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An American student in the portals of TNAU

Amutha Kannan

COIMBATORE: This university has seen students from many countries. But not from the United States. That vacuum was filled when Megan Elizabeth Fenton from Penn-Yann, New York, walked into its portals.

She has travelled all the way to Coimbatore to pursue a master's degree at Tamil Nadu Agricultural University (TNAU). Megan registered as a full-time student for the post-graduate degree programme in agronomy on Wednesday.

Megan, an agricultural science graduate from Cornell University, the U.S., has come to India on her own initiative.

The university has nearly 30 students from countries such as Africa, Sri Lanka, Egypt, Iran and Iraq, but not a single student from the U.S. According to Vice-Chancellor P. Murugesa Boopathi, it is a matter of great pride.

She was one among a group of students who came on a visit to India under the aegis of the International Agricultural Rural Development (IARD) programme of Cornell University and TNAU two years ago when she was a student of agricultural science in the former.

Inspired by the research and extension activities of TNAU, she decided to pursue any kind of programme here. Owner of 400-acre of agricultural land which Megan manages with a partner, she has both theoretical and practical knowledge of the subject. She also worked as an extension worker for a year before applying to TNAU.

Her goal, however, is to become a teacher in international agriculture. “My most favourite teachers were those who have had practical experience. So, I believe that my work on my farm and also as an extension worker will help me be a good teacher. ”.

“I did not know where to begin. I sent an e-mail to the Dean of Post-Graduate Studies sharing my desire. He advised me on the application procedures and also gave me the provision to join the course mid-way,” Megan says.

According to Dean C. Udayasooriyan, Megan will be in class along with other PG students pursuing agronomy. Since she has joined mid-way, she will begin with the second semester and then do her first semester with the next batch of students. The second year will be research-oriented, both in the field and in the laboratory. Megan has to obtain 55 credits from the papers she chooses to pursue under the Choice-based Credit System and her research work put together.

She was chosen by a Recognition Committee, set up to select such students who do not have to undergo an entrance test or other such selection formalities. Students from foreign countries will be admitted only if they apply through the embassy, Indian Council of Agricultural Research, or Indian Council for Cultural Relations.

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Egg price drops to below Rs. 3

M.K. Ananth

10 crore eggs waiting to be lifted, says National Egg Coordination Committee

(Price in Rs.)

Region

Mumbai	:	3.24
Kolkata	:	3.18
New Delhi	:	3.05
Bangalore	:	3.00
Hyderabad	:	2.99
Vijayawada	:	2.97
Barwalla	:	2.96
Mysore	:	2.86

Namakkal: Price of egg that reached a record high of Rs. 3.02 on January 10 and remained at the same level till Tuesday dropped by 10 paise to stay at Rs. 2.92 on Wednesday. The decision was taken by the National Egg Coordination Committee (NECC) here on Wednesday. This reduction has only resulted in a mild fall in profitability of the nearly 1,000 poultry farmers of the Namakkal egg hub while it has in no way resulted in a loss, NECC Tamil Nadu Zone chairman Dr. P. Selvaraj told The Hindu.

Dr. Selvaraj reasoned that the rates had to be dropped with immediate effect following stagnation of more than 10 crore eggs during the Pongal season. Closure of government schools that accounts for 70 lakh eggs a day under the Nutritious Meal Scheme amounted for stagnation of 2.1 crore eggs while the Pongal and Makar Sankranti holidays led to stagnation of another eight crore eggs in the retail sector.

According to him it would take a week or more to clear the excess stock and prices could further reduce by 15 paise or 20 paise more during the same period, whereas there was no room for increasing its price in the near future. Daily production stood at three crore eggs and cannot be drastically reduced, Selvaraj added. Price of egg has also reduced in other NECC zones across the country.

Price in other zones is as follows: Mumbai – Rs. 3.24, Kolkatta – Rs. 3.18, New Delhi and Chennai – Rs. 3.05, Bangalore – Rs. 3, Hyderabad – Rs. 2.99, Vijayawada – Rs. 2.97, Barwalla - Rs. 2.96 and Mysore – Rs. 2.86. Prices in Kolkata and New Delhi have dropped 50 paise and 30 paise respectively to sustain the market.

On the other hand normalcy has started returning in the Northern States that accounted for sale of more than 20 lakh eggs a day because of prolonged extremely cold climate. "The North Indian seasonal market sale has dropped by 75 per cent and we supplied only 5 lakh eggs on Wednesday against the 20 lakh eggs a day in the previous week," he said.

Steady increase in the price of egg from an average Rs. 2.52 in December to Rs. 3.02 till Tuesday is cited as another important factor that commendably reduced sale of eggs, which were seen as a viable replacement for vegetables over the last four weeks.

Poultry farmers said that they face a greater threat in the form of Thai Poosam where sale of eggs would come down heavily as most egg-lovers turn vegetarians during that festive season.

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Rs.5 crore disbursed to rain-hit farmers

Special Correspondent

Collector promises quick action on grievance petitions

'8,515 huts would be converted into concrete houses'Quick action on grievance petitions promised

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ARIYALUR: Quick action will be taken on petitions submitted by people at the grievances day meetings, and mass contact programmes, being conducted in the villages, said

Collector T.K.Ponnusamy on Wednesday.

Presiding over the mass contact programme meeting at Poyyadhanallur village in Ariyalur district, the Collector said that all the department officials would be present at the meeting to redress their grievances.

He distributed agricultural implements and assistance to the tune of Rs.4.07 lakh to 61 beneficiaries under welfare schemes including the old-age pension scheme and marriage assistance under the Moovalur Ramamirtham Ammaiyar Memorial Marriage Assistance scheme .

The Collector said that 8,515 huts would be converted into concrete houses under the Kalaignar Housing Scheme in the first phase, and works in 1,500 houses were already over.

Insurance scheme

Mr. Ponnusamy said that the Kalaignar Health Insurance Scheme for Life Saving Treatments was being implemented successfully in the district and about 3,300 persons had benefited under the scheme.

The government had spent Rs.8.08 crore for the treatment of the beneficiaries .

Of the Rs.10.66 crore allocated by the government for distributing as compensation to farmers who had lost their crops in the north-east monsoon rains, through the primary agricultural cooperative societies in the district, nearly Rs.5 crore had been disbursed, the Collector said.

Overhead water tank

He said that a 10,000-litre capacity overhead water tank would be constructed at Poyyadanallur village and Rs.25.50 lakh had been allocated for the village under the Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS) for providing work to villagers. R.Pichai, District Revenue Officer, and Malarvizhi, Assistant Director (panchayats), were present.

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Diversion of Aavin milk must be checked: Collector

Special Correspondent

Meeting convened to review performance of Aavin

VILLUPURAM: It has come to the notice of the district administration that certain employees of the Tamil Nadu Cooperative Milk Producers' Federation (Aavin) are acting in a dishonest manner by diverting the procured milk to certain other dairies.

Such a practice is condemnable and care ought to be taken to ensure that not even a drop of milk procured by Aavin is diverted to any other dairy, said Collector R. Palanisamy. He was speaking at a meeting convened here to review the performance of Aavin.

The Collector said that for the sake of Aavin employees, bank loans were being arranged at subsidised interest rate and dividend, based on the profit size, was also being given.

Besides imparting training in various aspects of animal husbandry, the interests of employees were well protected and such benefits were not available with private dairies.

Mr. Palanisamy further noted that certain cooperative milk producers' unions, attached to Aavin, were selling milk to hotels, marriage halls and hostels.

He called upon the Deputy Registrars of Cooperative Societies to take steps to prevent such practice.

The non-performing unions should be re-organised and their functioning streamlined. The Collector noted that 25 self-help groups had come together to form a women cooperative milk producers' union, with 1,400 members on its rolls.

The Collector said that many more women cooperative milk producers' unions should be formed in the district.

As of now, Villupuram Aavin had under its purview 663 cooperative milk producers' unions through whom 1,58,380 litre of milk was being procured daily, benefiting 1,90,800 milk producers.

Aavin was disbursing a sum of Rs. 6.24 crore towards procurement of milk every month. He called upon the officials to ensure that quality milk is supplied to customers. Mr. Palanisamy pointed out that under the National Agricultural Development Programme, six veterinary doctors had been appointed on a contract basis, who among themselves were extending medical services to 90 per cent of the unions.

The Collector explained various funding programmes in vogue for helping members to buy milch animals on easy terms.

He noted that the milk producers at places such as Ginjee, Marakkanam and the Kalvarayan Hills were keen on supplying milk to Aavin and, therefore, the latter should expand its services to those places too.

Deputy Registrars Balasundaram (Villupuram) and V.Ganesan (Cuddalore) were present.

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Rs.87.30-crore crop relief

Special Correspondent

TIRUVARUR: The State government has allocated Rs.87.30 crore for the district as relief to the tune of Rs.10,000 a hectare for paddy damaged in the north-east monsoon.

The amount has been sent to Kumbakonam and Thanjavur Central Co-operative banks and deposited farmer-wise in the Primary Co-operative Credit Societies in the district. Farmers can draw the money from their accounts, said M.Chandrasekaran, Collector, here on Thursday.

Paddy on 87,350 hectares was damaged in the rain and 1,10,537 farmers would benefit from the relief provided by the government, Mr.Chandrasekaran said.

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Rs.25 crore crop loan for Perambalur farmers

Special Correspondent

PERAMBALUR: Farmers in Perambalur district were provided Rs.25 crore crop loan through the primary agricultural co-operative societies during the current year, said Collector M.Vijayakumar, here on Thursday. Presiding over the district farmers' grievances day meeting, the Collector said that he had received 56 grievance petitions from the farmers and action had been initiated to redress them .

He said that the district had received 1,053 mm of rainfall during the current year against the normal average rainfall of 861 mm . This had enabled the farmers to raise paddy crop in 12,650 hectares of land including 6,100 hectares covered under the ‘Rajarajan 1000' system of cultivation. The Agriculture department had provided implements to farmers, he said.

Mr.Vijayakumar said pointed out that the administration was keeping adequate quantity of fertilizers and seeds to meet farmers needs. He said that besides the crop loan of Rs.25 crore, the farmers were given a jewel loan of Rs.30 crore and medium-term loan of Rs.2.50 crore. Farmers, whose agricultural crops were affected in the northeast monsoon rains, were being given a compensation Rs.28.36 crore through the primary agricultural cooperative societies . S.Palanisamy, District Revenue Officer, R.Revathi, Revenue Divisional Officer, and Sivakumar, Joint Director of Agriculture, participated.

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Rs.12 crore relief for farmers

TIRUCHI: Farmers who suffered crop damages during the north-east monsoon in the district will get a compensation of Rs.12 crore, according to Collector Mahesan Kasirajan.

Mr.Kasirajan said the extent of crop damages had already been enumerated. The compensation amount had been credited to the bank accounts of those affected through the Tiruchi District Central Cooperative Bank. Affected farmers could approach the respective primary agricultural cooperative societies to withdraw the amount .

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Rubber prices jump Rs.2 a kg

Staff Reporter

There is nothing that is seen blocking the upward movement right now Farmers are holding back a little less than a lakh tonnes of natural rubber

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KOCHI: Spot prices of natural rubber stretched the gains on cues from the global market and a fear of shortage to jump Rs.2 a kg to close at Rs.230 on Thursday. Trading was on late on Thursday afternoon even for Rs.231 a kg, market sources said.

The trend is likely to continue. There is nothing that is seen blocking the upward movement right now, said K.K. Abraham, trade veteran and president of Pala Marketing Cooperative Society.

George Valy, president of Indian Rubber Traders' Federation, told The Hindu from Chennai that market arrivals had completely dried up on Thursday largely because of the international price trend.

Poor availability

He said the first three days of the week had seen the flow more or less stabilising. However, farmers appeared to be holding back stock seeing future movements.

Prof. Abraham said that farmers might be holding back some stocks. However, he ruled out dealers holding back supplies because of the risk involved with a price tumble. At the same time, he said, there is no immediate danger of a tumble.

Mr. Valy, in Chennai in connection with the Natural Rubber Expo 2011, said the rubber user industry was worried about the supply position. He said that what worried the consuming industry more was the poor availability than the price trend.

According to him, farmers are holding back a little less than a lakh tonnes of natural rubber.

Fresh stock

This is fresh stock from the December tapping, he said.

Prof. Abraham ruled out the futures market playing a big role in the domestic rubber price.

He said that what was leading the domestic market was the international price, which ruled nearly Rs.30 above the domestic price of Rs.230 in Kochi and Kottayam.

Rubber (RSS4) closed at Rs.257.28 in Bangkok on Thursday. This trend is expected to heat the domestic market further.

The March futures price closed at Rs. 240.26 on the National Multi Commodity Exchange.

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Dip in food inflation brings no cheer

NEW DELHI: Even as food inflation eased to 15.52 per cent for the week ended January 8 from 16.91 per cent in the previous week, the second straight week's decline brought no cheer either to the government or the ‘aam admi' as vegetable prices continued to rule at the higher levels.

Although the Wholesale Price Index (WPI) based data on primary articles released here on Thursday reveals a decline in food inflation by 1.39 percentage points as compared to a week ago, rising prices continue to be the government's major worry as the impact of the recent hike in petrol prices is yet to be factored in. In effect, the inflation index for fuels and food may inch up again in the coming weeks.

‘Not much consolation'

Commenting on the weekly WPI data, Finance Minister Pranab Mukherjee said: “These are weekly fluctuation[s] and naturally we shall have to watch the situation. Some of the vegetable prices are still high. The fact of the matter is from 16.91 per cent it, has come down to 15.52 per cent. Though it is not much consolation, but declining trend is there…We shall have to watch the situation. All necessary effective steps are being taken, including improving of supply management."

The runaway increase in vegetable prices, especially onions, food inflation surged to the year's high in December and has remained way above the comfort levels. In its bid to tame inflation, the Centre asked the states to do their bit in this battle by removing local levies and supply chain bottlenecks.

During the week, vegetable prices continued to surge and remained 65.39 per cent higher while onion prices doubled on a year-on-year basis.

Making matters worse for consumers, fruits turned dearer by 15.91 per cent and while milk prices went up by 13.27 per cent, egg, meat and fish were 12.94 per cent costlier on an annual basis. Food items which witnessed decline in prices were pulses by 14.92 per cent, wheat by 6.11 per cent and potatoes by 2.91 per cent on a yearly basis.Going by the trend, economic analysts expect food inflation to decline to single digit by the middle of February.

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Sour faces over tomato prices

IN A JAM:Tomato prices are going up in the city due to short supply and high demand from elsewhere in the country.

BANGALORE: Tomatoes are known for their wildly fluctuating prices, but Wednesday's prices were arguably the highest in recent years, ranging between Rs. 35 and Rs. 50 a kg in Bangalore.

This versatile vegetable was priced at Rs. 36 at Hopcoms while it varied between Rs. 30 and Rs. 50 in neighbourhood shops with inferior quality tomatoes starting at Rs. 30.

An outraged customer, who stopped by a shop in Nagavarapalya near C.V. Raman Nagar, did an about-turn when told it was Rs. 50 a kg.

In Basaveshwaranagar, homemakers debated whether to go for it or not when offered at Rs. 40 a kg.

So why?

Various explanations are being offered for the sharp spike in prices. On the one hand it is said that untimely rainfall damaged the crop, and on the other it is said that the area of cultivation has plummeted about 30 per cent this year, a senior Horticulture Department official said.

“The price is likely to crash in about a month as a good crop is expected,” the official predicted, and added that a large number of farmers had gone for tomato plantation in the wake of high prices.

According to an official of Hopcoms, in the previous years, tomatoes were usually just between Rs. 5 and Rs. 10 in January.

This year's dizzying prices were owing to poor harvest and demand in other parts of the country.

“Prices here are going up as tomatoes are in short supply and demand from Delhi, Chennai, Mumbai, Lucknow, Amritsar and other places are high,” he said.

The official also conceded that the price fluctuation of the vegetable had become very unpredictable.

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Tribal farmer ends life

KHAMMAM: A debt-ridden tribal farmer ended his life in desolation at Mangya Tanda under Bommanapalli gram panchayat limits in Tekulapalli mandal on Wednesday night.

According to sources, V Veeru, 35, consumed pesticide at his cotton crop near the village in the night. He was found dead on the agriculture field later. Veeru had landed in a debt trap following huge crop losses due to the heavy rains last month.

He took the drastic decision after making futile attempts to clear the mounting debts, sources said. He is survived by his wife and two children. Tekulapalli police registered a case based on a complaint lodged by Vijaya, the wife of the deceased, on Thursday and are investigating.

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Police intervene to stop demolition of prawn farms by fishermen

Staff Reporter

BHUBANESWAR: Members of the Chilika Matchyajibee Mahasangha (CMS), an association of traditional fishermen depending on fishing in Chilika lake for living, on Thursday set out to demolish ‘illegal' prawn farms.

Timely intervention of police, however, prevented the situation from becoming a flashpoint in long-conflict between traditional and non-traditional fishermen over staking claim on fish resources in the lagoon.

It is to be noted that rich fish resources of Chilika lake have been a cause of several confrontations between fishermen communities and big prawn farmers in the past.

From early in the morning about 2000 fishermen on 600 fishing boats headed for Nala Bana in Chilika lake and started uprooting gheris from the northern sector of Chilika.

“We have demolished illegal gheris that came up on 15000 acres of land. We took such an extreme step when administration failed to addresses our repeated concerns over prawn mafia taking over our traditional rights,” said Babuli Behera, secretary of CMS.

The Gheris (fish farms) almost choked entry points of traditional fishermen who everyday fish on vast water of Chilika, Mr. Behera said.

The demolition drive taken up by fishermen would have led to a potentially full-fledged fight as opposite prawn farmers were reportedly armed with explosives, police sources said.

Police plea

“We have requested the fishermen to stop their demolition drive until three district authorities and other departments concerned come to an agreement of mechanism to identify illegal farms and subsequent demolition," Khurda Superintendent of Police Dayanadhi Gochhayat said.

After police intervention, the CMS agreed to give January 25 as the deadline for government action on illegal farming.

"If the Puri, Ganjam and Khurda district administrations failed to act immediately, we will resume our demolition drive. We are not scared of death," the CMS secretary warned.

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Compensation for chilli farmers released

Staff Reporter

Guntur: The State government has released Rs. 15.42 crores for compensating the loss incurred by chilli farmers in Guntur district due to untimely rain in March 2008 as it is not possible for the Centre to do that because of some guidelines.

A sum of Rs. 2,250 per hectare will be paid to 1,06,698 farmers who produced chilli in 1,68,742 acres, according to an official release.

The compensation is being credited to the bank accounts of farmers through the Treasury Department for which necessary steps have been initiated. Bills amounting to Rs. 12.45 crores have already been drawn. Some 80,150 farmers will soon be benefited and the remaining (26,548) would also get it in the subsequent stages.

Banks have been instructed to open 'no frills accounts' in the names of farmers who could not open accounts till now. Ten more days remain for submitting bank account details to the horticulture officers or MROs concerned.

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Training in ‘zero budget agriculture'

Special Correspondent

GULBARGA: Subash Palekar, proponent of “Zero budget agriculture through natural farming”, will provide a three-day training from February 20 here to 1,500 progressive farmers from villages that do not have any irrigation facility.

Secretary of the Hyderabad Karnataka Development Board Shalini Rajaneesh Goel said here on Thursday that the training would be jointly hosted by the board and the Red Gram Growers Association of Karnataka. Gulbarga division is one of the most backward areas in the State where a majority of farmers depended on rain for cultivation.

High poverty ratio

The poverty ratio in the division was more than 50 per cent mainly due to the lack of irrigation and a majority of the rain-fed areas cultivating a single crop in a year. Dr. Goel said that with the training in zero budget agriculture, the board wanted to help farmers improve their income levels.

With the help of the Karnataka State Remote Sensing Application Centre here, the HKDB had identified around 1,500 villages out of a total of 4,124 villages in Gulbarga division which did not have any irrigation facility or any watershed development programme implemented or proposed, for the training programme.

Lack of irrigation

Dr. Goel said that 446 villages in Gulbarga district did not have any irrigation facility, compared to 297 such villages in Bidar district, 248 in Raichur, 177 in Bellary, 131 in Koppal and 114 in Yadgir.

Aim

The Hyderabad Karnataka Development Board and the Red Gram Growers' Association of Karnataka wanted to emulate the success story of Andhra Pradesh which, over a period of five years, had changed the living conditions of more than 10.57 lakh farmers in 8,825 villages in 22 districts covering 22.77 lakh acres of land by providing training in zero budget farming agriculture methods with funds from the Mahatma Gandhi National Rural Employment Guarantee Scheme, she said.

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Rs.25 crore crop loan for Perambalur farmers

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Email Author

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Inflation: What's stifling your veggies

An innovative mechanism to save farmers from exploiting traders, which India implemented as a national model in the 70s, is now being blamed for rising vegetable prices.

Agricultural produce marketing committees (APMCs) have become archaic and vegetables and fruits need to be taken out of these local market hubs, analysts say.

"They have turned into platform for hoarders, rather than a buyer-seller platform," farm expert Sompal, who was formerly union agriculture minister, said.

States' APMC laws make it mandatory for farmers to sell all produce through local committees. Licences for participating wholesale buyers, who are required to pay a transaction or mandi tax, are concentrated in a few hands.

Farmers who don't go through APMCs can be booked for avoiding mandi taxes. Most APMCs harbour monopolistic practices.

"APMCs should now give way to farmers' markets and these should be made zero tax facilities. It's time to free up all restrictions," Sompal added.

Since APMCs entail a 4-5% tax, the first mark-up in prices happen right at first point of sale.

It's time to accord special status to perishables and horticulture commodities and de-listing of horticulture commodities from the schedule-I containing notified commodities in APMR Acts of all states, the Federation of Indian Chambers of Commerce and Industry said.

Food inflation has been in double digits for more than a year, primarily due to severe pressure from fruits and vegetables, eggs, meat and marine products.

The present onion crisis appears more “episodic” and according to indications, would be resolved in 2-3 weeks time with fresh arrivals from major onion growing regions in the country.

If vegetables are taken off from the schedule-I containing notified commodities in APMR Acts of all states, it would mean that anyone can buy or sell only perishable commodities anywhere in the country.

This would also mean that zone of influence for the so-called perishables would be beyond states, resulting in better prices for farmers and stabilised prices for consumers as a result of more market players.

The government is toying with the idea of allowing foreign direct investment in multi-brand retail.

Large retailers could be required by law to procure major part of their supplies locally. At the same time farmers cooperatives could be promoted to ensure sufficient

Markets should be electronically linked by introducing electronic auctions or electronic spot exchange counters for transparent price discovery. “The government could consider providing special funds to APMCs for developing electronic auction platforms,” the FICCI said.

However, FDI in multi-brand retail is a controversial option and there are fears that it could wipe out small groceries. It could even replace public monopoly with private monopoly by big chains. The government could, however, ensure adequate safeguards in allowing FDI in retail.

http://www.hindustantimes.com/StoryPage/Print/652728.aspx

New Delhi, January 20, 2011
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Food inflation falls to 15.52%

Food inflation fell for the second week in a row, declining to 15.52% for the week ended January 8, but hardly brought any cheer for the common man and the government's policy-makers as the prices of staple vegetables remained at elevated levels.

"These are weekly fluctuation and naturally we shall have to watch the situation. Some of the vegetable prices are still high," finance minister Pranab Mukherjee said.

"Though it is not much consolation but declining trend is there." Vegetable prices went up by 65.39%, while fruits became costlier by 15.91%, prices of milk rose by 13.27% and egg, meat and fish by 12.94%. Now, policy-makers and industrialists will be keenly watching the RBI move in its quarterly policy review later this month.

http://www.hindustantimes.com/StoryPage/Print/652713.aspx

New Delhi, January 20, 2011
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Food inflation falls to 15.52%; vegetable prices still high

Declining for the second week in a row, food inflation fell to 15.52% for the week ended January 8, though vegetable prices, specially that of onion, continued to remain high.The decline in food inflation is mainly due to falling prices of pulses, wheat and potato, according to the official data released today.Food inflation, having touched 18.32% for the week ended December 25, had declined to 16.91% on January 1.According to the data, prices of pulses declined by 14.92%, followed by wheat (6.11%), and potato (2.91%) on yearly basis.Vegetable prices, however, continued remain firm going up by 65.39% over the same period last year. Onion prices nearly doubled during the year.While fruits became expensive by 15.91%, prices of milk rose by

13.27% and egg, meat and fish by 12.94%.Meanwhile, in the non-food category, the prices of fibres and minerals have climbed up by 46.77% and 16.70%, respectively, over the year-ago period.The increase in prices of non-food items do not reflect hike in petrol prices announced by the oil marketing companies earlier in the month. The oil retailers on January 16 hiked the prices of petrol by about Rs 2.5 a litre.The headline inflation in December had risen to 8.43%, up from 7.48% in the previous month, mainly driven by costly food items.

http://www.hindustantimes.com/StoryPage/Print/652528.aspx

Weather

Delhi - INDIA

Today's Weather

Partly Cloudy

Friday, Jan 21

Max	Min
21.2°	6.5°

Rain: 00 mm in 24hrs	Sunrise: 7:14
Humidity: 28%	Sunset: 17:50
Wind: Normal	Barometer: 1015.0

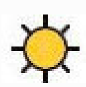
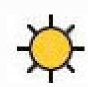
Tomorrow's Forecast

Partly Cloudy

Saturday, Jan 22

Max	Min
21°	5°

Extended Forecast for a week

Sunday	Monday	Tuesday	Wednesday	Thursday
Jan 23	**Jan 24**	**Jan 25**	**Jan 26**	**Jan 27**
				
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Deccan Chronicle On The Web
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Dip in food inflation fails to tame prices

Jan 21 2011

Jan. 20: Food price inflation, which measures the rate at which food items are becoming costlier, fell slightly to 15.52 per cent for the week ended January 8. However, while inflation may have fallen, prices are still high.

In a break from the past, government officials have refrained from putting deadlines by which food prices would fall. The finance minister did however, claim some credit for the drop in the headline food inflation figure over the previous week. Economists say that in the coming months, inflation – which measures the rate of prices rise — may fall, but food prices are going to remain high. Compared to the last year, prices of vegetables and onions are up by 65 per cent and 90 per cent respectively. Prices of other food items such as fruits, milk and meat are up 12-15 per cent.

“Earlier, the jump in prices of fruit and vegetables used to be because of seasonal factors, and prices used to correct as new supplies hit the market,” says Mr Sunil Sinha, economist with Crisil. “That is not happening this time. The seasonal supply is going up but the prices are not falling which is a worrying factor. Inflation which we are witnessing is not just seasonal,” he adds.

“The figure is lower than last week’s, but the drop isn’t very significant,” says Mr. Arun Singh, economist with Dun and Bradstreet. “The next few months should see inflation numbers moderate as the high base effect sets in, but prices are likely to remain high,” he says. He expects the Reserve Bank of India to raise policy rates in the forthcoming credit policy next week.

Meanwhile, the Planning Commission deputy chairman Dr Montek Singh Ahluwalia, said on a television channel that he expects the headline inflation figures — measured by wholesale price index, to fall to 6-6.5 per cent by the year end.

Source URL:
http://www.deccanchronicle.com/business/dip-food-inflation-fails-tame-prices-045

The teary tale of dopiaza and onions

By Manreet Sodhi Someshwar

Jan 21 2011

In 16th century India a cook in the kitchen of the Mughal emperor Akbar accidentally added two portions of onion to a dish which went on to become a great hit. Thus was born dopiaza, literally onion twice over, a dish cooked in onion sauce that remains immensely popular to this day and has been successfully transplanted to Britain as well.

Except, if you wanted to cook it in India today, you might once again wish to seek royal patronage (or settle for a recipe that required no onion). With the vegetable selling at `85 (about $2) a kilo, up from `10 six months back, the staple of the average Indian household has gone extortionate.

The onion is rather ubiquitous in Indian food. Roughly chopped, it is an essential accompaniment to the sparse meal of the poor, while its braised, pureed, sauteed and garnished avatars surface in the meals of all others.

Muthi piaz — onion smashed with a fist — is de rigueur at roadside eateries throughout the country, and sirkawala piaz — onions in vinegar — are as essential to any table as salt and pepper.

So integral is the onion to the Indian way of life that it has its own mythology. Ayurveda, traditional medicine native to India, claims onion is diuretic, antiseptic, anti-inflammatory and anti-pigmentationary. Highly regarded as an aphrodisiac in ancient India, it was banned to Hindu widows.

In the sizzling heat of the subcontinent, the onion is called upon for its cooling properties. This was brought to me forcefully when I began my sales training in the plains of Central India in summer when the average day temperature is 45 degree centigrade, fuelled by a hot tropical wind called Loo. Since my work required me to visit 40 grocery stores in one day, I was advised to keep an onion with me, preferably on my person, or in my sales satchel.

By way of explanation, my supervisor showed me his bag, where an onion sat shrivelling in one corner. He made his point further by requesting a labourer to allow me a peek at the folds of his turban — sure enough, tucked within was a red onion.

Legends have grown around the pungent bulb. Shivaji, the fearsome Maratha warrior who took on the might of the Mughals, was reputed to eat a lean diet of unleavened bread with raw onions, as opposed to the effete Mughals, who gorged on twice-cooked onion dishes.

To add to the woes of the Mughals, a holy man, Baba Buddha, when served a simple meal by the wife of a Sikh guru, smashed the onion and predicted that her son would one day similarly crush the tyranny of the empire. Obviously, the humble vegetable is an underdog’s ally.

For the runaway price of onions today, the government has blamed heavy unseasonal rains, but poor agricultural productivity, lack of adequate infrastructure for storage and transport, and deficient government investment are equally to blame.

So what is the average Indian to do? Use cabbage and radish as substitute. And protest. Effigies of the agriculture minister have been burnt. Opposition leaders adorned with onion garlands have held rallies.

A novel protest had Santa Claus handing out onions on Christmas Eve. Meanwhile, enterprising businessmen are giving free onions with the purchase of televisions, cars, motorcycles and tires.

Rising onion prices have historically felled governments. In 1980, Indira Gandhi ousted the ruling government by appearing at election rallies with strings of onions. The message was clear: If you can’t manage the price of onions, how do you manage the country? A recent poll showed that the Congress Party would lose its parliamentary majority were an election to be held now.

The government is scrambling to bring the price of onions down. It has banned export of onions, turned to Pakistan for imports, and the prime minister has held cabinet meetings on the issue. Pakistan complied briefly before turning hostile, and now India is threatening in turn to halt cement exports.

It was always understood that you could knock next door for a bowl of sugar, some salt, an onion. With the current price of the vegetable, that would be akin to asking the neighbour for their family jewels. No wonder Pakistan is not responding.

We need to keep the peace in our neighbourhoods. In the interest of social cohesiveness, and its own survival, the government needs to fix the onion price pronto.

* Manreet Sodhi Someshwar is the author of The Long Walk Home. She writes for the South China Morning Post

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Source URL:

http://www.deccanchronicle.com/dc-comment/teary-tale-dopiaza-and-onions-015

THE ECONOMIC TIMES
Fri, Jan 21, 2011 | Updated 07.00AM IST

21 Jan, 2011, 01.01AM IST,ET Bureau

Relief for Maharashtra sugar co-ops in I-T case

PUNE: The Maharashtra co-operative sugar mills , which were facing the trouble of paying income tax of `2,500 crore before March 2011, have got some relief after a meeting with Prime Minister Manmohan Singh on Wednesday. The mills will not have to pay the tax immediately as the government has asked the industry to apply for a 'stay or go' in appeal against the decision of the Income Tax Appellate Authority.

The Maharashtra co-operative mills are fighting a legal battle against the income tax department for many years. The issue is about levying an income tax on the co-operative mills. The sugar co-operatives in the state usually pay more price for cane than the statutory minimum price (SMP) announced by the Union government. According to the co-operative law, the co-operatives cannot have profit and due to this the money left after meeting the expenses is distributed among the shareholders, who are farmers.

"The income tax department's stand is that the cane price paid over the SMP is the profit of the mill on which they should pay a 35% income tax. The department wants to recover income tax from the sugar co-operatives from 1992-93. In the case against Dnyaneshwar Sahkari Shakkar Karkhana, the appellate tribunal ruled in favour of the department on December 16. This created an exigency because the mills may have to pay the tax before March 2011 — each mill accounting for `20-30 crore," said Maharashtra Cooperative Sugar Factories Federation managing director Prakash Naiknavare.

"As all the money has been distributed among farmers, it would have been difficult to recover it," he added.

A delegation of the sugar industry met Manmohan Singh after a Cabinet reshuffle on Wednesday. The meeting was attended by the revenue secretary and the chairman of the Central Board of Direct Taxes (CBDT).

“The government has asked us to apply for a ‘stay or go’ in appeal against the decision of the appellate tribunal. Thus the income tax department will not take actions such as insisting on recovery or freezing of the accounts. Secondly, the CBDT chairman has agreed to study our proposal that the cane price above the SMP should be treated as the expenditure incurred by sugar mills,” said Mr Naiknavare.

21 Jan, 2011, 12.58AM IST,ET Bureau

Pepper value-addition facility goes onstream

PUTTADY (IDUKKI): Exports of value-added pepper and cardamom may see a jump in the coming years with the first major facility for enhancing the value of these spices going on stream in Idukki district.

The Spices Park for processing pepper and cardamom is the first such major facility in the country. A steam sterilisation unit is proposed to be set up for sterilising pepper and pepper products to reduce microbial loads and accelerating value-addition efforts. “At present, the level of value-addition in spice exports is around 60%.

This could be easily increased with the facilities in the Spices Park,” Dr J Thomas, director (research) of Spices Board, said. A white pepper processing unit will also be set up in the park.

Thomas said the board may rent the facilities in the park to traders and processors or could entrust it to company. The board has created Flavourit Spice Trading for marketing its Flavourit brand of spices launched a few years ago. The board is considering the revival of the company which is now dormant.

the pioneer

Food inflation eases despite high vegetable prices

January 21, 2011 10:52:28 AM

PTI | New Delhi

Declining for the second week in a row, food inflation fell to 15.52 per cent for the week ended January 8, though vegetable prices, specially that of onion, continued to remain high.

The decline in food inflation is mainly due to falling prices of pulses, wheat and potato, according to the official data released today.

Food inflation, having touched 18.32 per cent for the week ended December 25, had declined to 16.91 per cent on January 1.

According to the data, prices of pulses declined by 14.92 per cent, followed by wheat (6.11 per cent), and potato (2.91 per cent) on yearly basis.

Vegetable prices, however, continued remain firm going up by 65.39 per cent over the same period last year. Onion prices nearly doubled during the year.

While fruits became expensive by 15.91 per cent, prices of milk rose by 13.27 per cent and egg, meat and fish by 12.94 per cent.

Meanwhile, in the non-food category, the prices of fibres and minerals have climbed up by 46.77 per cent and 16.70 per cent, respectively, over the year-ago period.

The increase in prices of non-food items do not reflect hike in petrol prices announced by the oil marketing companies earlier in the month. The oil retailers on January 16 hiked the prices of petrol by about Rs 2.5 a litre.

The headline inflation in December had risen to 8.43 per cent, up from 7.48 per cent in the previous month, mainly driven by costly food items.

DDA to regularise farmhouses built before Feb 2007, with rider

January 21, 2011 10:52:43 AM

Staff Reporter | New Delhi

The Delhi Development Authority (DDA) is bringing a policy that will regularise all farmhouses built prior to February 2, 2007, which fall in the Capital's green belt. The policy is likely to be approved by Lieutenant-Governor Tejendra Khanna at a meeting to be held on January 21 at Raj Niwas. It is learnt that there 2,200 farmhouses in the Capital.

The revised policy specifies two types of illegal farmhouses. Category I includes those that were sanctioned but had construction beyond the permissible limit. Category II includes farmhouses that are unsanctioned. Both will be subjected to penalties before being regularised.

“In order to regularise the unauthorised construction in the already existing farmhouses which are not presently in the ambit of Master Plan for Delhi 2021 provision, the proposal has been formulated by way of modification in the MPD and stipulating guidelines for their regularisation. In case of un-sanctioned farmhouses, these would have to conform to the basic parameters as laid out in the Master Plan to qualify for regularisation along with payment of additional penalty for regularisation,” the policy said.

All existing farmhouses constructed prior to February 2007 will be regularised as ‘Country Homes’ provided they amend their constructed area to meet policy guidelines. ‘Country Homes’ will be permitted in all-use zones except in notified or reserved forest areas, regional parks areas that have been identified for infrastructure projects, such as proposed railway lines or Master Plan roads, in areas that violates provisions of the Ancient Monuments and Archaeological Remains Act 1958, and in cases where there is a court order for eviction of premises. Subdivision of plot will not be permitted.

For recognition as a ‘Country Home’, only farmhouses with a minimum plot of 0.4 hectares will be considered, and the maximum FAR permitted will be 10, subject to a maximum of 400 sqm of built-up area. The maximum ground coverage will be only 5 per cent. The maximum height permitted will be 9 metres. No homes will be permitted within 400 metres of the right of way of any National Highway. The farmhouse owner could avail one time amnesty within 90 days of the notification.

Farmhouses on plots larger than 2 hectares will have permission to be used as venues for wedding ceremonies, socio-cultural events, sanatoriums and recreational activities, including amusement parks with a resort, provided 25 per cent of the plot is used for functions or building purposes, while at least 50 per cent is maintained for soft parking and 25 per cent for landscaping.

The regularisation is expected to impact the various farmhouses along the outer limits of the city which also double up as wedding and other social function venues. As per the proposed policy, two types of unauthorised farmhouses will be eligible for regularisation — those that were sanctioned but had construction beyond the permissible limit; and those that had no sanction.

Food inflation declines, still at 15.5%

January 21, 2011 10:53:43 AM

PNS | New Delhi

Food inflation slid for the second week in a row, declining to 15.52 per cent for the week ended January 8, but gave no 'consolation' either to the government or the common man as vegetable prices continued to rule high.

Food inflation fell by 1.39 per cent from 16.91 per cent in the previous week though the numbers do not factor in the recent hike in petrol prices which will get reflected subsequently.

"These are weekly fluctuation and naturally we shall have to watch the situation. Though it is not much consolation but declining trend is there," Finance Minister Pranab Mukherjee said.

Spiralling prices of vegetables and onions spiked food inflation as it remained in double digit throughout December.

To control the price rise, the Centre asked state governments to remove supply side bottlenecks.

Vegetable prices, however, continued to remain firm going up by 65.39 per cent over the same period last year. Onion prices doubled during the year.

While fruits became expensive by 15.91 per cent, prices of milk rose by 13.27 per cent and egg, meat and fish by 12.94 per cent.

Business Standard

Friday, Jan 21, 2011

Maharashtra sugar mills start panic selling, traders keep away

Sanjay Jog / Mumbai January 21, 2011, 0:59 IST

Production cost is Rs 90 more than the existing ex-mill price.

Maharashtra mills have started panic selling with sugar prices falling significantly, but traders have decided not to purchase sugar until previous contracts are cleared.

Wholesalers cannot purchase and store more than 2,000 quintal of sugar, so traders from sugarcane-rich Pune, Ahmadnagar, Srirampur-Kopargaon have decided not to participate in the sugar tendering process. Traders from other sugarcane growing regions are also expected to follow suit if the trend continues. Mills are selling at Rs 2,610 a quintal against the production cost of Rs 2,700.

State cooperation department officials and the Federation of Cooperative Sugar Factories (FCSF) in Maharashtra – a representative body of over 150 mills – have confirmed panic selling.

Prakash Naiknavar, managing director of FCSF told Business Standard: “The federation has already sent a letter to the food ministry requesting a month’s extension for the unsold non-levy sugar quota of January. We have also urged for a reasonable non-levy quota for February. We have also requested the state cooperation minister and sugar commissioner to make an appeal to the food ministry.”

He said FCSF has appealed to all member mills not to panic sell and incur heavy losses because the present ex-mill realisation is lower by almost Rs 90 compared to the production cost.

“If this panic continues and ex-mill realisation further deepens, the state sugar industry could face a major financial breakdown,” said Naiknavare.

Yogesh Pande, founder president of the Maharashtra Sugar Merchant & Brokers’ Association, said: “There are practically no buyers of sugar. Price should be in the range of Rs 2,800 per quintal which would be acceptable to both millers and consumers. However, at present sugar price is at Rs 2,610 per quintal. Futures trade was also extremely volatile because this was the last date of settlement for the January series.”

“Sugar had touched a low of Rs 2,495 a quintal at 1 pm on com exchanges while February futures were trading at Rs 2,675 a quintal — a difference of Rs 180 a quintal. Physical spot prices at Kolhapur were in the range of Rs 2,630 a quintal. This shows there is disparity in prices.”

Rupesh Thakkar, director of Bhagawati Sugar Sales, said: “It is impossible for traders to purchase sugar when prices are falling largely due to the Centre’s move to increase the non-levy sugar quota to 1.7 million tonnes for January against 1.1 million tonnes last year at the national level. In case of Maharashtra, sugar mills have received 670,000 tonnes of non-levy quota for January compared to 370,000 tonnes last year. In such a situation, mills should not invite tenders till the past contracts are cleared.”

However, Pande said there was good news for the industry: “Pakistan, China and other European countries will be net importers this year, while India will have surplus sugar estimated at 24.5 million tonnes. As of January 17, production across the country was 8.4 million tonnes. All eyes now are on mills completing the formalities on OGL exports of five lakh tonnes by January 31.”

Govt begins issuing release orders for 1.9 million bales cotton exports

Newswire18 / New Delhi January 21, 2011, 0:05 IST

The Directorate General of Foreign Trade (DGFT) has started issuing registration certificates for cotton exports, an official at the commerce ministry said today.

“We have started issuing releases, but I cannot say the exact number of permits issued so far,” the official said.

DGFT was suppose to begin issuing export permits Jan 11 onwards, however, “it was delayed as the process of scrutinising the documents took some time,” the official said.

The government had recently allowed export of 1.9 million bales (1 bale = 170 kg), which could not be shipped out by December 15, the earlier deadline for exports. In October, export of 5.5 million bales of cotton was permitted for the current marketing year ending September.

With the new round of allocations, the approved quantity of cotton exports stands nearly exhausted. India has stepped up exports amid an estimated bumper output of 32.9 million bales, while rival exporting nations — the US, Pakistan and China — face crop shortages.

Exporters said due to smaller quantities allocated for exports in the latest round, it will be difficult to ship out consignments.

“We may have to club together small consignments into one shipment,” said a Rajkot-based dealer. In a bid to prevent cartelisation, the government had allocated 500 bales of cotton each to two-thirds of the 928 traders permitted to sell the commodity overseas.

Refining margins turn negative on high raw sugar prices

Dilip Kumar Jha / Mumbai January 21, 2011, 0:03 IST

Sugar mills in India are staying away from raw sugar imports, due to negative processing margins and an abundant availability of cane for crushing from local sources.

“Raw sugar imports are currently halted, despite nil duty, due to negative refining margin. Also, domestic yield of cane is enough to feed local consumption,” said Sanjay Tapriya, director - finance, of the Simbhaoli Sugar Mills Ltd.

“Imported raw sugar at the current price will cost nearly Rs 30 a kg, which is below the price of refined sugar. Hence, refining of imported raw sugar makes no logic at all. And, the market is so volatile that nobody knows when prices will move, in which direction. Therefore, it is better for mills not to take any risk at this juncture," said Sageraj Bariya, an analyst with Angel Broking.

Last year, mills imported raw sugar when refined sugar prices were at a record high of $650 per tonne. By the time they processed it, the price declined to $400-450 per tonne, resulting in huge losses.

Those who'd imported earlier are exceptions. Standalone refiner Shree Renuka Sugars says their plant in Haldia, West Bengal, is operating at full rated capacity. "It has enough raw material in stock for the rest of the quarter, which was imported much earlier," said Narendra Murakumbi, managing director.

March raw sugar futures on the IntercontinentalExchange rose 0.3 cent to 31.16 cents per lb on news that floods had ravaged this year's crop in the world's top producer, Brazil. An export ban by India added to traders' worries. Experts believe raw sugar may retrace back to 29.58 cents/lb when supply resumes from Brazil."Raw sugar prices are lower from the next quarter futures' contracts because the new Brazil crop starts in April," said Murakumbi.

London March white sugar settled $1.20 higher at $774.20 on Monday, while May finished $1.60 lower at $738.30 per tonne.In India, however, sugar prices are trading at Rs 2,700-2,900 per tonne due to the government's regular intervention to control alarmingly high inflation.

Sugar production in India is estimated to be 24.5 million tonnes, as compared to 18.9 mt in the previous year. With an estimated six-seven mt of carryforward stocks for this season, India can comfortably meet its annual consumption at 23.5 mt.

80-90% rabi crop damage in MP

Shashikant Trivedi / Bhopal January 21, 2011, 0:02 IST

Amid reports that pigeon-pea or tur is the worst weather-hit crop this rabi season, the output for the season is likely to be revised downwards as 80-90 per cent damage has happened in the case of gram (chana) in some pockets like Malwa belt.

The state government did not make any arrangements for the farmers to protect their other bumper crop this year from the recent odd weather. Mercury in almost all parts of the state touched freezing point damaging cells of those plants which have low sulphur contents.

State government has sent teams to various parts to estimate the crop damage. “Those plants which have low sulphur are badly damaged. For example, tur is blooming in Mandsaur, Neemuch and Ratlam but it might have been badly hit in Narsinghpur, Raisen, Gadarwara, Pipariya and Hoshangabad belt. These areas sow tur little late and is at flowering stage, increasing chances of damaging the crop completely,” N S Sipani, an agri-research firm promoter, who is working on developing high-yield varieties of tur said.

Farmers told Business Standard that tur has been badly damaged in almost all districts of these areas. “Gram has been severely damaged in these fields where podding has started. I have less hope for my tur crop,” said Mukund Parashar, a farmer from Bareilly.

Barring wheat almost all fruits, vegetables and other rabi crops have been damaged from nealy 20-80 per cent. Government authorities were not available for comment. “We are still estimating the damage and it would take atleast a month to complete the assessment,” said a government official in the agriculture department. The state grows high protein and palatable varieties of tur in more than 350,000 hectares. Last year, the production was 208,000 tonnes.

THE HINDU Business Line

Business Daily from THE HINDU group of publications

Friday, January 21, 2011

Date:21/01/2011 URL: http://www.thehindubusinessline.com/2011/01/21/stories/2011012150691800.htm

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Back **Food inflation eases marginally to 15.52%**

Fuel inflation steady; primary articles index up 17.03%.

Our Bureau

New Delhi, Jan. 20

Food inflation, based on the annual Wholesale Price Index, rose 15.52 per cent during the week ended January 8, lower than the previous week's annual rise of 16.91 per cent. Fuel inflation was steady at 11.53 per cent, Government data on Thursday showed.

Reflecting the dip in the year-on-year food inflation estimate, the primary articles price index was up 17.03 per cent, lower than the annual rise of 17.58 per cent reported a week earlier.

‘Not much consolation'

While the declining food inflation provides some measure of respite for the Government, the Finance Minister, Mr Pranab Mukherjee, said the dip was not “much consolation” and the Government would continue to take steps to tame rising prices.

“Some of the vegetable prices are still high... I do not know what would be the impact of the recent increase (in petrol price) because these figures are two weeks old,” he told newspersons here.

Though food inflation declined by 1.38 percentage points, the price rise levels in case of vegetables, especially onions, dairy items and poultry products, continue to remain high. Moreover, the inflation figures do not capture the impact of the recent increase in petrol prices by Rs 2.50 a litre.

“But the fact of the matter is that from 16.91 per cent, it (food inflation) has come down to 15.52 per cent...it is not much consolation but declining trend is there,” the Minister said.

“We shall have to watch the situation. All necessary, effective steps are being taken including improving of supply management," he added.

The inflation estimate for pulses was down 15 per cent on an annual basis during the latest week, while wheat dipped 6 per cent and potatoes 3 per cent, primarily on account of the base effect. Vegetables continue to be expensive, with annual inflation pegged at 65 per cent in comparison. Onion was up nearly 100 per cent on an annual basis.

The WPI had surged 8.43 per cent in December from a year earlier, compared with a 7.48 per cent year-on-year rise in November.

Date:21/01/2011 URL: http://www.thehindubusinessline.com/2011/01/21/stories/2011012150912000.htm

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Back **Natural rubber prices will remain firm till April**

Production likely to rise less than 5% this year.

Supply from new plantings

Year of planting	Area planted ('000 ha)	Starting year of yield	Cumulative Output (mn tonnes)	% to ANRPC's output in 2010	Annual change (% points)
2004	233	2011	0.37	3.9	3.9
2005	337	2012	0.92	9.7	5.8
2006	451	2013	1.60	17.0	7.2
2007	518	2014	2.40	25.5	8.5
2008	544	2015	3.33	35.3	9.8
2009	351	2016	3.90	41.4	6.0
2010	325	2017	4.42	46.9	5.6

2.76 million ha planted during 2004-10 Source: ANPRC

M.R. Subramani

Chennai, Jan. 20

The bullish trend in natural rubber prices could continue at least till April due to the tight supply situation, according to an official of the Association of Natural Rubber Producing Countries.

"Until April, a further tightness in supply is seen due to the seasonal wintering of trees. From May until the year-end, supply will be better," said Mr Jom Jacob, senior economist of the inter-governmental association comprising the 11 countries that produce rubber. During wintering, production of natural rubber drops.

In his presentation on ‘Rubber Outlook' at the India Rubber Expo 2011, Mr Jacob said rubber supply is expected to increase lower than five per cent this. “Even this is on the assumption that the weather will be normal and uprooting of aged trees will be low,” he said.

Production by the association members is expected to increase to a maximum of 9.87 million tonnes (mt), up 4.8 per cent from last year. This is in the event that the annual uprooting of rubber trees is at two per cent of the total area under cultivation.

Rubber trees begin yielding from the sixth year onwards; the yield peaks between 10 and 19 years before dropping again. Growers usually tend to replace trees that are older than 30 years.

Giving reasons for the lower increase in production this year, Mr Jacob said due to low planting in 2004, only 0.233 million hectare that is equivalent to 3.3 per cent of the yielding area last year, will be available for tapping this year.

“Moreover, high prices have prompted farmers to retain aged trees, postponing replantation in the last two years. Over-ageing trees and a further decline in yield may sometimes prompt farmers to uproot the trees in 2011,” he said.

In November last year, trees on 16,000 hectares were lost due to heavy winds and floods in Thailand. However, the yielding area expanded as growers tapped dormant trees last year. But the possibility of bringing more areas with dormant trees into production is limited.

Rising labour costs and the possibility of a correction in prices could prompt farmers to keep the trees idle, Mr Jacob said.

The improvement in average yield would be marginal as farmers have already exploited their available short-term means on the heels of high prices. The existing yielding area is dominated by trees planted in the 1980s and the productivity of these trees would have dropped drastically on account of ageing.

“There could be possible damage to yield potential due to unscientific over-exploitation of trees prompted by high prices,” he said, adding that abnormally high prices have made retaining low-yielding aged trees economically viable. For example, if the price of rubber was $2 in 2007 and the yield of a 30-year-od tree was 1,100 kg a hectare, a grower would have got $2,200. This year, even if the yield were to drop to 500 tonnes at around $5 a kg, the grower would only get a return of $2,500.

Besides, the influence of non-traditional regions where productivity potential is lower is increasing. This is because farmers in those regions are new to rubber cultivation.

“Economic recovery and the resultant non-farm employment opportunities can aggravate an already severe shortage of skilled tappers,” Mr Jacob said.

Scope for a rise in supply from next year onwards is better with new plantings being ready for tapping.

Date:21/01/2011 URL: http://www.thehindubusinessline.com/2011/01/21/stories/2011012151201900.htm

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Back **Food Corporation supply pounds wheat**

Our Correspondent

Karnal, Jan. 20

Dara wheat prices witnessed a major correction after touching a two-year high at the beginning of this week.

On Thursday, the prices of the dara variety dropped by Rs 50 a quintal and ruled around Rs 1,280-1,285 a quintal. The market had earlier touched levels of Rs 1,320-1,330 a quintal, the highest in the past two years.

The price at the retail outlets ruled at Rs 1,290-1,295 a quintal and was around Rs 1,300 a quintal for the finer quality. Mr Subhash Chander, a wheat trader, told Business Line that the Food Corporation of India has started supply again, pulling the prices down despite stocks from Uttar Pradesh heading to Delhi. Based on the FCI's call, every flour miller can procure 90 quintals of wheat a day at Rs 1,290 a quintal, including VAT, he added. Earlier, due to low arrivals from Uttar Pradesh and no supply from the Food Cooperation of India the market witnessed a rally.

Sluggish demand for flour is also a reason behind the fall, said Mr Chander. Similarly, the prices of desi wheat dropped on account of low trading. While Bhojan King quoted at Rs 2,350 a quintal against previous levels of Rs 2,400 a quintal, Aaj Tak quoted at Rs 2,300 and Nokia at Rs 2,350.

Flour prices

After a fall in wheat prices, flour prices dropped marginally by Rs 10-15 for a 90-kg bag and quoted at Rs 1,320.

Chokar prices continued to tumble, ruling at Rs 600 for a 49-kg bag against Rs 610 quoted on Tuesday.

Date:21/01/2011 URL:
http://www.thehindubusinessline.com/2011/01/21/stories/2011012150680900.htm

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Back How to contain food inflation

G. Chandrashekhar

The government should identify commodities in which trade and tariff policies can lead to an immediate reduction in prices.


Edible oiland pulses must be added to the items distributed through PDS

The Centre has been battling food inflation, albeit with limited success. In the last two years, trade and tariff policies have been used to augment supplies and reduce prices. Export of a number of food products was banned, while imports were liberalised and, in many cases, allowed duty-free.

Administrative measures such as storage control were enforced to ensure that there was no speculative build-up of inventory. As a matter of abundant caution, futures trading in select commodities was banned. Monetary policy was tightened steadily. But all these have been of little avail and high food prices continue to burn a big hole in the common man's pocket.

High economic growth, rising purchasing power and population pressure have combined to demand more from the agricultural sector than ever before. While the demand side shows robust growth (a cause for cheer), the supply side leaves much to be desired.

OVERALL CONTEXT

Unsteady production, rising production costs, variable quality and yields combine to make overall farm growth sluggish. As supply growth trails demand growth, shortages accentuate. As has been recognised by experts, financialisation of agricultural markets impacts prices of essential food products.

It is well known that food constitutes nearly half of any average Indian family's monthly budget. For most Indians, high and rising food prices often result in a decline in food consumption, both quantitatively and qualitatively. This development has serious implications for the nutrition security of millions of people, especially those who are already undernourished or affected by malnutrition.

Unfortunately, global developments are unfavourable, too. Rising crude prices and adverse weather conditions of the last several months in many countries have impacted agricultural market prices. Integration of domestic market with global market means that our markets will have to contend with global influences.

Inflation control is an onerous, multi-dimensional task. The Government needs to exhibit sufficient political will to counter the problem. There is no simple one-step solution. A few short-term and medium-term measures may be considered by policymakers.

SHORT-TERM MEASURES

Use trade and tariff policies to augment availability. In addition to steps already taken, there is scope for more. For instance, refined edible oils attract Customs duty of 7.5 per cent ad valorem, while crude oil is allowed duty-free. If import of refined oils is also allowed duty-free, more quantities of refined oils (that are readily marketable) will flow into the market quickly. Also, such a policy will force large importers holding speculative stocks to liquidate their huge inventories. Similarly, liberalise sorghum (jowar) import which is canalised through FCI and attracts a duty of 50 per cent. Sorghum import may be placed under OGL and duty-free. These are but two examples.

The Government may do a similar exercise to identify commodities in which trade and tariff policies can be effectively deployed to augment supplies in the short-run.

Direct FCI to gradually unload excessive inventory of rice and wheat in a manner such that the cereals are widely dispersed through open market sale. This will improve the supply situation and check price rise. If this involves an element of subsidy, so be it.

Strengthen PDS (Public Distribution System). In addition to rice, wheat and sugar supplied by the Centre, add edible oil and pulses. This will bring relief to the poor.

Abolish/suspend levy of multiple levels of duties, taxes and cess at the State and local levels. In particular, APMC cess on essential food products, levies at the mandi level (purchase tax, mandi tax, and so on) and octroi duty in cities should be abolished forthwith. The Centre must bring adequate pressure on State governments to act.

The Railways must give priority for movement of essential commodities of mass consumption.

Start a dialogue with trade and industry associations to ensure that they follow self-regulation or self-imposed discipline in terms of inventory, quality, marketing, price, and so on.

Use the services of PSUs (such as STC, MMTC, PEC) to import essential food items, but make sure imported goods are marketed without delay.

Instead of futures trading (which is nothing but paper trading) in essential food products, mandate delivery-based forward trading so that speculators with no genuine interest in commodity markets are not able to distort prices.

If need be, bring back selective credit control on essential food products.

MEDIUM TERM MEASURES

Improve supply chain management by depoliticising the mandi system; make it more farmer and user friendly.

Review and redraw the FCI's role in foodgrains management.

The exercise should include reduction of carrying costs, investment in modern warehouses facilities and use of ICT to make the agency's working more transparent.

Use smart cards for PDS and ensure improved vigilance.

Step up public investment in agriculture. Areas crying for attention include stronger input delivery management, rapid expansion of irrigation facilities, improving agronomic practices through extension and farmers' education, building rural infrastructure and using ICT to deliver price and market information to growers.

Encourage technology infusion at every stage of farming and post-harvest covering inputs, production, protection and processing.

Instead of excessive reliance on markets and marketisation of food crops, create conditions for production of genuine surpluses primarily through increased yields and improved quality by fostering effective farm R&D.

Encourage contract farming — start with designing model contracts and making contracts enforceable. Incentivise contract farming for corporate houses.

Commercial intelligence and research: The Government lacks the ability to foresee and forecast changes in global and domestic commodity market conditions. This is a serious weakness. As markets integrate, our domestic market is subjected to global trends.

The Government should set up a commercial intelligence and research desk manned by experts who will track global and domestic market dynamics based on leading indicators and provide a ‘price outlook' for the future, say six months' timeframe. It will facilitate proactive policymaking.

In addition to stepping up public investment in agriculture, investment through the PPP model may be followed for building rural infrastructure.

Promote and facilitate agricultural research with industry participation.

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Back **Coconut oil prices remain stable**

C.J. Punnathara

Kochi Jan. 20

Unlike the recent spurt, coconut oil prices are ruling relatively stable. While prices slipped in Kerala markets slightly to Rs 90 from Rs 91.50 a kg last week, prices in Tamil Nadu remained steady at Rs 89 a kg.

The declining price trend was arrested by renewed interest by corporate houses for both copra and coconut oil.

With the onset of spring just around the corner in North India, fresh industrial demand has surfaced from cosmetic and personal care producers who use fair amount of coconut oil in their products. The fresh demand for coconut oil-based cosmetic and personal care products is expected to commence shortly for which the industrial houses have started stocking raw materials and streamlining their production capacity.

Buying support

The volumes bought by the big industrial houses are quite substantial and the entry of any one of them could bolster the markets, trade sources said. Shalimar and Marico are some the biggest industrial buyers of copra, while Dabur India and Damani are the large industrial buyers of coconut oil.

The buying support given by KERAFED has also ensured the price of copra remaining stable in the Kerala markets, Mr Prakash B. Rao, Director of Cochin Oil Merchants Association, said. Copra price remained stable at Rs 64 a kg at most of the producing centres in South India.

Palm oil price has declined to around Rs 57.50 a kg, while palm kernel oil prices continued to hover around Rs 93 a kg. The high price of palm oil and palm kernel oil continues to lend support to the coconut oil market. The strength of the coconut oil market is likely to be sustained until the onset of the peak coconut production season set to commence 4-5 weeks from now, trade sources said.

Retail coconut oil, in both the pouch and bottled form, continues to sell at the Rs 100 a litre mark. The major profit margin for the retailers comes from the approximately 100 gm difference in the kg and litre measure.

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Back **Karnataka sunflower, groundnut oil prices headed north on fall in output**

Bt cotton, maize replace sunflower; groundnut damaged by drought, rain.

B.S. Satish Kumar

Bangalore, Jan. 20

Prices of groundnut oil and sunflower oil in the State are set to increase this year because of a shortfall in production, according to a price-forecast exercise undertaken by the University of Agricultural Sciences-Bangalore.

The harvest price-forecast survey undertaken by the Agricultural Market Intelligence Cell of the UAS-B's Department of Agricultural Marketing and Co-operation indicates an increase in prices for the sunflower and groundnut (with shell) crops, whose harvest has started.

Production has fallen as growers replace sunflower with high-value crops such as Bt cotton and maize and groundnut with red gram because of their rising costs of production and vulnerability to diseases. According to the forecast report, prices of sunflower seeds are likely to be Rs 2,900-3,200 a quintal by January-end against Rs 2,600-2,700 now.

Speaking to Business Line, Professor Gracy, Principal Investigator of the Market Intelligence Cell, felt that farmers should hold their sunflower crops till January-end for better prices.

Groundnut

Similarly, groundnut prices are estimated to rise to Rs 2,600-2,700 a quintal of pod (with shell) compared with Rs 2,300-2,400 now. But Professor Gracy is of the view that farmers should hold only the quality groundnut crop and dispose of the average ones.

Groundnut production suffered a set back as 30 per cent of the crop was damaged because of drought during the critical crop growth period and untimely rains during harvest season.

The sunflower production was hit as 30 per cent of the farmers growing the crop shifted to other crops in the State's sunflower belt of Davangere, as the prices remained low in the last several seasons.

Similarly, some of the groundnut growers too shifted to other crops. The price-forecast survey for sunflower was undertaken in the State's leading market of Davangere, while that for groundnut was done in the markets of Chitradurga and Challakere.

The indicative prices under the survey were determined with the help of a mathematical model and survey of traders and farmers. The intention is to help farmers by updating them on market trends.

Karnataka leads the country in sunflower production accounting at 3.16 lakh tonnes from an area of 8.07 lakh hectares. The area under groundnut is around 8.6 lakh hectares with a production of six lakh tonnes.

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Back **Climate change may not always harm crops, says horticulture expert**

Our Bureau

Thiruvananthapuram, Jan 20

Climate change per se will have implications for horticultural crops but it is far from being an ‘open-and-shut case', according to a leading scientist and researcher.

Climate-induced changes need not always be harmful for these crops, says Dr H.P. Singh, Deputy Director-General (Horticulture), Indian Council of Agricultural Research (ICAR).

His comments came during his key-note address at a national seminar on ‘Climate change and food security: Challenges and opportunities for tuber crops' that began here on Thursday at the Central Tuber Crop Research Institute (CTCRI). The three-day event is organised jointly by the Indian Society for Root Crops and CTCRI.

Horticulture has emerged as the best option for crop diversification not just for meeting needs of food, nutrition and healthcare but also providing better returns from land and opportunities for employment, Dr Singh said.

These crops would expectedly suffer from the erratic rainfall, water shortage and enhanced biotic and abiotic stresses induced by climate change.

However, revealing the 'sunny side' of climate change, he said incremental carbon dioxide concentration may aid faster photosynthesis and the increased temperature may hasten maturity. "We must evolve measures to adapt to these changes, which are critical for sustainable production," Dr Singh pointed out.

On a different plane, increased temperature could hit the reproductive biology and the reduced water availability affect productivity. But adaptive mechanism such as time adjustment and productive use of water can reduce this negative impact.

Farm strategies should identify the gene tolerant to high temperature, flooding and drought; nutrient-efficient cultivars; and a production system for efficient use of nutrient water.

Strategies must also address water-use efficiency, and cultural practices that conserve water and promote crop. Dr Singh also called for the use of genomics and biotechnology to develop climate-resilient horticultural crops tolerant to high temperature, moisture stress and salinity. All these would need highly-prioritised research, he added. Enhancing the tropical production system's ability to adapt to changing climatic conditions is a great challenge and would require integrated efforts and an efficient strategy to deliver the required technologies.

We have to deepen our knowledge of carbon sequestration through perennial horticulture, which could in turn help increase through carbon trading, Dr Singh said.

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Back **Dakshina Kannada faces shortage in milk production**

Increase in the cost of production and lack of interest among the present generation in dairy farming are blamed for the milk shortage.

Our Bureau

Mangalore, Jan. 20

The Dakshina Kannada Co-operative Milk Producers' Union Ltd has expressed concern over the shortage in the production of milk in the district.

Addressing presspersons here on Thursday, Mr Raviraj Hegde, President of the union, said that the total requirement of the region, including Dakshina Kannada and Udupi districts, is around 3 lakh litres a day. However, the region is producing around 1.75 lakh litres a day. The balance is being procured from Hassan and Shimoga districts.

In 2006, the cooperative union had collected a maximum of 2.5 lakh litres a day.

He attributed the shortage in milk production to the increase in the cost of production and lack of interest among the present generation to take up dairy farming.

To boost production in the region, the cooperative union is encouraging farmers through various schemes. In this regard, it has launched mini dairy scheme where farmers with five cows will be given fodder worth Rs 12,500 free of cost. Apart from this, around 25 per cent subsidy will be given under the scheme for the purchase of various machines related to dairy farming.

In addition to this, the cooperative union is also encouraging farmers to adopt better calf-rearing process. This will help improve yield, he said.

He said the heavy rainfall post-monsoon in the region has affected the fodder production in the region. The union is looking at some areas to buy fodder for the dairy farmers in the region.

All these factors put together have contributed to the increase in the cost of production of milk.

To create awareness about dairy farming among the younger generation, the cooperative is planning to conduct awareness campaign for students in the region. As a part of this, the union will conduct quiz competition on dairy farming to the high school students from January 22-31, he added.

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Back **Turmeric market sees mixed trend**

Our Correspondent

Erode, Jan. 20

Turmeric prices at the Erode Turmeric Merchants Association sales yard went up marginally by Rs 100 a quintal and so did sales. But in the Regulated Marketing Committee, prices declined.

"Being an auspicious day (Thai Poosam), some bulk buyers have started procuring turmeric. There is absolutely no demand from any quarter, buyers purchased very little quantity," said Mr R.V. Ravishankar, President, Erode Turmeric Merchants Association, on Thursday.

He said, "Hereafter, sales may look up and the buyers will buy the crop though the prices are high". Meanwhile, turmeric farmers expect prices to go up next week. Farmers also said that they have very limited stock and they want to liquidate it.

The price in the Regulated Marketing Committee decreased, due to the arrival of 300 bags of Number 8 variety, which fetched only Rs 13,000 and below a quintal.

Bulk buyers said the new crop will begin arriving from February, after which prices will go down and farmers are unlikely to keep the stock with them. They also expect fresh orders from all over the country from February, though the Nizamabad receives stock now.

In the Turmeric Merchants Association Sales yard, the finger variety was sold at Rs 9,900-14,591 a quintal and the root variety at Rs 9,103-14,127. Out of 681 bags that arrived, 367 were sold.

In Gobichettipalayam Agricultural Cooperative Marketing Society, the finger variety was sold at Rs 11,027-14,797 and the root variety at Rs 11,899-14,597. Out of 63 bags that arrived only 17 were sold.

In the Erode Cooperative Marketing Society, the finger variety fetched Rs 12,560-14,760, the root variety Rs 12,500-14,551. All the 38 bags that arrived were sold.

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Back **Rally continues in edible oils**

Our Correspondent

Mumbai, Jan. 20

Edible oil prices continued to rise for the fourth consecutive day on Thursday, taking cues from strong international fundamentals and overall bullish sentiment in agriculture commodities. The Malaysian market was closed on Thursday due to a holiday.

Indore NBOT soya future declined on absence of cues from Malaysian market. Increased profits booking selling weighed on the sentiment.

On Thursday, in Mumbai market, price increase in soya oil was Rs 2, palmolein Rs 5, and cotton oil Rs 7, rapeseed oil Rs 8 for 10 kg. Sunflower oil price rule steady. Groundnut oil, in absence of demand, ruled unchanged despite the sharp rise in Saurashtra. With limited buying, volume was at usual level. In Mumbai market, about 250 tonnes palmolein was sold in the range of Rs 580-582 and about 150-200 tones were resold in the range of Rs 578-585 for 10 kg by stockist. Liberty was quoting palmolein Rs 599-603 for February/March delivery. Ruchi's rates were Rs 596 for February/March delivery and sunflower oil was Rs 710-715 for January/February.

Less than expected local demand kept volume thin, but firm reports from abroad supported the sentiment. In the Saurashtra - Rajkot market, groundnut oil prices sharply increased by Rs 25 to Rs 1,190 (Rs 1,165) a telia tin and Rs 770 (Rs 765) a 10 kg, he added.

Indore NBOT soya oil February contracts ended at Rs 651 (Rs 654.70).

Mumbai commodity exchange spot rate (Rs/10 kg): Groundnut oil 770 (770), Soya refined oil 622 (620), Sunflower exp. ref. 670 (670), Sunflower ref. 720 (720), Rapeseed ref. oil 655 (647), Rapeseed expeller ref. 625 (617), Cotton ref. oil 612 (605) and palmolein was 584 (579).

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Back **Soya oil steady despite drop in demand**

Our Correspondent

Indore, Jan. 20

Soya oil ruled firm on Thursday on weak CBOT projection and decline in demand at higher rate.

On Thursday morning, soya refined oil in the spot was quoted at Rs 610-Rs 615 for 10 kg. However, bulk trading in refined oil was done at Rs 614. Though there was high demand for soya refined at Rs 610, plant operators did not show much of interest on this rate. In the resale, soya refined was quoted at Rs 608-Rs 610 but it had few takers on this rate. Similarly, soya solvent also ruled steady with its price in the spot quoted at Rs 580 for 10 kg, while in the delivery it was quoted at Rs 584. According to oil traders, the demand for soya oil remained subdued as there were few takers for soya oil at higher rate. Taking cues from weak CBOT projection, soya oil edged lower on the NBOT where soya oil February contract, after opening at Rs 653, closed Rs 2.40 lower at Rs 650.60.

Soya oil futures on the NCDEX showed a mixed trend. While its January contract closed Rs 2 lower at Rs 64, its February contract edged lower at Rs 649.80 after opening at Rs 653Driven by bullishness in the global oil market, soya oil prices in Indore mandis are ruling at its highest level in the past two-and-half-years. An uptrend continued in soya seeds, more so because of contract maturity in soyabean on the NCEDX and the rise in soya DOC delivery on the port. Soyabean gained Rs 20-30 in mandis and plant deliveries.

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Back **Sugar declines on selling pressure**

Our Correspondent

Mumbai, Jan. 20

Sugar prices on the Vashi wholesale market declined further by Rs 10 on Thursday in naka delivery due to selling pressure from mills and resellers.

At the spot and mill level, prices ruled steady as some fresh retail buying supported the sentiment and arrested price decline. The undertone of the market wasn't bearish, as retail local demand is supposed to rise from next week, said traders.

Sugar prices at the Vashi market declined by Rs 110-120 in spot and Rs 120-130 in naka and mill level this month. Upcountry buying is also not picking up. Mr Harakhchand Vora, Vice-President of the Bombay Sugar Merchants Association, told Business Line, “after declining continuously, prices may stabilise at the present level because of expectation of lower quota for new month, possible extension for current month quota, and fresh demand for the new month. Second, the Government may declare lower quota for February to balance the demand-supply equation.”.

arrivals

Arrivals in the Vashi market were lower at about 34-35 truck loads (each 100 bags) and local dispatches were about 32-34 truckloads.

According to Bombay Sugar Merchants Association, spot sugar rates were: S-grade Rs 2,851-2,891 (Rs 2,851-2,891) and M-grade Rs 2,886-2,951 (Rs 2,892-2,951). Naka delivery rates were: S-grade Rs 2,810-2,840 (Rs 2,820-2,850) and M-grade Rs 2,850-2,890 (Rs 2,850-2,900).

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Back **Spot rubber scales new high**

Aravindan

Kottayam, Jan. 20

Spot rubber hit another all-time high on Thursday. The market improved on fresh buying and short covering catalyzed by the sharp gain in Bangkok spot price. According to analysts, the prices were set to explore further highs as supply concerns continued to lead the market to unforeseen levels in anticipation of more purchases from tyre makers.

The small scale industries using rubber as raw material are put to severe hardships and 30 per cent of them have all ready downed shutters, said the Kerala Small Scale Industries Association.

If effective steps are not taken to overcome the present crisis, the entire small units in Kerala will have to be closed down, according to Dr. T.C. Joseph, District President.

Sheet rubber increased to Rs 229.50 (227.00) a kg according to traders. The grade firmed up to Rs 230 (228) a kg, according to the Rubber Board.

FUTURES IMPROVE

RSS 4 improved further with February contracts rising to Rs 238.90 (234.40), March to Rs 245.15 (240.26), April to Rs 253.99 (249.30) and May to Rs 260 (255.68) a kg for on the National Multi Commodity Exchange.

RSS 3 (spot) flared up to Rs 257.73 (252.28) a kg at Bangkok. Its January futures slipped to ¥464.1 (Rs 257.04) from ¥465 a kg during the day session but then bounced back to ¥466.5 (Rs 258.38) in the night session on the Tokyo Commodity Exchange.

Spot rates were (Rs/kg): RSS-4: 229.50 (227); RSS-5: 223 (220); ungraded: 215 (211); ISNR 20: 224 (223) and latex 60 per cent: 155 (153).

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Back **Pepper futures slide on bearish activities**

G.K. Nair

Kochi, Jan. 20

Pepper futures on Thursday dropped on bearish activities in spite of additional purchases amid limited availability.

People did not show interest to take delivery of January, even though only around 150 tonnes were available, and instead switched over and that gave the impression that the bulls were weak and doing only speculative buying.

This had activated the bears who took control of the market and pulled down February, market sources told Business Line.In fact, material availability was limited and whatever came to the market yesterday was absorbed immediately like hot cake.On the spot, small quantities of good quality pepper were traded at Rs 217– 219 a kg while pepper mixed with new and low bulk density material was traded at Rs 215 a kg. Domestic demand continued to remain low because of the cold wave conditions in north India.In the overseas markets, the buyers said to have postponed their buying due to severe cold weather conditions.

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Back **Jeera slips on profit-booking**

Rajkot, Jan. 20

Jeera spot and futures prices dropped on Thursday as traders booked profit.

On the National Commodity and Derivative Exchange (NCDEX), jeera for February delivery fell Rs 89 or 0.59 per cent to Rs 1,4945 a quintal, with an open interest of 13,986 lots. Similarly, March contract declined by Rs 105 to Rs 15,280 with an open interest of 13,470 lots. Jeera was traded at Rs 2,222-2,845 a 20 kg at Unjha APMC.

According to market sources, jeera traded lower as speculators booked profits at existing higher levels amid subdued spot market demand.

Analysts said beside profit bookings by speculators at prevailing higher levels, subdued demand in the spot market helped jeera futures prices to trade lower.