

Published: January 13, 2012 00:00 IST | Updated: January 13, 2012 04:21 IST

## Training at TNAU

Staff Reporter

A training in making 'ready-to-use' products will be held at Tamil Nadu Agricultural University on January 18 and 19.

It will cover products such as health mixes, rava dosa mix, adai mix, kheer mix, gulab jamun mix, ice cream mix, banana milk shake powder, coriander chutney, tomato rice mix, and soup mixes.

Those interested can attend by paying Rs. 1,000 in the form of demand draft, drawn in favour of Dean (Agricultural Engineering), and should be sent to Head, Post Harvest Technology Centre, TNAU, Coimbatore – 641003. For details, contact 0422-6611268.

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## Plea to protect Kangeyam cattle breed

Special Correspondent



Tamil Nadu Toddy movement has urged the State Government to take expeditious steps to protect the Kangeyam breed cattle. Kangeyam cattle known for its hard labour in farm activities, gigantic and majestic look are on the verge of extinction.

Tamil Toddy Movement field coordinator C. Nallasamy said the cattle were forced to the verge of extinction after tractors took over farming, pump sets took over the task of pumping water from wells and cargo vehicles replaced the need for bullock carts.

The movement also expressed concern over the growing sale of liquor and the record sale of Rs 20,000 crore through 6,696 shops in Tamil Nadu during 2011 and the daily sale figure of Rs 50 crore. The government says welfare schemes are implemented with the help of the excise revenue. There are also plans to open 35 more elite liquor shops. Mr. Nallasamy wanted this trend to be arrested. He also called for controlling the price rise of food items in hotels.

Prices of food items were going up, even when the prices of essential commodities were coming down.

Mr. Nallasamy wanted priority for farming and said food security could be achieved if the farmers' security was first ensured. He also wanted revival and infusing of life into coconut tree growers and palm tree growers welfare board.

Until prohibition was invoked and ban on toddy was revoked, Mr. Nallasamy wanted the State Government to ensure that liquor products were manufactured using products derived out of palm and coconut trees as raw materials.

The movement also demanded Rs. 2,500 as minimum procurement price of sugarcane besides measures to protect tapioca farmers. Mr. Nallasamy also opposed the move to bring in Foreign Direct Investment in retail trade.

To create awareness on the need to revive the rural economy and give a fillip to the coconut and palm tree growers and ensure removal of ban on toddy, the movement will be on a propaganda campaign from Kanyakumar to Chennai from January 21 to 26.

On January 27, the movement has plans to meet the Chief Minister and present a memorandum.

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- *Control prices of food items at hotels*
  - *Lift ban on toddy; impose prohibition*
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## **Cooperative societies told to achieve crop loan target**

Staff Reporter

The primary agriculture cooperative credit societies have extended crop loans to the tune of Rs. 160 crore to farmers in the district this financial year as against the target of Rs. 183 crore, said Additional Registrar of Cooperative Societies P. Rajendran.

After reviewing the performance of the societies in the district at a meeting held here recently, Mr. Rajendran appreciated the efforts taken by them to provide credit facilities to farmers and wanted them to achieve the target before the end of this fiscal.

Mr. Rajendran asked the societies to establish agriculture service centres on their premises. The government provides Rs. 20 lakh as subsidy to the societies that were setting up service centres.

Apart from extending various services, the centres could purchase modern machineries and provide them to the farmers on rent, he added.

Mr. Rajendran asked the societies to support the computerisation process.

The performance of the societies in providing crop loans, term loans, credit for the joint liability groups and the implementation of insurance schemes was reviewed during the meeting. The progress of various other government programmes implemented through the societies was also reviewed.

The Additional Registrar handed over mobile phones to secretaries of the societies under a government scheme being implemented to monitor the consumption of fertilizers.

Joint Registrar of Co-operative Societies S. Babu, Special officer from District Central Co-operative Bank K. Renuka and senior officials were present.

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- *Meeting held to review performance*
  - *Agriculture service centres to be established*
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## Farmers seek permission to trap animals destroying crops

Special Correspondent



Chief Conservator of Forests (IT) Chennai, A. Samant Singha (right), interacting with farmers and other stakeholders on wild boar menace in Salem on Wednesday. —Photo: P. Goutham  
Forest officials and farmers discussed the menace of wild boar, which destroy crops in Salem district at a session here on Wednesday.

Moderated by A. Samant Singha, Chief Conservator of Forests (IT), Chennai, and Salem Conservator of Forests A. Venkatesh, the meeting focused on the losses, which the farmers who were possessing land abutting forests in Salem district were incurring.

Many of the farmers, who attended the meeting, claimed that fully-grown crops such as ground nut, maize, tapioca and sugarcane, all cash crops, suffered heavy damages due to these wild boars.

### Compensation

These farmers also urged the State to permit them to either kill or ensnare these animals, which were protected under the Wild Life Act. They wanted compensation for the crop losses.

### Population

They also pointed out that the population of wild boars also had increased sharply. Electric and wire mesh fencing should be erected to save their crops from the animals, they demanded. Mr. Samant said that the state had been seeking views from farmers from various parts on the issue and the same would be conveyed to the authorities concerned since the animal was under the scheduled list.

District Forest Officer Sugirtharaj Kovil Pillai, District Forest Officer, V Naganathan, District Forest Officer, Attur Range and other senior officials from Department of Forest took part in the meeting.

### **At Sathyamangalam**

At a meeting held Sathyamangalam on Thursday, the farming community made an appeal to the Forest Department to come out with a scientific solution to curb the wild boar menace that has been haunting farmers living near the forest areas for long.

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### **Hike in procurement price hits a sour note: farmers**

Special Correspondent



**Bitter taste:**A sugarcane farmer speaking at the grievances meet in the city on Thursday. —  
PHOTO:R.M. RAJARATHINAM.

Farmers' representatives of Tiruchi district have appealed to the State government to revise the procurement price of sugarcane taking into consideration the increase in cost of cultivation, especially the hike in fertilizer prices and labour wages.

Speaking at a grievances redressal meeting for sugarcane farmers, chaired by P.Manickam, District Revenue Officer, here on Thursday, a cross-section of the farmers' representatives expressed concern over the meagre hike announced by the Chief Minister in the procurement price of sugarcane recently.

The government's announcement fixing the procurement price at Rs.2, 100 a tonne has come a big shock to farmers, who were expecting that the Chief Minister would fulfil her poll promise of

fixing it at Rs.2,500 a tonne, said C.Masilamani, district secretary, Tamil Nadu Vivasayigal Sangam.

### **Unacceptable**

The procurement price announced by the government was totally unacceptable to farmers and the price should be fixed taking into account the input cost.

A.Karuppanan, district secretary of the farmers' wing of the Dravida Munnetra Kazhagam, said the hike announced by the government was very negligible and would be of no use to farmers.

P.Ayyakkannu, state secretary, Bharathiya Kisan Sangh, said the government should convene the tripartite meeting of sugar mill and farmers representatives to fix the procurement price. The government should have compensated at least the steep hike in the price of fertilizer such as potash and DAP.

N.Veerasekaran, coordinator, Ayyan Vaical Pasanatharar Sangam, blamed both the Centre and State governments for failing to take into account the cost of cultivation while fixing the procurement price for sugarcane.

Expressing concern over the delay in settlement of dues by some sugar mills, he said that sugar mills should pay the interest on loans incurred by farmers on account delay in settlement of dues. Sugar mills should also come forward to bear the cane cutting charges and ensure that the procurement price offered was "on field price" rather than "factory price."

He also suggested that the government provide subsidy for drip irrigation systems for sugarcane cultivation in dry belts.

A.Nagarajan, president, Horticulture Crop Producers Association, complained that farmers were not allowed to cultivate varieties recommended by research institution and are forced to raise the variety suggested by them.

A cross-section of farmers also complained of delays in issuing cutting orders by the mills. Joint Director of Agriculture J.Sekar and officials of sugar mills participated in the meeting.

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### **Sugarcane sweeten festive mood**

Syed Muthahar Saqaf



Sugary treat: Farmers of Tiruvalarsolai bundling up sugarcane for sending it to Tiruchi for Pongal festival, on Thursday.- Photo:M.Srinath

Sugarcane, turmeric bunches and colourful pots have started arriving at the markets across the district, heralding the dawn of the 'harvest festival' or 'thanksgiving festival' – Pongal.

Sweet potato (sarkaraivalli kizhangu), field bean (mocchai), and Poolai poo for decorating houses, are expected to arrive at the markets in the next couple of days.

Sugarcane has started arriving in the city not just from the rural pockets of the district, but also from Tirukattupalli, Kallanai and Mannargudi areas in the neighbouring Thanjavur and Tiruvarur districts.

The cane prices are a little higher this year, with a bundle comprising ten canes priced at Rs.200, compared to about Rs.100–Rs.120 last year.

With sugarcane usually received from areas like Tiruvalarsolai and surrounding villages in Anthanallur union and Kannanur and surrounding villages in Thuraiyur block already harvested and transported to districts like Coimbatore, the sellers here have to depend on canes from neighbouring districts.

“I managed to procure about 300 bundles of cane from Mannargudi and had to spend huge sum of money for transporting it to city,” rues Daya, an educated youth, who has already put up a makeshift stall at Subramaniapuram. With more arrival of sugarcane expected in the next two days, the price is likely to come down, he says.

The farmers markets (uzhavar santhai) are gearing up for the Pongal festival. They are expected to receive the cane from Tiruvalarsolai from Friday onwards.

About 10,000 canes are expected to be marketed this Pongal season in Annanagar santhai alone. While the Farmers Market at K.K. Nagar is likely to market about 5,000 sticks, the one at Tiruverumbur would sell out 2,500 sticks.

During the last festival season, each cane was sold between Rs.10 and Rs.12 and this year too the Shandies are expected to fix the same price.

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### **Forest Department plans to plant 1.6 lakh seedlings**

R.Rajaram



City gets breather:Teak saplings planted along Uyyakondan channel in the city.Photo:

R.M.RAJARATHINAM

In an effort to enhance green cover, Forest Department would embark on the task of planting seedlings of various fast growing tree species outside forest areas in the district.

The seedlings would be planted in government offices and institutions, industrial premises, private education institutions and along roadsides. The highlight of the new initiative is that the Forest Department will supply and plant tree seedlings in institutions and offices free of cost with the entire expenditure borne by the State government.

The Forest Department has been given a target to plant 1.6 lakh tree seedlings outside forest areas under this scheme in Tiruchi district which has only nine per cent of its area under forest cover.

Seedlings of tree species including neem, pungan and naaval is proposed to be planted in the identified places and the maintenance of the saplings would have to be taken care by the respective beneficiaries.



The tree plantation drive will commence on February 24, the birthday of Chief Minister Jayalalithaa.

Ahead of the plantation, the Forest Department has begun to raise the saplings in six nurseries situated in Tiruchi, Thuraiyur, Manapparai and Thuvrankurichi.

The department has begun to shortlist government and private institutions for planting the saplings.

The best part of the scheme is that even private institutions and establishments have been taken into account under this scheme for the plantation drive, says the District Forest Officer I. Anwardeen.

The State government had directed the Forest Department to plant 64 lakh seedlings outside forest areas across the State to enhance green cover, Mr. Anwardeen said.

Trees outside forest areas would provide multiple benefits such as ground water recharge, clean air and conducive micro climate besides supporting the native biodiversity of species such as butterflies, birds, bees and other life forms.

Mr. Anwardeen said interested institutions and individuals could approach the Forest Department for planting saplings of species suitable to their respective sites. Preference would be given to those who showed interest in protecting the seedlings, he added.

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## **Quality control out of dairy department**

M.P. Praveen

The Dairy Development Department will no longer be authorised to undertake quality control of milk and milk products as per a direction issued by the Food Safety Commissioner citing the rules and regulations of Food Safety and Standards (FSS) Act.

The department had been doing the job for close to two decades now.

## **Licence**

As per the FSS Act, designated officers and Food Safety Officers would be authorised to issue licence to dairy plants and undertake inspection, testing, and analysis of milk and milk products,

a domain of the Dairy Development Department ever since the Milk and Milk Products Order (MMPO) came in to force in 1992.

In a letter addressed to the department Director, dated December 27 last year, the State Food Safety Commissioner turned down the department's request to appoint its Assistant Directors (quality control officers) as designated officers.

The letter noted that the core responsibility of Assistant Directors was 'to improve the milk and fodder production and to impart extension work among farmers and not regulatory works as envisaged in FSS Act Rules and Regulations.'

### **Concern**

V. Unni, State president of the Dairy Officers' Association, told *The Hindu* that the decision would hit quality control of milk and milk products as it would take time before other trained designated officers assumed duties.

"The FSS Act permits States to co-opt the services of departments concerned in discharging various duties. Moreover, with 3,000-odd food commodities in the market how effectively can the designated officers ensure quality of all those products on their own," Mr. Unni said.

### **Directions**

When contacted, Food Safety Commissioner S. Raveendran confirmed that the Dairy Development Department will not be authorised to conduct parallel operations but will have to follow the directions of the designated officer, who will be the statutory authority henceforth.

Reiterating the point mentioned in the letter, he said diverging duties to officers under other departments will defeat the very purpose of the FSS Act, which was promulgated by repealing food-related laws like MMPO to eliminate multi-departmental control and bring in an integrated line of command.

He shot down the argument that time taken to train designated officers would affect quality control measures. "Training of officers in the southern and central regions had been completed," Mr. Raveendran said.

Isaac K. Thayil, State general secretary of Dairy Officers Association, felt the expertise and experience of the department's officials will be sorely missed.

### **Qualified**

“Most of our officials hold degree and postgraduate degree in dairy technology and are qualified to undertake quality control measures like inspection of dairy plants, warehouses of manufactures of dairy products, and collection and testing of market samples. Besides, we already have two State-of-the-art labs and quality control labs in all 14 districts,” he said.

### **Checks**

He said the department had been doing commendable quality control checks over the years, especially during festive seasons resulting in the ban of five brands in the State during the last four to five years.

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- *Bid to eliminate multi-department quality control*
  - *Good work ignored: Dairy Officers' Association*
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### **Call to create awareness on drip irrigation**

#### Special Correspondent

Commissioner of Horticulture Jaganmohan told A.P. Micro-Irrigation Project officials of six districts on Thursday to create awareness among SCs and STs on utilisation of drip and sprinkler irrigation systems and achieve the set target by the end of the current financial year.

Addressing a regional review meeting on implementation of A.P. Micro Irrigation Project in the Zilla Parishad conference hall here, he exhorted them to spend the allocated funds before March 31 lest they would be taken back. If some farmers benefit, other ryots would evince interest, he said.

The Commissioner wanted steps taken for sanction of drip irrigation in consultation with District Collector V. Anil Kumar, as the list of beneficiaries was not received despite several reminders. The details of benefited farmers should be displayed on flexiboards in gram panchayat offices. He suggested publication of a booklet for distribution among farmers.

### **Tardy progress**

APMIP Project Officer Ashok Kumar told the officials concerned to write letters to the farmers on MEPMA scheme. He questioned the tardy progress in achieving the target after according sanctions for drip irrigation. He wanted expeditious completion of pending works of 2008-09 and expressed discontent that only 60 per cent of the target was met so far. He warned that if the stipulated micro-irrigation company failed to complete the works, they would be allotted to other companies. On completion, every farmer should be served, he said.

Joint Director of Horticulture Suhasini wanted proper maintenance of accounts on the spent funds. She wanted priority to farmers belonging to SC and ST communities.

APMIP Kadapa Project Director Jonathan said Rs. 7 crore was available from the funds sanctioned to Kadapa district.

SC and ST farmers would be enlightened on the benefits of drip irrigation, vegetable cultivation and governmental assistance.

APMIP project directors Jayachandra Reddy (Nellore), Panduranga (Guntur), Raghunath Reddy (Kurnool), Ramesh (Chittoor), Mohan Kumar (Prakasam), Pulla Reddy (Anantapur), assistant project directors, minor irrigation engineers and other officials participated.

*Horticulture Commissioner reviews implementation of the project for SC, ST farmers*

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**hindustantimes**

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**Press Trust Of India**

New Delhi, January 12, 2012

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### **Food inflation in negative zone for second consecutive week**

Food prices fell for the second consecutive week as food inflation remained in the negative zone at (-)2.90 % for the week ended December 31, 2011. Food inflation, as measured by the

Wholesale Price Index (WPI), stood at (-)3.36 % in the previous week. It was above 19 % in the corresponding week of 2010.

According to data released today, onions became cheaper by 74.77 % year-on-year during the week under review, while potato prices were down by 31.97 %. Prices of wheat also fell by 3.35 %.

Overall, vegetables became 49.03 % cheaper during the week ended December 31.

The fall in the rate of price rise of food items since the first week of November is substantial, as it has plummeted from double-digit territory into the negative zone.

Experts feel that the decline in food inflation will be a major incentive for the Reserve Bank to look at the option of cuts in key interest rates at its next quarterly monetary policy review later this month.

However, other food products became more expensive on an annual basis, led by protein-based items.

Pulses were 14.72 % costlier during the week under review, while milk grew dearer by 10.79 %. Egg, meat and fish prices were up 15.22 % year-on-year.

Fruits also became 9 % more expensive on an annual basis, while cereal prices were up 2.03 %.

Inflation in the overall primary articles category stood at 0.51 % during the week ended December 31, as against 0.10 % in the previous week. Primary articles have over 20 % weight in the wholesale price index.

Inflation in the non-food segment, which includes fibres and oilseeds, was recorded at 1.29 % during the week under review, as against 0.85 % in the week ended December 24, 2011.

Fuel and power inflation stood at 14.45 % during the week ended December 31, as against 14.60 % in the previous week.

Headline inflation, which also factors in manufactured items, has been above the 9 %-mark since December, 2010. It stood at 9.11 % in November, 2011.

The RBI has hiked interest rates 13 times since March, 2010, to tame demand and curb inflation.

In its second quarterly review of the monetary policy last month, the central bank had said it expects inflation to remain elevated till December on account of the demand-supply mismatch before moderating to 7 % by March, 2012.

<http://www.hindustantimes.com/StoryPage/Print/796029.aspx>

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Value of spices exports up 43% in Apr-Nov, volumes down 6%

**Agencies** Posted online: Thu Jan 12 2012, 18:20 hrs



**New Delhi :** India's spices exports rose by 43 per cent in value terms to Rs 6,209.09 crore during the April-November period on the back of increased realisation from small cardamom, ginger and nutmeg and mace.

The volume of shipments, however, declined by 6 per cent to 3.51 lakh tonnes during the period on account of a fall in the quantity of garlic, coriander and chilli exported.

The country's spice export earnings stood at Rs 4,335.99 crore in the same period last fiscal, whereas the volume of shipments amounted to 3.72 lakh tonnes in the same period, as per data from the Spice Board.

In US dollar terms, shipment of key food additives rose by 40 per cent to \$ 1,332.25 million in the first eight months of the current fiscal, compared to \$ 948.68 million in the year-ago period.

The export value of small cardamom rose more than three-fold to Rs 253.74 crore in April-November, 2011, from Rs 65.12 crore in the same period last year.

A total of 3,100 tonnes of small cardamom was exported during the period under review, as against 570 tonnes in the corresponding period a year ago.

Similarly, earnings from ginger shipments more than doubled to Rs 130.02 crore in the first eight months this fiscal from Rs 49.47 crore in the same period last fiscal, while the export value of nutmeg and mace rose by 186 per cent to Rs 157.81 crore from Rs 55.09 crore in the year-ago period.

While ginger exports rose to 11,250 tonnes from 8,650 tonnes, nutmeg and mace shipments rose to 2,550 tonnes from 1,295 tonnes.

However, the scenario was not positive in terms of export volumes, which witnessed a decline during the period, mainly due to low demand for garlic, coriander and chilli.

Shipments of garlic declined by 94 per cent to 1,075 tonnes in April-November, 2011, from 16,625 tonnes in the year-ago period, while coriander shipments fell by 41 per cent to 18,200 tonnes from 30,645 tonnes in the same period last fiscal.

The value of garlic shipments fell by 89 per cent to Rs 7.29 crore from Rs 65.81 crore, while coriander exports declined by 8 per cent to Rs 107.55 crore in April-November, 2011, from Rs 116.68 crore in the year-ago period.

Similarly, chilli export volumes declined by 24 per cent to 1.32 lakh tonnes in April-November, 2011, from 1.73 lakh tonnes in the same period last year.

The value of chilli exports, however, rose by 20 per cent to Rs 1,266.25 crore from Rs 1,053.26 crore in the corresponding period a year ago.

The Spice Board is aiming for overseas shipment of 5 lakh tonnes of spices to earn forex revenue of Rs 6,500 crore (\$ 1,450 million) in the current financial year.

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Sugar ends quiet on some support

**Agencies** Posted online: Thu Jan 12 2012, 18:40 hrs



**New Delhi** : Sugar prices continued to hover around previous levels in limited deals on the wholesale sugar market today before ending unchanged.

Marketmen said sufficient position stocks against restricted buying mainly held sugar prices unmoved.

**The following are today's quotations per quintal:**

Sugar ready: M-30 3,110-3,325, S-30 3,100-3,300.



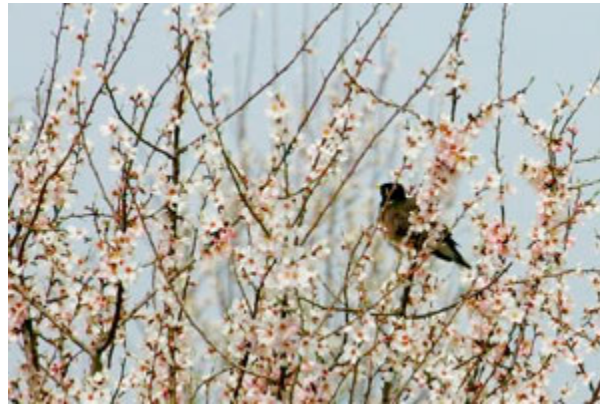
Mill delivery: M-30 2,910-3,125; S-30 2,900-3,100.

Sugar mill gate prices (excluding duty): Kinnoni 3,080, Asmoli 3,070, Mawana 3,040, Titabi 3,030, Thanabhavan 2,960, Budhana 2,950, Dorala 3,020, Khatauli 3000, Morna 2820 and Ramala 2810.

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Almond rises on pick-up in demand

**Agencies** Posted online: Thu Jan 12 2012, 18:48 hrs



**New Delhi** : Almond prices rose up to Rs 200 per 40 kg on local dry fruits market today on pick-up in demand from retailers.

Marketmen said pick up in retailers demand amid firming trend in producing regions mainly pushed up almond prices.

In the national capital, almond (California) and (gurbandi) rose by Rs 100 and Rs 200 to Rs 11,300 Rs 6,200-6,400 per 40 kg, respectively.

Almond kernel (California) also traded higher by Rs 2 to Rs 397-407 per kg.

**The following are today's quotations (per 40 kg):**

Almond (California) Rs 11,300 Almond (Gurbandi-new) Rs 6,200-6,400; Almond (Girdhi) Rs 3,200-3,300; Abjosh Afghani Rs 7,000-16,000.

Almond Kernel (California) Rs 397-407 per kg, Almond Kernel (Gurbandi-new) Rs 370-400 per kg. Chilgoza (Roasted) (1 kg) Rs 1,350-1,450 Cashew Kernel 1 kg (no 180) Rs 655-675 Cashew Kernel (no 210) Rs 595-615 Cashew Kernel (no 240) Rs 550-590 Cashew Kernel (no 320) Rs

520-560 Cashew Kernel Broken 2 pieces Rs 440-470 Cashew Kernel Broken 4 pieces Rs 435-460 Cashew Kernel Broken 8 pieces Rs 415-480 Copra (qtl) Rs 7,700-7,900 Coconut Powder (qtl) Rs 9,800 Dry Dates Red (qtl) Rs 4,000-9,000 Fig Rs 7,000-14,000 Kishmish Kandhari Local Rs 9,500-10,000 Kishmish Kandhari Special Rs 10,000-25,000 Kishmish Indian Yellow Rs 5,400-5,700 Kishmish Indian Green Rs 7,700-8,000 Pistachio Irani Rs 855-910 Pistachio Hairati Rs 955-1,010 Pistachio Peshawari Rs 1,255-1,355 Pistachio Dodi (Roasted) 530-580 Walnut Rs 120-180 Walnut Kernel (1kg) Rs 300-525.

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Pepper, jeera rise on stockists buying

**Agencies** Posted online: Thu Jan 12 2012, 18:51 hrs



**New Delhi** : Prices of black pepper and jeera rose up to Rs 200 per quintal on local kirana market today on fresh buying by stockists following pick-up in demand due to marriage season amid restricted arrivals.

Cardamom small varieties also seen in demand and traded higher.

Traders attributed to rise in select spices to fresh buying by stockists on pick up in demand supported by marriage season mainly pushed up select wholesale spices.

They said firming trend in producing region also fuelled the uptrend in select spices.

In the national capital, black pepper rose by Rs 200 to Rs 31,800-32,900, while jeera common and best quality were traded higher by Rs 100 each to Rs 14,700-14,900 and Rs 17,700-18,200 per quintal, respectively.

In line with a general firming trend, cardamom small cardamom small Chitridar, colour robin, bold and extra-bold were enquired higher by Rs 5 each to Rs 480-505, Rs 490-530, Rs 500-520 and Rs 640-760 per kg, respectively.

**The following are today's quotations:**

Ajwain 12,000-16,500, black pepper common 31,800-32,900, betelnut (kg) 110-120, cardamom brown-Jhundiwali (kg) 630-730, and cardamom brown-Kanchicut (kg) 950-1,050.

Cardamom small (kg): Chitridar 480-505, cardamom (colour robin) 490-530, cardamom bold 500-520, cardamom extra (bold) 640-760 and cloves (kg) 775-850.

Chirounji (new) (kg) Rs 1,025-1,100 Dry mango Rs 7,500-13,500 Dhania Rs 6,500-8,500 Dry ginger Rs 8,500-15,500 Kalaunji Rs 9,500-10,000 Mace-Red (kg) Rs 1,700-1,800 Mace-Yellow (kg) Rs 1,850-1,950 Methiseed Rs 3,000-4,200 Makhana (kg) Rs 300-400 Nutmeg Rs 770-800 Poppyseed (KG Turkey) Rs 165 Poppyseed (KG MP-RAJ) Rs 170-215 Poppyseed (KG Kashmiri) Rs 150 Red chillies Rs 6,900-9,700 Saffron (kg) Irani Rs 90,000-1,00,000 Saffron (kg) Kashmiri Rs 1,30,000-1,42,000 Soanf-bold Rs 8,000-13,500 Turmeric Rs 5,200-8,600 Tamarind Rs 3,400-3,600 Tamarind without seed Rs 4,500-9,000 Tea (kg) Rs 80-280 Watermelon kernel (Kg) Rs 120 Jeera common Rs 14,700-14,900 Jeera best Rs 17,700-18,200.

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Menthol up on high industrial demand

**Agencies** Posted online: Thu Jan 12 2012, 18:55 hrs



**New Delhi** : In restricted activity, menthol prices rose by Rs 5 per kg on the local chemical market today on increased industrial demand against restricted arrivals.

However, other chemical prices moved in a tight range in the absence of buying support and settled around previous levels.

Traders said increased industrial demand against restricted arrivals from producing region, mainly led to the rise in menthol prices.

In the national capital, menthol bold crystal, flake and oil prices were traded higher by Rs 5 each to Rs 1,635, Rs 1,580 and Rs 1,495 per kg, respectively.

**The following are today's quotations:**

Ammonium chloride (50 kg) Rs 850-2,200, acetic acid (1 kg) Rs 42-54, ammonia bicarb (25 kg) Rs 400-450, boric acid technical (50 kg) Rs 3,200-3,800, borex granular (50 kg) Rs 1,800-1,900.

Caustic soda flake (50 kg) Rs 1,650-1,750, citric acid (50 kg) (China) Rs 2,900-3,500, citric acid deshi (50 kg) Rs 3,000-3,700, camphor slab (1 kg) Rs 290, camphor powder (1kg) Rs 270, glycerine (1 kg) Rs 90-115, hexamine (1kg) Rs 85, hydrogen peroxide (1 kg) Rs 40-45, menthol bold crystal (per kg) Rs 1,635, menthol flake (1 kg) Rs 1,580 and mentha oil (1 kg) Rs 1,495. Paraffin wax (1 kg) Iran Rs 86 Paraffin wax (1 kg) China Rs 105 Paraffin wax (1 kg) Indian Rs 102 Soda ash (50 kg) (Tata) Rs 1,060 Soda ash (50 kg) (Gujarat) Rs 1,000 Soda ash (50 kg) (DCW) Rs 1,000 Soda ash (50 kg) (Birla) Rs 1,000 Soda Hydro Sulphate (1 kg) Rs 110-150 Sodium hydro sulphite (1 kg) damosha Rs 105 Sodium hydro sulphite (1 kg) china Rs 100 Sodium hydro sulphite safolite (1 kg) Rs 120-145 Sodium silicate (Qtl) Rs 1,050-1,200 Sodium nitrate (50 kg) Rs 1,650-1,800 Sodium nitrite (50 kg) Rs 1,850-1,900 Sodium bio-carbonate (50 kg) Rs 1,050 Stable bleaching powder (25 kg) Rs 350-420 Tartaric acid france (1 kg) Rs 440 Thymol (1 kg) Rs 740 Titanium dioxide (1 kg) Rs 180-245 Oxalic acid (pcpl) 50 kg Rs 2,650-2,700 Zinc oxide (Kg) 110-120.

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## **THE TIMES OF INDIA**

Food inflation continues in the negative

IANS | Jan 12, 2012, 02.36PM IST

NEW DELHI: Annual food inflation continued to be in the negative for the week ending Dec 31, official data showed on Thursday on lower prices of vegetables, especially onions.

Food inflation had dipped into the negative last week for the first time in six years, giving relief to the common man and policymakers alike.

For the week ending Dec 31, annual food inflation fell to -2.9 percent, compared to -3.36 percent in the previous week, which was the lowest since April 2006.

The sharp decline in food inflation is partly because of the base effect and also improved supply of seasonal crops. During the corresponding week of last year, annual inflation was almost near 20 percent.

Data released by the ministry of commerce and industry showed the prices of vegetables were less than half during the week when compared to the prices in the corresponding week of last year.

Inflation in overall primary articles, which has a 20.12 percent weightage in the wholesale price index, rose to 0.51 percent in the week under review.

However, fuel and power inflation declined marginally to 14.45 percent as compared to 14.6 percent in the previous week.

Economists said the recent drop in food inflation and easing in overall inflationary pressure may prompt the central bank to cut interest rates and that food inflation was likely to remain near zero or in the negative territory till March.

The fall in food inflation has raised hopes of a decline in headline inflation based on the wholesale price index which, according to the latest available data, was recorded at 9.11 percent in November.

The following are the yearly rise and fall in prices in the week under review of some main commodities that form the sub-index for food articles:

Onions: (-) 74.77 percent

Vegetables: (-) 49.03 percent

Fruits: 9 percent

Potatoes: (-) 31.97 percent

Eggs, meat, fish: 15.22 percent

Cereals: 2.03 percent

Rice: 1.7 percent

Wheat: (-) 3.35 percent

Pulses: 14.72 percent

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*By ENS Economic Bureau*

*13 Jan 2012 02:40:33 AM IST*

### **Food inflation stays negative**

NEW DELHI: In another related development that would bring relief to industry and policymakers, food inflation remained in the negative territory for the second successive week at -2.90 per cent for the week ended December 31.

India's food articles inflation rate for the week to December 31, although in negative territory, was marginally higher at -2.90 per cent from -3.36 per cent a week ago, data released by the Commerce and Industry Ministry showed.

Food articles inflation has shown a declining trend since the week ended November 5 when it was recorded at 10.63 per cent. In the last eight weeks, it has eased substantially with many economists and analyst expecting the central bank to loosen its tight monetary stance.

Commenting on food inflation figures, Finance Minister Pranab Mukherjee said, "I'm now confident that moderation in inflation will continue in coming months, though softening in the

prices of manufactured goods despite the rapid decline in non-food primary inflation may be more gradual.”

According to latest data, the headline inflation rate based on the Wholesale Price Index had eased to 9.11 per cent in November, the lowest in one year, from 9.73 per cent in the previous month because of a high base effect. A high base is expected to drag the headline number below 9 per cent from December.

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# Business Standard

Friday, Jan 13, 2012

**Food inflation up a tad to -2.9%**

**BS Reporter / New Delhi January 13, 2012, 0:23 IST**

Food inflation remained in the negative territory, despite the rate of decline slowing a bit for the last week of December, as supply eased in the winter season, also partly due to the base effect. The rate was minus 2.9 per cent, up from minus 3.36 per cent in the previous week.

Onions, vegetables, potatoes and wheat continued to see a decline in prices. Finance minister Pranab Mukherjee expressed confidence that the moderation would continue, though a softening in the rate of price rise in manufactured goods may be more gradual, despite the rapid decline in non-food primary inflation.

“The headline inflation should be between six and seven per cent by end-March,” the minister said. Overall inflation was above nine per cent for the year till November 2011.



The small upward movement in the rate of fall in food prices can be partly credited to the base effect, as food inflation eased to 19.09 per cent in the corresponding week of last year, from 20.84 per cent the previous week.

The weekly food inflation numbers for December showed a sudden decline, from 4.35 per cent in the first week to negative in the third week.

As it has a weight of 14.35 per cent in headline inflation, it will ensure the latter remains below nine per cent in December. The November headline inflation rate was 9.11 per cent.

“The inflation numbers are on expected lines and would continue to remain range-bound till about February 12. Thereafter, we should see the numbers going up. In case RBI reduces rates in April, we will see demand-pull inflation also creeping into the economy,” said Siddharth Shankar, director, KASSA.

JPMorgan India economist Sajjid Z Chinoy does not see the Reserve Bank of India reversing its monetary stance, saying core inflation (manufactured products inflation without the food part) was still at 7.9 per cent, significantly above RBI’s comfort zone. “Even if core (inflation) were to moderate in the December print, it is unlikely RBI will read too much into one month’s moderation and will likely want evidence of a more sustained decline,” he said. RBI, in its quarterly review of monetary policy last month, had said it expected inflation to remain elevated till December on account of the demand-supply mismatch before moderating to seven per cent by March 2012. Though vegetables’ inflation was negative at 49.03 per cent, it was a little higher compared with the previous week’s at minus 50.22 per cent. Potato deflation was up at 31.97 per cent from 34.01 per cent a week earlier. Onions saw a continuous decline, at 74.77 per cent.

The pressure from protein-based items continued to remain robust. Inflation in eggs, meat and fish rose to 15.22 per cent versus 13.82 per cent earlier. Milk was up at 10.79 per cent from 9.49 per cent.



## **Benchmark price on anvil for palm oil, jatropha**

**Anindita Dey / Mumbai January 13, 2012, 0:34 IST**

The government has decided to come up with a formal indicative benchmark price for palm oil and jatropha, in order to curb the rising import bill on account of edible oil.

For this, the Commission for Agricultural Cost and Prices (CACP) has already initiated the exercise. "Even if we import for our domestic consumption, there has to be an idea of what is the approximate domestic price vis-a-vis import parity price." CACP is already conducting a similar exercise for coconut oil.

Official sources explained that indicative benchmark will not serve as the minimum support price (MSP) as the government has decided not to take up under MSP any crop that obligates it to buy the crop if market prices slip below the MSP. But, since there is a subsidy burden on the government for edible oil under the public distribution system and there is a heavy import bill on account of edible oil, there needs to be a fair benchmark for the price.

Besides, they the sources added, since mostly raw oil was imported and then refined before being sold in the domestic market, a price benchmark would help ascertain if the import bill was overvalued or domestic selling price was above the cost, and how much it was contributing to overall food inflation.

Edible oil import bill is the third-highest for the government. And, for 2011-12, it is expected to hover around Rs 30,000 crore, next only to energy and urea import bills.

India is the fourth-largest edible oil consumer of the world and half of its total requirement is met through imports.

In 2010-11, the country's edible oil imports had fallen 6.2 per cent to 8.67 mt, from 9.24 mt the previous year, due to a higher domestic output and a rise in import cost on account of a weak rupee.

At present, the government adopts a market intervention scheme (MIS), an ad hoc formula that fixes the prices for horticultural and other agricultural commodities that are perishable in

nature and are not covered under the MSP.

Besides, the Ministry of Agriculture has advised states and agriculture universities to develop hybrid varieties of pulses and edible oil. However, the government has made it clear that the hybrid varieties will have to be developed only from the existing domestic varieties and will not be genetically-modified ones.

"In that case, it will be suitable for domestic consumption," said an official source .

This forms part of the comprehensive exercise taken by the ministry to rework the domestic pricing formula, the import duty and MIS for palm oil and other oilseeds.

Even as palm oil production is currently done on a low scale, it has wider implications for the government's efforts to build domestic edible oil capacities.

Explaining the move, ministry sources said it would be difficult to cater to the increasing oil consumption needs through imports alone, if oil exporting countries decide to divert a considerable production for biofuel production.

Jatropha, on the other hand, is a great source of biofuel. Currently, jatropha oil is used to produce biodiesel fuel in Philippines and Brazil, where it grows naturally, and in plantations in the Southeast, North, and Northeast of Brazil. Likewise, the oil is also being promoted as an easily grown biofuel crop in hundreds of projects across India. Large-scale jatropha plantations have been undertaken in India by many research institutions, and women's self help group.

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### **Wheat does not catch cold in the North bumper crop expected**

**Vijay C Roy & Vikas Sharma / Chandigarh January 13, 2012, 0:32 IST**



The output this year may exceed the 84 mt target by 3 mt in the ongoing rabi season, believe scientists.

The prevailing cold weather in the northern states will have a positive impact on the wheat crop. Scientists believe the output this year may

touch 87 million tonnes in the ongoing rabi season, 2011-12, against the targeted production of 84 mt.

Last year, again due to conducive weather and technology deployment, output was 85.9 mt. Sowing is still on in some parts and is likely to be completed in another week.

The cold wave, followed by rain in the northern parts, has cleared the fog which could otherwise impact the crops, as it reduces the photosynthesis period, thus impacting productivity. A cold wave is generally considered good for the wheat crop, as it favours the plant's physiology

Indu Sharma, director at the Wheat Research Institute, Karnal, told Business Standard: "The prevailing weather would help productivity. Provided there is no (further) abnormal change (in weather), wheat production this year could touch 87 mt. Last year, production was projected to be 82 mt but reached 85.9 mt due to conducive weather. The area under wheat this year is likely to be 29 million hectares, more or less the same as compared to last year."

Said S K Thind, in charge of the plant clinic at Punjab Agricultural University, Ludhiana, "We expect yield to increase by five to 10 per cent this year in the northern states."

The cool temperature, said Sharma, would check the sporadic rise in yellow rust attack. which will further help in increasing the productivity. Also, a higher temperature, as was seen till December 20, reduces the number of 'tillers' in a plant.








In Punjab, wheat sown area should remain about 3.5 million ha, about the same as last year. The state agriculture department is expecting production of 15.54 mt this year. The sown area for Haryana wheat is about 2.4 million ha and it is eyeing 11.7 mt this rabi, compared to 11.6 mt last year.

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# THE HINDU Business Line

Crashing vegetable prices keep inflation tamed

M. R. Subramani

<b>DRAG EFFECT</b>		(in Rs/quintal)		■ LAST YEAR	■ THIS YEAR	
2,851	500	2,300	1,900	3,750	650	
360	280	1,300	700	1,650	500	
						
ONION *	POTATO **	LADY'S FINGER #	TOMATO ##	GINGER ~	CABBAGE ^	BRINJAL ^

\* at Lasalgaon, Maharashtra, \*\* at Midnapur, West Bengal; # at Ahmedabad, Gujarat; ## at Jodhpur, Rajasthan; ~ at Koduvayoor, Kerala; ^ at Bangalore, Karnataka

*Globally too cereals, sugar, oils turn cheap*

Chennai, Jan 12:

Cheaper vegetables have primarily contributed to inflation remaining in the negative territory for the second consecutive week. For the week-ended December 31, food inflation dropped to a negative 2.9 per cent compared with the same period a year ago. Last week, food inflation had dipped to a negative 3.36 per cent. Fuel inflation, however, was higher by 14.45 per cent during the review period. A look at prevailing prices in various markets across the country shows that prices of almost all vegetables are lower. Onion prices, which had ruled at Rs 2,851 a quintal at Lasalgaon market in Maharashtra last year, have now dropped to Rs 360. Potato prices in most markets near growing areas of West Bengal have declined to Rs 280 a quintal from Rs 500 last year. The potato index has slipped to 100 from 147 a year ago. This means that prices are currently at levels seen during 2004-05. The onion index is down to 171.8, from 680.9 last year. Similarly, the tomato index is down by a third to 113.4 (325.2), with prices ruling around Rs 700 a quintal now (Rs 1,900 last year).

Going by the index, ginger prices have dropped far below the levels seen in 2004-05. At Rs 1,650 a quintal, the spicy vegetable with multiple health benefits is ruling lower by Rs 2,100 compared with the same period a year ago. Other vegetables such as lady's finger (bhindi),

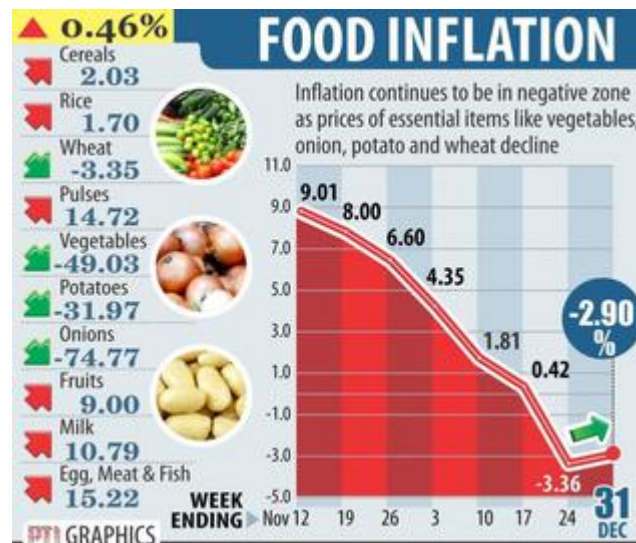
brinjal, cauliflower, sweet potato, tapioca, cabbage are all ruling easy. According to Dr M. Ramasami, Managing Director of Rasi Seeds Pvt Ltd, arrivals of vegetables have been higher than last year. "There has been no disturbance to vegetable crops this year due to weather problems. Last year, unseasonal heavy rain in November affected the crops," he said. Among cereals, wheat prices are lower, while rice and barley are marginally higher. Coarse cereals are, however, dearer, perhaps factoring in the lower sowing in the ongoing rabi season.

### Lower world food prices

Pulses such as moong, masur and urad are ruling easy. Arhar (tur) is marginally higher compared with last year but chana (gram) has increased sharply. Chana has increased to Rs 3,400 a quintal now from Rs 2,280 during the same period last year, resulting in its index rising to 224.2 from 154.5. For non-vegetarians, the only good news is lower prices of poultry meat. Its index is down to 133.7 from 143.6. Prices of egg, fish (inland and marine), mutton, beef, buffalo meat and pork are all higher than the same period a year ago.

Meanwhile, world food prices dropped due to a sharp fall in prices of cereals, sugar and oils.

### Food inflation remains negative for second consecutive week



New Delhi, Jan. 12:

Food prices remained negative for the second consecutive week, falling to (-) 2.90 per cent for the week ended December 31, 2011. It was above 19 per cent in the corresponding week of 2010.

Riding on cheaper onions and potatoes, vegetables became 49.03 per cent cheaper during the week under review. Onions became cheaper by 74.77 per cent year-on-year, while potato prices were down by 31.97 per cent.

Experts believe that the decline in food inflation will be a major cue for the Reserve Bank of India to cut interest rates at its next quarterly monetary policy review later this month.

Protein-based items such as pulses, white milk, egg and meat became more expensive on an annual basis. Pulses were 14.72 per cent costlier, while milk grew dearer by 10.79 per cent. Egg, meat and fish prices were up 15.22 per cent. Fruits also became 9 per cent more expensive on an annual basis, while cereal prices were up 2.03 per cent. Fuel and power inflation stood at 14.45 per cent during the week under review against 14.60 per cent in the previous week.

Inflation in the overall primary articles category stood at 0.51 per cent for the period, against 0.10 per cent in the previous week.

Expressing satisfaction over the fall in food prices, the Finance Minister, Mr Pranab Mukherjee, maintained that headline inflation should be between 6 and 7 per cent by end March 2012.

“Food inflation is still negative... There is a declining trend... If this trend continues, then the overall inflation will be manageable,” he told reporters here.

*heena.k@thehindu.co.in*

(This article was published in the Business Line print edition dated January 13, 2012)

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## Booming badam



Price rise: Almonds have become costly with the weakening of the rupee and winter demand. In the last 45 days alone, prices in Delhi's Khari Baoli mandi have increased from Rs 380 to Rs

440 a kg. In 2010-11, almonds worth Rs 1,435 crore were imported, with 80 per cent of them coming from the US. — Kamal Narang

(This article was published in the Business Line print edition dated January 13, 2012)

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## **World food prices drop by 11% in Dec**

Mony K. Mathew

Kozhikode, Jan. 12:

World food prices declined by as much 11.3 per cent in December 2011 from its peak registered in February.

The downtrend was driven by a sharp fall in international prices of cereals, sugar and oils due to bumper crops, coupled with slowing demand and a strong dollar, according to the Food and Agriculture Organisation (FAO).

Despite a steady drop in prices during the second half of 2011, the FAO Food Price Index averaged 228 points during the year, which was the highest average since the organisation started measuring international prices in 1990. The previous high was in 2008 at 200 points, says a FAO report. The FAO Senior Grains Economist was quoted as saying that the 'international prices of many commodities have declined in recent months, but given the uncertainties over the global economy, currency and energy markets, unpredictable prospects lie ahead'.

### **Biggest fall**

Commodity-wise, cereal prices recorded the biggest fall, with the FAO index dropping by 4.8 per cent in December. This has been attributed to record crops and an improved supply outlook. Among the cereals, maize prices declined by six per cent, wheat by four per cent and rice by three per cent.

The oils and fats index stood at 227 points in December, which was well below the level of 264 points a year ago. Larger than expected overall supplies of vegetable oils, especially palm and sunflower oils, combined with poor global demand for soybeans, pulled down prices, says FAO.

(This article was published in the Business Line print edition dated January 13, 2012)

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## **Cloves market revives on upcountry buying**

G.K. Nair

*Prices up Rs 50 a kg as imports turn dearer*

Kochi, Jan. 12:

The cloves market is showing some movements in recent days after a momentary hibernation in the closing weeks of 2011.

The market in Nagercoil in Tamil Nadu is said to have received some enquiries from upcountry buyers and the price there was Rs 900 a kg, trade sources in Nagercoil said.

There appeared to be an artificial panic created in the minds of traders here following reports of bearish sentiments in upcountry markets, they said.

However, the market witnessed a revival last week and the prices moved up by Rs 50 a kg and this trend is expected to prevail, market sources in some of the upcountry markets claimed.

Some stockists who had exported their stocks when prices were ruling high in the international markets wanted to cover to replenish their stocks were trying to pull the market down, they alleged.

A total quantity of an estimated 3,000 tonnes of cloves was shipped out last year from the country which is a net importer of the commodity.

Therefore, those who wanted to cover their sales resorted to bearish activities to depress the prices, they told *Business Line*.

“Some people are playing to manipulate the market,” a dealer in Nagercoil alleged.

According to the trade in Nagercoil and Bangalore, the Sri Lankan crop is projected to be somewhere between 5 and 10 per cent only.

They said the rupee has depreciated by around 20 per cent, making the imports costly and consequently, the landed cost has gone up substantially.

## **BOUNCE BACK**

Cloves markets in India came down due to a few bearish importers who sold blindly and wanted to cover goods, market sources in Bangalore said.



But the markets bounced back during the past few days. International markets are now at \$11,000 to \$13,000 a tonne and the import cost is above Rs 800 a kg, they said.

Traders claimed that there was no cloves stock in Zanzibar, while Comoros reportedly sold out its entire crop and Indonesia was buying the entire Madagascar crop.

Colombo crop failed totally and hence there continued to be a squeeze in availability, the sources claimed.

Meanwhile, the current Indian crop, according to growers, is going to be “around 70 per cent of the usual bumper crop”.

Mr M. Subramanian, a grower in Nagercoil said “Every alternate year, we get bumper cloves crop but the current one is going to be somewhere between 60 and 70 per cent due to multiple factors,” Mr Subramanian, who is also the Joint Secretary of Cloves Growers Association of India (CGAI), told *Business Line*.

He said it is grown in Karumparai, Maramalai, Balmore and Belmalai region and the bumper crop normally ranges between 1,000 and 1,500 tonnes.

Contrary to expectations, the crop is estimated to be some where between 600 and 800 tonnes, he said.

Consequently, the total availability this year of indigenous produce is likely to be around 1,500 tonnes, he said.

In Nagercoil market, he said, cloves prices dropped from Rs 1,050 a kg to below Rs 800 a kg in recent weeks and there were no buyers.

However, growers in Tamil Nadu and Kerala, the major cloves growing States, are hoping that prices would return to around Rs 1000 a kg in the coming days.

(This article was published in the Business Line print edition dated January 13, 2012)

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### **Guar up despite higher crop estimate, additional curbs on futures trade**

LathaVenkatraman

Mumbai, Jan. 12:

The upward momentum in guar prices appears to be unrelenting despite news of an upward revision in crop estimates and additional curbs on futures trade.

This week, the Rajasthan Government announced revised production estimates for guar seed at 12.1 lakh tonnes from the earlier estimate of 11.4 lakh tonnes. The State is a major producer of the commodity. On the other hand, commodity exchanges revised open position limits on guar complex, in a yet another measure to rein in prices. The new position limits come into effect from January 21.

But the guar complex hit the 4 per cent upper price limited on the National Commodity and Derivatives Exchange in early trade on Thursday.

“There is no chance of a fall in guar prices. Arrivals are low and demand is very strong,” said Mr Rajesh Ghiya, a broker at the Jaipur guar market.

Exporters and other participants have been mopping up all the stock that enters the market, traders said.

But volumes and open interest in guar has been declining on the NCDEX with the rise in prices. For the first three active guar seed futures contract, trade in quantity terms has declined by 38 per cent in the last one month. For the first two active guar gum contracts, the decline in daily trade volume is 27 per cent.

Open interest has also been declining. On December 12, open interest for the first two month guar seed contracts stood at 232,180 tonne. On January 11, it fell to 60,710.

Participants are turning cautious about taking positions in guar complex on fears of a price collapse.

Also, declining trade volumes could impact the strength of the rally, said Mr Faiyaz Hudani, Senior Analyst, Kotak Commodities.

According to him, the current rally in guar is backed by strong fundamentals as demand is quite robust, while arrivals have been dwindling.

“Volumes pick up whenever prices go through a correction. There is buying at lower levels,” said Mr Dharmesh Jain, Executive Agri Research, Ventura Commodities.

The upward revision in guar production is unlikely to have any sobering effect on prices as the revision is quite marginal, said Ms Vedika Narvekar, Senior Research Analyst, Angel Commodities. Last year, guar production was higher at 15 lakh tonnes.

But participants are likely to square off long positions at least two to three days before the new positions come into effect, she said. The new position limits come into effect on January 21. Also, further rise in domestic prices of guar would impact export demand, she said. That, in turn, may cap the gains in prices.

(This article was published in the Business Line print edition dated January 13, 2012)

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### **Jeera gains on crop damage fears**

Our Correspondent

Rajkot, Jan. 12:

Jeera futures gained 4 per cent as local and export demand increased. The spice rose by Rs 90-100 for *amaund* of 20 kg on the spot market. Fears of crop damage because of foggy weather in production areas supported the rise in prices.

In the Rajkot agricultural produce marketing committee, jeera traded higher by Rs 90-100 at Rs 2,210-2,800 for *amaund*. Jeera's January contract increased by Rs 604 to Rs 16,080 a quintal with an open interest of 3,804 lots on the National Commodity and Derivatives Exchange (NCDEX), February was up Rs 637 or 4 per cent to Rs 16,561 with an open interest of 17,547 lots, and March gained Rs 638 at Rs 16,845 with an open interest of 6,303 lots.

(This article was published in the Business Line print edition dated January 13, 2012)

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### **Spot rubber rules flat**

Our Correspondent

Kottayam, Jan. 12:

Spot rubber closed flat on Thursday. The market lost its charm following another weak closing on the National Multi Commodity Exchange (NMCE). There were no active buyers or sellers in the main marketing centres to set a definite trend. Volumes were extremely poor.

Sheet rubber finished unchanged at Rs 190 a kg, according to traders. The grade was flat at Rs 189.00 a kg both at Kottayam and Kochi, as reported by the Rubber Board. The January series slipped to Rs 190 (191.04), February to Rs 193.64 (194.40), March to Rs 197.75 (198.35), April to Rs 204.69 (205.02), May to Rs 207.50 (208) and June to Rs 201.44 (204.51) a kg for RSS 4 on the NMCE.

RSS 3 (spot) firmed up to Rs 177.77 (176.24) a kg at Bangkok. The January futures for the grade increased to ₹262 (Rs 176.08) from ₹259.8 a kg during the day session but then dropped to ₹261 (Rs 175.51) in the night session on the Tokyo Commodity Exchange.

Spot rates were (Rs/kg): RSS-4: 190 (190); RSS-5: 182 (182); ungraded: 179 (179); ISNR 20: 183 (183) and latex 60 per cent: 107 (107).

(This article was published in the Business Line print edition dated January 13, 2012)

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### **Karnataka tobacco prices rise Rs 3-4 a kg**

Anil Urs

Bangalore, Jan. 12:

Tobacco prices at Karnataka auctions have increased marginally by Rs 3-4 a kg. Price of the Bright grade has ruled steady between Rs 115 and Rs 118 a kg.

According to K N Vishakantaiah, Regional Manager, Tobacco Board, Karnataka, tobacco prices have been consistent for the last two months. Since the quality of the crop is good, price realisation for farmers has been better this year and more than expected.

At the end of 91 days of auctions, the Tobacco Board has marketed 65 per cent of the Karnataka crop at about 65.52 million kg (6.20 lakh bales) of FCV tobacco variety in the State with an average price realisation of Rs 97.73 a kg. Of the total quantity marketed, 23.34 per cent was Bright grades and was traded at an average price of Rs 118.97 a kg. Medium grades comprised of 55.55 per cent and traded at an average price of Rs 102.11 a kg and Low grades comprised the rest, traded at an average price of Rs 62.72 a kg.

### **Auction Prices**

Following are platform-wise auction details as on January 10: Ramanathpura-II total quantity marketed 53.10 lakh kg (average price Rs 93.10 a kg), Kampalapura-II 51.74 lakh kg (Rs 105.14) and Hunsur-I 40.29 lakh kg (Rs 97.45). *anil.u@thehindu.co.in*

(This article was published in the Business Line print edition dated January 13, 2012)

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## Soya oil rules flat on global cues



Indore, Jan. 12:

Soya oil was flat on weak global cues and scattered buying support on Thursday. Mustard oil was up Re 1 for 10 kg in M.P.'s *mandis* as demand rises during winter and as soya oil stocks with plant owners deplete.

Soya refined on the spot and delivery markets sold at Rs 685-690 for 10 kg (Rs 685-688).

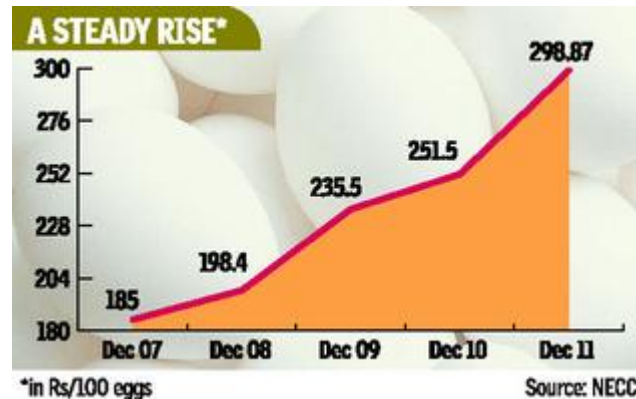
Trading in soya refined remained slack on weak buying support as the market awaits the US Department of Agriculture report to be released on Thursday evening. Soya solvent was firm at Rs 652-656 for 10 kg despite scattered buying support. Expecting a positive projection in the USDA report, soya oil's February contracts on the National Board of Trade closed Rs 11.10 higher at Rs 729.50 for 10 kg. Spot soya oil closed marginally higher at Rs 728.20 for 10 kg though demand was dull. Soya oil's February contract closed Rs 10.60 higher at Rs 729.80 on strong buying on the National Commodity and Derivatives Exchange (NCDEX).

Soya seeds traded lower at Rs 2,370-2,420 a quintal on slack buying support and improved arrivals, with about 2 lakh bags of soyabean being offloaded in Madhya Pradesh. Mustard oil sold at Rs 738 (Rs 737) for 10 kg in Indore *mandis*.

(This article was published in the Business Line print edition dated January 13, 2012)

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## Egg tumbles on buyers resistance



Chennai, Jan. 12:

Egg prices, after remaining flat at Rs 3.20 a piece last week, were slashed to Rs 2.95 this week following buyer resistance.

The price touched a record Rs 3.13 last December as the cold wave in the North and intensification of cyclone Thane in the South had pushed up poultry prices.

Industry sources attributed the price cut to buyers' resistance as well as the approaching *Pongal* season when usually stocks get accumulated (as schools will be closed for at least three days and fewer trucks will move between Tamil Nadu and neighbouring States).

"We don't want to pile up these perishable products and hence we have trimmed the prices to perk up consumption," a source told *Business Line*.

Mr P. Selvaraj, Zonal Chairman, National Egg Co-ordination Committee (NECC), Tamil Nadu, said that the onset of cold wave in North India was the main reason for record prices during the fag end of last year. The seasonal market attracted an average 25 lakh eggs a day of Namakkal's average daily production of 2.75 crore eggs.

### birds up

"Consumption of eggs usually goes up in the winter. Apart from that the Christmas and New Year holiday season has also boosted the consumption of poultry products. But now, owing to higher retail prices, we see a consumer resistance and hence we have slashed the prices," he added. Meanwhile, NECC has raised the price for layer birds to Rs 43 a kg (Rs 38) while the Broiler Coordination Committee's rate for cull birds is up by Rs 9 a kg to Rs

50. [gayathri.gururajan@thehindu.co.in](mailto:gayathri.gururajan@thehindu.co.in)

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## No fresh demand for imported palmolein, soya oil

Our Correspondent



Mumbai, Jan. 12:

Imported palmolein and soya oil declined by Rs 3 and Rs 5 for 10 kg, respectively, in Mumbai on Thursday. Absence of new demand and a weak foreign market keep stockists away from fresh bet. Malaysian crude palm oil futures closed lower on weak global cues and lower demand at higher prices.

Sources said along with imported oils, cottonseed refined oil dropped by Rs 5 for the second consecutive day. Sunflower seed and rapeseed oil ruled unchanged, while groundnut oil rose by Rs 5 in the absence of sellers and on worries of thin arrival of seeds from the main producing area of Saurashtra until the weekend due to *Makar Sankranti* festival.

A local wholesaler said that after active business for two days, volume was negligible on Thursday due to overall bearish reports from abroad. Reselling at lower rates and price reduction by local refineries curtailed fresh buying for palmolein. On the two previous days, 2,000 tonnes of palmolein was traded for ready-and-forward delivery.

As *Makar Sankranti* will be celebrated on Saturday, farm arrivals will fall sharply until the weekend. Most of the mandis will be closed on Saturday. Arrival may increase on Friday.

The market turned bearish as Liberty started quoting for ready delivery. Merely 100-150 tonnes of palmolein was traded in resale at Rs 594-595.

Liberty quoted Rs 594-596 for ready delivery and Super palmolein Rs 622 for January. Ruchi quoted Rs 586 for February and Rs 588 for March. Allana's palmolein quoted Rs 595 for February 5-15. Mewah quoted palmolein Rs 600 for January 20 and Super palmolein Rs 620. In

Saurashtra and Rajkot, cotton oil was Rs 627-628 and groundnut oil was Rs 1,575 (Rs 1,575) for Telia tin; and Rs 1,025 (Rs 1,025) for loose 10 kg.

**Malaysian crude palm oil's** February contract closed at 3,220 ringgits (3,237 ringgits), March at 3,202 ringgits (3,233 ringgits) and April at 3,209 ringgits (3,228 ringgits) a tonne. Soya oil's February contract closed higher at Rs 729.50 (Rs 722) on the National Board of Trade in Indore.

**Bombay Commodity Exchange spot rates (Rs/10 kg):** Groundnut oil 1,010 (1,005), soya refined oil 695 (700), sunflower seed expeller refined 650 (650), sunflower seed refined 725 (730), rapeseed refined oil 820 (820), rapeseed expeller refined 790 (790), cottonseed refined oil 650 (655) and palmolein 597 (600).

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### **Maharashtra sugar up on stockists' offtake**

Our Correspondent



Mumbai, Jan. 12:

Sugar prices rose a tad at the mill level in Maharashtra on higher demand from stockists, while they were unchanged on the spot market on Thursday.

Retailers placed new orders at lower prices on the Vashi wholesale market to build up inventories. Mill tender rates improved by Rs 10-15 a quintal for fine quality. *Nakar* rates were unchanged.

Rising world sugar prices may help exports, Mr Jagdish Rawal, a wholesaler trader. Market analysts said prices will increase as the Centre has announced a lower free-sale quota of 15



lakh tonnes for January (17 lakh tonnes for December). Sugar industry players think that present ex-mill prices are below the cost of production.

While 51-52 truckloads arrived at the Vashi market, local dispatches were around 49-50 truckloads. On Wednesday, 20-22 mills offered tenders and sold about 1.6-1.75 lakh bags at Rs 2,740-2,820 (Rs 2,720-2820) for S-grade and Rs 2,820-2,930 (Rs 2,820-2,920) for M-grade.

**Bombay Sugar Merchants Association's spot rates:**S-grade — Rs 2,876-2,995 (Rs 2,876-2,996); M-grade — Rs 2,961-3,092 (Rs 2,960-3,092).

**Nakadelivery rates:**S-grade — Rs 2,840-2,900 (Rs 2,840-2,900); M-grade — Rs 2,910-3,050 (Rs 2,910-3,050).

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### Spot turmeric prices dip by Rs 300 a quintal

Our Correspondent



Erode, Jan. 12:

Spot turmeric prices decreased by Rs 300 a quintal as heavy arrivals in Erode markets continued on Thursday. The sale of fresh Mysore Number 8 variety was encouraging.

“On Thursday, over 1,500 bags of new Mysore Number 8 variety turmeric arrived for sales at the Erode market. Buyers paid Rs 3,000-3,200 a quintal and purchased all the arrivals. Farmers from Mysore were ready to sell at prices quoted by traders. The traders after buying the crop, dispatched the new crop to their drying yard, where it would be dried and polished, and may be sent to North India by January 16,” said Mr R.K.V. Ravishankar, President, Erode Turmeric Merchants Association.

He said usually when the new crop arrives for sale, the price of the old crop decreases. He said on Thursday, about 14,000 bags of turmeric arrived for sale and only 50 per cent was sold. Even in the Erode Cooperative Marketing Society only 55 per cent of the stocks was sold.

He said that there were no fresh orders from upcountry traders, so the local traders re-quoted lower price. Even for the hybrid Salem Crop the price decreased by Rs 573 a quintal due to arrival low quality turmeric.

He said there was little chance of prices improving. The arrival of turmeric bags at the Regulated Market increased to 2,006, but only 60 per cent of stocks was sold.

At the Erode Turmeric Merchants Association Sales Yard, the finger variety sold at Rs 3,329-4,256 a quintal, the root variety at Rs 3,166-4,189.

**Salem crop:**The finger variety fetched Rs 3,694-4,706, the root variety Rs 3,519-4,434. of the 3,245 bags that arrived, only 1,021 were sold.

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### **Lower supply, buying interest boost wheat**

Our correspondent



Karnal, Jan. 12:

Prices of dara and desi wheat varieties moved up further by Rs 15-25 a quintal on Thursday.

Lower availability and good buying interest mainly pushed wheat prices upwards, said Mr Subhash Chander, a wheat trader. Demand for flour is high in the province and supply of wheat to the flour mills is quite low. These levels may not sustain for long as Food Corporation of India may release stocks in upcoming days and market may witness some correction, he said.

Dara prices increased by Rs 20-25 a quintal and quoted at Rs 1,210-1,225 a quintal.

In the physical market, around 70 tonnes of dara variety arrived from Uttar Pradesh and stocks were directly offloaded at the mills. Mill delivery was at Rs 1,210-1,220 a quintal, while delivery at chakki was at Rs 1,225 a quintal.

Dara prices have increased by Rs 30-35 a quintal over the last 4 days.

Similarly, low stocks pushed desi wheat varieties up by Rs 15-20 a quintal. Samrat went up by Rs 15 and was quoted at Rs 1,900 while Red Rose was trading at Rs 2,220 a quintal, Rs 20 up from previous level.

On the National Commodity and Derivatives Exchange, wheat for January delivery increased by Rs 18 to Rs 1,271 a quintal; it had touched a high at Rs 1,278 a quintal earlier on Thursday. On the MCX, spot prices increased by Rs 1.20 to Rs 1,248.30 a quintal.

### **Flour Prices**

Following price rise in wheat, flour prices increased by Rs 15 and quoted at Rs 1,215 for a 90-kg bag. Chokar remained unchanged and sold at Rs 660 for a 49-kg bag.

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