

Published: January 10, 2012 00:00 IST | Updated: January 10, 2012 04:20 IST

Karshakasree award for woman farmer

Staff Reporter

Karshakasree award, instituted by the Malayala Manorama group, has gone to Kunjumol Jose of Idukki. This is the first time that the decade-old biennial award had gone to a woman farmer, said Jacob Mathew, executive editor, *Malayala Manorama*.

Ms. Jose, a widow, undaunted by the tragedy in her life, had turned her 10-acre plot into a rich farm where she cultivated coconut, vegetables, paddy, and spices. She also raised cows, goat, buffalo, poultry, and fish in her farm.

The farm had an excellent water management system and a marketing system in a remote high range village.

R.T. Ravi Varma, editor in charge of the *Karshakasree* magazine, said her greatest strength was her success in ensuring a band of faithful farmhands to work for her.

The award carrying a purse of Rs.2 lakh, medallion, and citation will be presented at a function on February 25 at Alappuzha, Mr. Mathew said.

Ms. Jose was selected by a committee chaired by agriculture scientist M.S. Swaminathan.

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Sugarcane harvest begins

S. Ramesh



Harvesting of sugarcane for Pongal festival began in many parts of Erode. —PHOTO: M. GOVARTHAN

With only a few days left for the Pongal festival, the farming community in the district has begun harvesting sugarcane (chewing cane), an indispensable part of the harvest festival, and transporting produce to markets.

Sugarcane symbolises sweetness and happiness. It is placed along with turmeric, pots of rice and other essentials during the Pongal celebrations. In Erode district, chewing cane is cultivated in Gobichettipalayam, TN Palayam, Sathyamangalam, Bhavanisagar, Kavunthapadi, Kodumudi and a few other blocks.

“Chewing cane normally fetches a good price. So, we cultivate the crop in a portion of our land every year along with other crops,” S. Manoharan, a farmer, says.

Apart from catering to the local demand, farmers in the district also sell the cane in bulk quantities to traders in neighbouring Tirupur, Coimbatore, Salem and Namakkal districts. A few farmers also send the sugarcane to markets in other States including Gujarat, Andhra Pradesh and Karnataka. “But a majority of the demand arises from the markets within the State,” farmers say.

Unlike the previous year, this time the chewing cane is likely to cost more. A bundle of 20 canes was sold at Rs. 150 to Rs. 170 the last year. This time, the price will be Rs. 220 or more depending upon the demand. The price may go beyond Rs. 250 during the Pongal days, farmers point out.

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Egg rate drops further

The National Egg Coordination Committee (NECC), Namakkal zone, fixed the wholesale price of egg at Rs. 2.95, a drop by 10 paise from its previous price of Rs. 3.05.

Decision

This decision was taken at the last rate fixation meeting of the NECC's Rate Fixation committee on Monday on the eve of the zonal election on Tuesday.

On Saturday, the price was Rs. 3.05. NECC sources said that the price had to be dropped to keep pace with the drop of price in other NECC zones across the country.

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Holistic development of agriculture planned

R. Vimal Kumar

The Department of Agriculture along with other departments is all set to bring out a Strategic Research and Extension Plan (SREP) document for Tirupur to accelerate holistic development of agriculture and allied activities including sericulture and fisheries during 12th Five Year plan period.

“The document will be a demand driven, situation specific and multi-oriented approach paper to the Plan period that not only highlights the development projects but also give a description of the path by which schemes need to traverse so that value-addition could be given to farming activities and enhance overall agriculture growth,” Joint Director of Agriculture (in-charge) P. Santhanakrishnan told *The Hindu* .

According to him, sketches of projects to an outlay of Rs. 137 lakhs will be incorporated into the document for implementation in the first year so as to provide a platform to leapfrog subsequent developments.

Bringing out of the document will be helping the implementing agencies including various departments and district administration to understand problems and opportunities in different farming systems and facilitate long-term strategic planning for concerted agricultural development even in the most backward of all blocks in the district.

For incorporating location specific planning in the document, agro-eco-situation (AES) teams are to be constituted with representation of different stakeholders so that a participatory approach could be adopted in collection of primary data from the farmers.

“This plan paper, thus, is going to strengthen the research- extension-farmer linkage that was essential for the empowerment of the farming community as a whole,” Mr. Santhanakrishnan pointed out.

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- *To help implementing agencies*
 - *Participatory approach adopted*
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'Mango pulp cartels trying to take farmers for a ride'

Special Correspondent

Leaders of the Chittoor district unit of the Andhra Pradesh Rythu Sanghala Samakhya have expressed their deep anguish over the mango pulp traders in the district allegedly forming into 'cartels' ahead of the mango season which is round the corner and trying take farmers for a ride.

The State president of the federation, G.V. Jayachandra Chwodary, and the district president, Mangati Gopal Reddy, along with others leaders, at a press conference on Monday, alleged that at the instance of the 'Delhi-based' pulp traders, the mango pulp industries operating in Chittoor, which is one of the largest mango producing districts in the State and in the country, had formed themselves into a 'syndicate' to refuse paying more than Rs.4 a kg of mango, especially to the 'thothapuri' variety grown on 75,000 acres in the district — exactly 50 per cent of its total area under mango cultivation.

They also recalled how even the Collector's intervention last season at the instance of the distressed farmers failed to rein in the 'mango syndicate'. They alleged that though the Collector, after negotiations with the pulp unit owners, had fixed a rate of Rs.5 to 7 per kg of 'thothapuri variety', the units ultimately paid them only Rs.3 to Rs.5 per kg plunging the farmers into deep crisis.

Apprehending a similar situation this season too, the federation leaders urged the government to fix a minimum price of Rs.10 for the 'thothapuri' variety. They also suggested market

intervention by the government through its MARKFED, to break the 'syndicates' and ensure MSP to farmers for their produce.

Farmer leaders urge government to fix Rs. 10 a kg for the 'thothapuri' variety of mango

Published: January 10, 2012 00:00 IST | Updated: January 10, 2012 04:02 IST

Mettur level

The water level in the Mettur dam stood at 98.29 feet on Monday against its full level of 120 feet. The inflow was 1,088 cusecs and no discharge.

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THE ECONOMIC TIMES

Commodities

10 JAN, 2012, 02.24AM IST, PK KRISHNAKUMAR,ET BUREAU

Seafood exporters bet big on vannamei shortage

KOCHI: A global shortage of vannamei shrimp may prove advantageous for India as it awaits the second harvest from the farms. Seafood exporters are expecting higher prices for vannamei in the coming weeks from China and the Southeast Asia.

Among frozen shrimps, vannamei has been a significant revenue earner for India in the last couple of years. It is cultivated mainly across 10,000 hectare of farms in Andhra Pradesh.

The last harvest was good. Now, exporters are awaiting the second round of harvest, which they expect to be better. The spread of a disease in the farms of Thailand, Vietnam and Indonesia may raise the demand for Indian vannamei shrimps.

"Our vannamei shrimps are fetching \$7.25 to \$5.50 per kg for head-on varieties, which are good. Indian vannamei is a hit abroad," said KG Lawrence, president of the Kerala unit of Seafood Exporters Association of India. The first harvest was around six months ago.

The official production figure of vannamei in India is about 50,000 tonne, according to an official with the Marine Products Export Development Authority of India. But the production should be

much higher if one considers cultivation on farms which have not been registered with the authority. The last harvest produced around 30,000t of the variety.



Pepper falls 0.33% on sluggish domestic, export demand

Agencies Posted online: Mon Jan 09 2012, 13:30 hrs

New Delhi : Pepper prices fell by 0.33 per cent to Rs 32,000 per quintal in futures trade on Monday as speculators trimmed their positions amid sluggish domestic and export demand, but speculation of lower production limited the losses. At the National Commodity and Derivatives Exchange, pepper for February delivery fell by Rs 105, or 0.33 per cent, to Rs 32,000 per quintal, with an open interest for 1,610 lots. In a similar fashion, the spice for delivery in January shed Rs 70, or 0.22 per cent, to Rs 31,640 per quintal, with an open interest for 58,896 lots. Analysts attributed the weakness in pepper futures to sluggish domestic and export demand, but said reports of lower output estimates restricted the losses.

Coffee prices up on export demand

Agencies Posted online: Mon Jan 09 2012, 14:04 hrs



Mumbai : Aggressive buying from exporters raised the prices of coffee from India's new season crop in last week's auction held on Thursday , auctioneer J Thomas & Co said in a statement. Arabica plantation A, AA and B grade received support from the exporters and the prices were higher by 200 to 250 rupees per 50 kg when compared to the previous sale, the statement released on Friday said.

Other grades of coffee such as PB and C remained unsold as sellers were demanding higher prices buyers were not willing to pay, it said.

Only 78,000 kg was sold out of the total 205,864 kg offered for sale.

Coffee exports from India fell 10.1 per cent to 58,115 tonnes in the first three months to December of the coffee year, according to information available on the state-run Coffee Board's website.

India, the world's fifth biggest producer, accounts for less than 4.5 percent of the world's coffee, but exports 70-80 per cent of its output. Italy, Russia and Germany are the top buyers of Indian coffee.

Gram dal, sugar prices rise; wheat declines

Agencies Posted online: Mon Jan 09 2012, 13:48 hrs



Chennai : Prices of gram dal and sugar moved up, while wheat rates declined in the wholesale foodgrains market here today, even as other commodity rates held steady.

Gram dal prices increased by Rs 50 to Rs 4,200 per quintal from their previous close of Rs 4,150, while sugar gained Rs 20 to Rs 2,920 per quintal from the previous rate of Rs 2,900.

However, wheat lost Rs 50 to Rs 1,750 per quintal from Rs 1,800 traded last week.

The following are the wholesale rates of various agri-commodities today (in rupees per quintal, except where stated otherwise): Tur Dal Rs 6,700, Urad Dal Rs 5,600, Moong Dal Rs 6,400, Gram Dal Rs 4,200, Sugar Rs 2,920, Wheat Rs 1,750, Maida (90 kg) Rs 1,550, Sooji (90 kg) Rs 1,850.

Chilli futures shed 3.66% on subdued demand

Posted: Mon Jan 09 2012, 13:40 hrs **New Delhi:**

Chilli prices declined by 3.66 per cent to Rs 5,692 per quintal in futures trade today as speculators offloaded their positions amid a weak trend in the spot market due to subdued demand.

At the National Commodity and Derivatives Exchange, chilli for delivery in April fell by Rs 216, or 3.66 per cent, to Rs 5,692 per quintal, with an open interest for 605 lots.

In a similar fashion, the spice for February contract delivery lost Rs 210, or 3.29 per cent, to Rs 6,170 per quintal, with an open interest for 2,845 lots.

Market analysts said offloading of positions by speculators in tandem with subdued demand in the spot market mainly pulled down chilli prices in futures trade.



Brouhaha over Bt brinjal nothing but political: Herring

TUESDAY, 10 JANUARY 2012 00:23

PNS | BHUBANESHWAR

Globally renowned social scientist, Ronald Herring, who is acclaimed the world over for his extensive and enlightening study on agriculture in South Asian countries including India, termed the brouhaha over Bt brinjal as nothing less than a political ‘tamasha’ and vehemently urged the stakeholders to respond more compassionately to the needs for food security in the country.

Professor Herring was here in the city as one of the key speakers at the just concluded 99th Indian Science Congress at the KIIT University.

In an exclusive interview to *The Pioneer*, Professor Herring, who has conducted several field studies in the cotton-growing States in the country, dismissed association of farmers’ suicide with Bt cotton as overly simplistic and bordering on triviality.

“We have seen in India how farmers have been benefited by Bt cotton crops. There is no evidence which says that farmers commit suicide due to failure of Bt cotton crops,” said Herring.

According to him, Bt cotton created a total additional value of Rs 31,500 crore for the farmers during 2002-09. Between 2002 and 2008, India's cotton production more than doubled (now 312 lakh bales in 2010-11 vs 136 lakh bales in 2002-03) as 60 lakh farmers are recurrently planting high-yielding hybrid cotton seeds with insect-protection Bt cotton technologies on over 90 per cent of cotton acres, and experiencing significant insecticide use reduction, yield gains (cotton productivity up 57%; 475 kg/ha in 2010-11 vs 302 kg/ha in 2002-03) and increase in income.

Within seven years of introduction of Bt cotton (2002-08), Indian cotton farmers made India world's second largest producer and second largest exporter ahead of the USA. Praising the remarkable progress made by the nine Bt cotton-growing States in last one decade, Professor Herring said on the basis of his imperial finding that farmers – poor, small and resourced - have immensely gained in terms of social and economic empowerment.

Professor Herring said farmers are careful observers and they discuss a lot before buying a certain variety of seed. Allaying fears of adverse effect of Bt cotton on human or animal health or environment, he said, "There is a compelling need for mass awareness on agriculture biotechnology in the country." He pointed out that there have been several studies on the bio-safety of Bt cotton and it is proved that cry protein in Bt cotton showed no toxic effect on other organisms except the bollworms.

"By embracing Bt cotton technologies, 60 lakh cotton farmers have helped reduce insecticide usage (active ingredient) by 20,000 metric tons annually, reducing agriculture's impact on the environment and saving billions of litres of water from lesser spraying," Prof Herring said.

Expedite plantation works, Agri Dept told

TUESDAY, 10 JANUARY 2012 00:13

PNS | BHUBANESWAR

The State Government on Monday asked the Agriculture Department authorities to expedite the implementation of the 'Plantation Club Scheme' and take up afforestation programmes.

Talking to newsmen after a review meeting of the State Agriculture Department, Chief Secretary Bijay Patnaik said the five-year-long Plantation Club Scheme being implemented under the Horticulture Mission is giving the much-needed boost to plantation of fruit bearing trees and fruit production. Besides, he said steps are being taken to extend the activities of the scheme to create awareness for production of dal seeds.

Patnaik informed by the end of December last, 60 per cent of the total budgetary allocation and plan funds of Agriculture

Department had been spent. However, the department authorities have been asked to spend the remaining amount of the allocated funds by March 15 next and submit the utilisation certificate to the Center.

During the review, it was found that the expenditure under the Prime Minister's 15-point programme stood at 60 per cent of the allocated fund. The Central Government had provided grant to the tune of Rs 46 crore during the current financial year under the scheme.

Business Standard

Tuesday, Jan 10, 2012

Onion auctions take a hit in Nashik APMCs

Press Trust Of India / Mumbai/ Nashik January 10, 2012, 0:30 IST

Onion auctions at 15 Agriculture Produce Market Committees (APMCs), including Lasalgaon and Pimpalgaon Baswant here came to a halt on Monday following boycott on onion-purchase by traders, protesting notices by the district administration to pay levy dues of Rs 8.5 crore.

Sohanlal Bhandari, president of Nashik District Onion Traders Association, said that the boycott on purchase of onions is for a indefinite period, beginning on Monday. The levy issue between 'mathadi' workers and traders is quite old and is presently sub judice, he said. Two days back, the Nashik District Collector P Velrasu had issued notices to the onion traders asking them to pay the levy dues to mathadi workers, which run into Rs 8.5 crore.

According to Bhandari, in the notice, the Collector warned the traders that if they failed to pay the dues to the mathadi workers, their bank accounts would be frozen. Bhandari said traders are meeting State Agriculture and Marketing minister in Mumbai on Monday to solve the issue. Farmers, who were facing losses since past month following marginal drop in onion prices, were further hit following traders decision not to purchase or participate in onion auctions.

Rice exports likely to surge on bumper output

Bloomberg / New Delhi January 10, 2012, 0:06 IST

Rice exports from India, the world's second-largest producer, may more than double this year on a record crop and as importers seek alternatives to expensive supplies from Thailand, a shippers' group said.



Shipments, including aromatic basmati rice, may total six million tonnes (mt) in the year ending March 31, compared with 2.2 mt a year earlier, said Vijay Setia, president of the All India Rice Exporters' Association. Traders have exported more than 1.8 mt of non-basmati rice since India ended a three-year ban in September, he said.

Rising Indian exports may weigh on futures, which posted the first annual gain in three years in Chicago in 2011, and fill a shortfall in supplies from Thailand. Cheaper rice, staple for half the world's population, may further cool global food prices, which dropped for a fifth month in November, according to the United Nations.

"Higher exports from India are pulling global prices lower," Setia said. "India needs to ship value-added rice to get better prices." Global rice harvest is forecast to rise three per cent to 480.4 mt in 2011, the United Nations' Food and Agriculture Organization said December 8. Rice futures in Chicago gained four per cent last year after Thailand, the largest exporter, started a state rice-buying policy at guaranteed prices in October.

Thai exports

Thailand's rice exports may drop to nine mt in 2012 from an estimated 10 million tonnes a year earlier as the government's purchase boosts prices, Deputy Commerce Minister Poom Sarapon said December 23.

India won't curb shipments as domestic stockpiles are comfortable, Food Minister K V Thomas said last week. State inventories climbed 16 per cent to 29.7 mt as of January 1 from a year earlier, the Food Corp. of India said on January 6. "India will not think of a ban until it fears that local prices are going to increase," Ajay Jain, assistant vice president at Almondz Commodities Ltd, said in by phone in New Delhi. "The rice crop is good in India and other countries and the global prices may remain stable."

Rough-rice futures for March delivery advanced as much as 0.7 per cent to \$14.785 per 100 pounds on the Chicago Board of Trade on Monday and was at \$14.705 at 9:26 am in Mumbai.

Shares gain

KRBL Ltd, India's largest exporter, led shares of shippers higher in Mumbai trading. KRBL gained 8.8 per cent to Rs 16.15, Kohinoor Foods Ltd surged as much as 5.6 per cent to Rs 34.05, while LT Foods Ltd climbed 5.9 per cent to Rs 42.

Indian traders have contracted to ship 2.24 mt of basmati rice in the nine months through December 31, more than the 2.16mt a year ago, Setia said. The contracts may rise to 3.5 mt for the full-year, while actual shipments may be 2.5 mt, he said. Shipments fetched an average \$968 a tonne in 2011 as against \$1,110 a tonne a year earlier, he said.

Cardamom futures up 0.72% on spot demand

Press Trust of India / New Delhi January 09, 2012, 13:27 IST



Cardamom prices rose by Rs 4.60 to Rs 645 per kg in the futures market today on the back of a pick-up in demand in the spot market and lower arrivals from producing regions. At the Multi Commodity Exchange, March cardamom moved up by Rs 4.60, or 0.72%, to Rs 645 per kg, with an open interest for 149 lots. The January contract edged up by Rs 2.10, or 0.36%, to Rs 589.10 per kg in 1,220 lots. Market analysts attributed the rise in cardamom futures prices to a pick-up in demand in the spot market and limited arrivals from producing regions.

Sugar stocks up on decontrol buzz experts for caution

Dilip Kumar Jha & Ashok Divase / Mumbai January 10, 2012, 0:56 IST

Shares of sugar companies shot up by 14 per cent in the stock market on Monday, amid buzz of a partial decontrol of this sector, an old demand of the industry.

Sakthi Sugars jumped 14.4 per cent to close at Rs 24.60. Rana Sugars, Dwarikesh Sugar and Triveni Engineering surged 12.25 per cent, nine per cent and 7.5 per cent, respectively. Industry leaders Shree Renuka Sugars and Bajaj Hindusthan recorded a jump of 7.3 per cent and 6.4 per cent, respectively.

	BSE price (₹)			
	Jan 7	Jan 9	% change	
Sakthi Sugars	21.50	24.60	14.42	
Sir Shadi Lal	42.50	48.00	12.94	
Dharani Sugars	20.50	23.00	12.20	
Parrys Sugar	86.00	94.50	9.88	
Dwarikesh Sugar	34.40	37.50	9.01	
Kesar Enterprises	40.00	43.00	7.50	
Triveni Engineering	14.01	15.06	7.49	
Shree Renuka Sugars	26.55	28.50	7.34	
Bajaj Hind	26.50	28.20	6.42	
Thiru Arooran Sugars	71.00	75.50	6.34	
KCP Sugar & Inds	14.19	15.03	5.92	
Andhra Sugars	108.90	115.00	5.60	

Data compiled by BS Research Bureau

“Our meeting with finance minister Pranab Mukherjee was scheduled for tomorrow and is now happening on January 16,” said Abinash Verma, director-general of the Indian Sugar Mills Association (Isma), without specifying the agenda.

Union food minister K V Thomas had, late last month, said the government would consider the demand for partial decontrol after the Parliament session got over. He’d also assured the industry of allowing an increase in exports of the sweetener at an “appropriate time”. In November, the government allowed a million tonnes of additional export under Open General Licence.

The decontrol demand includes a scrapping of the levy quota system under which the industry mandatory supplies a tenth of mills’ output at half the production cost, for the ration shop system. The loss to the industry is estimated at Rs 3,000 crore in a year.

“We would suggest our investors wait for a full-fledged policy decision from the government before making any investment decision in the sector,” said Girish Jain, executive director of KJMC Capital.

According to a report by Angel Broking, a favourable decision on export would help sugar mills take advantage of competitive global prices and offset a rise in input costs. Further, exports would help reduce mills’ inventory, the cost of carrying extra sugar and check the chances of distress sale, beside improving cash flows of mills, helping these make timely payment to farmers during the crushing season.

The government says it is trying to create a consensus among a large number of stakeholders — farmers, mills, states and consumers — on decontrol and removal of the levy quota. The industry also wants scrapping of the system under which the government decides when mills will release supply into the market and by how much.

Sugar refineries cut capacity in wake of high supply, sliding price

Dilip Kumar Jha / Mumbai January 10, 2012, 0:13 IST

Domestic sugar refineries are operating at markedly less capacity than is usual for this time of the year, owing to excess supply.

High output this year and substantial carryover stock from last year have hit domestic prices. “Raw sugar of domestic origin is currently \$60 a tonne cheaper than imported ones. Hence, it makes sense to stockpile raw sugar now for converting into refined sugar during the lean season. Our refineries are, therefore, operating at 50 per cent of installed capacity,” said Narendra Murkumbi, managing director of Shree Renuka Sugars and ex-president of the Indian Sugar Mills Association (Isma).

During the crushing season, refineries generally operate at 70-75 per cent of their capacity. Generally, they build their stock of raw sugar during the six-month crushing season beginning October-November, to process during the rest of the year. The stockpile is built through local buying and import.

The landed cost of raw sugar at Indian ports is \$580 a tonne against the domestic origin product price of \$520 a tonne. Smaller refineries are producing refined sugar by procuring raw sugar from domestic mills.

Sugar output has risen 17 per cent to 7.6 million tonnes in the current season up to December 31, as compared to 6.5 mt around the same time last year. The major increase has come from Maharashtra, Uttar Pradesh and Karnataka, the three largest producers. The rise in UP is of 500,000 tonnes, in Maharashtra of 300,000 tonnes and in Karnataka of 200,000 tonnes, shows Isma data. The number of sugar factories crushing as on December 31 was 503 in comparison to 490 on the same date last year.

“For converting raw into white sugar, the price has to be competitive. Hence, it makes sense to hold stocks at the current domestic price, today at the lowest in the world. Once the price stabilises or starts improving, refineries would enhance operating capacity,” an expert said.

A recent report from Angel Broking estimated a 16.4 per cent increase in carryover stock at 6.06 mt in the beginning of the 2011-12 season as compared to 5.2 mt in the previous season. With an estimated total production during the current season at 26 mt, overall supply is estimated to be 32 mt during the current season, as against 22.5 mt of consumption.

NCDEX launches rubber futures

George Joseph / Kochi January 10, 2012, 0:11 IST

The National Commodity & Derivatives Exchange Limited (NCDEX) launched its rubber futures (RSS-4 grade) contract with modified specifications on Monday. With the contract size of 1 million tonnes (mt), tick size of Rs 10 and the delivery unit of 1 mt, it is a compulsory delivery contract. The main delivery centre is Kochi and additional delivery centres are located at Kozhikode, Kottayam, Trissur, Manjeri and Palakkad.

The widening demand-supply gap in the international market makes price risk management very important for the value chain participants. The NCDEX rubber futures contracts have been designed to benefit the value chain participants, while providing them a single platform for price discovery and risk management.

An important feature of the contract is that it provides an early delivery system. "NCDEX has the most successful and proven delivery system, facilitating delivery through its accredited Warehouse Service Providers, offering reduced charges," said H C Rameshchand, executive vice-president. Additionally, these warehouse receipts are negotiable instruments, which can be used for financing from banks. The exchange is also working on other alternate modes of settlements for delivery to facilitate physical deliveries with least cost, he added.

THE HINDU Business Line

Prices firm at Kochi tea auctions

Our Bureau

Kochi, Jan. 9:

Despite good arrivals at dust and leaf tea auctions in Kochi, prices continued to rule firm. There were 12,06,500 kg of dust and 3,13,000 kg of leaf tea on offer at the auction. All-round demand was reported for good liquoring teas and the prices remained firm to dearer.

Most teas at the CTC dust auction remained firm, while some witnessed irregular upward surges. Good liquoring grades were absorbed by AVT, Hindustan Unilever, Tata Global, Kerala State Civil Supplies Corporation and loose tea traders. Exporters operated on grainier grades at lower levels. Upcountry buyers lent fair amount of support. Primary grades remained dearer at the orthodox dust auction while others remained irregular. Bulk of the quantity was absorbed by exporters.

Leaf Auction

All varieties of good Nilgiri teas appreciated in value while other grades were irregular at the orthodox leaf auction. Medium whole leaf, bolder broken and tippy grades also appreciated in value. Fannings remained firm to dearer. Prices of some orthodox leaf grades eased at the auction and there were some withdrawals.

Exporters to traditional destinations like CIS countries were active while exporters to Tunisia confined their operations to medium and plain grades. HUL was active at the orthodox leaf auction. Prices at the CTC leaf auction remained firm to dearer. Tata Global and HUL lent fair amount of support.

(This article was published in the Business Line print edition dated January 10, 2012)

Weather holds the key to chana crop prospects

Lower Canadian crop may drive up yellow peas



Rabi worries: Mr Pravin Dongre (right), President, India Pulses and Grains Association, and Mr Bimal Kothari, Vice-President, at a press conference, in Chennai. — Bijoy Ghosh

Chennai, Jan. 9:

Rain holds key to gram (chana) crop, while yellow peas could come under stress from February onwards due to a lower crop in Canada.

“If there is no rainfall in the next week or so in growing areas of Rajasthan, chana output could drop by 20 per cent. Last year, Rajasthan helped in a higher production of chana,” said Mr Pravin Dongre, President of India Pulses and Grains Association.

Mr Dongre and other officials of the association were here in connection with the Global Pulses Conclave 2012 to be held in Mumbai during February 15-17. The conclave, first of its kind, will focus on government policies, global market, supply outlook and plant quarantine issues. The highlight will be a price outlook session.

In the 2010-11 season that ended in June, chana production was estimated at 7.37 million tonnes.

“This year, we have already lost 40 per cent of the area in Karnataka and Andhra Pradesh due to moisture stress. Also, some farmers have shifted to chickpea (Kabuli chana),” said Mr Dongre.

Lesser area

According to the Ministry of Agriculture, chana has been sown on 85.78 lakh hectares against 89.69 lakh hectares last year. This has led to prices of chana, the major pulses crop in the rabi season, increase from Rs 2,975 a quintal on December 1 to Rs 3,390 now.

“Despite the rise, chana is the cheapest pulse in processed form. But in the next 2-3 months, the increase could be reflected in chana dal,” he said.

Stock of yellow peas in the country is high at 4.5 lakh tonnes. But a drop of one million tonnes in Canadian production could put stress and after February, the market could look up, Mr Dongre said.

Last year, yellow peas had hurt importers badly. While prices fell, importers were hurt by depreciation in the rupee.

PUSLES EXPORT

Meanwhile, the association has urged the Centre to allow export of pulses besides resuming futures trade.

“The Government should allow export since prices are low. Farmers, traders and processors are all affected,” he said.

The view of the association is that the Government should allow export of at least 50 per cent of pulses imported in value-added form.

“Supplies of pulses are ample,” he said.

The pulses market is seen ruling flat until a clear picture emerges on rabi pulses. Weather in the next fortnight holds key to rabi crop's fate. Myanmar, an important source of tur, urad and moong for India, also has sufficient stocks.

On revival of futures trade in urad, tur, Mr Dongre said traders, importers and even farmers should be given an opportunity to hedge risks.

Futures trade should be allowed in other pulses too, he said.

Futures trade

The Centre had banned futures in urad and tur five years ago after their prices sky-rocketed and inflation soared.

“The Abhijit Sen Committee which went into whether futures trading were behind the price rise has submitted a report that found no connection between futures trading and higher inflation.

The futures market serves as a signal of things to follow. Therefore, futures in pulses should be allowed,” Mr Dongre said.

He also regretted that farmers were replacing pulses with other commercial crops. “Pulses have given way to cotton in Maharashtra, Madhya Pradesh and Gujarat. They have also lost out to sugarcane, while in other States they have been replaced by horticultural crops,” he said.

“In Madhya Pradesh, farmers prefer wheat over pulses because of assured prices. Pulses farmers should be incentivised,” he said, adding that the Centre should also undertake efforts to promote research and development.

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(This article was published in the Business Line print edition dated January 10, 2012)

Tea prices gain at Coonoor sale

P.S. Sundar

Coonoor, Jan. 9:

The auctions of Coonoor Tea Trade Association for 2012 began on buoyancy with about 89 per cent of the 13.86 lakh kg on offer at the inaugural auction being sold at Rs 3 a kg more than the last auction of 2011.

The market reopened after a fortnight closure for Christmas-New Year celebrations.

“Our broken orange pekoe, auctioned by Global Tea Brokers, topped not only the leaf market but the CTC auction as a whole when Tulsi Trading bought it for Rs 155 a kg,” Mr Prashant Menon, Managing Partner, Homedale Tea Factory, told *Business Line*.

“Our Red Dust topped CTC dust market at Rs 150,” Mr Dinesh Raju, Managing Partner, Darmona Tea Industry, said.

Vigneshwar Estate got Rs 153, Kannavarai Estate Rs 148 and Hittakkal Estate Rs 147. In all, 93 marks got Rs 100 and more.

Among orthodox teas from corporate sector, Curzon got Rs 215, Chamraj Rs 181, Havukal Rs 172, Kairbetta Rs 166, Highfield Estate Rs 157 and Prammas Rs 155. In all, 30 marks got Rs 100 and more.

On the export front, Pakistan bought in wide range – Rs 57-79 a kg and the CIS Rs 50-65.

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Export demand keeps cardamom unchanged despite higher arrivals

G.K. NAIR

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Kochi, Jan. 9:

Cardamom prices were mostly unchanged despite heavy arrivals at auctions last week on orders from exporters and dealers from other States.

Growers and primary market dealers released around 650 tonnes of the 1,500-2,000 tonnes that had stacked up after agitations related to the Mullaperiyar Dam issue disrupted trading for about a month, market sources told *Business Line*.

Besides, many sold to meet the expenses for the coming *Pongal* festival. Sources said overseas buyers bought from Indian markets as good quality aromatic cardamom was available at attractive prices. Exporters bought about 250 tonnes last week, they said. Buyers from industries, including spices, also purchased in the local market, they said.

Shortage of quality produce from other sources also pushed up export buying, they said. Less than 10 tonnes were withdrawn.

Record sales

At auctions held by The Kerala Cardamom Processing And Marketing Company on Sunday, 140.2 tonnes of cardamom arrived and the entire quantity was sold out, Mr P.C. Punnoose, General Manager of the company, told *Business Line*. He said, "It was for the first time in the e-auction history that over 140 tonnes of cardamom were sold at an auction in a single day."

The maximum price fetched was Rs 679.50 a kg and the auction average was Rs 493 a kg (Rs 510), he said.

Last week, the individual auction average price was vacillating between Rs 490 and Rs 530.

While 9,232 tonnes arrived on Sunday (about 6,635 tonnes on January 8 last year), 8,972 tonnes were sold (around 6,585 tonnes on January 8 last year).

Weighted average price on Sunday was about Rs 565 a kg (around Rs 1,070 January 8 last year), auction sources said. Prices of graded varieties in Bodinayakannur on January 9 in Rs a kg: AGEB — Rs 625-650; AGB — Rs 550-570; AGS — Rs 530-550; AGS-1 — Rs 500-510.

Good colour 8-mm bold capsules fetched Rs 775-800 a kg while good bulk was sold at Rs 580 a kg.

Average, medium and rejection bulk were sold at Rs 520, Rs 480 and Rs 380 a kg respectively, a Bodinayakannur-based dealer told *Business Line*.

The weather continued to be favourable and growing areas received some light showers last weekend, sources said.

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Raw cashewnut market goes into a shell

G.K. Nair

Kochi, Jan. 9:

Last fortnight, cashew prices slipped by 7 to 8 per cent as only a smaller volume was traded.

Buyers were picking up only low offers and were hesitant to pay higher rates, which most processors were asking for, according to market sources.

There was a difference of over 15 cents a pound between the highest and lowest offers.

Current levels are from \$3.65 to \$3.80 for W240, \$3.40 to \$3.60 for W320, \$3.30 to \$3.45 for W450/SW, \$2.50 to \$2.70 for Splits and Butts, \$2.40 to \$2.50 an lb for Pieces.

The domestic market and Chinese demand in Vietnam were also low key for quite some time. However, people expect Indian demand to pick up from January-end as the major consuming centres bought only very little for the past three months, Mr Pankaj N Sampat, a Mumbai-based dealer told *Business Line*.

The Raw Cashew Nuts (RCN) market appears to be dead, he said. There have been no sales in the Tanzania auctions for more than a month. Hardly a third of the crop has moved. Brazil is harvesting a normal crop. West African RCN stocks in India and Vietnam are moving slowly.

The Northern crops will start in March with an overhang of supplies from the 2011 crop and unless kernel demand picks up, sheller interest at the beginning of the season will be low, he said. In fact, both the kernel and RCN market are totally sluggish.

Roller-coaster ride

The Cashew market has been on a real roller-coaster ride in 2011 with price for the benchmark W320 moving up from \$3.75-\$3.85 in Jan 2011 to \$4.65-\$4.75 (fob) in Jul/Aug 2011 and is now back to \$3.80-\$3.90 (fob) in Dec 2011, he said.

Despite this 25 per cent swing in the market, major moves were concentrated in a short period, from May to Oct 2011.

Upward move from \$3.90-\$4.00 to \$4.65-\$4.75 took place in 8 weeks between May and July 2011. Downward move from \$4.65-\$4.70 to \$3.80-\$4.00 took place in 6 weeks from early September to mid-October. In the last quarter of 2011, market has been moving sideways in the \$3.80-\$4.00 range. "We have seen a further drift to \$3.40 to \$3.60 range in the last two weeks", he said.

Lower offtake last year is causing concern over prospects of demand in 2012.

The mess in the financial markets is adding to the uncertainty over demand prospects.

According to Mr Pankaj, there are some important facts/factors needed to be kept in mind, viz., that supply position is comfortable and will continue to be like that unless there are major problems in the northern Crops (harvested between March and July) which contribute over 70 per cent of the world production; Economic situations in Europe and US need to be watched closely.

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Turmeric traders boycott regulated market sale

Our Correspondent

Erode, Jan. 9:

Traders boycotted turmeric auctions at the Regulated Marketing Committee on Monday following a controversy over rules governing bids placed by traders.

Two days ago, the regulated market committee sent a note to the Turmeric Merchants Association stating that a bid placed by a trader it cannot be changed by anyone. It also said that the bidder will have to buy if the bid is the highest.

Traders objected to the note and boycotted auctions on Monday. The issue of bid binding on a trader dates back to a controversy that broke two weeks ago.

On December 26, a trader had quoted a wrong lot number to place his bid and when the lot was up for sale, he said he had quoted it by mistake. He urged the official to cancel his bid.

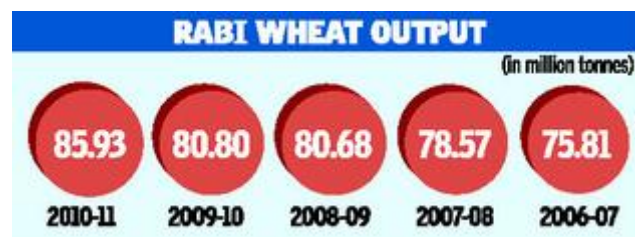
But the Committee officials refused to cancel it. It led to a standoff and was finally solved after a decision was taken that such pleas would not be entertained again.

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'Wheat output target of 84 m t achievable'

VISHWANATH KULKARNI

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New Delhi, Jan. 9:

Aided by a drop in temperature and scattered rains across Northern States, the country may achieve the targeted wheat output of 84 million tonnes (mt) for 2011-12, according to the Directorate of Wheat Research (DWR).

“Overall the crop is in good condition and the Government's target on wheat output is achievable,” said Dr Indu Sharma, Director of the Karnal-based DWR.

Wheat output in 2010-11 stood at an all-time high of 85.95 mt and the Department of Agriculture is targeting an output of 84 mt for the current year.

The recent rain and hailstorm in Punjab and Haryana have not affected the rabi crop. "Rain and lower temperature will help the growth of the crop which is in tillering to jointing stages," Dr Sharma told *Business Line*.

December is when the tillers (stems) are formed and the temperatures have been lower than normal in the previous weeks. "Temperature less than 20 degrees is good for the crop," Dr Sharma said. On the detection of yellow rust disease in northern States, Dr Sharma said it was not alarming as there is no widespread occurrence.

Measures to control the spread of disease are being taken by creating awareness among farmers and the appropriate fungicides are being made available, Dr Sharma said. Wheat sowing in the current rabi season is almost over and the area was up by one per cent to 28.42 million hectares over previous year's 28.34 million hectares.

Sowing is expected to go on till end January in areas where harvest of sugarcane and potato was on. The final area under wheat in 2010-11 was 29.4 million ha.

In the current rabi season, wheat sowing was up by a tenth in Madhya Pradesh at 4.77 million ha , while in Rajasthan it was up 13 per cent at 2.67 million ha.

In Uttar Pradesh, the area under wheat was marginally down at 9.41 million ha, while in Gujarat it was down 16 per cent to 1.01 million ha. vishwa@thehindu.co.in

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Positive global cues buoy soya oil



Indore, Jan. 9:

Improved foreign markets and higher buying at lower prices perked up soya oil marginally on Monday.

In the physical market, soya refined sold at Rs 685-688 for 10 kg (Rs 680-685), though bulk trading happened at Rs 680-685. Tracking stronger Malaysian palm oil futures in the evening, some plants even quoted it at Rs 690 but there were no buyers at this rate. There was some scattered buying at Rs 683-684, too.

Soya solvent also closed a tad higher on scattered buying interest at the lower price and as foreign markets improved. It quoted at Rs 655-660 for 10 kg (Rs 650-655) on the spot and delivery markets.

Buying and improved global markets also perked up soya refined's January contract on the National Board of Trade at Rs 726.50 for 10 kg. Better projections by the Chicago Board of Trade and buying pushed up January and February contracts of soya oil on the National Commodity and Derivatives Exchange (NCDEX) to Rs 728 for 10 kg (up Rs 8.30) and Rs 722.50 (up Rs 8.70) respectively. In the past two days, soya oil prices on the physical and futures markets have dropped by Rs 25-30 for 10 kg.

Soyabean gained on weak arrival and improved buying in the State *mandis* at Rs 2,360-2,420 a quintal (Rs 2,350-2,400). Arrivals declined in Madhya Pradesh to 1.5 lakh bags. In Indore *mandis*, 5,500 bags of soyabean arrived and sold at Rs 2,350-2,410 a quintal. Plant deliveries of soyabean sold at Rs 2,460-2,490 a quintal.

Demand perked up soyabean's January and February contracts on the NCDEX at Rs 2,509 a quintal (up Rs 34) and Rs 2,556-2,550 a quintal (up Rs 44.50). Soya de-oiled cake declined to Rs 18,400 a quintal in the Kandla port on slack export demand.

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Higher than expected arrivals grind turmeric



Erode, Jan. 9:

Spot turmeric prices dropped by Rs 100 a quintal on Monday following higher than expected arrivals and lower sales.

“We expected arrivals of around 10,000 bags but over 12,000 bags arrived, said Mr R.K.V. Ravishankar, President, Erode Turmeric Merchants Association.

About 300 bags of new Mysore Crop arrived for sale. Traders quoted below Rs 3,500 a quintal for the crop. They said they have to clean and dry the crop and then polish it before selling it to buyers in North India. For this, they will incur Rs 500 a quintal. After the processing, the traders will send it to Maharashtra, Kolkata and Delhi where the variety has good demand.

Due to winter, traders in North India did not place fresh orders, so local traders and exporters quoted a lower price. Buyers purchased the spice for local orders received from masala-making firms. For want of good quality hybrid turmeric, traders quoted Rs 250 a quintal less than last week's price. The sale of Salem Hybrid crop was also very thin. Traders said they pared prices quoted for root variety at the Gobichettipalayam Marketing Society for its low quality. At the Erode Turmeric Merchants Association, the finger variety was sold at Rs 3,811-4,725 a quintal, the root variety Rs 3,709-4,479 a quintal.

Salem Crop:The finger variety was sold at Rs 4,234-5,177 a quintal, the root variety Rs 4,066-4,594 a quintal. Totally 2,839 bags of turmeric arrived for sales and 1,002 were sold.

At the Gobichettipalayam Agricultural Cooperative Marketing Society, the finger variety was sold at Rs 3,469-4,816 a quintal, the root variety Rs 2,169-4,364 a quintal.

Out of 220 bags of turmeric kept for sales, only 115 were sold.

At the Erode Cooperative Marketing Society, the finger variety was sold at Rs 3,769-4,799 a quintal, the root variety Rs 3,477-4,499 a quintal. Out of 1,167 bags arrived for sales, 1,073 were sold.

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Lack of buying drags groundnut, sunflower oils



Mumbai, Jan. 9:

The edible oils market witnessed a weak trend on the spot market, while soya oil futures fluctuated during the day, before closing with a minor gain on Monday, tracking stable Malaysian palm oil futures and higher projection for the Chicago soya market.

Groundnut oil, soya refined oil and sunflower expeller refined oil lost Rs 5 for 10 kg each, while rapeseed refined oil declined by Rs 10 for 10 kg. Cotton refined oil rose by Re 1.

FMC Action

Market sources said that strict action taken by Forward Market Commission on guar gum traders led the speculators of edible oil complex away from taking fresh long position and encouraged them to liquidate positions in soya oil.

Merely 80-100 tonnes of palmolein were traded in the resale market. For indigenous oils, higher selling pressure kept buyers at bay.

Resellers quoted palmolein at Rs 605-606. Liberty quoted palmolein at Rs 607-609 and super palmolein at Rs 630. Ruchi quoted palmolein at Rs 603 for February-March.

Malaysian crude palm oil's January contracts settled lower at MYR3,210 (MYR3,216), February at MYR3,220 (MYR3,216), March at MYR3,215 (MYR3,211) and April at MYR3,210 (MYR3,204) a tonne.

Bombay Commodity Exchange spot rates (Rs/10 kg):groundnut oil 1,010 (1,015), soya refined oil 695 (700), sunflower exp. ref. 655 (660), sunflower ref. 730 (730), rapeseed ref. oil 820 (830), rapeseed expeller ref. 790 (800), cotton ref. oil 658 (657) and palmolein 605 (605).

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Chinese offtake seen lifting cotton

Our Correspondent



Rajkot, Jan. 9:

Demand from mills and exporters lifted cotton on Monday by Rs 500 a candy of 356 kg. A drop in ginning has also created a shortage and traders expect Chinese demand to push up prices further, said Mr Jatinbhai, a cotton broker here.

The Sankar-6 variety rose by Rs 500 to Rs 37,300-37,500 a candy. Raw cotton or *kapas* was also up Rs 10-15 at Rs 900-935 for a *maund* of 20 kg.

While about 65,000 bales of 170 kg each arrived in Gujarat, 2 lakh bales arrived in rest of the country. In North India, 33,000 bales arrived. Ready-delivery cotton traded at Rs 3,825-3,865 a quintal in Punjab, at Rs 3,760-3,780 in Haryana and at Rs 3,725-3,775 in Rajasthan.

The *kapas* April contract gained Rs 34.50 at Rs 896.50 *amaund*, with an open interest of 11,399 lots.

Spinners increased buying as their stocks are low and demand for yarn has gone up, traders said.

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Sugar firms up as mills curb sales



Mumbai, Jan. 9:

Sugar prices ruled slightly firm due to limited selling by mills on Monday. On the Vashi wholesale market, spot prices increased by Rs 5 a quintal for S-grade, while M-grade declined by Rs 4 for fine quality. Fair quality sugar ruled unchanged.

Naka rates were higher by Rs 20-30 a quintal on less than expected tender offers by producers on Saturday. Mill tender rates were higher by Rs 30 for fine quality M-grade. The market sentiment was steady. Demand from industrial users was absent said market sources.

A wholesaler said that lethargic conditions were prevailing as prices for fair quality sugar continued to hover around last year levels under selling pressure while arrivals of new season's sugar production is still not as expected. In the absence of any worthwhile moving factors and sufficient stocks against demand prices are under check. Traders said that mills are under slight pressure to finish last month's one lakh tonnes carryover stocks before January 15. Sugar price in other producing centres ruled on a par with Maharashtra and kept neighbouring States buying at bay. After improvement of Rs 5-7 a bag last week, freight rates were steady.

Arrivals at Vashi market were higher at 55-56 truckloads and local dispatches were around 51-52 truckloads. On Saturday, only 5-7 mills offered tender and sold about 45,000 – 50,000 bags in the range of Rs 2,740-2,820 (Rs 2,740-2800) for S-grade and Rs 2,830-2,900 (Rs 2,800-2,900) for M-grade.

Bombay Sugar Merchants Association's spot rates:S-grade Rs 2,891-2,995 (Rs 2,886-3,001) and M-grade Rs 2,981- 3,092 (Rs 2,981-3,096).

Naka delivery rates:S-grade Rs 2,850-2,900(Rs 2,820-2,860) and M - grade Rs 2,940-3,020 (Rs 2,910-3,000).

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Rising demand may keep rice firm in short term

Our Correspondent



Karnal, Jan. 9:

The uptrend in the rice market continued with the prices of aromatic and non-basmati rice varieties moving up by Rs 25-200 a quintal on Monday.

Mr Amit Chandna, proprietor of Hanuman Rice Trading Co, told *Business Line* that the domestic demand of aromatic and non-basmati rice is good at present and market may continue to rule firm around current levels for the next few days.

Overseas demand is also increasing as traders have exported over 1.8 million tonnes of non-basmati rice since September 2011. Exports may touch six-million-tonne-mark, including aromatic rice exports, by the end of the current fiscal.

Prices of Pure Basmati (Raw) increased further by Rs 200 and ruled at Rs 4,900 a quintal, while Pure Basmati (Sela) increased by Rs 100 and sold at Rs 4,100 a quintal.

Prices of Pusa-1121 (steam) went up by Rs 25 and quoted at between Rs 4,150-4,250 a quintal while Pusa-1121 (sela) increased by Rs 175 and was at Rs 3,400-3,550 a quintal. Duplicate Basmati sold at Rs 3,300-3,400 a quintal, Rs 150 up from previous level.

Among the broken, Pusa-1121, Tibar increased by Rs 150 and sold at Rs 3,200-3,250, Dubar went up by Rs 130 and was at Rs 2,700 while Mongra was trading at Rs 2,200 a quintal, Rs 100 up from previous level.

Sharbati (steam) quoted around Rs 2,800- 2,920 while the Sharbati (Sela) was between Rs 2,750-2,810 a quintal.

Prices of Permal (sela) increased by Rs 125 and sold at Rs 1,800-2,150 a quintal, while Permal (Raw) moved up by Rs 75 and quoted at Rs 2,000-2,125 a quintal.

Paddy Arrivals

About 3,700 bags of aromatic paddy varieties arrived at the Karnal Grain Market Terminal.

Around 2,000 bags of Pusa1121 arrived and sold at Rs 1,800-1,870 a quintal, Duplicate basmati arrived with at stock of 500 bags and went for Rs 1,450-1,500 while around 1,200 bags of Pure Basmati arrived and sold at Rs 1,950 a quintal.

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