

Food inflation inches up to 15.57 %

Special Correspondent

NEW DELHI: Food inflation inched up marginally to 15.57 per cent for the week ended January 15 from 15.52 per cent a week ago as vegetable prices continued to rule firm at higher levels.

Rising prices prompted the Reserve Bank of India to hike its key policy rates earlier this week to douse inflationary expectations. However, with no signs of a cool-down in the wake of rising oil and commodity prices in international markets, economic analysts are fearing another round of rate hike by the apex bank during its mid-quarterly policy review in March.

In fact, in anticipation of the rate hike and consequent increase in interest rates during 2011, the stock markets witnessed heavy selling and slumped to new lows in recent times.

The primary concern of the government and the RBI is the spill-over effect of high food inflation on the manufacturing sector which in turn is certain to impede overall economic growth.

Despite the general expectation of vegetables turning cheaper owing to seasonal factors, prices surged and remained 67.07 per cent higher during the week on an annual basis. While onion prices had skyrocketed a few weeks ago and were dearer by 111.58 per cent on a yearly basis, recent initiatives by the government have had some impact in bringing down prices of the essential kitchen.

Vegetables apart, prices of fruits, milk and other protein-based items also went up during the week even as wheat and pulses turned cheaper. During the week, prices of fruits rose by 16.40

per cent and milk turned dearer by 12.44 per cent on a year-on-year basis. Likewise, egg, meat and fish prices were also 13.58 per cent higher as compared to the same week last year. In cereals, while rice was 2.79 per cent dearer, wheat and pulses turned cheaper by 5.75 per cent and 14.07 per cent, respectively on a yearly basis.

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Protest over hike in paddy support price

Staff Reporter

Photo:B.Velankanni Raj



agitation:Members of the Tamil Nadu Vivasayigal Sangam, staging a protest in Nagapattinam on Thursday.

NAGAPATTINAM: Members of the Tamil Nadu Vivasayigal Sangam and All India Agricultural Workers Union staged a demonstration, demanding hike in the support price for paddy per quintal, in front of the Taluk office, here on Thursday.

The protestors said the procurement price of paddy does not commensurate with the play of market factors.

A price of Rs.1,750 is offered per quintal of paddy by Kerala.

A similar support price should be announced by the Centre and the State to help farmers meet the rising expenses of agriculture.

A price of Rs.1,500 per quintal for narrow-variety of paddy; and Rs.1,400 per quintal for motor-variety would do justice to the farmers. They have also demanded writing off of crop loans taking into consideration the north-east monsoon, which wreaked havoc.

G.Murugayyan, district secretary, Tamil Nadu Vivasayigal Sangam, and Amrithalingam, district secretary, All India Agricultural Workers Union led the demonstration.

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Survey finds 200 bird species in Wayanad part of Western Ghats

E.M. Manoj

That includes 14 endemic and 2 critically endangered species



White-bellied Blue Flycatcher (male)

KALPETTA: The Malabar Ornithological Survey 2010-11, the first ever comprehensive study on avifauna in north Kerala, has proved that the Wayanad part of the Western Ghats is a critical habitat for endemic as well as endangered birds.



White-bellied Blue Flycatcher (female)

The team sighted 200 species, including 14 of the 16 endemic species and two critically endangered species, during the two-month survey in Wayanad district.

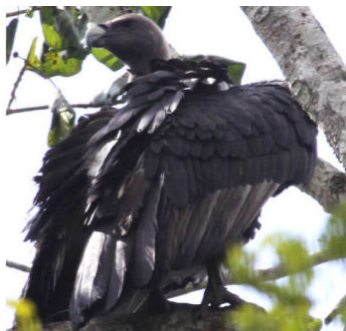
C. Sasikumar, ornithologist and the team's principal investigator, told TheHindu on Tuesday that the Vellarimala-Chembra regions were of high conservation value because of its unique biodiversity.



Nilgiri Flycatcher

“We found an excellent population of black-chinned laughing thrush, an endemic and endangered bird species, whose presence is mostly confined to the Vellarimala and Brahmagiri mountains of Wayanad region,” he said.

The residents



Indian White-backed Vulture

Other endemic birds reported from the region include the Black-and-Orange Flycatcher, Rufous-bellied Shortwing, Nilgiri Flycatcher, Wayanad laughing thrush, Small Sunbird, Malabar Grey Hornbill and White-bellied Blue Flycatcher.



Black-chinned Laughing Thrush

Among them, the Black-and-Orange Flycatcher, the Nilgiri Flycatcher and the Shortwing were strictly confined to the high altitude region, especially the shola forests, according to C.K. Vishnudas, team member. The team sighted some rare species, including the Scaly Thrush, Oriental Dwarf Kingfisher, Black-capped Kingfisher, Olive-backed Tree Pipit, Speckled Piculet, Nilgiri Wood Pigeon, Mountain Hawk-Eagle and Jerdon's Baza.

The team also found Brown-rock Pipit on the Chembra mountain, the first record of the species from north of the Palghat Gap, P.A. Vinayan, another team member said. Rufous-bellied Shortwing, a sister species of the White-bellied Shortwing, a species seen south of the Palghat Gap, was a candidate to be labelled new species, based on some recent DNA studies, he said.



Black-and-Orange Flycatcher

The region had become a critical habitat of the highly endemic and threatened bird species of northern Kerala, Mr. Sasikumar said. The team intended to suggest in their report that the government declare the Vellarimala and Chembra regions as a national park to conserve the birds. A few months ago, a team of scientists of the M.S. Swaminathan Research Foundation, Kalpetta, discovered 14 new species of plants in the region

Unique habitat

Mr. Sasikumar said the mountain ranges, situated 3,000 to 7,000 feet above the sea level and spread over 200 sq. km., were unique and incomparable to any other part of the Western Ghats.

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Quality rice supplied through public distribution: Minister

Staff Reporter

COIMBATORE: The State Government supplied quality rice under the public distribution system, said Pongalur N. Palanisamy, Minister for Rural Industries and Animal Husbandry.

The Government supplied rice at Re. 1 a kg. No other government in the Indian subcontinent supplied such a good quality rice and at such a price, he said while participating at the grievances meeting organised recently in Madhvarayapuram Panchayat in Thondamuthur Panchayat Union.

Of the schemes the State Government announced and implemented, at least one of those would have benefited every family in the State, for such was the good governance, he claimed.

The Government had issued identity cards under the Kalaignar insurance scheme to 1.50 crore people across the State and in Coimbatore it had tied-up with 73 hospitals, where poor people got quality treatment for up to Rs. 1 lakh.

For those on hills, the Government had introduced the 108 EMRI ambulance service, which was available within 15 minutes of call.

Referring to the people's demand for free house site pattas, Mr. Palanisamy said Collector P. Umanath had issued pattas to over 600 persons.

The Government supplied free domestic gas, as promised, in stages. It had so far distributed 2,440 colour television sets in the region and extended insurance cover to 1,843 persons.

It implemented various welfare measures that were not carried out in the past 60 years.

Aside from laying roads, desilting tanks, supplying electricity, drinking water, etc. it was also engaged in devising schemes that benefitted each and every family in the State.

Later, Mr. Palanisamy inaugurated a part-time fair price shop in Iruttupallam, granted pattas to 112 persons, sewing machines to 15 persons, old age pension to 26 persons, community certificates to 170 persons and farmers' identity cards to four persons.

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Farmers stage protest

Special Correspondent

THANJAVUR: Farmers belonging to the Tamil Nadu Vivasayigal Sangam affiliated to the Communist Party of India (Marxist) staged a demonstration in front of the Panagal building in the town on Thursday morning.

The agitators raised slogans demanding that the government fix the procurement price for paddy at Rs.1, 500 per quintal, and Rs.3,000 per tonne for sugarcane.

They also clamoured for a hike of Rs.5 per litre for cow's milk and Rs.8 per litre for buffaloes' milk.R.Ramachandran, president of the Budalur unit of the Tamil Nadu Vivasayigal Sangam, and G.Neelamegam, secretary of the Thanjavur district unit of the CPI (M), led the agitation.

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Farmers go on indefinite fast

Staff Reporter

Tuticorin: The farmers of Deivaseyalpuram village in Srivaikuntam taluk observed an indefinite fast in front of the Collectorate here on Thursday demanding compensation for crop damage.

They claimed that the livelihood of over 300 farmers of the village was dependent on crops such as black gram, gingelly and green gram produced. These crops suffered damage following the north-east monsoon. They alleged that compensation had been disbursed to farmers of other taluks and they had made representations to officials concerned but to no avail. Communist Party of India (Marxist) and Tamil Nadu Vivasayigal Sangam members also took part in the fast.

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Intercropping in coconut farms mooted

Staff Reporter

KASARAGOD: A senior scientist at the Central Plantation Crops and Research Institute (CPCRI) here has mooted integrated coconut-based farming to address the uncertainty owing to rapid price variations that often lead to poor returns for the coconut-growers of Kerala.

Coconut-growers of small and marginal holdings that constitute around 40 per cent of the total cultivated area in the State plays a pivotal role in the agrarian economy of Kerala.

However, price variations for the produce neither provide them gainful employment nor generate sufficient income to sustain their basic needs. "The prevailing price fluctuations of coconut and coconut-based products, prevailing for the last three decades thanks to the monoculture system of coconut, has led to very low productivity and poor income. Crop diversification in coconut gardens assumes greater significance, C. Thampan, Senior Scientist at CPCRI here told The Hindu.

Coconut-based cropping and farming systems, involving cultivation of compatible crops and integration with other enterprises like dairying offer considerable scope for increasing production and productivity per unit area, he said. Saving time and inputs by the more efficient utilisation of sunlight, soil, water and labour also helped enhance yield and cut down cost of production. Coconut-growing could be made more profitable and sustainable coconut-based farming was one of the options, he said.

Coconut-based integrated farming was an ecologically sustainable system that helped growers earn additional income. “The agronomic feasibility and economic viability of coconut-based farming systems have been amply demonstrated in research stations and fields,” he said.

The same land could simultaneously be used to produce other compatible crops and for livestock enterprises so that productivity of land could be enhanced profitably, Mr. Thampan said.

It was also regarded as a simple but effective strategy that could minimise the risk associated with over-dependence on just one type of crop. The crops include cassava, colocasia, elephant-foot yam, sweet potato, Chinese potato, greater yam and lesser yam. Ginger and turmeric were the important rhizome spice crops commonly intercropped in coconut gardens.

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State-run vegetable shop launched

Special Correspondent

— Photo: G. Moorthy



DIRECT FROM FARMERS:Collector C. Kamaraj (second from right) inaugurating vegetable sale at a shop in Madurai on Thursday.

MADURAI: Collector C. Kamaraj inaugurated a vegetable shop of the Department of Cooperation at Ellis Nagar in the city on Thursday.

He told media persons that the shop would benefit both farmers and consumers. Since vegetables would be procured directly from farmers, consumers could buy them at much lower prices than those prevailing in the open market where prices were high owing to involvement of middlemen. For instance, brinjal would be sold at Rs. 13 a kg at the shop while it was Rs. 24 in the open market. Price of other vegetables were: ladies finger Rs. 26 (Rs. 40); tomato Rs. 15 (Rs. 30), shallots (small onion) Rs. 49 (Rs. 55); and Bellary onion Rs. 28 (Rs. 40).

Such shops had been functioning at Ellis Nagar, Visuvasapuri, Arapalayam, RMS Road, TVS Nagar, Anna Nagar, TNSTC depot and Race Course Colony. "More shops will be opened at Othakadai, Melur, Usilampatti and other places soon."

Mr. Kamaraj said that vegetables would be bought from the farmers' fields by the Departments of Agriculture, and Horticulture. Farmers would be paid on the spot through primary agricultural cooperative banks in the respective places. The idea of opening such a facility was to serve more people by selling vegetables of good quality at reasonable prices. These shops would in no way affect the business of 'uzhavar sandhais,' he said.

Officials of the Departments of Agriculture and Horticulture had been preparing a data bank by gathering details of vegetable growers and quantity of produce of each farmer in Madurai district.

Date:28/01/2011 URL: <http://www.thehindu.com/2011/01/28/stories/2011012852470300.htm>

Separate budget sought for agricultural sector

Special Correspondent



Development agenda: President of the Karnataka Rajya Raitha Sangha K.S. Puttannaiah speaking at an interactive session on the Hyderabad Karnataka region in Gulbarga on Thursday.

Gulbarga: The Karnataka Rajya Raitha Sangha has urged the Government to frame a separate agricultural policy for the development of dry land and also present a separate budget for the farm sector.

President of the sangha K.S. Puttannaiah said this on Thursday during an interactive meeting with the members of the Hyderabad Karnataka Janapara Sangharsha Samiti and leaders of various Kannada organisations in Gulbarga on the inordinate delay being caused in amending Article 371 of the Constitution.

Mr. Puttannaiah said the State Government should ensure that every drop of water available in the State is used judiciously by completing all pending irrigation projects. He added that instead of the present system of the Central Agriculture Price Commission (CAPC) fixing minimum support price for agricultural produce, the Centre should take upon itself the responsibility of fixing remunerative prices for agricultural produce.

President of the Hyderabad Karnataka Janapara Sangharsha Samiti Laxman Dasti spoke.

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Justice has evaded this farmer of Kudiganur village for eight years

Special Correspondent

His father lost 4.7 acres to encroachment by flood-hit families

GULBARGA: For Gurubasayya Math, it has been an arduous and never-ending journey to get justice from the Government. This farmer has been running from pillar to post for more than eight years to get compensation for his land that was forcibly occupied by people affected by floods.

Mr. Math was not even born when the land owned by his father, Ajagayya Math, in Kudiganur village of Afzalpur taluk here was occupied by the people living on the banks of the Bhima during the floods of 1950.

“Our land was situated at a height and, so, on humanitarian grounds, my father had allowed the people to occupy the land till the floods receded,” he said.

“Again when floods recurred in 1953-54, the affected people returned to the same land for refuge; only this time they refused to leave despite protests by my father,” said Mr. Math. “We lost 4.7 acres because of the forcible occupation and this was supported by Revenue Department officials, who had promised alternative land to my father... [but] neither the alternative land nor the compensation came,” he said. “I have reached a dead-end and don't know what to do now as Revenue Department officials are throwing out my claims,” he said.

Mr. Math's perseverance had shown results earlier when the Afzalpur tahsildar admitted that the 4.7 acres in Kudiganur village originally belonged to Ajgayya Math, who had died a few years ago, and compensation had to be paid. The taluk panchayat had also agreed to this. However, the issue once again hit a road block after the Additional Deputy Commissioner's office rejected the plea of the zilla panchayat chief executive officer stating that the said 4.7 acres was not in the name of the late Ajgayya Math or his son, but had long been declared as 'gountan' land. Mr. Math argued that they were not aware of this change and produced records to prove that prior to 1953 the land was in the name of his father. “Based on the report of the Afzalpur tahsildar, we should be compensated,” he said.

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A gift to farmers

GUNTUR: Joint Collector and Agriculture Market Committee person-in-charge A Sarath has given a Republic Day gift to farmers in the form of Dissemination of Market Prices programme. It is a system in which the market prices are informed to the model farmers and other stakeholders daily through SMS, which he launched from his computer. This system helps farmers sell their produce at the best prices after knowing the trend with the help of cellular phones. Besides farmers, the price line is indicated to Members of Parliament, MLCs, MLAs, ZPTCs, MPTCs, MROs, MPDOs and village sarpanches.

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Horticulture show draws huge crowds

Staff Reporter

– Photo: Thakur Ajay Pal Singh



Star attraction: Vegetable carvings on display at the horticulture show in Karimnagar.

KARIMNAGAR: The three-day horticulture show being organised by the district Horticulture Department is drawing huge crowds at the Revenue Gardens in Karimnagar with the display of a variety of fruits, vegetables and flowering plants.

The horticulture show was inaugurated by Karimnagar MP Ponnampalabharathi along with Collector G.D. Aruna on the Republic Day. On display at the show are over 400 varieties of vegetables produced by the farmers of the district. The special attractions are vegetable carvings and flower bouquets especially bought from Hyderabad and Bangalore. The local nurseries have also participated in the show by displaying wide varieties of flowering and decorative plants. Some other stalls offer hybrid mango and other horticulture plants and also tissue culture saplings of banana etc. The Agriculture Department has put up a stall about the importance of horticulture plants, drip irrigation system and so on.

The Karimnagar Municipal Corporation authorities are also participating in the horticulture show educating people about sanitation and protection from mosquitoes to avoid spread of diseases.

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GIM in agricultural sector in June

Special Correspondent

Rs. 50,000 crore likely to be invested in agriculture in the next five years

Road show in seven countries planned to create awareness about infrastructure in the State

Separate agricultural budget sought for effective implementation of schemes

Bangalore: The State Government has planned a global investors meet (GIM) to attract investment in the agricultural sector in June.

Minister for Agriculture Umesh Katti, releasing an agri-doctors' dairy 2011 on Thursday here, said the GIM on the lines of the industry would be organised to bring in investment in the farm sector. The event would be organised in June and a private firm, Mahindra and Mahindra, has been asked to provide consultancy services to hold the event.

Mr. Katti said at least Rs. 50,000 crore is likely to be invested in the agriculture in the next five years in the State to give boost farm production. A road show would be organised in seven countries to create awareness among the investors about available infrastructure in the State.

The government had organised the GIM last year to attract investment in various sectors of the economy, particularly industry. A new agricultural policy was announced during the H.D. Kumaraswamy Government to increase investment in the farm sector.

Expressing concern over decline in the investment in the sector, the Minister said the Department had urged Chief Minister B.S. Yeddyurappa to present a separate agricultural budget for effective implementation of schemes.

The Chief Minister had positively responded to the proposal.

The department has urged Mr Yeddyurappa to allocate at least Rs. 3,000 crore in the State budget for 2011-12 for the sector against Rs. 2000 crore earmarked in 2010-11. Although nearly 70 per cent of the population depended on agriculture for their livelihood, no separate budget had been presented at the central and state levels so far, he regretted.

MSP

Stating that there was a need to announce minimum support price for commodities before the commencement of the sowing, he said such a system would ensure price stability in the market. Price of tur dal plummeted this year following increase in area under the crop from 3.5 lakh acres last year to nine lakh acres this year. Prices dropped from Rs. 130 a kg to Rs. 40 a kg in the last one year. Sugarcane growers also met a same fate following sharp decline in the prices, he said.

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Kisan Mela, farm expo begin at IISR

Staff Reporter

Farmers told to make use of the technologies in their fields.

Kozhikode: The output of research in agricultural research institutes should reach farmers through information-sharing platforms such as Kisan Melas and technology-showcasing expos, K.K. Raghavan, Joint Rubber Production Commissioner, Rubber Board, Kozhikode, said here on Thursday.

He was inaugurating a three-day Kisan Mela, Karshika Sakethika Darshanam, 2011, and an agricultural technology expo at the Indian Institute of Spices Research (IISR) on Thursday.

He said farmers should make use of the technologies developed by these institutes in their fields.

V.A. Parthasarathy, Director of IISR, chaired the inaugural session and released a CD on 'Calicut District Inventory of Agriculture' and a booklet on 'broiler goat-rearing' published by the institute.

Nagesh Kumar, Assistant General Manager, NABARD, and K.M. Kuruvila, Senior Scientist, Indian Cardamom Research Institute, Myladumpara, received the first copies.

I. John Kutty, Associate Director of Research, Kerala Agricultural University, Pattambi; Corporation councillor M.P. Hameed; and C.V. Sairam, Principal Scientist, Agri Economics, Zonal Director Unit, Krishi Vigyan Kendra, Bangalore, spoke. M. Anandaraj, Project Coordinator (Spices), welcomed the gathering. B. Chempakam proposed a vote of thanks.

T. Pradeep Kumar of Kerala Agricultural University, Thrissur, and Manju Sasidharan of Kerala Veterinary University, Pookkode, presented papers on "Vegetable cultivation and animal husbandry for homesteads."

R. Suresh, Project Officer, HortiCorp, briefed farmers about various programmes of the National Horticulture Mission. The IISR felicitated farmers who have made innovations in various fields of agriculture. The farmers shared their experiences during the event. Over 170 farmers from Kozhikode district attended the mela.

Agro exhibition

Fourteen research organisations, including the Directorate of Areca nut and Spices Development, the Central Plantation Crops Research Institute, Kasaragod, the Central Tuber Crops Research Institute, Thiruvananthapuram, and the Central Marine Fisheries Research Institute, Kochi, have put up their stalls for exhibiting various technologies and machines in connection with the programme. The exhibition will be open to the public and schoolchildren between 9 a.m. and 4 p.m. on Friday and Saturday. For details, call T. John Zachariah (ph: 9446 071410) or T.K Jacob (9447 539967).

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Plan to market coconuts

Staff Reporter

THENI: Tamil Nadu Coconut Growers' Welfare Board plans to expand cultivation area,

boost coconut production, and market coconuts to help growers earn more income.

It wants to set up 600 to 700 outlets in the State to sell tender coconuts, and differently-abled persons will be roped in to man these centres, said its Chairman S. Rajkumar Mandradiar. He was presiding over a meeting with coconut growers in the district here on Thursday. Mr. Mandradiar said steps had been taken to sell coconut oil in small pouches through cooperative stores and ration shops.

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Food inflation up, only just

Jan 28 2011

Jan. 27: Food inflation, which measures the pace of rise in agri-commodities accelerated marginally for the week ended on January 15 to 15.57 per cent due to high vegetable prices. The increase is due to hike in vegetable prices, which rose by 67 per cent on year-on-year basis, particularly of onion which was up by more than 100 per cent.

There has been some relief in onion prices in the recent days, which will be reflected in the inflation data in the coming days. Experts feel that prices of essentials will stay above the comfort zone, and that the Reserve Bank could act by hiking policy rates. "Food inflation may come down to single digits within this month as vegetable prices have started softening," said Crisil, chief economist, Mr D.K. Joshi. Food inflation was 15.52 per cent for the week ended January 8.

However, the consumers are unlikely to get any relief from overall inflation due to increase in prices of raw material, minerals and oil in coming days. "High global energy, global commodities and domestic food prices are likely to have a significant impact on inflation outlook in 2011,"

said the Reserve Bank of India deputy governor, Mr Subir Gokarn. The Food and Agriculture Organisation (FAO) has also sounded a warning a week ago that food prices world-wide may harden during 2011, intensifying global inflationary pressures.

“This is going to reinforce the already existing food price pressure we have in the domestic market,” said Mr Gokarn. The RBI is expected to act tough in coming days to prevent spill over of food inflation to the manufactured products. “We expect the RBI to hike interest rates by 0.50 per cent in this calendar year,” said Mr Joshi.

This week RBI had increased the interest rates by 0.25 per cent. RBI had also revised its current fiscal year-end projections for inflation, raising it to 7 percent from the earlier 5.5 per cent.

Source URL:

<http://www.deccanchronicle.com/business/food-inflation-only-just-119>

hindustantimes

Fri, 28 Jan 2011

Weather

Chennai - INDIA

Today's Weather



Clear

Friday, Jan 28

Max Min

31.2° | 21°

Rain: 00 mm in 24hrs

Humidity: 83%

Wind: Normal

Sunrise: 6:35

Sunset: 18:07

Barometer: 1014.0

Tomorrow's Forecast








Cloudy

Saturday, Jan 29

Max Min

31° | 22°

Extended Forecast for a week

Sunday Jan 30	Monday Jan 31	Tuesday Feb 1	Wednesday Feb 2	Thursday Feb 3
				
27° 22°	28° 22°	26° 22°	25° 22°	27° 22°
Cloudy	Cloudy	Cloudy	Cloudy	Cloudy

THE ECONOMIC TIMES

Fri, Jan 28, 2011 | Updated 08.59AM IST

28 Jan, 2011, 12.34AM IST, PK Krishnakumar & S Sanandakumar,ET Bureau

Premium food exports fall on rising local demand

KOCHI: Middle India's growing ability to indulge its palate is rapidly pushing up domestic demand for premium foods, crimping exports of these quality products as traders find it more profitable to sell them in the home market.

The new-found Indian craze for 'export-quality' specialty teas and coffee, premium seafood, dry fruit, spices and the famed long-grained basmati is posing a new challenge for the food industry that is now looking at ways to meet the ever-increasing local demand.

Prices of several products are equal to and in certain cases more than what foreign consumers have to pay. And clearly, no one is complaining.

"It is the emerging middle class with high purchasing power and changing food habits which is driving this consumption boom. They have become more quality conscious and are going after

luxury goods. (And all) this will go up in the coming years given our economic growth,” says Laveesh Bhandari, Director of Delhi-based economic research firm Indicus Analytics.

Coffee breaks for the Globalised Indian today means beans sourced from a single-estate plantation crop.

(And) it will not be just a generic version... but a coffee from a specific estate in a definite region with particular variety,” says Kaapi Royale Managing Partner Nishant Gurjer. “People see involvement and a sense of belonging when they buy such products.”

Yearly domestic consumption of coffee rose to 94,400 tonne in 2008, even as exports fell by 20.09% to 2.04 lakh tonne in 2009-2010 compared to 2.45 lakh tonne in 1999-2000. And the cuppa that cheers is no longer brewed from the crush, tear and curl variety. It is green tea, orange pekoe or a muscatel.

“The market is growing within India too,” said D Senthil Kumar, Managing Director of Qualfis, which deals in personal and healthcare and food products. People can afford specialty products now. “Earlier, the spices were used for blending into masala powders. Now, they are also used to season soups and salads.”

Agrees Ajay Mariwala, MD of Vallabhdas Kanji Ltd , a leading spices processor and exporter. “As eating out has become common, there is a huge demand for seasonings from restaurants and snack food producers. When the local production is not sufficient, they are forced to import, which ultimately may trigger food inflation.”

“Youngsters in the IT sector prefer to eat out rather than cook at home. They are stressed for time and have enough disposable income on their hands. So this change in food habits is a reflection of the lifestyle changes,” says Carol Upadhyya, Professor of social sciences at National Institute of Advanced Studies, Bangalore.

Demand for cashew has been growing at a healthy 15%. "India is today the largest consumer of cashew nuts in the world," says Kannan S Pillai, Partner, Anu Cashews. No wonder then the export of cashew nuts declined from 1.26 lakh tonne in 2004-05 to 1.08 lakh tonne in 2009-10. Cashew exports witnessed a 4% yearly fall from 2006-07 to 2008-09. In the subsequent year, the rate of decline was 1.28%.

India's well-known export, the long-grained, fragrant basmati is no longer confined to the North, thanks to the arrival of new varieties half as costly as traditional ones. So it's hardly surprising that basmati production has increased 100% over the past three years. All India Rice Exporters Association President Vijay Setia says domestic consumption has risen to 45% and exports now account for 35% of the total production.

While exports have not remained flat, they are projected to grow at a slower pace. Outbound shipments grew by 28% during the 2007-08 to 2009-10 period. Exports are predicted to grow by 15% by 2011-12. But domestic consumption is likely to grow at 15% in the medium term.

Among seafoods, India's traditional exports, new products are making waves. "Demand for the new shrimp variety, called Vannamie, is growing at nearly 20-25%," said Anwar Hashim, President, Seafood Exporters Association of India . Domestic demand is so high for other delicacies such as pearl spot, seer fish, and mullet, that the industry can't spare enough for export.

Consumer interest in pomegranates in India is growing despite high prices. Buyers are willing to pay even Rs200-250 per kg for good-quality fruit, valued for its medicinal properties. As a result, exports are likely to fall to 20,000 tonne from 30,000 tonne last year with producers realising the same price from the local market.

"Currently farmers are getting an all-time-high of Rs 160 per kg to Rs 175 a kg for

pomegranates in the domestic market,” said Prabhakar Chandane, President, All India Pomegranate Growers’ Association.

Encouraged by growing milk consumption, the new factory farms coming up in the country are focusing on the affluent domestic consumer who is ready to pay more for pure milk. Promoter of Gurgaon-based Landmark Group says, “Milk prices in the domestic market are growing at 20% per annum and the demand for milk is growing at 7%. There is a huge market for good-quality milk and we don’t need to look at exports.”

According to APEDA, exports of dairy products declined by 50% from 70,146 million tonne in 2008-09 to 34,779 million tonne in 2009-10.

“Domestic milk prices have remained high for the past two to three years mainly because consumption is growing faster than production. Liquid milk and cheese are the two fastest-growing segments of dairy industry growing at 8% to 12% annually,” said Devendra Shah of Parag Milk Foods, which manufactures cheese under Go brand. In spices, the most noteworthy shift in favour of domestic market has happened in the case of pepper.

27 Jan, 2011, 07.12PM IST,PTI

Govt to monitor prices of more commodities

NEW DELHI: The government is considering to expand the list of food-commodities currently monitored by it, a top official from ministry of consumer affairs said today.

"We are exploring the possibilities of monitoring the prices of more commodities. At present, we are monitoring the prices of 21 commodities such as rice, wheat, pulses, edible oils and some vegetables," Department of Consumer Affairs Secretary Rajesh Agarwal told reporters on the sideline of an event here.

Prices of certain vegetables such as tomato and onions have skyrocketed in past few weeks, pushing food inflation to an uncomfortable level of 15. 57 per cent for the week ended on January 15, 2011. The government has announced various measures to check the growing food prices in the country which includes banning the export of onions and allowing its duty free imports. Besides this, there were also proposal of banning future trade in certain commodities and also expanding the list of commodities, whose prices are monitored by the government. Asked about the proposal for banning futures trade in certain commodities, he said, "Currently, government is not considering any proposal to ban future trade in any commodity immediately." Agarwal, however, declined to comment further on issue saying that, the decision to ban any commodity would be taken by the commodity exchange regulator Forward Market Commission .



Chill returns after days of balmy weather

January 28, 2011 11:55:11 AM

The receding winter bounced back on Thursday with a sudden decline in the maximum temperature by nearly four degrees. The day temperature dipped to 18.6 degrees on Thursday from 22.6 degrees on Wednesday when thousands of people were out enjoying a warm and sunny weather on Republic Day.

Even as the minimum temperature saw a marginal fall of 0.2 degrees, low-velocity wind coupled with mist and a thin layer of fog in the morning made the weather chilly. The low was recorded at 7 degree Celsius, a degree below normal for this time of the year. On the other hand, the maximum temperature was nearly three degrees below normal.

There was light fog in the early hours followed by a bright sunshine. Light winds sweeping across the city added some chill to the air. The weather department has predicted mist in the morning and partly cloudy sky later in the day on Friday and Saturday while the temperature will

oscillate between 7 and 22 degrees Celsius. According to weather officials, change in the weather condition including dip in the temperature is usual in the month of January. However, they ruled out the possibility of fog returning to the city. "People may experience some ups and downs in the maximum and minimum temperature depending upon the wind direction, but there will be no fog in the coming days," said an official. According to Met statistics, the record for the highest maximum for the month of January was 32.5 degrees Celsius recorded on the January 28, 2004. The record minimum is -0.6 degree Celsius recorded on 16 of the month in 1935.

THE HINDU Business Line

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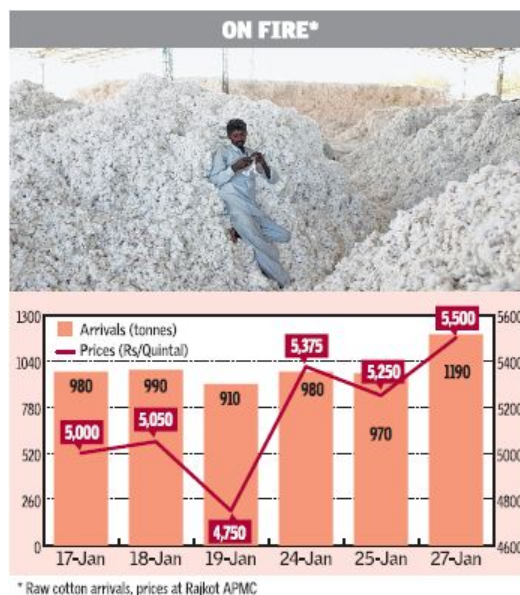
Friday, January 28, 2011

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Back Cotton flares up on mill demand, global cues

Prices touch Rs 50,000 a candy.



M.R. Subramani

Gayathri G.

Chennai, Jan. 27

Cotton prices touched Rs 50,000 for a candy (356 kg) on Thursday on higher demand from mills in the South and a flare-up in global prices.

In Rajkot, Shankar-6 cotton was quoted at Rs 50,000 a candy, while in Maharashtra the variety was quoted at Rs 49,400. Brahman Bunny was quoted at Rs 50,800 in Mumbai, while MCU-5 ruled at Rs 52,500.

Raw cotton prices in Gujarat's Rajkot quoted above Rs 1,100 for a maund of 20 kg, while in Dhoraji Agricultural Produce Marketing Committee yard, 100 km from Rajkot, it ruled at Rs 1,100-1,600. In Rajkot, arrivals were higher at 1,190 tonnes against 940 tonnes on Wednesday.

In Andhra Pradesh, raw cotton in Khamman was quoted at Rs 5,100 a quintal against Rs 5,000 on Wednesday despite higher arrivals of 3,541 tonnes (3,420 tonnes). In Karimnagar in the State, prices shot up to Rs 5,640 a quintal.

“The demand is higher than supply. The crop in Gujarat may be around last year's level, while the Maharashtra crop is feared to be lower than estimated,” said Mr Anand A. Poppat, Vice-President of Saurashtra Ginners Association.

Mr Kalpesh Posiya, a trader in Dhoraji APMC yard, said arrivals were between 1,100 and 1,200 bags (60 kg each), lower than the usual arrivals of 1,500-1,600 bags. “The crop is lower this time due to unseasonal rain in November,” he said.

The Cotton Advisory Board (CAB) last month raised cotton production estimated this season ending September to 329 lakh bales (170 kg each) against initial estimates of 325 lakh bales. According to the Cotton Corporation of India, arrivals till January 23 were 176.76 lakh bales against 165 lakh bales during the same period a year ago.

“We don't think the crop will be over 310 lakh bales. The production will certainly be lower than CAB estimates,” said Mr D.K. Nair, Secretary-General of Confederation of Indian Textiles Industry. “Even the crop in Andhra Pradesh has taken a hit,” he said.

Gujarat's production this year is seen at 103 lakh bales (98 lakh bales), while in Maharashtra it is estimated at 92 lakh bales (63 lakh bales). In Andhra Pradesh, the output is seen three lakh bales higher at 55 lakh bales.

Cotton prices are gaining as the domestic market is reacting to the rise in the global market, while reports of more cotton being allowed to export was also putting pressure on the market, Mr Nair said. "The Cotton Corporation of India is buying in the domestic market and it is also pushing the price up," he said. Mr A. Ramani, cotton analyst with the South India Cotton Association, termed the surge as "an unjustifiable increase in prices" despite sitting on a comfortable cotton stock position. Cotton Advisory Board estimates a total supply of 374.50 lakh bales against a demand of 330 lakh bales.

Mr Ramani said: "The Board estimate is a carefully drawn figure that is neither bullish nor bearish with regard to cotton prices".

The escalating price of DCH-32 is a serious cause of concern. The price of DCH-32, an ELS variety widely grown in Karnataka, alone has zoomed by almost 85 per cent in a year. Data available with the SICA indicate that spot prices of the variety during the fortnight of January 1-15, 2010, was Rs 40,000/candy and is now ruling at Rs 64,000.

Mr Poppat and Mr Posiya said buying by spinning mills in the South was driving the prices up.

"The market is aware that production is lower and the carryover stock will be around 25 lakh bales only against initial estimates of 44 lakh bales. Under such scenario, cotton prices can only rise," Mr Nair said.

Bloomberg reports: Cotton futures in New York advanced the 6-cent limit imposed by ICE Futures US, climbing to a record, on speculation import demand from China, the world's biggest user of the fibre, will be sustained, tightening global supply.

The March-delivery contract, the most active, climbed as much as 3.6 per cent to the all-time high of \$1.7283 a pound and was at \$1.7282 a pound by 11:26 a.m. in London. Cotton prices have climbed 22 per cent this year.

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<http://www.thehindubusinessline.com/2011/01/28/stories/2011012851942200.htm>

Back Inflation fears keep edible oils on leash



Our Correspondent

Mumbai, Jan. 27

Higher food inflation and expected Government measures to contain it kept edible oil prices and trade volume range-bound.

Foreign markets were also weak on long Chinese holiday starting from next week. In Mumbai market, on Thursday, palmolein and soya refined oil declined by Rs 2, sunflower/rape seed oil by Rs 8-10 and cotton/groundnut oil by Rs 5 for 10 kgeach. Malaysian crude palm oil futures closed marginally up. In Mumbai market, in the absence of fresh demand due to month-end period, resalers were under more pressure to offload.

Market sources said in palmolein merely about 40-50 tonnes were up for resale and traded in the range of Rs 586-587. There was no demand for forward — February delivery as refineries were quoting higher prices. In indigenous oils such as groundnut and cotton oil, higher arrivals of seeds and selling by producers kept prices under pressure, with very limited demand from branded players. Liberty was quoted palmolein at Rs 605-608. Ruchi's rates were Rs 605 for palmolein, Rs 630 for soya refined oil and Rs 715 for sunflower refined oil. .

Malaysia's CPO futures: Malaysia's CPO February contracts closed at MYR 3,750 (3,748) and March at MYR 3,725 (3,720).

Mumbai commodity exchange spot rate (Rs/10 kg): Groundnut oil 765 (770), soya refined oil 630 (632), sunflower exp. ref. 675 (675), sunflower ref. 730 (740), rapeseed ref. oil 655 (663), rapeseed expeller ref. 625 (633), cotton ref. oil 620 (625) and palmolein was 588 (590).

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<http://www.thehindubusinessline.com/2011/01/28/stories/2011012851292000.htm>

Back Costlier vegetables keep food inflation on the boil

Index up 15.57%; rise in fuel prices slows.

Vegetables, dairy items and poultry products fuel price rise.

Our Bureau

New Delhi, Jan. 27

Bucking the declining trend seen for two consecutive weeks, food inflation showed a minor uptick, with vegetables, dairy items and poultry products mainly to blame.

Food inflation, based on the annual Wholesale Price Index, rose 15.57 per cent for the week ended January 15, higher than the previous week's annual rise of 15.52 per cent.

Fuel index

The fuel index climbed 10.87 per cent, lower than the previous week's reported estimate of 11.53 per cent, Government data released on Thursday showed.

The primary articles price index was up 17.26 per cent in the latest week, compared with an annual rise of 17.03 per cent a week earlier, according to the data.

The latest surge in the food inflation estimates is likely to put further pressure on the Government to rein in prices of staple food items.

The Centre has already adopted measures such as an export ban on onions to make the vegetable more affordable.

During the latest week under review, vegetable prices surged by 67 per cent on an annual basis.

Onions up

Onions were up 112 per cent on a year-on-year basis, fruits shot up by 16 per cent, while milk was up 12 per cent.

Prices of egg, meat and fish went up by 14 per cent year-on-year.

Cereal eases

Cereal prices, too, went up marginally by 0.53 per cent, with rice going up by 3 per cent.

However, wheat and pulses became cheaper on annual basis by 6 per cent and 14 per cent, respectively.

In the non-food category, inflation in the fibres and mineral categories were up 47 per cent and 20 per cent respectively.

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

At its quarterly review earlier this week, the RBI had revised its headline inflation estimate to 7 per cent by end of March, up from the earlier estimate of 5.5 per cent.

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<http://www.thehindubusinessline.com/2011/01/28/stories/2011012852562300.htm>

[Back](#) Prescription mandatory for pesticide sales

Our Bureau

Thiruvananthapuram, Jan 27

The State Government has notified guidelines which render sale of pesticides illegal in the State unless supported by prescriptions from agriculture officers.

BANNED PESTICIDES

The guidelines have been issued in the context of indiscriminate use of pesticides in farms having allegedly posed a health hazard in various parts of the State.

Even banned pesticides with red and yellow labels have come to be used in the State, an official spokesman said here. Various health problems have since been reported from acute and chronic poisoning incidents.

There have also been indications that congenital abnormalities, cancers and certain other diseases have been on the rise in the plantation areas of the State.

Unbridled use of pesticide endosulfan in this manner has been blamed for such incidents being reported for long from the northern-most Kasargode district.

AUTHORISING SALE

Announcing the guidelines, the spokesman said that an officer of the Department of Agriculture not below the rank of 'agriculture officer' would be required to write a prescription for authorising sale of pesticides.

The prescription should indicate the particular crop on which the pesticide would be applied, the nature of the disease targeted, the quantum of the pesticide needed and its chemical name.

FIRST PHASE

Relevant dealers are required to maintain a register giving the details of sales figures pertaining to pesticides. Defaulters would be proceeded against. The Director of Agriculture has been asked to implement the order without delay.

The issuance of guidelines is being seen as the first phase of implementation of the policy to free the State from pesticides and introduce organic farming.

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<http://www.thehindubusinessline.com/2011/01/28/stories/2011012851912200.htm>

Back Turmeric plunges on absence of demand

Our Correspondent

Erode, Jan. 27

Prices of new turmeric dropped sharply on Thursday. "There is no upcountry demand for the new crop, and so, prices have decreased. Prices fell by over Rs 3,500 a quintal for the new crop, on Thursday. This is mainly due to the wetness of the crop, and also, buyers do not want to hold the stock for several days, as the weight of the crop will decrease heavily within a week," said Mr R.V. Ravishankar, President, Erode Turmeric Merchants Association.

"Buyers are expecting more arrivals of polished new turmeric in the next few days, and are keeping away from purchasing the stock. Only a few bulk buyers purchased the crop, to keep the product in their drying yard, polish the same and make the crop ready for sale. This process will take at least ten days," he added.

Only Number 8 variety arrived at the Erode Turmeric Merchants Association Sales yard, and also at the Regulated Marketing Committee, in large numbers. Very small quantity of the Mysore variety arrived for sale at the two markets. At the Regulated Marketing Committee, the new crop decreased heavily, fetching only Rs 9,000 a quintal. He said that new crop prices are likely to decrease further. "Old crop prices also fell by Rs 500 a quintal, due to poor demand. Only a limited stock of the old crop is available with farmers," he said.

At the Erode Turmeric Merchants Association sales yard, the finger variety of the new crop fetched Rs 10,611-13,689 a quintal, the root variety fetched Rs 10,200-13,188 a quintal.

The finger variety of the old crop was sold at Rs 9,466-13,600 a quintal, the root variety at Rs 9,209-13,889 a quintal. Out of 1,935 bags that arrived, the new crop's share was 1,618. A total of 1,549 bags were sold. At the Erode Cooperative Marketing Society, the finger variety fetched Rs 11,306-14,253 a quintal, the root variety fetched Rs 8,911-14,333 a quintal. All the 259 bags

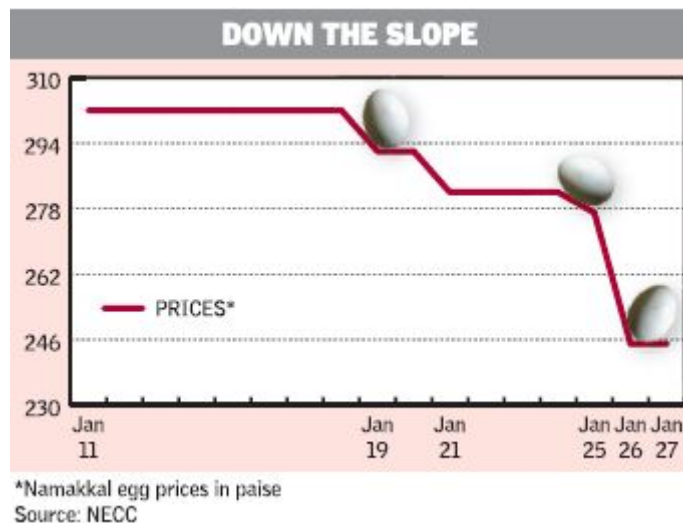
that arrived, were sold. At the Regulated Marketing Committee, the finger variety of the old crop was sold at Rs 13,980-14,517 a quintal, the root variety at Rs 13,676-14,269 a quintal.

New turmeric (Number 8 variety) finger variety fetched Rs 7,501-9,021 a quintal, the root variety fetched Rs 6,896-7,009 a quintal. Out of 1,182 bags that arrived, only 381, including 120 bags of old crop, were sold.

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<http://www.thehindubusinessline.com/2011/01/28/stories/2011012851832200.htm>

Back Egg prices cut on clear weather, buyer resistance



Gayathri G.

Chennai, Jan. 27

Drop in seasonal demand, buyer resistance and clear weather conditions in the North, forced the National Egg Coordination Committee of Namakkal zone to slash the farmgate prices of eggs to Rs 2.45 apiece from Rs 2.92 last week. Egg prices touched a peak of Rs 3.02 on January 10.

“At the retail level, this comes to Rs 3.25 or even Rs 3.50 a piece and we face resistance among consumers,” said an NECC spokesperson. Moreover, the move is also attributed to avoid the accumulation of stocks. “We are forced to drop the rates owing to stagnation of more

than 10 crore eggs during the Pongal holidays. Closure of Government schools (which account for 70 lakh eggs a day under the noon meal scheme) amounted for stagnation of 2.1 crore eggs while the Sankranti holidays led to a stagnation of another eight crore eggs.”

The clear weather condition and return of normalcy in the North, too, have contributed to the price cut. Northern States' consumption stood at more than 20 lakh eggs a day on prolonged cold wave. “The north Indian sale has dropped by 75 per cent and we supplied only 5 lakh eggs a day last week against the 20 lakh eggs the week before,” Dr P. Selvaraj, Chairman, NECC's Namakkal zone, told Business Line. Further price cut, say by 5-10 paise, is on the cards in order to get rid of the excess stock, he said.

The worst affected lot is the layer farming community since NECC has slashed the prices of layer birds to Rs 28/kg (Rs 31). Palladam-based Broiler Coordination Committee has decided to maintain the prices of cull birds at Rs 49/kg.

Exports

On the export front, Namakkal zone has been test supplying eggs and day-old chicks to the neighbouring Sri Lanka since mid-December. “So far we have exported four containers (18 lakh) to Sri Lanka and we expect the volume to pick up once the shipping service from Tuticorin to Colombo starts next month,” Mr Selvaraj added.

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<http://www.thehindubusinessline.com/2011/01/28/stories/2011012852132100.htm>

Back Karnataka planters surprised by Vietnam's coffee productivity

Anil Urs

Hubli, Jan 27

The Karnataka Planters' Association (KPA) delegation currently touring the robusta growing areas in Vietnam was surprised by the sheer volume and the productivity of the country.

KPA is holding its Coffee Area Scientific Symposium (CASS) in Vietnam. The 25-member delegation is on a five-day study tour of the coffee and pepper plantations.

The delegation is led by the KPA Chairman, Mr Sahadev Balakrishna, the Vice-Chairman, Mr Marvin Rodrigues, and the convener of the scientific committee, Mr Nishant Gurjer.

Volumes, productivity

“The first thing that hits you in Vietnam is the sheer volumes and productivity. Whether the farms are 2,000 hectares or two hectares, the productivity is more than 2.5 tonnes a hectare,” Mr Balakrishna told Business Line from Vietnam.

On January 26, the first-day of field visits, the KPA delegation visited Daklak, which is the largest Robusta growing province of Vietnam, producing more than five lakh tonnes of robusta out of Vietnam's total production of about nine lakh tonnes. (India produces a total of two lakh tonnes of robusta).

On January 27-28, the delegation is visiting the exclusive pepper growing area (Chu Se) enroute to more coffee and tea farms in the Gia Lai province.

“We visited two state farms Thong Loi and Phuoc An including the wet and dry processing centres in Thong Loi along with a visited to few private smaller coffee farms and interacted with the growers,” said Mr Balakrishna.

“Highly intensive cultivation combined with high levels of fertiliser and regular irrigation during the dry season contributes to the high productivity. We noticed that in all the farms we visited; even though the harvested crop was very high, the next season's crop looks equally good,” pointed out Mr Marvin Rodrigues.

Mr Nishant Gurjer, Convener scientific committee, KPA said: “It is amazing that they have become the largest producer of robusta coffee in such a short period of just 25 to 30 years. “Each and every coffee plant has got a basin system designed for irrigation.”

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[Back](#) Selling pressure pounds sugar

Our Correspondent

Mumbai, Jan. 27

Spot sugar prices on the Vashi wholesale market on Thursday fell by Rs 10 on limited local demand and increased selling pressure at naka and mill delivery level. Naka rates dropped by Rs 25-30 and tender rates by Rs 20-25 a quintal as traders/stockists were not willing to increase the stock.

Whole month retail demand continues to be very poor and on the other side, higher free sale quota weigh on the sentiment heavily. Every stack holder is now eagerly waiting for the announcement of quota or regarding the balance quota of this month, said traders.

Mr Jagdish Rawal of B. Bhogilal and Co said that out of this month's 17 lakh tonnes of free sale quota, about 40 per cent (7 lakh) tonnes is unsold as mills have not been able to offload full quantity on lack of local as well upcountry demand. This month end's usual lower local demand and expectation of government's steps to protect the sugar sector kept volume thin. This month up to last week due to lack of demand, price decline is about Rs 150/160 a quintal on the spot market. Increased selling by mills to complete the current month's allotted quota before the deadline cooled down tender rates by Rs 10-15. Mills are holding the price expecting fresh demand and higher prices but are not able get the expected response due to poor demand, he added.

According to Bombay Sugar Merchants Association, spot sugar rates were: S-grade Rs 2,821-2,871 (Rs 2,831-2,881) and M-grade Rs 2,871-2,931 (Rs 2,871-2,931). Naka delivery rates: S-grade Rs 2,770-2,800 (Rs 2,790-2,830) and M grade Rs 2,795-2,850 (Rs 2,820-2,880).

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<http://www.thehindubusinessline.com/2011/01/28/stories/2011012851952200.htm>

Back Sluggish trend continues in soya oil

Our Correspondent

Indore, Jan. 27

Soya oil prices continued to tumble both in the spot and futures on slack demand in the domestic market. The sluggish trend in soya oil is continuing primarily because of the sudden decline in demand, but traders are hopeful of revival in demand.

According to trader sources, demand for soya oil may not be higher as expected with the arrival of new mustard crop in the market by the first week of February, as demand for mustard oil compared to soya oil, will pick up in the north Indian states. Taking cues from bullish Malaysia palm oil futures in the morning, soya refined prices in the spot on Thursday morning quoted at Rs 615-618 but prices further declined to Rs 607-612 for 10 kg, (down Rs 6) in the evening. Soya refined saw maximum trading in the re-sale at Rs 608 for a period up to January 31.

Weak demand also dragged soya solvent prices with its prices in the spot quoted at Rs 574, while in delivery it was quoted at Rs 577 for 10 kg. On the NBOT, soya oil February contract closed lower at Rs 649.30. Similarly, soya oil February and March contracts on the NCEDX also edged lower at Rs 651.20 and Rs 656.40 respectively. On the other hand, soyabean prices edged lower both in the spot and futures. Soya seeds saw a decline of Rs 30-50 both in the spot and futures. In State mandis, soyabean was quoted at Rs 2,300-2,370 a quintal, while in Indore mandis, it was quoted at Rs 2,340-2,400 a quintal.

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<http://www.thehindubusinessline.com/2011/01/28/stories/2011012851922200.htm>

Back Lack of quality produce lifts wheat

Our Correspondent

Karnal, Jan. 27

Prices of seed-wheat quality rose Rs 30 a quintal to Rs 1,330 in the open market on demand for quality wheat, said Mr Sewa Ram, a wheat trader, against Rs 1,300 at the beginning of this week. Around 300 quintals of seed wheat were offloaded by the local traders.

Prices of the dara variety ruled around Rs 1,270-1,290 a quintal, while the price at retail outlets was at Rs 1,295 a quintal.

Though flour mills are procuring stocks from the Food Corporation of India, the quality of the stock is not good enough to match up to the demands of the domestic consumers, said wheat traders.

Traders expect the prices to witness a rally after FCI supplies stop, he added.

Prices of Bhojan King, desi wheat, rose by Rs 50 and quoted at Rs 2,400 a quintal against Rs 2,350 quoted at the beginning of this week; Aaj Tak quoted at Rs 2,300 and Nokia at Rs 2,350.

There were no arrivals from Madhya Pradesh, and there is a good demand for Tohfa variety, but stocks are not available, said Mr Ram.

Flour prices

Flour prices continued to witness a downtrend dropping marginally by Rs 5 for a 90-kg bag and quoted at Rs 1,310. Chokar prices, on the other hand, continued their uptrend to rise by Rs 5, ruling at Rs 615 for a 49-kg bag.

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<http://www.thehindubusinessline.com/2011/01/28/stories/2011012852112100.htm>

[Back](#) Panic sales drag spot rubber prices

Aravindan

Kottayam, Jan. 27

Spot rubber lost ground on Thursday. According to sources, the market fell on buyer resistance following the sharp declines in the domestic futures on the National Multi Commodity Exchange. An almost panic selling from dealers kept the prices under pressure.

Till December, the crop obtained was low due to intermittent rains and other disturbances. But from the beginning of January, the situation changed and the availability of the crop improved.

Now the harvest is almost steady but in spite of this inflow has not picked up mainly because the large growers are holding the stocks, said Mr Ibrahim Jalal, Treasurer, Indian Rubber dealers Federation.

For them, the scrap obtained from their plantations is enough to meet their day to day expenses and therefore the holding capacity has also strengthened, he said.

Sheet rubber declined to Rs 225.50 (232.50) a kg according to Dealers. The grade moved down to Rs 231 (235) a kg both at Kottayam and Kochi, according to the Rubber Board.

Futures slip

In futures, the February series nosedived to Rs 222 (230.92), March to Rs 227.24 (236.49), April to Rs 239.25 (245.69) and May to Rs 245.00 (250.97) a kg for RSS 4 on the NMCE.

RSS 3 (spot) closed at Rs 262.86 (261.95) a kg at Bangkok. February futures weakened to ¥472.5 (Rs 259.72) a kg in the night session on the Tokyo Commodity Exchange.

Spot rates were (Rs/kg): RSS-4: 225.50 (232.50); RSS-5: 220 (222.50); ungraded: 214 (218); ISNR 20: 224 (225) and latex 60 per cent: 152 (153).

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<http://www.thehindubusinessline.com/2011/01/28/stories/2011012852302300.htm>

Back Liquidation pulls down pepper futures

G K Nair

Kochi, Jan 27

Pepper futures continued their southward journey on Thursday also on bearish sentiments and liquidation. The market was highly volatile, as usual.

Domestic and export demand were low as buyers did not want to cover. There was a sharp fall in the turnover. Speculators pushed up January parity very high recently. Switching over to

February and March were 78 tonnes and 12 tonnes respectively while 199 tonnes of pepper were liquidated.

New crop arrivals

Arrivals of new crop at the terminal market were only 40 bags.

However, 50 tonnes of old crop were reportedly traded. Primary market dealers sold to exporters at Rs 215-216 a kg. The masala industry has been buying but was not keeping any inventory because of the huge cost involved following high prices for all the spices such as turmeric, cumin, chilly, pepper etc.

February contract on NCDEX fell Rs 200 to close at Rs 22,313 a quintal. March and April dropped by Rs 211 and Rs 288 respectively to close at Rs 22,692 and Rs 23,061 a quintal. Total turnover dropped substantially by 4,409 tonnes to 5,956 tonnes.

Total open interest fell by 199 tonnes to 11,444 tonnes. February open interest dropped by 283 tonnes to 9,177 tonnes while that of March and April moved up by 78 tonnes and 12 tonnes to close at 1,717 tonnes and 407 tonnes.

Spot prices

Spot prices dropped by Rs 100 to close at Rs 21,200 (ungarbled) and Rs 22,000 (MG 1) a quintal in tandem with the futures market trend. Indian parity in the international market was at \$5,125 a tonne (c&f) and remained competitive. as Indonesia is reported to have exhausted its stocks. Therefore, there are chances for some demand coming to India now. However, overseas buyers are waiting for the new Vietnam crop arrival next month, trade sources said.