THE HINDU

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Tuesday, March 15, 2011

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Go in for poly green house cultivation for high yield

Staff Reporter

It occupies lesser space as against regular cultivation

Rich harvest:Horticulture Department is actively promoting use of poly green houses for flower cultivation in Coimbatore district.

COIMBATORE: Farmer S. Saraswathi of Mavuthambatti village, near Madukkarai, is able to earn more after she went in for flower cultivation. “Four times more,” she says and puts her monthly income around Rs. 35,000. The woman farmer has recently migrated from cultivating vegetables to flowers.

Her transition came after she approached the Horticulture Department, Coimbatore, which asked her to go in for gerbera cultivation using poly green house. Eight months ago, the Department officers suggested that she use the poly green house to take up gerbera cultivation.

They extended a subsidy of Rs. 3.5 lakh under the National Horticulture Mission to erect the green house. The money covered 50 per cent of the total cost.

Thereafter, the farmer purchased 6,000 gerbera saplings, planted them at a five-inch width and started taking care of the plants. Inside the green house they maintained the temperature between 33 and 35 degrees and controlled the humidity using fogger. She also went in for drip irrigation.

After the 80 {+t} {+h} day, the plants started flowering. The Department officers say the farmer today picks around 1,000 flowers a day, selling them for Rs. 3 a piece.

The demand for gerbera is good. Flower traders purchase it for use in bouquets and wedding decorations at Rs. 3 and sell the same for around Rs. 10.

The officers also say that the poly green house cultivation occupies lesser space as against regular cultivation and also enables cultivation of flowers and vegetables at controlled conditions to increase yield.

Date:15/03/2011 URL: http://www.thehindu.com/2011/03/15/stories/2011031550090200.htm

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Free training in goat farming

Staff Reporter

COIMBATORE: The Veterinary University Training and Research Centre here will offer a free intensive training programme in goat farming on March 22 and 23. According to a release, goat farming management has changed because of shrinkage of pasture lands, ban on grazing in forest areas and shortage of labour for range rearing of goats. The existing marketing of live goats and goat meat is not profitable for the producers as it has too many intermediaries.

Hence, the training is expected to be profitable for goat farmers and entrepreneurs.

Details

Those interested can contact the centre at Kalappati Pirivu, Saravanampatti P.O.; or call 0422-2669965, for details and registration.

Date:15/03/2011 URL: http://www.thehindu.com/2011/03/15/stories/2011031552210300.htm

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Food processing course

Staff Reporter

MADURAI: The Small Industries Product Promotion Organisation (SIPPO) will conduct a six-week training programme in food processing here from Wednesday (March 16). The course was being provided free of charge.

For more details, contact 52 Travellers' Bungalow Road, Mahaboobpalayam, Madurai 625 016. Telephone: (0452) 260 3085 or 260 2511 or 97905 26714.

Date:15/03/2011 URL: http://www.thehindu.com/2011/03/15/stories/2011031551362000.htm

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Inflation inches up to 8.31 % in February

Special Correspondent

NEW DELHI: In a dampener to government efforts to rein in the price spiral, overall inflation inched up a tad to 8.31 per cent in February from 8.23 per cent in the previous month, driven mainly by high food and fuel prices.

In this scenario, especially when global commodity and oil prices are ruling at a high, it is almost certain that the Reserve Bank of India (RBI) will opt for yet another hike in key short-term lending and borrowing (repo and reverse repo) rates by at least 25 basis points each during its monetary policy review slated for March 17.

Finance Minister Pranab Mukherjee, however, viewed that monthly variations in inflation numbers do not present the correct picture and hoped that the WPI (wholesale price index)-based headline inflation would come down to the 7 per cent range by the end of this fiscal. “By March-end, it would be possible to have around 7-7.5 per cent [inflation],” Mr. Mukherjee told the media here.

The WPI data showed that even as headline inflation at 8.31 per cent in February was marginally higher than 8.23 per cent in January this year, it was much below its level in February last year when it was pegged at 9.42 per cent.

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Fed up with animals ruining crop, farmers demand relief

Staff Correspondent

SHIMLA: Farmers from the hill State of Himachal Pradesh sent a delegation, under the banner of Kheti Bachao Sangharsh Samiti, to Union Environment and Forests Minister Jairam Ramesh over the weekend seeking his immediate intervention to save the crop from wild animals.

The small and marginal farmers, already suffering from the vagaries of weather, said the wild animals, especially monkeys, destroy standing crops, forcing them to keep the fields barren, resulting in acute food scarcity here.

The Samiti has maintained that in the growing conflict of interest between humans and animals and their habitats, the monkeys have become a big menace to agriculture in Himachal Pradesh. Besides monkeys (rhesus macaques), wild boars, blue bull, hares, porcupines, parrots, bears and bats have been destroying crops here. Nearly 2,300 panchayats have been affected by a range of wild animals.

Conservative estimates put the loss at Rs. 300 crore to 450 crore in the horticulture and agriculture sectors, and if the watch and ward of crops is included the loss goes up to Rs. 1,500 crore a year. According to the State's Economic Survey, about 70 per cent of the population in

Himachal is dependent on agriculture, and out of these, 84 per cent families comprise small and very small peasants who own less than 5 bighas of agricultural land.

The farmers have demanded that the ban on export of monkeys for bio-medical research be lifted immediately, and the animals be translocated to forests outside the State where enough food is available for them. They also demanded an amendment to the Wildlife Protection Act declaring monkeys, wild boars, blue bulls, hares and porcupines as vermin. Also, the farmers doing watch and ward of their crops should be compensated under the Mahatma Gandhi National Rural Employment Guarantee Act.

Additional Director of Forests and Environment Jagdish Kishwan assured them that he would soon write to the State Forest Secretary to include farmers' labour under MGNREGA for protecting the standing crops.

Date:15/03/2011 URL: http://www.thehindu.com/2011/03/15/stories/2011031558290300.htm

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Farmers demand tractor loan waiver

Staff Correspondent

HUBLI: The Akhila Karnataka Raithara Haagu Krishi Tractor Maalikara Sangha has demanded that the Government waive agricultural and tractor loans of farmers.

The activists threatened to hold a protest in front of Gandhi's statue on M.G. Road in Bangalore next week if the demand was not met.

Addressing a protest rally here on Monday, the sangha's Hassan district president Mailanhalli Manje Gowda said banks had been harassing farmers through seizure notices and had stopped giving loans on tractors.

In a span of two weeks, two farmers committed suicide at Mundargi and Mundgod because of the harassment. Farmers had not received the subsidy of Rs. 1 lakh on tractors since 2004, he added.

Mr. Gowda said farmers needed remunerative price, and not support price, for their crops. The flawed agricultural polices of the Government had made the youth leave villages for cities in search of jobs.Farmers from Dharwad, Gadag, Haveri, Yelburga, Koppal and Bijapur took part in the protest.

Date:15/03/2011 URL:
http://www.thehindu.com/2011/03/15/stories/2011031559260300.htm

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Crop loss: CPI(M) activists stage protest

Staff Reporter

In agitation mode: Members of the CPI (M) taking out a rally to the district Collector's office at Chatrapur in Ganjam district on Monday.

BERHAMPUR: Activists of the CPI(M) organised a rally and public meeting on Monday at Chatrapur, district headquarters of Ganjam, home district of Chief Minister Naveen Patnaik.

It was a protest demonstration against the government's apathy towards farmers who have suffered extreme crop loss due to untimely rains, rising corruption in the State, price rise and so on. Leaders of the party such as State secretariat member Ali Kishore Patnaik, Ganjam district secretary of the party Kalu Panda and district president of the Orissa Krushak Sabha (OKS) Kailash Sadangi led the demonstration.

Mass movement

According to the party leaders, it is the beginning of a grassroot-level mass movement for a ‘Satyagraha' to be taken up in May. The CPI (M) activists criticised the State government for not providing any relief to the farmers till date, although they had suffered crop loss due to untimely rains in December. They demanded that the State government immediately provide relief to these peasant families and purchase their paddy produce without considering Fair Average Quality (FAQ). They also wanted these peasant families to be provided 35 kg. of subsidised rice at Rs. 2 a kg. till the next harvest.

Leaders of the party reiterated their demand for universal public distribution system to end the menace of price rise. They wanted the daily wage of Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS) in the State to be increased keeping in view the rising prices of essential commodities. Minimum daily wage of a menial labourer should be Rs. 200, they said. According to the CPI (M) activists, it is time to start an employment guarantee scheme for the poor labourers of urban areas.

hindustantimes

Press Trust Of India
New Delhi, March 14, 2011
First Published: 14:50 IST(14/3/2011)
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Inflation rises marginally to 8.31% in February

Inflation rose marginally to 8.31% for the month ended February from 8.23% in the previous month, putting pressure on the Reserve Bank to raise interest rates when it reviews the monetary policy later this week.

The rise in inflation was mainly on account of higher milk, edible oil, vegetable and fruit prices. In addition, high fuel prices on account of soaring international crude oil rates also contributed to inflation.

With inflation showing no signs of moderation, it is widely expected that the RBI will raise key policy rates at its quarterly monetary policy review on January 25.

It may be recalled that food inflation, which accounts for over 14 per cent of overall wholesale price index (WPI) inflation, stood at 10.65% in February.

As per the WPI data, the prices of primary articles -- food, non-food articles and minerals -- shot up by 14.79% on an annual basis, official data released here showed.

However, prices of certain food items declined on a year-on-year basis.

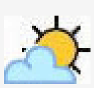
While wheat became cheaper by 1.67%, pulses prices fell by 5.10% and rates for potatoes by 11.28%.During the month, fuel and power prices went up by 11.19%, driven mainly by a 28.73% rise in petrol prices and a 14.99% jump in cooking gas (LPG) rates.At the same time, the manufactured goods group index rose by 4.49% on an annual basis. Manufactured items have the highest weight of 64.9% in the WPI.

http://www.hindustantimes.com/StoryPage/Print/673284.aspx

Weather

Chennai - INDIA

Today's Weather



Partly Cloudy

Tuesday, Mar 15

Max | Min

33.4^{o} | 23.9^{o}

Rain: 00 mm in 24hrs

Humidity: 89%

Wind: Normal

Sunrise: 6:17

Sunset: 18:19

Barometer: 1009.0

Tomorrow's Forecast

Cloudy

Wednesday, Mar 16

Max | Min

34^{o} | 24^{o}

Extended Forecast for a week

Thursday	Friday	Saturday	Sunday	Monday
Mar 17	Mar 18	Mar 19	Mar 20	Mar 21
31° | 22°	31° | 23°	30° | 22°	29° | 23°	31° | 23°
Cloudy	Cloudy	Cloudy	Cloudy	Cloudy

express buzz

By PTI

14 Mar 2011 03:25:17 PM IST

Inflation up, RBI may hike interest rates

NEW DELHI: Inflation rose marginally to 8.31 per cent for the month ended February, driven by high food and fuel prices, which may prompt the RBI to hike interest rates when it reviews the

monetary policy later this week.
However, Finance Minister Pranab Mukherjee expressed hope that inflation should come down to 7 per cent by next month-end.
"By March-end, it would be possible to have around 7-7.5 per cent (inflation)," Mukherjee told reporters in the Parliament House complex.
Monthly fluctuations in inflation do not give a correct picture, he added.
The inflation rate stood at 8.23 per cent in January this year, whereas it was 9.42 per cent in February last year.
The rise in inflation was mainly on account of higher milk, edible oil, vegetable and fruit prices.
In addition, high fuel prices on account of soaring international crude oil rates also contributed to inflation.
Hit by the tsunami in Japan, crude oil prices have eased to USD 99 per barrel on expectations of lower demand. This will also result in cooling of commodity prices globally.
During February, food inflation, which accounts for over 14 per cent of overall wholesale price index (WPI) inflation, stood at 10.65 per cent on year-on-year basis.
As per the WPI data, the prices of primary articles -- food, non-food articles and minerals -- shot up by 14.79 per cent on an annual basis, official data released here showed.
However, prices of certain food items declined on a year-on-year basis.
While wheat became cheaper by 1.67 per cent, pulses prices fell by 5.10 per cent and rates for potatoes by 11.28 per cent.
On a monthly basis, prices of jowar rose by 9 per cent, arhar by 7 per cent, barley 4 per cent, mutton by 3 per cent, and wheat by 2 per cent, while milk, maize and poultry chicken became 1 per cent more expensive.
However, fruits and vegetables became cheaper by as much as 20 per cent, while spice prices dropped by 4 per cent, eggs by 2 per cent and rice by 1 per cent.
With inflation showing no signs of moderation, it is widely expected that the RBI may raise key policy rates by 25 basis points at its monetary policy review on March 17.
The RBI may raise key policy rates by 25 basis points to prevent food inflation from spilling over to the manufacturing sector, Crisil Chief Economist D K Joshi said.
During the month, fuel and power prices went up by 11.19 per cent, driven mainly by a 28.73 per cent rise in petrol prices and a 14.99 per cent jump in cooking gas (LPG) rates on an annual basis.
On a monthly basis, prices of aviation turbine fuel rose by 7 per cent and furnace oil and petrol

by 3 per cent each, while naphtha became 2 per cent more costly.
At the same time, the manufactured goods group index rose by 4.49 per cent on an annual basis. Manufactured items have the highest weight of 64.9 per cent in the WPI.
Edible oil prices hardened by 11.44 per cent on an annual basis, basic metal and metal products by 8.61 per cent and iron and steel by 9.53 per cent, while cement prices remained almost stagnant.
On a month-on-month basis, prices of soyabean oil moved up by 8 per cent and wheat flour (atta) by 5 per cent, while vanaspati, powder milk and mustard oil prices rose by 3 per cent each.
However, the prices of tea leaf (blended) eased by 14 per cent, groundnut oil by 3 per cent and ice cream and sugar by 2 per cent each.
Meanwhile, the WPI numbers were revised upward to 9.41 per cent for the month of December, compared to a provisional 8.43 per cent announced earlier.
ICRA economist Aditi Nayar, too, said the RBI may go for a hike in interest rates.
"We continue to expect that the RBI may increase repo and reverse repo rates by 25 basis points in the upcoming mid-quarter policy review," she said.

THE TIMES OF INDIA

February inflation at 8.31% y-o-y: Govt

REUTERS | Mar 14, 2011, 12.04pm IST

Feb inflation at 8.31% y-o-y

NEW DELHI: India's wholesale price index (WPI) rose an annual 8.31 per cent in February on higher fuel and manufactured product prices, government data showed on Monday.

The figure was well above the median forecast for a 7.79-per cent rise in a Reuters poll and was higher than the annual rise of 8.23 per cent in January.

The annual reading for December was upwardly revised to 9.41 per cent from 8.43 per cent.

The WPI is more closely watched than the consumer price index (CPI) in India as it covers a higher number of products.

the pioneer

Inflation rises to 8.31%

March 15, 2011 11:18:28 AM

PNS | New Delhi

Inflation rose marginally to 8.31 per cent for the month ended February, driven by high food and fuel prices, which may prompt the RBI to hike interest rates when it reviews the monetary policy later this week. However, Finance Minister Pranab Mukherjee expressed hope that inflation should come down to 7 per cent by next month-end.

The rise in inflation was main ly on account of higher milk, edible oil, vegetable and fruit prices. In addition, high fuel prices on account of soaring international crude oil rates also contributed to inflation.

Govt rolls back proposal to hike VAT on food grains

March 15, 2011 11:19:25 AM

PNS | Ranchi

Jharkhand citizens, especially the business community, can now heave a sigh of relief. The Government has taken back its decision to levy increased Value Added Tax (VAT) on food grains, blankets, towels and bedsheets. The items had been brought under the taxed list, thus attracting wide-ranging opposition not only from traders but also from legislators across party lines.

Announcing the decision in the House on Monday, Finance Minister Hemant Soren said that the existing tax system would continue even after the year ending on March 31. “The Government has decided to make all the food grains tax free. Blanket, towel and bedsheets will also be VAT free,” he said. However, tax on motor parts has been raised from proposed 12 per cent to 14 per cent which may irk some dealers further. They have been complaining about the decision and felt threatened from their competitors from neighbouring States.

JVM legislator Pradeep Yadav raised the matter of renewal of lease to Tata way back in 2005 and demanded setting up of a committee comprising members of the Assembly. Land purchase by Deputy Chief Minister Hemant Soren in Dhanbad, allegedly by violating CNT Act, was also raised during the proceeding.

BJP legislator Raghuwar Das alleged that very few tribals had benefited from the CNT Act. “Only rich tribals have been benefited from the Act. The Government should formulate a commission to look into the matter,” Das said. He also demanded that tax pending with big industrial houses be collected. Legislators also demanded raising the issue of revenue sharing with the Centre and an all party delegation be formed to take the matter with the Prime Minister.

Replying to the query, which also comprises 14 other people against whom the High Court has also passed an order, Minister of Revenue and Land Reforms department Mathura Prasad Mahto said that Hemant Soren's land had been allotted back to its original holder and his Government, was taking initiative on other cases as well.

The Minister also announced that mutation of any land would be issued in a month and the process would start within a week "Now onwards the process of mutation would not be hustled. We are also going to appoint COs at every circles so more revenue can flow in the coffers," he said.

Illegal mining in Chatra and inside Saranda forest was also raised in the Assembly. Some members drew the Government's attention towards non-disbursal of compensation to the tribals against the land taken from them.

The Government would also sell liquor with hologram to check illegal trade and also to ensure its quality.

Business Standard

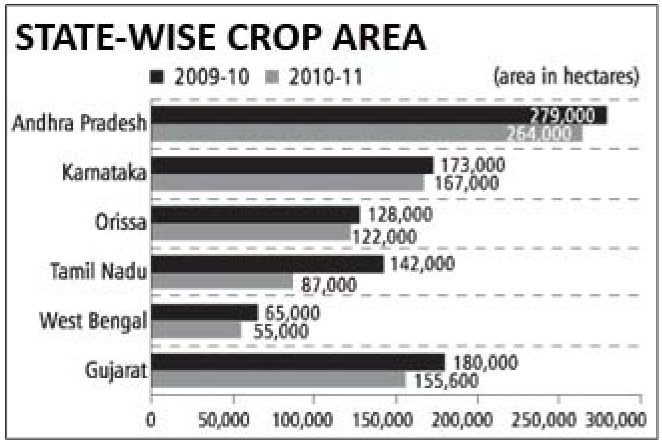
Tuesday, Mar 15, 2011

Groundnut area declines as farmers shift to cash crops

D Gopi / Vijayawada March 15, 2011, 0:19 IST

Groundnut cultivation in the country is declining as farmers are shifting to other remunerative crops. While the crop was cultivated on 797,000 hectares during the 2009-10 season, the area has now come down to 700,000 hectares. Most of the farmers are shifting to cash crops like tobacco, cotton and maize, leading to a decline in the area under groundnut, officials said. During 2010-11, groundnut crop was estimated at 6.81 million tonnes.

Gujarat, which was once called the groundnut bowl of India, lost the crop to other remunerative crops like cotton during the last one decade. The state had 275,000-300,000 hectares under the crop during 2005-06, which has now declined to 155,600 hectares this year.



“The market for tobacco and maize is stable and prices are high. Maize has greater demand across the country as it is used as a feed for poultry and other such industries. In addition, the crop is risk-free and has no pest attack, which is making farmers to move to this crop,” said T Sriram Murthy, joint director of agriculture, Krishna district.

Andhra Pradesh and Karnataka are the major groundnut producing states in the country and they together contribute more than 80 per cent to the total crop.

In Andhra, the crop is cultivated on 300,000 hectares while in Karnataka this is a little over 200,000 hectares. The crop is cultivated in 122,000 hectares in Orissa, and around 100,000 hectares in Tamil Nadu, while West Bengal and Chhattisgarh have few thousands hectares under the crop.

The fall in the crop size is mostly because of the farmers shifting to the better commercial crops like tobacco and cotton in both Andhra Pradesh and Karnataka, he said. Though the Tobacco Board had permitted the crop for 2010-11 in 115,846 hectares, farmers have spread it to 138,172 hectares in Andhra, while the crop size has gone up to 118,652.6 hectares this year against the permitted size of 78,852.2 hectares in Karnataka.

In Andhra, though the crop is cultivated mostly in the Rayalaseema region, it is also present in the two coastal districts of Krishna and Guntur. Farmers from the Palnadu region in Guntur district and Nuzvid division of Krishna district cultivate the crop.

Ironically, the yield too is coming down year after the year as the farmers are shifting to the more profitable crops.

Groundnut production in the country stood at 9.18 million tonnes in 2007-08, which had come down to 7.17 million tonnes in 2008-09. Gujarat witnessed a fall in the total production from 3.30 million tonnes in 2007-08 to 2.66 million tonnes in 2008-09. Similarly, in other states the production fell drastically. In Andhra, it was 2.60 million tonnes in 2007-08 and fell to 1.55 million tonnes in 2008-09, followed by 1.05 million tonnes to 0.97 million tonnes in Tamil Nadu and 0.73 million tonnes to 0.50 million tonnes in Karnataka.

Shortage of Bt seeds to affect cotton output

Dilip Kumar Jha / Mumbai March 15, 2011, 0:14 IST

The cotton industry is likely to face an acute shortage of seeds this season. The availability of seeds is likely to remain between 34 and 35 million units, against an estimated demand of 45 million units.

The shortage comes at a time when the area under the seed has covered 90 per cent and farmers realised record price of their produce in the 2010-11 season (October - September).

“This year is the beginning of seed shortage that is likely to become severe next year, as companies have reduced their seed germination capacity in order to minimise losses,” said Harish Reddy, secretary of National Seed Association of India (NSAI), the organisation representing the Indian seed industry.

The shortfall may lead to black marketing of sapling, entry of spurious seeds into the market and premium on existing seeds. Hence, the impact of the last year’s crop loss due to unseasonal rainfall and shortage of land availability is set to leave a major impact on the commercial crop this year.

First round of seed flowers were heavily damaged due to unseasonal rainfall in November. Unfortunately, the germination was badly hit in the second round also due to acute labour shortage. Hence, overall seed supply is likely to decline marginally this year. But, impact would be severe next year as many seed producing companies have evinced interest in cutting seed output this year.

India is the world's most competitive market for cotton seeds. There are over 500 varieties of hybrid cotton seeds from over 30 companies in the market with six approved insect protection Bt technologies. In addition, farmers also have the choice of open pollinated varietal seeds.

Data compiled by the Ministry of Textiles show that sowing area under Bt was recorded at 9.85 million hectares out of the total acreage area of 11.1 million hectares in the cotton year 2010-11. Rising prices of the cash crop were estimated to lure farmers to bring more area under cotton this year as well. The major shift was expected from other cash crops like oilseeds and pulses, said A B Joshi, textile commissioner.

The country requires around 12,500 tonnes of hybrid cotton seed to cover the current area while any additional area will require further increase in seed availability.

Until last year, supply was quite adequate. But, producing seeds since 2006 has gradually become a big challenge for companies due to the state governments' price determination. In many states, state government fixes prices of hybrid seed variety which affects the pricing badly. Despite cotton prices almost trebled since 2006, seed prices declined.

The commonly used variety of seed is on Monday selling at Rs 650 a kg as compared to Rs 750 a kg four years ago. Commercial cotton crop, benefiting farmers, surged to Rs 6,500 a quintal from Rs 2,000 a quintal four years ago.

"Seed production is a labour-intensive work. Every male flower manually needs to be taken to female flower of Bt seeds for injecting ballroom resistant technology," said Dr Paresh Verma, member - governing council, NSAI.

Labour consists of around 65 per cent of seed price in India. Therefore, rising labour cost is another area where the government must look into. Workers were available at Rs 50 per day in

2006. But, even at Rs 180 per day, workers are not available due to opening up of more earning avenues, he added.

Seed production is directly linked to the final commodity price. In the last four years, the government quadrupled minimum support price of cotton debarring, thereby, only seed producers from such benefits. The industry knows that the economics of farmers should be better than that of seed companies. But, seed companies should also get a part of current cotton price rise, a seed trader said.

Farmers' interest have gradually diminished towards seed production as commercial crop looks attractive. "We met the Maharashtra chief minister to urge for market-linked seed prices, Raju Barwale, managing director of Maharashtra Hybrid Company (Mahyco).

Land used for growing seeds cannot be used for commercial crops. Experts believe that farmers can, however, shift to conventional crop which would lead to high production cost due to use of pesticides.

Supply chain rationalisation must for curbing food price rise

Kunal Bose / March 15, 2011, 0:17 IST

The rise in agricultural commodities' prices should ideally result in higher returns to farmers. The incentivised farmers will then use a portion of the extra income to grow more and profit more. Unfortunately, because of the lacuna in our supply chain management, farmers hardly, if at all, benefited from the very high retail prices of most food items. No wonder therefore, supply responses to some punishing price rises of agricultural commodities in recent periods have been disappointing.

Unacceptable inflation in food prices, particularly of vegetables, fruits and milk, having a big share of the WPI basket for primary food items brought into focus that the reforms in the supply chain management can only be postponed at the peril of national food security. Finance minister Pranab Mukherjee admits to "shortcomings in distribution and marketing systems. The huge difference between wholesale and retail prices and between markets in different parts of the country are just not acceptable." His frustrations are because the market continues to be manipulated in a way as to deny "remunerative prices" to farmers and "competitive prices" to consumers.

The economy, which is to grow 8.6 per cent in 2010-11 on the back of 8 per cent growth the year before, has caused improvement in the purchasing power. At the same time, some inclusive measures like rural employment guarantee programmes are creating incremental demand for food in the hinterland. A part of the agro commodity inflation could be traced to demand side pressure. But neither this nor global commodity price behaviour would explain our average inflation in primary food articles' prices at 18 per cent between April and December 2010.

The 2010-11 Economic Survey finds reasons to wonder as to what proportion of rises in agricultural products is "appropriated" by the middlemen and what is left for farmers. The Survey recommends the "creation of more direct farm-to-fork supply chains in food items across the country" as that would be critical in ensuring better producer prices for farmers without penalising final consumers. One example of the depth of malaise is the government regulated mandis not facilitating integration of retailers with farmers.

That is why Mukherjee wants state governments to urgently take stock of what has gone wrong with marketing system and enforce a reformed Agriculture Produce Marketing Act. The situation obtaining now is an example of deficit in governance as also the states' failure to come down hard on hoarders and speculators. Even the Left government in West Bengal has done little to ensure that major part of selling prices of agro products at final consumption point go to growers.

At the same time, it will be in order to see if big retailers could do a decent job of establishing equity between farmers and consumers by eliminating layers of middlemen. The likes of WalMart and Tesco have been able to get food on their shelves cost effectively without letting a big part of that wasted on farms. Mukherjee says 40 per cent of the country's vegetable and fruit production is wasted in the absence of adequate storage, cold chain and transport infrastructure. It does not show the government in good light that in spite of such enormous wastage, sanctions could be given only to half of the targeted 30 mega food parks in the first four years of the eleventh plan. It will be a miracle if sanctions for the remaining 15 parks come in the plan's final year.

People's anger over food inflation has been a rude awakening for the government. This comes clear in Mukherjee's budget speech. He has, therefore, made "agriculture development central to our growth strategy" to ensure food security for a growing population from an inelastic supply of land and in line with inclusiveness philosophy. The FM has reasons to be happy that private investment is moving in agriculture, food processing sector in particular. The decision to extend the finance ministry's viability gap funding facility to investment for building modern storage capacity and also recognise cold chains and post-harvest storage as infrastructure sub-sector are designed to attract significant private participation.

Reacting to the unacceptable inflation in world food prices, Oxfam's food policy adviser Thierry Kesteloot said, "millions of people are sliding into poverty as they struggle to afford basic food supplies and more and more are at risk of going hungry." The tragedy has also visited this country. The ranks of chronically hungry people are rising despite inclusive programmes like MNREGA. At the same time, the food habits of the Indian middle class families have changed with their buying more milk, meat and fish, poultry items and fruits than before. But the supply response to the change in the composition of the middle class food basket is not adequate.

Mercifully, the government is now seeking to address the growing demand for vegetables through "robust productivity improvement." But what must also be attempted at the same time is wastage elimination to the maximum and rationalisation of supply chain. It will be watched with interest as to how the budgeted Rs 300 crore is used to create a "virtuous cycle" of higher production of vegetables and better income for growers.

Natural rubber market sags on Japan tsunami effect

George Joseph / Kochi March 15, 2011, 0:11 IST

Tyre companies to wait and watch for any further price increase.

The Japanese tsunami has hit the natural rubber mart, too. The local price of the benchmark grade, RSS-4, on Monday crashed to Rs 185 a kg on the spot market, from the closing rate of Rs 201 on Friday. A month before, the Kochi market had quoted Rs 240, the highest price ever recorded.

The market is expected to be bearish for the time being, as the earthquake is likely to substantially affect consumption in Japan.

While there was no panic selling in spot trading, the undertone of the market was heavily bearish. In Japan, futures prices on the Tokyo Commodity Exchange for the March contract had closed at 446 yen/kg on Friday. They opened on Monday at 430 yen/kg and slid to 405 yen/kg. There was panic selling, with new reports on the devastation.

The August contract of rubber on the Tokyo exchange was down 4.5 per cent or 17.9 yen, reaching 383.5 yen/kg.

Other markets were also affected. In Bangkok, spot rubber prices had closed at the equivalent of Rs 265 a kg on Friday, and dropped to Rs 223 a kg on Monday.

Indian investors rushed to square off their positions in rubber, bringing down the prices. There are worries over demand from China as well, after disappointing car sales there, according to analysts. They say further lows are expected in the short term.

In Japan, Honda and Nissan, among the largest manufacturers of automobiles, have halted operations. Toyota will keep its plants shut for the next two days and Isuzu till March 18.

Hino Motors would be closed until March 18, too. Nissan has reported damage to 2,300 new vehicles and minor damages to four of its factories. Also various reports about the damage to the atomic power stations caused serious apprehensions at the commodity markets.

Reports from China, the world's largest consumer of rubber, is also disappointing. China's voracious demand for cars eased in February, as surging gasoline prices, the end of government subsidies and a major holiday took a toll on the world's biggest auto market.

The China Association of Automobile Manufacturers reported that total sales, including buses and trucks, fell 33 per cent in February from the month before, to 1.27 million vehicles. Sales of passenger cars dropped 37 per cent to 967,200 vehicles.

Heavy stocking by China was a major reason behind the recent surge in rubber prices. So, a setback to Chinese consumption will have repercussions on the NR market, world over.

Meanwhile, major tyre companies are not planning an immediate change in the pricing strategy as of now. A S Mehta, director (marketing), JK Tyres told Business Standard, “We cannot change the pricing strategy based on the price on one or two days”.

He added that tyre companies were in a very difficult situation when the rubber prices went up to Rs 240 a kg. Still , the increase was not completely passed on to the customers. So, companies are waiting to see how the market would react further and if the NR price decreases, everything will go well. But, tyre prices cannot be changed immediately on the basis of the price quoted for a very short period.

THE HINDU Business Line

Edible oils continue to slip on global cues

Business Line Oil being sold at a retail shop in Chennai. File Photo V. Ganesan

Mumbai, March 14:

The edible oils market remained bearish on Monday, taking cues from the continuing decline at markets in Malaysia and Chicago, amid concerns that Japan's earthquake could damage regional economies and demand for commodities.

In line with the foreign markets, palmolein declined by Rs 4, soya refined oil by Re 1, rapeseed oil by Rs 2, cotton oil by Re 1 and sunflower oil by Rs 5 for 10 kg. Only groundnut oil ruled unchanged on steady reports from Gujarat and South India. Higher arrivals of seeds kept indigenous oils under check. Bearish trend at Indore soya futures weighed on the spot market that witnessedlimited resale volume. Morale was weak.

Crude palm oil (CPO) futures on Bursa Malaysia Derivatives (BMD) closed lower for the fifth consecutive day. Traders continued to book profits on speculation that rising soybean oil supplies from Argentina and Brazil may cool demand for the palm oil, said sources.

Market sources said in absence of fresh local demand and need-based physical buying volumes remained negligible. In resale, traders were unwilling to bet for fresh bulk-buying even at lower rates. Refineries were also quoting palmolein and soyabean oil at par with the market, but the response was poor because of cheaper offers from resalers. Hardly 100-120 tonnes of palmolein was resale-traded at Rs 560-563. In Mumbai, Liberty was quoting palmolein at Rs 570-572. Ruchi was quoting it at Rs 566-568, soya refined oil at Rs 605 and sunflower oil at Rs 681.Allana quoted palmolein at Rs 568. In Rajkot, groundnut oil ruled unchanged at Rs 1,145 (Rs 1,145) for *telia* tin and Rs 740 (Rs 740) for loose 10 kg. India's total oilseed output in this marketing year is expected to rise 11.8 per cent from a year earlier, as higher edible oil prices encouraged farmers to increase plantings, sources added. Malaysia's BMD CPO futures closed 70, 36 and 29 ringgits a tonne.

Malaysia's BMD CPO futures March-11 closed at MYR3,350 (MYR3420), April-11 at MYR3,363 (MYR3,399), May-11 at MYR3,335 (MYR3,364) a tonne. Indore NBOT soya oil futures April-11 closed at Rs 604.8 (Rs 613.6).

Mumbai commodity exchange spot rates (Rs/10 kg): Groundnut oil 745 (745), soya refined oil 597 (598), sunflower exp. ref. 635 (635), sunflower ref. 690 (695), rapeseed ref. oil 610 (612), rapeseed expeller ref. 580 (582), cotton ref. oil 595 (596) and palmolein 564 (568).

Coffee prices unaffected by higher output in Brazil

Colourful Coffee beans. File Photo: G. P. Sampath Kumar

Hubli, March 14:

High coffee production in Brazil in crop year 2010-11 has failed to cool global prices.

ICO said in its monthly coffee market report: “Given the limited availability of arabica coffee globally, market fundamentals continue to favour firm prices. Moreover, world stocks need to be replenished as they are at their lowest levels in many years, and this may see a high level of export performance by coffee exporting countries in coffee year 2010-11.

“At the same time, however, current price levels do not encourage producing countries to retain stocks. Notably, in Vietnam producers continue to export and take advantage of high price levels. Adverse weather continues to affect the coffee growing areas in many parts of the world.”

Recent increases in prices of petroleum products are likely to add to production costs for most agricultural products, including coffee.

Coffee production for crop year 2010-11 is estimated to increase 8.6 per cent to 133.7 million bags compared with last year. A fall of 3.2 per cent is expected in the Asia and Oceania regions where Indonesia has recorded a significant decline due to adverse weather conditions. Production has increased in other regions, particularly in Mexico, Central America and South

America, where Brazil has produced at least 48 million bags during crop year 2010-11. Colombian production is slowly recovering from the low levels of the three preceding crop years and an increase is expected in crop year 2011-12. Production is expected to increase in nearly all African exporting countries.

Although crop year 2011-12 is an off year in the biennial cycle for Arabica production in Brazil, a crop of more than 43 million bags is now expected. The difference between the high and low years of the Arabica cycle has fallen in recent years, which appear to indicate that further decreases may continue. Global coffee consumption in 2010 is estimated at 132.5 million bags against 131.2 million bags in 2009. Despite signs of a slowdown in some exporting countries, domestic consumption continues to develop, particularly in Brazil, which is the world's second largest consuming country after the US. The average annual growth rate of world consumption since 2000 is around 2.3 per cent.

Cardamom loses flavour on selling pressure

Business Line Harvested cardamom at a collection centre near Kochi. File Photo: K. K. Mustafah

Kochi, March 14:

The cardamom prices which moved up in the mid last week, declined later in the week on selling pressure at the auctions held in Kerala and Tamil Nadu.

The growers, who were holding stock hoping that the prices would touch Rs 1,500 a kg, have started selling large quantities when the average price crossed Rs 1,000 a kg, trade sources said.

North Indian demand picked up slowly while exporters were also buying as the prevailing prices were said to be workable for them. They bought an estimated 15 tonnes last week, they said.

Change in sentiment increased the arrivals at the KCPMC auction on Sunday to 57.7 tonnes from around 30 tonnes in the previous auctions and of this, about six tonnes were withdrawn, Mr P.C. Punnoose, General Manager, CPMC, told *Business Line*.

The maximum price fetched was Rs 1,297.50 a kg and the auction average was Rs 1,012.64 a kg (Rs 1,015.98).

He said those holding the stock are appeared to have a feeling that the prices might not touch their anticipated Rs 1,500 a kg and, hence, resorted to liquidation and that in turn, has resulted in a selling pressure pulling the market down at the weekend. ?It is evident from the rise in arrivals on Sunday?, he said.

Add to this, the rains on Sunday also might lead to bearish sentiments on the belief that it might reduce the gap between the current crop and opening of the next crop, he said.

Currently, seventh round of picking is underway and one more picking is expected before the end of the current season, he said.

Support price for oil palm key to sustain growing interest

M.R. Subramani An official of the palm oil division of Ruchi Soya Industries Ltd checks various grades oil palm fresh fruit bunch at Peddapuram in Andhra Pradesh's East Godavari district. Photo : M.R. Subramani

Recently in Kakinada:

“Masterji” or Mr Ch. Keshava Rao of Dosakayalapalli village, some 40 km from Kakinada, in East Godavari district has been growing oil palm on 10 hectares since 1996-97. He grows paddy on another 10 hectares and coconut in another two hectares.

But he is more happy with his oil palm plantation in view of the return he is getting.

“I get around Rs 30,000 a hectare a year. In paddy, I get some Rs 18,000 a hectare only. But more than this, I need not worry about labour, rush to Agricultural Produce Marketing Committee yards or look out for buyers,” the 70-year-old farmers says.

“There are around 13,000 farmers who have taken up oil palm cultivation in and around Peddapuram mandal of East Godavari district,” says Mr N.K. Arora, Corporate Head (Palm Business) of Ruchi Soya Industries Ltd's Oil Palm Division.

“Masterji” and Mr Arora were part of a cross section of people who interacted with a select group of journalists who were taken on a company-sponsored trip to the division's corporate office at Peddapuran in East Godavari district.

“In the last couple of months, interest in oil palm has increased since prices of crude palm oil in the global market have increased. This has helped farmers to get Rs 7,069 a tonne for an oil palm fresh fruit bunch (FFB) in February,” says Mr Arora.

The scenario is different from the one that prevailed three months ago when some farmers uprooted their oil palm plantations.

Prices for FFB are fixed every month based on the average crude palm oil price. For a FFB, a farmer gets 12 per cent of crude palm oil price plus 33 per cent of the realised value of palm kernel nut that makes up nine per cent in the FFB.

“The prices has been worked on the assumption that the oil extraction ration from FFB is 18 per cent. However, the ration is around 17.5 per cent,” Mr Arora says.

When a grower opts to cultivate oil palm, he or she will have to put up with the maturity period of three years. Oil palm begins to yield from the fourth year and productivity peaks from the seventh year onwards until the plant's 25{+t}{+h} year. In the first two years, farmers can earn through inter-cropping in which banana is perceived as the best. Besides, farmers get subsidy for drip irrigation and micro-nutrients added to Rs 21,000 for four years if they opt to grow oil palm on their farm.

“Ruchi gives an incentive of Rs 2,000 a hectare for drip irrigation,” says Mr Arora

Not just that, once a farmer sells FFBs to a miller, the payment is credited within a fortnight to his or her bank account. Sales are made at collection centres from where FFBs are transported to crushing units.

“If growers can get through the initial period, oil palm is the best bet since it is trouble and hassle-free,” Mr Arora says but adds that assured return to growers is a must.

“We expect prices for March to be lower by at least Rs 200 since global prices have dropped. There should be no problem as long as prices stay above Rs 6,000 a tonne. But below that, it could spell trouble," he says. One way of sustaining farmers interest in oil palm and making them take proper care of the crop is to ensure a minimum support price. "If the Government can fix a minimum support price somewhere between Rs 6,000 and Rs 7,000 for a FFB, it will bring in tremendous change," Mr Arora says. If market prices drop below the MSP, the Government could step in and pay the difference. If prices rise, then the millers can foot the difference," says Mr Arora.

"Two years ago, the Andhra Pradesh Government came up with the Market Intervention System. This was to ensure remunerative price for growers. While millers have paid their share, there is an outstanding of over Rs 40 crore from the State Government," says a grower.

An oil palm plant requires around 200 litres of water a day besides proper nutrition. The average yield in India is 10-12 tonnes a hectare, though it is higher at over 20 tonnes in Andhra Pradesh. In comparison, productivity in Malaysia is 22 tonnes a hectare. Yield is higher in other growing nations since the crop is grown in regions where there is rain throughout the year.

Besides Andhra Pradesh, oil palm is cultivated in Orissa, Karnataka, Tamil Nadu, Mizoram and Gujarat with the total acreage being around one lakh hectares. Potential exists for growing the crop in Maharashtra, Bihar, Arunachal Pradesh, Tripura, Kerala and Goa.

This year, the Centre has targeted to bring an additional 60,000 hectares under the plantation with 44,000 hectares of it in Andhra Pradesh only.

UNITEA bags maximum Golden Leaf awards

Coonoor, March 14:

In the Golden Leaf India Awards 2011 competition, a joint initiative of the Tea Board and the United Planters' Association of Southern India (UPASI), the United Nilgiri Tea Estates Co Ltd (UNITEA), a member of Chennai-headquartered Amalgamations group, has created a record by bagging the maximum number of titles among all competing groups.

"We got five awards this year. Although we have been consistently winning awards, this is the first time we have bagged this large a number," Mr D. Hegde, Director, told *Business Line*.

Of the five awards, Korakundah Estate has won four – two for green tea and two for organic tea – crediting it with producing South India's best quality leaf and fanning green and organic teas. The other award was bagged by Chamraj Estate for 'Nilgiris orthodox fanning' category.

"Korakundah has won this title ever since the Award's inception in 2005. Organic practices here began a decade ago. Located at 7,920 feet above MSL, this is the highest tea estate in India as documented by Limca Book of Records.

"It is also the highest tea plantation in the whole world for which, we had sought an entry in the Guinness Book of Records," Mr Hedge said.

Supply squeeze pushes up cotton

Business Line BG Cotton. File Photo: P. V. Sivakumar
Rajkot, March 14:

Raw cotton price increased by Rs 15-20 for 20 kg on tight supplies. Cotton also ruled strong in Gujarat.

In Rajkot, *Sankar*-6 variety of cotton traded at Rs 58,500-59,000 a candy (of 356 kg). Raw cotton price increased by Rs 15-20 to Rs 1,325-1,350 for 20 kg. Around 22,000 quintals of raw cotton arrived in Saurashtra. About 28,000 bales arrived in Gujarat and 70,000 in the rest of the country.

Mr Avdhesh Sejpal, a cotton broker, said, ?About 20 per cent of raw cotton stock is left, and farmers are holding on to this strongly, as they expect prices to rise. Arrivals are poor. This may lift cotton prices. During the week, cotton may gain Rs 1,000 a candy.?

At present, mills are buying according to requirement from Gujarat as prices are too high.

Cotton ginners, losing Rs 3,000 a day, are shutting down their units because of higher prices of raw cotton and short supply. Prices increased from Rs 41,500-42,000 a candy at the beginning of season to Rs 60,000-60,500 a candy in February.

Trade enquiries boost all rice varieties

Labourers are busy in paddy cultivation. File Photo: H. Vibhu
Karnal, March 14:

Trade inquires lifted rice prices on Monday. The prices of aromatic rice moved up by Rs 10-30 a quintal while the non-basmati varieties increased according to their quality and demand.

Mr Amit Chandna, proprietor of Hanuman Rice Trading Company, told *Business Line* that trade inquiries were high and that led the prices upwards. The market may witness some good buying in the upcoming days, he added.

The prices of Pussa 1121 rice (steam) ruled at Rs 5,180-5,250 a quintal, Pusa-1121(sela) Rs 4,200-4,340, and Pusa-1121(raw) Rs 5,100-5,140. Basmati (sela) sold at Rs 6,200-6,250, and basmati (raw), Rs 7,300-7,345. Duplicate basmati ruled at Rs 3,960-4,060 a quintal.

Brokens such as Tibar quoted at Rs 3,000-3,520, Dubar Rs 2,200-2,610 and Mongra Rs 1,900-2,125.

Sharbati (sela) quoted at Rs 2,600-2,720 and Sharbati (steam), Rs 3,000-3,170.

Permal (sela) ruled at Rs 1,900-2,115 and Permal (steam), Rs 2,100-2,190. For the brokens of Sharbati variety, Tibar quoted at Rs 2,450, Dubar Rs 2,120 and Mongra, Rs 1,490.

Paddy Trading

About 70 bags of Pusa (duplicate basmati) arrived and were sold at Rs 2,120-2,340 a quintal and around 80 bags of Pusa-1121 at Rs 2,170-2,370 a quintal. Around 100 bags of pure basmati arrived and were sold at Rs 2,200-2,650 a quintal.

Turmeric dips on higher arrivals

Business Line TURMERIC. File Photo: P. V. Sivakumar

Erode, March 14:

Thanks to heavy arrivals, spot turmeric prices dipped by Rs 300 a quintal on Monday.

?We are getting good orders, but with the arrivals exceeding the demand, the price of spot turmeric is declining in Erode?, said R. K.V. Ravishankar, President, Erode Turmeric Merchants Association.

According to him, Erode turmeric is still cheaper than in other turmeric areas, and so a number of traders in North India are placing fresh orders. And because of the unrest in Andhra Pradesh due to Telengana issue, and the Nizamabad market not functioning regularly, the buyers prefer Erode stock.

From the beginning of the season, the arrivals in Nizamabad and other North Indian markets have been very low. In contrast, over 20,000 bags have been arriving at the Erode market daily for the past couple of days. This trend will continue till the end of this month, and the price will come down to Rs 10,000 a quintal soon, says Mr Ravishankar.

Keeping these in mind, the bulk buyers in Erode are buying in limited quantities and the other area markets are also selling the produce at a low price. Overall, Erode turmeric is now cheaper than other markets in India, and this will boost the sales.

On Monday, some 20,000 bags arrived for sale, but only 55 per cent of these were sold. The price, therefore, witnessed a a fall of Rs 300 a quintal.

Finger, root varieties

In the Erode Turmeric Merchants Association Sales yard, the finger variety was sold at Rs 8,550-10,750 a quintal, and the root variety at Rs 8,200-10,285 a quintal.

The finger variety fetched Rs 10,869-11,600 a quintal, and the root variety Rs 10,155-10,367. Of the 7,434 bags that arrived, 1,343 bags were sold.

In the Erode Cooperative Marketing Society, the finger variety sold at Rs 9,511-11,311 a quintal, and the root variety Rs 9,150-10,037. Of the 1,035 bags that arrived, 770 bags were sold.

In Gobichettipalayam Agricultural Cooperative Marketing Society, the finger variety sold at Rs 9,027-11,257, and the root variety, Rs 7,060-10,279. Eighty-five of the 135 bags that arrived were sold.

In the Regulated Marketing Committee, the finger variety fetched Rs 9,206-10,949, and the root variety, Rs 9,209-10,109. Of the 1,310 bags kept for sale, only 789 bags were sold.

Limited buying, mills' sales weaken sugar

Business Line SUGAR. File Photo: P. V. SIVAKUMAR
Mumbai, March 14:

Sugar prices at the Vashi market continued to rule weak on thin, need-based local demand and continued selling by mills. On Monday, spot prices declined by Rs 5-8 a quintal. Mills' tender rates further weakened by Rs 5-10 on limited buying support. Naka rates rule steady on absence of resale selling. Morale was weak.

Mr Roshan Murgai of Sugar supply Co., a wholesale trader, said mills are having a hard time at current prices, as they buy sugar at Rs 2,650-2,700 a quintal. If the rates go down further, it will badly affect them. Last month, mill tender rates for S-grade dipped to Rs 2,620-2,630. Now, with the hope of an increase in consumption demand for *Holi* this week and expectation of increase in bulk demands because of summer, sugar prices are expected to stabilise at the present level with range-bound movement. As demand has remained poor for a long time now, volumes have stagnated. Most of the consuming markets don't have large stocks, so prices may go up once the demand inproves.

In West Bengal side, because of a shortage of rail rakes, sugar prices firmed up. India's sugar production is expected higher by 55-60 lakh tonnes this year to 245-250 lakh tonnes, compared to 190 lakh tonnes last year. For the current month, the Government has declared 18.86 lakh tonnes as sugar quota, including 2.02 lakh tonnes levy and 3.5 lakh tonnes carryover stocks from last month. Arrivals were at the usual level of 47-48 truck loads (each of 100 bags), and local dispatches were at 43-44 truck loads. About 14-15 mills offered tenders on Saturday, and sold about 45,000-50,000 bags (of a quintal each) at Rs 2,645-2,690 for S-grade and Rs 2,695-2,745 for M-grade. Most mills kept tender offers open, as they were not keen to sell at lower prices.

Bombay Sugar Merchants Association's spot rates: S-grade Rs 2,786-2,835 (Rs 2,791-2,851) and M-grade Rs 2,826-2,901 (Rs 2,831-2,901).

Naka delivery rates: S-grade Rs 2,750-2,770 (Rs 2,750-2,770) and M-grade Rs 2,800-2,840 (Rs 2,780-2,850).

Poor domestic offtake drags soya oil

Soybean kept for sale at a retail outlet in Kochi. File Photo: K. K. Mustafah
Indore, March 14:

Both soyabean and soy oil continued to trade lower in Indore *mandis* on weak domestic demand and bearish global markets. Spot soyabean prices fell Rs 30-40 a quintal on lack of support in the foreign markets, more so because of the recent earthquake and tsunami in Japan and weak demand from plants. However, as compared with its prices on Saturday, soyabean remained firm at Rs 2,200-2,250 a quintal on the back of depleting arrivals and declining demand. With the arrival of other seasonal crops like wheat, chana, and masoor gaining momentum in Indore *mandis*, farmers are reluctant to release their soyabean stocks keeping in view its low prices. Further drop in arrival of soybean in State mandis is an indicator of this, said Mr Mukesh Purohit while talking to *Business Line*.

On Monday, *mandis* across Madhya Pradesh witnessed arrivals of 20,000 bags of soyabean against 1,000 bags in Indore *mandis*. Besides, weak buying by plants, decline in soyabean futures on the National Commodity and Derivatives Exchange (NCEDX) also contributed to bearish sentiments in soyabean. On the NCEDX, soyabean April and May contracts closed Rs 16 and Rs 28 lower at Rs 2,286 and Rs 2,309 a quintal respectively.

On the other hand, with plant operators building up stocks of soyabean, the demand for soy seeds has also declined, leading to further decline in its prices. On Monday, plant deliveries of soyabean were quoted Rs 50-60 lower at Rs 2,280-2,300 a quintal. Soyabean plant deliveries on Saturday quoted at Rs 2,275-2,360 a quintal. Soyabean continues to rule sluggish with its price in Kandla port on Monday quoting Rs 200 lesser at Rs 18,100 a quintal.

According to traders, the demand for soybean will remain subdued with farmers showing more interest in other seasonal crops, whose arrivals have picked up in Indore *mandis*. Against arrivals of 1,000 bags of soyabean in Indore *mandis*, 13,500 bags of chana and 7,000 bags of wheat arrived on MOnday.

Weak foreign support and drab domestic demand have also kept the soy oil prices in the red zone. With positive correction in Malasiyan palm oil futures in the evening, soy refined oil showed a marginal gain with its prices in the spot and delivery quoting at Rs 570-575 for 10 kg against Rs 575-578 on Saturday. The demand for soy refined oil in the domestic market continued to remain poor with lack of interest buying by traders. Soy solvent also ruled firm at Rs 535-540 for 10 kg on scattered buying.

The National Board of Trade witnessed second cut of the month, and its April contract closed at Rs 604.3. April contract of soy refined oil on the NBOT closed about Rs 4 higher at Rs 613.6. Soy oil futures on the NCEDX also traded low on weak buying support with April and May contracts closing at Rs 601.1 and Rs 606.5 for 10 kg.