit a contract high of Rs 9,178.

“Currently, arrivals are around 12,000 bags (40 kg each) and they are expected to pick up in a month's time. Then arrivals could be over 35,000 bags,” said Mr Kumar.

Though nearly 10 lakh bags of the old chilli crop are available, they are expected to be sold off before the new crop arrivals peak.

During the last few years, chilli production in the country has been averaging around 13 lakh tonnes. Of this, 7.5 lakh tonnes come from Andhra Pradesh.

Why duty-free import of refined oils must be allowed

Will encourage traders to import readily marketable product.

G. Chandrashekhar

Mumbai, tariff values for various imported edible oils announced from time to time are a big joke. The latest notification is dated January 14, 2011 issued by the Central Board of Excise and Customs, Department of Revenue. The tariff values insofar as crude or unrefined oils are concerned are no longer relevant as import of such oils was declared duty-free two years ago. Currently, refined oils alone bear customs duty and the rate is 7.5 per cent ad valorem.

However, the rate of duty is not levied on the invoice price but on the specified tariff value, which is substantially lower than the market price. This has been the case for a long time now. For instance, the current market price for refined palmolein is about $1,260 a tonne cost and freight India. But the rate of duty (7.5 per cent) will be levied not on the invoice price but on the tariff value which has been fixed and has remained unchanged for a long time at $484 a tonne.

In other words, although the rate of customs duty on refined palmolein is 7.5 per cent, the effective duty is just about 3 per cent.

Inflation effect

Now, with the Government under intense pressure to contain high levels of food inflation, New Delhi is examining various possibilities to augment supplies and reduce prices. There is a strong case for permitting refined oils also at zero-duty on par with unrefined oils.

Duty-free import of refined oils will encourage traders to import the readily marketable oil and dispose of in the domestic market without any time lag.

Currently, the market for imported edible oils is tightly controlled by a handful of large refiners who are in a position to dictate prices and influence market trends. There is a time lag between arrival of crude oil and disposal of the imported oil after refining. This time lag creates a window of opportunity for taking speculative trading positions in the market.

Bull run

At the same time, global vegetable oil market is facing a bull run. Weather aberrations in important origins have affected oilseeds and oils production while demand has remained strong.

Genuine relief from high vegetable oil prices is unlikely to be available anytime soon. Edible oils have a high weightage in the consumer price index. Even a modest reduction in price will bring relief to consumers.

If refined oils are permitted duty-free, it will have a salutary effect on the domestic market. Importers holding large stocks in anticipation of further rise in prices will be forced to quickly liquidate stocks.

While refiners will continue to import crude oil for refining domestically, traders will import refined oils and market directly. This will bring about healthy competition in the marketplace.

A major issue with large-scale import of crude palm oil for refining domestically is the disposal of palm stearine. There are restrictions on use of palm stearine, but it is common knowledge within the industry that the material – the solid fraction of palm oil and not easily digested – is used in vanaspati production and also mixed with cooking oils.

With so much price volatility in the vegetable oil market, there is large-scale adulteration of various cooking oils which in the long run hurts consumer health and well being. So, in addition to augmenting edible oil supplies through duty-free import of refined oils, the Government must crack down on adulteration of cooking oils.

Soya oil gains despite subdued buying

Our Correspondent

Indore, Soya oil gained marginally despite subdued demand as the global market pared its gains. According to trade sources, though soya oil prices continue to rule steady for the past two days, demand in the domestic market has marginally declined. Given the fact that the demand for soya oil will pick up in a day or two in view of the ensuing marriage season, prices are likely to gain.

In Indore mandis, soya refined quoted at Rs 603-607 for 10 kg, up Rs 2. However, majority of trading was done at Rs 605. Soya solvent ruled firm at Rs 572-576. On the NBOT, soya oil February contract closed Rs 2.70 higher at Rs 647.70 on cues from slightly positive Malasiyan palm oil futures. On the NCDEX, soya oil January contract closed Rs 3 higher at Rs 634.70.

Weak arrivals

On the other hand, soyabean gained Rs 10-15 on weak arrivals. Madhya Pradesh mandis saw an arrival of about 1.50- 1.60 lakh bags of soyabean and it was quoted at Rs 2,280-2,340 a quintal. In Indore mandis, arrivals of soyabean were 6,500 bags and they was quoted at Rs 2,300-2,320.

Plant deliveries of soyabean were also quoted Rs 10-15 up at Rs 2,370-2,440 a quintal. Traders are of the view that given the decline in arrival of soyabean and support from the soya de-oiled cake or meal, prices of soya seeds are unlikely to drop from the current level.

On the other hand, soya DOC ruled steady at Rs 18,600 a quintal on the port on dull demand, while in the domestic market, soya DOC ruled at Rs 17,500 a quintal.

Global cues lift edible oils

Our Correspondent

Mumbai, Edible oil prices, on Monday, ruled firm taking cues from the higher Malaysian market and Indore soya futures.

Malaysian crude palm oil (CPO) futures closed higher on improved export demand and weak supply. In the Mumbai market, spot groundnut oil rose Rs 5 on firm reports from Gujarat.

Soya oil, palmolein and cotton oil rose by Re 1 for 10 kg. Rapeseed oil increased by Rs 3 and sunflower oil was steady. Sources said that in the Mumbai market, the volume of the most-traded oil, palmolein, was thin as most of the stockists had covered their requirement.

In the ready market, about 100-150 tonnes of palmolein were sold in resale in the range of Rs 578-580 for 10 kg. Ruchi was quoting palmolein Rs 583-584, soya refined oil at Rs 619-624 and sunflower oil at Rs 705.

A rise of Rs 5 in Indore soya futures did not affect the ready market.

Malaysian CPO February and March futures closed 26 and 19 ringgits , on demand from China for the approaching Chinese New Year.

In the Saurashtra-Rajkot market, groundnut oil prices were Rs 5 higher at Rs 1,155 (Rs 1,150) a Telia tin and Rs 745 (Rs 745) for 10 kg.

Malaysia CPO February contracts closed at MYR 3,718 (3,692) and March at MYR 3,699 (3,680).

Mumbai commodity exchange spot rate (Rs/10kg): Groundnut oil 765 (760), soya refined oil 618 (617), sunflower exp. ref. 670 (670), sunflower refined 725 (7250), rapeseed refined oil 633 (630), rapeseed exp. ref. 603 (600), cotton ref. oil 601 (600) and palmolein was 578 (577).

Cotton rises to Rs 45,000/candy

Our Correspondent

Rajkot, Short supply of raw cotton has lifted cotton prices to a two-month high.

In Gujarat, Sankar-6 variety cotton is trading at Rs 45,000 a candy (of 356 kg).

A Rajkot-based ginner, Mr Arvind Raichura, said: “Arrival of Maharashtra raw cotton has decreased from 700 trucks (10 tonnes each) to 100 trucks a day in a week. This has boosted raw cotton prices more than Rs 70 in a week to Rs 1,030-Rs 1,035 for 20 kg.

Gujarat Sankar-6 cotton traded at Rs 44,500-Rs 45000 on Monday. The price has increased Rs 3,000 within a week. Exporters and South-based mills are buying cotton at present from Gujarat. Price of raw cotton has touched Rs 1,025-1,050 for 20 kg in Kadi and it traded at Rs 1,030 in Rajkot and the Saurashtra region.

Arrival of raw cotton has decreased from 70,000 bales to 50,000 bales in Gujarat in the last seven days.

According to traders, farmers of Maharashtra are holding back their produce and are brining only limited quantity to the market.

Prices could hold around this level since buyers are expected to make purchases at these rates.

In Andhra Pradesh, raw cotton prices ruled unchanged from the prices during last weekend.

At Adoni in Kurnool district, prices were Rs 4,700 a quintal, while at Allagadda in the same district they ruled at Rs 3,450.

Elsewhere in Khamman, they dropped Rs 150 to Rs 4,300.

In Karimnagar, raw cotton ruled at Rs 5,200 a quintal.

AP Bill promises succour to tenant farmers

Associations say lot more need to improve confidence.

K V Kurmanath

Hyderabad, With tenancy farming facing serious crisis in the State, the Andhra Pradesh Government will soon come out with a Bill to give tenant farmers access to institutional credit.

The Bill, if enacted, will help about 60 lakh tenant farmers who are largely left out of the purview of institutional credit.

The Andhra Pradesh Loan eligibility Card (for Permissive cultivators) Bill, 2011, seeks to issue eligibility cards to tenant farmers without assigning any right or interest over the land under tenancy.

Besides providing access to public financial institutions for loan and input subsidy, the Bill would enable tenant farmers take insurance cover. “They can claim damages in times of floods and droughts. It is aimed at infusing confidence in tenant farmers,” the bill said.

The card is valid for one year. It, however, can be renewed for periods of one year each.

No credit availability

Tenant farmers have not been able to get credit through official channels as their agreements with land owners are not official. Banks and other institutions refused to lend to this segment of farmers, who constituted half of the 1.20 crore farming community, citing absence of authorised agreements between tenants and owners. The bill seeks to address this problem.

The issue of tenancy farming came to the fore this year, with floods and rains destroying kharif and rabi crop across the State.

‘A late act'

Farmers' associations, however, criticised the Government for acting very late. “The Koneru Ranga Rao Committee had recommended for such cards in 2007. But it took so long for the Government to act,” Mr Vangala Subba Rao, General Secretary of Andhra Pradesh Tenant Farmers' Association (affiliated to CPM), told Business Line.

“They should authorise grama sabhas to have the final say on the eligibility. Besides providing immediate relief to those who lost crop in the devastating floods, the Government should allocate a credit of Rs 10,000 crore for tenant farmers in 2011-12,” he said.

Mr K V V Prasad, General Secretary of CPI-affiliated Tenant Farmers' Association, said the Bill should also define tenancy fee for irrigated and rain-fed areas at 30 per cent and 25 per cent respectively. “Fee should be reduced in proportion to the losses, if any, during the tenancy period,” he said.

“The one-year duration for cards is not useful. It is time consuming for farmers to get the cards renewed every year. There should be rules to It should at least be valid for five years to offer comfort levels,” he said.

Favourable weather boosts rice

Our Correspondent

Karnal, Rice market witnessed an uptrend in Pusa 1121 and Sharbati varieties on Monday. Pusa-1121 steam ruled at Rs 5,250-5,300 a quintal, Pusa-1121 sela was at Rs 4,300-4,500 while the Pusa-1121 raw ruled between Rs 5,200-5250.

Pusa (sela) ruled at Rs 3,200-3,250 and Pusa (raw) around Rs 4,250. Basmati sela quoted at Rs 5,800, and basmati raw at Rs 6,800.

The prices of 1121 variety and Sharbati variety witnessed an uptrend while the pure basmati variety dropped from their upper levels, said Mr Amit Chandna, Proprietor, Hanuman Rice Trading Company. “The weather is turning favourable and the trade may continue to see the uptrend,” he added.

Brokens of 1121 variety, such as Tibar was at Rs 3,400, Dubar at Rs 2,400 and Mongra at Rs 1,700. While the brokens of Sharbati variety, Tibar was quoted at Rs 2,600, Dubar was at 2,100 and Mongra at Rs 1,500. Permal sela ruled at Rs 1,800-2,150, while Permal steam was sold at Rs 2,100-2,200 a quintal. Sharbati sela traded around Rs 2,700 and Sharbati steam at Rs 3,100 a quintal.

Paddy Trading

Around 2,000 bags of PR were sold between Rs 1,025 and Rs 1,050. About 1,000 bags of Sharbati ruled at Rs 1,500-1,525. Sugandha-999 arrived in about 3,000 bags, and was quoted at Rs 1,500-1,550. Around 2,000 bags of Pusa (duplicate basmati) were quoted at Rs 2,000-

2,150. Around 5,000 bags of Pusa-1121 ruled at Rs 2,000-2,450. About 2,000 bags of pure basmati quoted at Rs 2,200-2,750.

Lower offtake turns sugar bitter

Our Correspondent

Mumbai, Sugar prices, ready and naka delivery, on Monday declined Rs 10-20 on higher free sale quota for the current month. This put the pressure on mills to offload stocks before the due date.

Mill tender rates declined Rs 15-20 a quintal on limited buying support. The sentiment was weak. The Government has declared free sale quota of 17 lakh tonnes for the current month, said traders.

Mr Jagdish Rawal, a wholesale trader, told B usiness Line, “On Saturday evening about 13-14 mills came forward with tender offer and sold 45,000 -50,000 bags of sugar in the range of Rs 2,730-2,780 a quintal for S-grade and Rs 2,780-2,820 for M-grade. Monday late evening, mills' tender rates were expected to be Rs 5 lower. Arrivals at the Vashi wholesale market were 44-46 truckloads (each 100 bags) and local dispatches were 42-43 truckloads. Freight rates were steady at higher level.”

Maharashtra's co-operative mills have received 6.70 lakh tonnes non-levy quota against 3.70 lakh tonnes last year. Mills may urge the Government to extend the time limit for January quota and also request it to release moderate free sale sugar quota for February, said sources.

According to Bombay Sugar Merchants Association, spot sugar rates were: S-grade: Rs 2,881-2,921 (Rs 2,881-2,931) and M-grade Rs 2,906-2,981 (Rs 2916-2,981). Naka delivery rates were: S-grade Rs 2,830-2,870 (Rs 2,850 -2,880) and M-grade Rs 2,880-2,930 (Rs 2,890-2,930).

Spot rubber hits Rs 225/kg

Aravindan

Kottayam, Spot rubber prices hit another historic high on Monday. The market was led by the bullish international prices and strong local demand. According to dealers, arrivals were still low and the absence of quantity sellers kept buyers on their toes throughout the session. The market is expected to resume the upward journey in the days ahead, they added.

Tyre makers bought natural rubber at Rs 225 a kg but they failed to procure the desired quantity . “As the releases to the market are very negligible, the consuming industry is compelled to purchase rubber at higher rates. Farmers are holding stocks expecting domestic prices to come at par with the global market,'' Mr George Valy, President, IRDF told Business Line. Sheet rubber flared up to Rs 226 (222) a kg, according to traders. The grade improved to Rs 225 (223) a kg both at Kottayam and Kochi, as quoted by the Rubber Board.

The February series for RSS 4 slipped to Rs 228.94 (229.91), March to Rs 233.90 (235.60) and April to Rs 243 (244.14) while the March series concluded its debut trading at Rs 249.01 a kg on the National Multi Commodity Exchange.

RSS 3 (spot) firmed up to Rs 251.91 (247.34) a kg at Bangkok. The January futures for the grade increased to ¥ 453.5 (Rs 249.90) from ¥447.9 a kg on the Tokyo Commodity Exchange.

Spot rates were (Rs/kg): RSS-4: 226 (222); RSS-5: 217 (212); ungraded: 209 (206.50); ISNR 20: 219 (217) and latex 60 per cent 152 (151).

Business Standard

Tuesday, Jan 18, 2011

Onion prices fall 33% this month

Dilip Kumar Jha / Mumbai January 18, 2011, 0:58 IST

Increased supply, govt intervention help.

Onion prices declined nearly 33 per cent since the beginning of the month because of increased supply from major producing centres.

On Monday, the commodity was traded between Rs 2,200-3,000 per quintal in Lasalgaon, the largest spot mandi in Nashik district. About 1,100 tonnes of onions arrived today – a 22 per cent rise, from about 900 tonnes on January 5 – from across Maharasthra. A trader said arrivals from Gujarat has also started and it would ease prices further.

In Vashi Agricultural Produce Marketing Committee (APMC) market, the commodity plunged to quote between Rs 20-40 per kg depending on the quality and size. Onion with high moisture and soil content was traded for a minimum price while fresh goods without soil were offered at a premium. Total arrivals were recorded at 110 trucks between 5-10 tonnes each in Vashi.

Arrivals are likely to increase as the weather has become conducive for harvesting farm commodities. The days are sunny which helps farm labourers to work in the field with ease. Prices will decline if arrivals continue to increase further, said Ashok Walunj, director of Vashi APMC.

In other spot mandis also, onion prices have declined. In Pimpalgaon of Maharashtra, the commodity is trading at Rs 2,100 per quintal from Rs 2,975 per quintal in the beginning of the month. Onion supply to the market has improved from 565 tonnes in the first week of January to around 1,000 tonnes now.

Similarly, in Manmad and Malegaon – the other two major producing centres – onion prices declined to Rs 2,200 per quintal from Rs 2,900 per quintal and Rs 3,200 per quintal respectively. The arrivals almost doubled in both markets to nearly 700 tonnes each.

According to the data compiled by Nashik-based National Horticultural Research & Development Foundation (NHRDF), onion prices in Bangaluru, fell to Rs 3,000 per quintal from Rs 3,300 per quintal. Although the supply in Bangaluru markets declined to 950 tonnes from nearly 1,950 tonnes more than a fortnight ago, prices saw a decline because of all round price fall across the country. Owing to unseasonal rainfalls during the harvesting season in South India, onion output is estimated to decline by around half in this region. Subsequently, supply to spot mandis from local farm houses is likely to decline further. But, traders believe, supply from Pune that would start early next month, will bridge the supply-demand gap in southern markets. Onion had surged to Rs 60 per kg in the beginning of this year. But, following government intervention – raids on hoarders and government agencies selling cheap – brought down the prices. The government will continue with these measures to bring down prices at a reasonable range — between Rs 13-15 per kg, said Virendra Singh, chairman of National Cooperative Consumers' Federation of India Limited (NCCF), the apex federation of consumer cooperatives in the country.

NHRDF data said onion prices fell from Rs 4,500 per quintal to Rs 3,500 per quintal in Kolkata and Rs 4,500 per quintal to Rs 4,000 per quintal in Chennai. In Delhi, the commodity plunged to Rs 2,400 per quintal, from Rs 3,700 per quintal in the beginning of January.

Govt may reopen export ceiling for cotton yarn

Komal Amit Gera / Chandigarh January 18, 2011, 0:39 IST

Had put a cap of 720 million kg this year.

Textile and commerce ministries are likely to reopen the ceiling on cotton yarn exports. According to sources in the ministries, the policy in this regard may be announced in a fortnight.

The secretaries of the two ministries met textile sector stakeholders on Friday in New Delhi. The Union government had put a ceiling of 720 million kg this year on export of cotton yarn. The export licences of manufacturers expired on January 15, by when 670 million kg had been shipped. The ceiling will be raised to allow exporters to meet their commitments, just as the government did in case of cotton.

According to S P Oswal, chairman of the Vardhman Group, spinning mills have a capacity to export close to 850 million kg yarn annually and such restrictions do not make economic sense. Such decisions, he said, undermine the credibility of Indian exporters in the international market.

Oswal said the country was at a disadvantage by exporting 900 million kg cotton and 720 million kg yarn this year. He said, “The value of yarn is double that of cotton. We lose substantial foreign exchange by exporting raw cotton. Indian spinning mills have been consistently expanding capacity (about three million spindles are added every year). This also creates employment opportunities. So, the export focus should be shifted from cotton to yarn and fabric.”

D K Nair, secretary-general of the Confederation of Indian Textile Industry, said no ceiling was necessary, as the country had sufficient capacity. He said the spinning industry had a cumulative annual output of 3,540 million kg and up to 900 million kg could be exported without restriction. Last year, total exports were about 600 million kg but the global demand increased at a higher pace this year than the domestic demand.

“About 750 million kg yarn could have been produced from the 55 million tonnes raw cotton exported this year. So, instead of curbing exports, the spinning industry should be encouraged to enhance capacity,” he added.

Ashish Bagrodia, president of the Northen India Textile Millers Association, said yarn prices had risen in line with raw cotton prices but Indian yarn was still the cheapest in the world. He said the spinning industry had enough cotton yarn for domestic consumption. The ministry would also review the industry’s plea to restore the Duty Entitlement Pass Book incentive on exports that was withdrawn some months ago.

the pioneer

Now, edible oil cost shoots up
January 18, 2011   10:44:54 AM

Rakesh Ranjan | New Delhi

It is not just the prices of onion and sugar which has turned bitter but the price of edible oil is also on fire. The prices of all variants of edible oil have already shot up by at least 20 per cent since November last year and might go up further in a couple of month’s time.

According to traders in the Capital, the maximum surge in the retail price was witnessed in sunflower oil, which rose by Rs 40 per litre. This is followed by soyabean oil and mustard oil, the prices of which have increased by Rs 20 and Rs 15 per litre respectively during the same period. Other variants of cooking oil including groundnut oil and vanaspati too have shown an upward trend.

As the oil traders pointed out, the edible oil rates witnessed a steep hike during the festive season in November last year and since then prices are on a rise. They said edible oils prices are determined by the global market as a substantial requirement of oil in the domestic market is fulfilled by the oil imported from abroad. “Oil prices in domestic market have gone up significantly from November last year and may continue to remain high in the next few months because of the global market. Globally, prices of edible oils have increased by 15 per cent in the in recent times, thus making imports costlier for India, which is the world’s biggest importer of edible oils,” said Anil Kochar, spokesperson of Delhi Vegetable Oil Traders Association on Monday.

He said 60 per cent of total requirement is fulfilled from the foreign countries including USA, Brazil, Argentina, Malaysia and Indonesia.

Traders said the crop of soyabean in USA, a major soyabean producer, was damaged that led to a supply crunch in India. “The new crop of soyabean and mustard will be ready by February and will be sold by the farmers to the merchants. As selling the produce to the Food Corporation of India (FCI) does not fetch them good sum, the farmers prefer selling it to the merchants who in order to make the maximum profit do not supply it to the market on time that leads to further shortage. This may increase the prices of oil again by April and May this year,” explained a trader.

An edible oil expert said that sunflower oil prices have risen the maximum because of the shortage of crop in Bulgaria from where it is supplied to India. Besides, the land under the crop in India has also come down, he added. Notably, soya bean is produced in Gujarat whereas sunflower is mostly grown in Bihar and Haryana. India imports largely edible oils in crude form from abroad and refines it for the domestic sale. They, however, said the price rise has hardly affected their business as being an essential commodity, people have no option but to shell out money whatever it costs.

The oil traders at Shradhanand Market in the Capital said while the retail prices of all variants have shot by Rs 10 to 15 per litre, the wholesale prices too have witnessed an increase of nearly Rs 200 per 15 kg/litre of the commodity. “Soyabean oil is selling at Rs 80 per pouch of one litre as compared to Rs 60 in November last year. Similarly, Sunflower oil has also become costlier at Rs 120 per pouch as against Rs 80 in November,” said Subhash Chandra, owner of

Harish Trading in the market. According to him, other variants like groundnut oil, mustard oil and vanaspati have increased to Rs 110, Rs 80 and Rs 65 respectively. The three variants were sold at Rs 110, Rs 65 and Rs 60 last year in November.

The prices of edible oils have also increased in Government-owned Kendriya Bhandar in the national Capital. As per the figures, Rath vanaspati was being sold at Rs 46.50 per kg in November last year which has gone up to Rs 59 per kg at present. Similarly, the price of Dhara refined oil has increased to Rs 83 a litre from Rs 75 in November.

Other variant like Fortune soya oil is selling at Rs 71 per litre as compared to Rs 55 per litre whereas the price of Fortune sunflower oil has surged to Rs 85 per litre from Rs 63 per litre in November. The price of mustard oil, which is most commonly used in household, has become costlier by Rs 9 and is being sold at Rs 73 per litre.