

Today's Paper » NATIONAL » KARNATAKA

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## Growers in distress after onion, potato prices dip

Staff Correspondent

*Support price of Rs. 1,200 per quintal of produce sought*

Farmers from Dharwad and Hubli taluks took out a rally here on Monday demanding minimum support price of Rs. 1,200 each per quintal of potato and onion. The Karnataka Pradesh Krishik Samaj had organised the rally.

The protesters staged a demonstration in front of the Deputy Commissioner's office urging the Centre to purchase potatoes and onions directly from farmers through the State Government. In the past fortnight, prices of potato and onion have dropped drastically in the domestic and international market. While the price of onion has crashed from Rs. 1,300 to Rs. 400 a quintal, the prices of the onion have fallen from Rs. 1,200 to Rs. 600 a quintal. The sudden dip in prices has landed farmers in trouble and has led to distress selling of the produce, according to the protesters.

In the entire Dharwad districts, farmers of Hubli and Dharwad taluks were affected more than the others because they had opted to grow onion and potato as the region had received good rainfall during the kharif season.

The farmers have taken farm loans and invested huge amounts to grow the crops. On an average, each farmer has invested a minimum of Rs. 10,000 per acre. Now, the fall in prices of onion and potato has shattered the dreams of the farmers that they would get good returns for the produce. Besides the fall in prices, inadequate storage facilities in the region has led to distress selling, the protesters added.

The protesters urged the State and the Union Governments to come to the rescue of the farmers.

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- *Krishik Samaj organises protest*
  - *Government urged to come to rescue of farmers*
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## **Horticulture college bags first prize**

Staff Correspondent

The College of Horticulture, Bidar, has won the overall championship in the inter-college youth festival conducted by the University of Horticultural Sciences, Bagalkot.

In the valedictory held here on Sunday, Vice-Chancellor S.B. Dandin handed over the trophy to college special officer S.I. Hanumashetty. The college cultural troupe and team managers were present.

The cultural troupe members entertained the audience with a dance performance after receiving the award. The runners-up trophy went to the College of Horticulture, Kolar. Around 250 students from 10 horticulture colleges in the State participated.

Assistant Director-General of Indian Council of Agriculture Research C. Dev Kumar asked the students to make the most of their college life by participating in co-curricular and sports activities. He said it was important for students to develop soft skills and join courses in personality development.

He said that excellence came from creative thinking and asked them to think out of the box.

He urged them to seriously consider a career in the field of research. "Finally, whatever you decide to do, make sure you enjoy it," he said.

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## **NGO to train students in farming**

Staff Reporter



Lessons in farming: Members of the Krishi Patiom Club of SN Upper Primary School, Kollayil, near Palode, on a visit to the homestead farm of M.G. Sudarshan at Kollayil recently.

To promote the message of homestead farming, the Agri Friends Krishi Samskarika Vedi, a city-based non-governmental organisation, will train students of SN Upper Primary School, Kollayil, near Palode, in farming.

The organisation plans to initiate homestead farming in the houses of all 1,100 students of the school, which is celebrating its golden jubilee this year.

Towards launching the project and introducing the concept of homestead farming, 50 students who are members of the Krishi Patiom Club were taken on a visit to the homestead farm of M.G. Sudarshan, farmer, at Kollayil recently.

Mr. Sudarshan's son Adarsh, is a seventh standard student of the school and member of club.

“Homestead farming is part of traditional farming in Kerala, in which the residential property of the farmer is converted into an extended farm, where indigenous varieties of crops are cultivated using traditional methods. The students were also introduced to agro-forestry, as homestead farming with its integrated farming approach is also of agro-forestry,” Agri Friends coordinator S. Jayakumar said.

Besides produce ranging from coconut to plantain, Mr. Sudarshan's 60-cent farm has a dairy farm with eight cows and eight calves and poultry. Its features include a bio-fence and a biogas plant.

The trip to the farm has been filmed into a documentary, titled *Adarshinte Karshikalokam*, by Arunesh Shankar, a three-time award winner at State Institute of Educational Technology film festivals. On Saturday, the documentary was screened at Kendriya Vidyalaya, Pattom, where Agri Friends organised a class on soil preparation.

Agri Friends is implementing the State Horticulture Mission's pilot project on school-level farming. Thirty schools in and around the city have been identified for the project.

“The focal theme of the third Bala Krishi Shashtra Congress that we will be jointly organising with the Centre for Innovation in Social and Social Action in January is traditional farming. So we will take up more school-level projects and activities focussing on traditional farming, which includes homestead farming,” Mr. Jayakumar said.

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25 OCT, 2011, 06.05AM IST, AGENCIES

## **CCEA may raise pulses MSP by Rs 700/Qtl, Wheat by Rs 115**

The government may announce the support price for rabi (winter) crops on Tuesday and is likely to raise the same for pulses by up to 700 per quintal, reports PTI from New Delhi.

The Agriculture Ministry has proposed a minimum support price of 1,285 per per quintal for wheat, up by 115 from the previous season, sources said.

"The proposal for minimum support price (MSP) of rabi crops is scheduled to be discussed in the meeting of the the Cabinet Committee on Economic Affairs(CCEA) tomorrow," a source in the Agriculture Ministry said.

The sowing of rabi crops, like wheat, commenced this month. These crops will be harvested in April, 2012.

The Agriculture Ministry has proposed an MSP of 2,800 per quintal for both gram and masur, a jump of 700 and 550 a quintal, respectively, for the 2012-13 rabi marketing season (April-June), sources said. Higher MSP has been proposed for pulses to compensate the loss of output in kharif season of the current 2011-12 crop year (July-June).

25 OCT, 2011, 03.30AM IST, PK KRISHNAKUMAR,ET BUREAU

## **Tyre companies demand duty-free import of 1 lakh tonne rubber**

KOCHI: Tyre manufacturers have sought duty-free import of 1 lakh tonne natural rubber as high price and weak rupee did not allow them to complete their special import quota of 40,000 tonne. Tyre companies say recent floods in Thailand and active buying by China may lead to another flareup in the global rubber prices.

The import of 40,000 tonne had been allowed by the government this fiscal year at a reduced duty of 7.5% against the normal 20% duty. Of this quota, the industry has imported around

25,000 tonne. "Higher international prices and the depreciation of rupee have prevented the industry from completing the full lot of imports," said Rajiv Budhraja, director general of Automotive Tyre Manufacturers' Association. Now, with a falling rupee, the association is requesting the government to allow duty-free import of 1 lakh tonne.

The association has expressed its reservation on the rubber stock figures provided by the Rubber Board and says it should be reviewed. The board is expected to come out with a revised estimate by the end of November. The board estimate for the stock at the end of September 2011 is 2,79,477 tonne, which some traders feel is a tad high.

International rubber prices dropped to Rs 195.72 per kg last Friday, a fall of Rs 6 from the previous day. Though there is no trading in Bangkok on Monday, Tokyo and Shanghai futures have moved up on positive reports on a resolution to Europe's debt worries. Floods in Thailand, the biggest rubber producer, have not affected rubber plantations but some car factories in the country have stopped production, which could affect the demand.

Though local production has gone up over the last one month, growers are reluctant to sell in anticipation of a better price. "There were continuous tapping during the last one month but not much selling. Demand has not rebounded as the original equipment market still down while the replacement tyre segment has not been able to compensate for this," said George Valy, president of Rubber Dealers Association.

25 OCT, 2011, 03.26AM IST, JAYASHREE BHOSALE,ET BUREAU

### **Onion prices crash below production cost**

PUNE: Onion farmers could not recover their production cost this year. They are selling onions at 40% less than the last year's prices while exports have fallen 30% from April to September.

The prices have fallen due to higher supplies this year. Farmers are offloading carryover stocks ahead of the November harvest. Some are selling to raise cash for the Diwali festival.

Exports are considerably lower this year because there is ample supply from other countries and the minimum export price of the Indian onion is higher. According to statistics available with Nafed, the April-to-September exports this year is at 6.66 lakh tonne as against 9.34 lakh

tonne done during the period last year.

The average monthly price last September was at Rs 1,350/quintal while it was at Rs 1,050/quintal this September at the Lasalgaon wholesale market. And prices remained firm at Rs 1,350/quintal last October while this October, they have fallen 40% to trade in a range of Rs 750/quintal and Rs 850/quintal.

"I could not make any money this year," said onion farmer Chhotu Desale from Ravalgaon in Malegaon taluka in Nashik district. He sold the last tranche of onions in his store last week.

Farmers held their stocks in August and September hoping for better prices. Higher cost of seeds, fertilisers, labour and other input costs have eaten into the margins. RP Gupta, president of the Nashik-based National Horticulture Research and Development Foundation, said, "Onion prices are ruling lower because arrivals to the market are more than the demand due to higher onion storage this year. Farmers are not able to recover their cost of production."



### **Badal demands Rs 1,800 as MSP on wheat**

MONDAY, 24 OCTOBER 2011 21:28

Punjab has demanded that the minimum support price of wheat be fixed at `1,800 per quintal for 2012-13 to account for the increase in the cost of agricultural inputs which had put a burden of `800 crore on the farmers. In a statement, Chief Minister Parkash Singh Badal said that his demand was based on a study on the impact of recent hike in prices of farm inputs conducted by the experts of the Punjab Agricultural University Ludhiana.

Badal described as "cold-blooded and inhuman" the Centre's opposition to the already inadequate recommendations by the Commission on Agriculture Costs and Prices (CACP) which had asked the Union Ministry of Agriculture to raise the MSP by a meager 10 per cent.

“Have the costs of agricultural inputs gone up by just 10 per cent? Also has the increase in the prices of essential commodities risen only by that margin? If not, what is the basis for a highly discriminatory MSP of wheat,” asked Badal.

The Chief Minister cautioned if the Centre does not desist from implementing such “anti-farming policies” then Union Government would be solely responsible for the decay of agriculture thereby leaving the nation’s entire peasantry in quandary especially of Punjab.

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## Business Standard

Tuesday, Oct 25, 2011

### Rabi crops' floor price on agenda

Sanjeeb Mukherjee / New Delhi October 25, 2011, 0:37 IST

The Union Cabinet is likely to discuss the minimum support price for rabi crops, which includes wheat, mustard and pulses, at a meeting tomorrow.

Officials said the agriculture ministry has proposed raising the minimum support price (MSP) of wheat sowing, which would start after Diwali, by Rs 115 per quintal to Rs 1,285 per quintal to cover the rising farm input cost and encourage farmers to increase acreage.

The Commission for Agricultural Costs and Prices (CACP), the nodal agency that frames price policies for agricultural products, had, however, recommended increasing the MSP to Rs 1,350 per quintal, up almost 15 per cent from Rs 1,170 per quintal at present.

CACP's proposal seems to have not found much favour with the food and finance ministries, which fear that such a sharp rise in MSP might escalate the already high food inflation and subsidy.

Last week, agriculture minister Sharad Pawar had said the MSP for rabi crops could be discussed in the cabinet next meeting.

Officials said the panel of ministers could also discuss the much-awaited companies' bill 2011, which proposes a comprehensive revision to the existing Companies Act 1956 to provide a clear framework for good governance. The proposed law will strengthen the powers of all stakeholders, including minority shareholders to keep promoters away from unethical practices.

To enable poorer sections of the population build their own home, the cabinet could also discuss a proposal to provide one per cent interest subvention on housing loans up to Rs 15 lakh with the cost of the house not exceeding Rs 25 lakh.

The cabinet could also discuss the Majithia wage board for journalist and non-journalist employees.

Yesterday, union labour minister Mallikarjuna Kharge had said in Coonor that the cabinet will discuss the issue tomorrow. A proposal to strengthen the capital base of NABARD could also come up, officials said.

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### **Govt may impose 70% import duty on rice**

**Anindita Dey / Mumbai October 25, 2011, 0:17 IST**

After a gap of almost two years, the government has decided to bring back imports of rice under the duty regime.



The finance ministry has proposed to impose 70 per cent duty on the import of semi- and wholly-milled rice from November. The import of the commodity has been under the zero-duty regime since October 2009, when international prices were very high.

The import duty had been lifted to facilitate imports, since the production of rice in India had remained muted in 2009-10 due to drought-like conditions and weak monsoon, officials said.

Officials explained rice was an essential commodity and a high duty of 70 per cent was like



a trade barrier and not a duty. India currently had so much surplus rice production that exports of non-basmati rice had been allowed. So, imports should also be checked, they said. Currently, since the international prices are low, one could even import to export later, thereby booking profits on exports.

When the zero-duty regime ends this month, the duty will be back to 70 per cent, in line with the original structure of 2002. The agriculture ministry has already forecast that rice production is likely to rise to 102 million tonnes (mt) this crop year, from 95.32 mt last year.

Meanwhile, the area under paddy cultivation increased six per cent to 26.03 million hectares till end of August, from 24.47 million hectares in the corresponding period last year. Kharif paddy is sown during June-July and harvested by September-October.

For the 2011-12 crop year, the government has set a production target of 102 mt of rice, a crop that is mainly grown in the kharif season (summers).

The government announced an increase of up to 16 per cent in the minimum support price (MSP) for kharif crops, fixing MSP for paddy (common) at Rs 1,080 a quintal.

The Food and Agricultural Organization (FAO) of the United Nations has forecast that production in Asia will increase on the back of favourable growing conditions and attractive prices in all major rice producing countries, particularly Bangladesh, China, India and Indonesia. World rice production is expected to touch a record 480.5 mt this year due to higher output in Asia, Egypt, Argentina, Mozambique, the US and Russian Federation, according to FAO. "The outlook for global rice production in 2011 has improved over the past two months and the latest FAO forecast has been raised by 1.6 mt to 480.5 mt (milled rice basis), three per cent up from 2010 and a new record," FAO said.

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## THE HINDU Business Line

**Spices Board to push ahead with re-plantation, rejuvenation of pepper**

Anil Urs

Coonoor, Oct. 24:

The Spices Board has achieved re-plantation and rejuvenation of pepper in about 8,000 hectares.

Speaking at the 118th Upasi (United Planters Association of Southern India) annual meet on commodity outlook for spices, Mr P. M. Suresh Kumar, Secretary, Spices Board, "So far about Rs 16.38 crore has been disbursed, and support for production improvement in States is continuing."

Re-plantation and rejuvenation of pepper in Wayanad district, Kerala and the north-eastern region are on with a total outlay of Rs 100 crore. The Board has provided financial assistance of Rs 53.28 crore.

The development programme has been recommended by the Karnataka Horticulture Mission to the Agriculture Ministry. Approval is awaited.

The total outlay for the State is Rs 119.70 crore and is likely to cover 5,000 hectares.

A similar programme for Tamil Nadu is pending with the State horticulture department. The total outlay is Rs 13.84 crore, and is likely to cover 4,000 hectares.

### **Cardamom too**

According to Mr Suresh Kumar, the Board is making similar efforts at re-plantation and rejuvenation of cardamom as well, to increase the output from 10,000 tonnes currently to 15,000 tonnes.

The total financial outlay of Rs 200 crore is planned for the scheme, with the Board's share being Rs 122 crore. So far we have done re-plantation in 8,800 hectares and rejuvenated 6,400 hectares, he added.

### **Market promotion**

The Spices Board is also planning to help in market promotion. As a step towards this, a market study for enhancing the domestic consumption of cardamom by Bangalore-based Indian Institute of Plantation Management (IIPM) is planned.

The Board is also looking to air jingles through All India Radio in consuming centres.

### **Plantation welfare**

The Board has introduced a personal accident insurance scheme (PAIS) for cardamom growers and workers through a price stabilisation fund trust (PSFT) operated by the Commerce Ministry.

Mr Kumar said the “premium for the grower/worker is Rs 22 a year, of which, 50 per cent will be met by the PSFT. Insurance coverage is for Rs 1 lakh.”

(This article was published in the Business Line print edition dated October 25, 2011)

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## Rubber Board looking at group approach to raise output

L.N. Revathy

*Scope to hike rubber consumption, says Board Chairperson*

<b>SKIDDING OFFTAKE</b>			
	<b>2010-11</b>	<b>2011-12</b>	<b>2011-12 (Apr-Sept)</b>
Production	8,61,950	9,02,000	3,91,400
Consumption	9,47,715	9,77,000	4,76,215
Import	1,88,337	1,20,000	88,760
Export	29,851	50,000	16,503
Stock	2,88,300	2,72,600	2,79,477

Coonoor, Oct. 24:

The Rubber Board is trying to promote a group approach in rubber production and marketing, its Chairperson, Ms Sheela Thomas, said.

“Enhancing productivity of rubber plantations through systematic replanting, accelerating new planting with focus on non-traditional rubber growing regions, intensifying research to evolve appropriate technologies for rubber cultivation and maximising net returns of rubber growers with focus on environmental sustainability and group approach would be our major focus in the Twelfth Plan,” she said, at the Commodity Outlook session on Rubber, at the 118th Annual Conference of UPASI.

Capturing a couple of recent developments, she said the Board has initiated branding of natural rubber for export in February and so far 31 exporters have inked an agreement for this and more than 4,000 tonnes were exported.

## GM trials

The Genetic Engineering Approval Committee has granted permission for limited scale field trial of GM rubber plants (one acre each in the research farms of RRII in Kerala and Maharashtra) and the Board has sought permission from the respective State Governments for field planting.

Further, the RRII, in collaboration with ISRO and IIT Kharagpur, is in the process of identifying potential areas for expanding rubber cultivation with least pressure on forest and food crops cultivated lands, she added.

Reverting to the natural rubber production scenario, she said, "India continued to occupy the fourth position, registering 3.7 per cent growth over 2009 at 8.51 lakh tonnes.

"The 2011-12 production has been estimated at 9.02 lakh tonnes against 8.62 lakh tonnes in 2010-11. Indonesia, however, registered a substantial increase in NR production and the farm gate price also shot up as Thailand's output did not increase on expected lines.

"While climatic conditions proved favourable in Indonesia, India maintained its premier position irrespective of sub-optimal agro climatic conditions," she added.

The consumption is also expected to increase to 9.77 lakh tonnes compared with 9.48 lakh tonnes last year.

"While the consumption-production numbers reflect a deficit of 75,000 tonnes in 2011-12, there is no shortage as the opening stock in April 2011 was 2.88 lakh tonnes (2.11 lakh tonnes)."

### **Bullish sentiment**

"There is tremendous potential for increasing the consumption of natural rubber, and this is despite concerns on global economic recovery and increased synthetic rubber capacity in China," Ms Thomas said, adding that the NR consumption in the tyre sector grew by 5.4 per cent during the first half of the current fiscal as compared to a decline of 5.4 per cent in non-tyre sector.

Her observation on the huge potential for increasing rubber consumption is based on the 15.5 per cent increase in the world NR consumption in 2010 over the previous year.

"The world production of vehicles increased by 26.5 per cent in 2010 compared with a 11.2 per cent decline in 2009 and the production of tyres was up 17.5 per cent in 2010 compared to the decline of 4.5 per cent in 2009.

“Rubber prices have risen in the last couple of days but this cannot be taken for granted as there is downward pressure on NR prices due to decline in consumption in China and Malaysia, decline in oil prices, and strengthening of Japanese Yen,” she said.

(This article was published in the Business Line print edition dated October 25, 2011)

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## **Dust tea prices ease at Kochi auction**

Our Bureau

Kochi, Oct. 24:

Arrivals continued to be low at Kochi Tea Auction where dust tea prices faltered. There was 10,48,500 kg of dust and 2,80,500 kg of leaf tea on offer.

CTC dust auction opened weak with prices falling by Rs 3-5 a kg and gravitated lower by as much as Rs 10 a kg as the auction progressed. In the case of good quality dust teas, the price fall was lesser.

At lower levels there was good demand from AVT, Kerala State Civil Supplies Corporation and Vimal Tea. Tata Global and Hindustan Unilever remained selective. Loose tea traders and upcountry buyers lent fair amount of support.

Good export enquiry was also evident at lower levels. Prices quoted lower at the orthodox dust auction also, where there were several withdrawals. High grown grades remained steady. Exporters and upcountry buyers were active at the orthodox dust grades.

## **Leaf Auction**

High grown bolder broken and whole leaf grades remained steady to firm at the orthodox leaf auction. Smaller broken grades and fannings were dearer following quality. Well-made bolder broken grades also remained steady. Secondary broken grades quoted lower and there were significant withdrawals.

Exporters to CIS countries remained subdued in a market where there was fair amount of export enquiry. Medium whole leaf grades were absorbed by upcountry buyers, HUL and exporters. The CTC leaf auction opened weak with prices tending lower. HUL and exporters remained selective in a market where upcountry buyers remained subdued.

(This article was published in the Business Line print edition dated October 25, 2011)

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## Spot rubber prices improve

Our Correspondent

Kottayam, Oct. 24:

Physical rubber prices improved on Monday. The strengthening North East monsoon has interrupted tapping in some plantation areas and the supplies are expected to worsen further.

According to observers, the market improved in tune with early gains in domestic futures but lost the initial strength following the late declines on the National Multi Commodity Exchange.

The European Union summit has sent some positive signals across the markets. Commodities and equities were seen rising after the EU leaders joined together to deal with the Euro Zone crisis in an effective way.

Anyhow TOCOM and Shanghai rubber futures recovered partially from the previous week's debacle while Bangkok remained closed on account of Chulalongkorn Day.

Sheet rubber improved to Rs 212 (210) a kg according to traders. The grade finished increased to Rs 211.50 (210) a kg both at Kottayam and Kochi as reported by the Rubber Board.

The November series weakened to Rs 209.90 (211.90), December to Rs 209.11 (212.10), January to Rs 210.50 (213.15), February to Rs 213 (215.20) and March to Rs 215.61 (218.50) a kg on NMCE.

RSS 3 improved at its October futures to ₹287.5 (Rs 188.24) from ₹275.8 a kg during the day session but then slipped to ₹286.9 (Rs 287.90) in the night session on the Tokyo Commodity Exchange.

Spot rates were (Rs/kg): RSS-4: 212 (210); RSS-5: 210 (206); ungraded: 202 (198); ISNR 20: 200 (199) and latex 60 per cent: 128.50 (128).

(This article was published in the Business Line print edition dated October 25, 2011)

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## Cotton drops by Rs 300 a candy

OUR CORRESPONDENT

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**Rajkot, Oct. 24:**

Cotton fell by Rs 300 a candy of 356 kg on nominal trading because arrival spots were closed for Diwali.

Best-quality Sankar-6 variety traded lower by Rs 300 at Rs 39,000-39,200 a candy While lower and medium grade sold at Rs 33,000-37,500 a candy. Raw cotton or *kapas* sold at Rs 910-925 for a *maund* of 20 kg. Nine to ten thousand bales of 170 kg arrived in Gujarat.

*Kapas* for delivery in February fell by Rs 4.10 to Rs 729.50 for a *maund* on the National Commodity and Derivatives Exchange with an open interest of 142 lots while the April contract decreased by Rs 7.30 to Rs 726.30 with an open interest of 7,718 lots.

**may drop further**

Cotton may fall by Rs 1,000 a candy in the second week of November as arrivals jump after Diwali, said Mr Avadhesh Sejpal, a Rajkot-based cotton broker.

Higher global output against lower demand is likely to pull down local prices in October 2011-September 2012 season. The Cotton Corporation of India may raise the minimum support price if prices fall below the current MSP.

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**Imported oils gain a tad on global cues**

## Our Correspondent



**Mumbai, Oct. 24:**

Except for imported palmolein and soya refined oil that rose by Re 1 each for 10 kg, edible oils were unchanged even as demand remained low and global commodities saw a broad rally.

Bombay Commodity Exchange will have *muhurat* trading on the evening of October 26. The market will remain closed on Thursday and Friday. Routine trading will resume from Saturday, a Bombay Commodity Exchange spokesperson said.

In Saurashtra, cotton (wash) oil improved on higher demand. New arrivals at producing centres are going to increase after Diwali, especially after *Labh Panchami*, said a wholesaler.

Crude palm oil (CPO) futures rose on Bursa Malaysia Derivatives (BMD) in step with a broad global rally across equities and commodities. Resellers sold palmolein at Rs 533-534.

Refiners increased palmolein prices by Rs 2. Liberty offered palmolein at Rs 538-539 for October delivery, soya oil at Rs 633 and super palmolein at Rs 572. Ruchi quoted palmolein for November delivery at Rs 534 and soya refined oil at Rs 630 for October delivery.

Malaysia's BMD CPO's November contracts settled at MYR2,890 (MYR2,881), December at MYR2,891 (MYR2,886) and January at MYR2,890 (MYR2,883) a tonne.

Bombay Commodity Exchange spot prices (Rs/10 kg): groundnut oil 840 (840), soya refined oil 631 (630), sunflower exp. ref. 655 (655), sunflower ref. 725 (725), rapeseed ref. oil 700 (700), rapeseed expeller ref. 670 (670), cotton ref. oil 650 (650) and palmolein 535 (534).

(This article was published in the Business Line print edition dated October 25, 2011)

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## Paddy gathers steam as arrivals fall

Our Correspondent



Karnal, Oct. 24:

Poor arrivals pushed up paddy prices at the Karnal Grain Market Terminal on Monday.

There is no specific reason behind the fall and arrivals may increase in coming days, said Mr Tara Chand Sharma, proprietor of Tara Chand and Sons.

On the other hand, trade was steady in the rice market, with prices of aromatic rice ruling firm after witnessing a decline over the weekend while non-basmati varieties continued to rule firm on previous levels.

According to market sources, overseas demand is supporting the market at current levels.

Following a price rise and a slowdown in shipments from Thailand, buyers are increasingly turning to India.

In a recent tender, Iraq purchased 30,000 tonnes of Indian 5 per cent broken white rice at \$573 a tonne and more such sales from India are likely to take place in the next few months, sources said.

Pusa-1121 (steam) quoted at Rs 4,800 a quintal while Pusa-1121 (sela) was ruling around Rs 3,950.

Pure basmati (raw) sold at Rs 5,450 while Basmati (sela) sold at Rs 3,780. Duplicate basmati was at Rs 3,000.

Around 1.27 lakh bags of paddy varieties arrived. Around 90,000 bags of PR arrived and sold at Rs 1,080-1,180.

## Mixed trend in soyabean futures

Our Correspondent



Indore, Oct. 24:

Soyabean arrivals in State mandis declined in the past few days to 1 lakh bags from 5 lakh on expectation of higher prices. Many mandis remained closed on Monday for *Dhanteras*.

Soyabean sold at Rs 2,080-2,150 a quintal on average in the mandis. In Indore mandis, soyabean was quoted at Rs 2,070-2,140, with about 8,000 bags being offloaded in local mandis. Mandis in Ujjain, Dewas and Barnagar remained closed ahead of Diwali.

With a marginal improvement in foreign markets, soyabean futures on the National Commodity and Derivatives Exchange (NCDEX) rose, with the November contract closing Rs 4.50 higher at Rs 2,204.50 a quintal. The December contract, on the other hand, lost Rs 4 at Rs 2,231 a quintal on the exchange because of weak buying support.

Plant deliveries of soyabean sold at Rs 2,180-2,220 a quintal. According to trade sources, soyabean prices are unlikely to witness a bearish sentiment in near future as there is enough ready demand. Soya de-oiled cake gained marginally on improved demand, quoting at Rs 17,300 a quintal in the Kandla port against Rs 15,800 in the local market.

Soya oil rose a little on improved demand in the local market ahead of Diwali. In the ready market soya refined soyl at Rs 610-611 for 10 kg, while it fetched Rs 605-607 for 10 kg in the forward market. Soya refined for November delivery on the National Board of Trade closed Rs 1.40 up at Rs 617 for 10 kg (Rs 612-614.10). On the NCEDX, soya oil for November delivery was up Rs 1.20 at Rs 616.30, while for December declined by Rs 3.05 at Rs 614.95 on weak buying support.

(This article was published in the Business Line print edition dated October 25, 2011)

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## Sugar sparkles on Diwali demand

Our Correspondent



Mumbai, Oct. 24:

Sugar prices extended last week's gain by Rs 10-15 a quintal in the physical market on higher retail demand for Diwali and tracking firm mill tender rates.

Mill tender rates improved by Rs 10-30, according to quality, as stockists bought towards the close of trade. Higher producer's rates pushed up naka rates by Rs 20-30 on limited selling in the resale market. Volumes rose in the physical market, said traders.

A spokesman of the Bombay Sugar Merchants Association said arrivals and local dispatches improved as there will not be any new arrivals and dispatches on Wednesday, Thursday and Friday. Wholesale sugar merchants will decide *muhurat's* naka rates on Wednesday evening, which will prevail for the next three days. The market will be closed on Friday for *Bhau-Bij* festival.

Retailers were active buyers, while bulk consumers kept away as they have already covered stocks. A market expert said sugar prices have gone up by Rs 100 this month in the Vashi market, despite a sufficient quota of 17.5 lakh tonnes this month. Arrivals in the Vashi market were higher at 60-62 truckloads, while local dispatches were at 58-60 truckloads. On Saturday, about 12-14 mills offered tenders and sold about 55,000-60,000 bags to local traders at Rs 2,730-2,810 (Rs 2,700-2,800) for S-grade and at Rs 2,840-2,960 (Rs 2,800 -2,950) for M-grade.

**Bombay Sugar Merchants Association's spot rates:** S-grade — Rs 2,846-2,921 (Rs 2,836-2,911); M-grade — Rs 2,941-3,091 (Rs 2,936-3,091).

**Naka delivery rates:** S-grade — Rs 2,800-2,870 (Rs 2,800-2,850); M-grade — Rs 2,930-3,060 (Rs 2,900-3,050).

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## Turmeric dips on heavy inflows

Our Correspondent



Erode, Oct. 24:

Spot turmeric prices decreased by Rs 200-500 a quintal on Monday.

“Because of the three-day Diwali holidays , farmers brought more than 17,000 bags of turmeric on Monday. Due to such heavy arrivals, the prices declined by Rs 200 a quintal. However, since good quality hybrid variety arrived for sale, those traders who quoted Rs 200 a quintal higher for the commodity purchased the produce. Still, farmers have retained more than 10 lakh bags of turmeric, and intend to bring them to the market”, said Mr R.K.V. Ravishankar, President, Erode Turmeric Merchants Association.

He said turmeric futures decreased by Rs 150 a quintal. This was reflected in the local market and traders quoted a lower price. Further, no new orders were received by traders from North India, so sales were about 45 percent of the arrivals. Due to poor sales, farmers were frustrated, he said.

Mr Ravishankar said turmeric prices decreased by Rs 500 a quintal at the the Erode Cooperative Marketing Society. At the Regulated Marketing Committee, sales were lower and the price declined by Rs 300 a quintal.

Over the past one week, turmeric prices have fluctuated between Rs 4,500 and Rs 5,500 a quintal, and it may move in this band for another month. If heavy arrivals are seen , then prices may decrease sharply.

At the Erode Turmeric Merchants Association sales yard, the finger variety was sold at Rs 3,894-5,486 a quintal and the root variety at Rs 3,509-4,859 a quintal.

**Salem crop:** The finger variety fetched Rs 5,111-5,710 and the root variety Rs 4,861-5,200. Out of 3,915 bags that arrived, 806 were sold.

At the Gobichettipalayam Agricultural Cooperative Marketing Society, the finger variety was sold at Rs 4,452-5,359 and the root variety at Rs 3,569-4,810. Out of 388 bags kept ready for sale, 346 were sold.

At the Erode Cooperative Marketing Society, the finger variety was sold at Rs 4,111-5,106 and the root variety at Rs 4,204-4,999. Of the 1,722 bags that arrived, 1,339 were sold.

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