THE HINDU

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## ‘Cultivate black gram'

Special Correspondent

Agriculture Department has advised the paddy farmers to go in for black gram cultivation, shortly after the harvest of paddy. In a press release here, P.Emperumal, Joint Director of Agriculture, said black gram was ideally suited as a fallow crop to paddy. He said pulses required less water and fetched more returns. Under the National Food Security Mission, the department distributed pulses seeds at subsidised rate, he said.

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## Use labourers under MNREGS for agriculture: farmers urge Centre

Special Correspondent

*Samba harvest completed in 12,825 ha so far in the district, says Collector*

talk to redress:Collector K.Baskaran speaking at the farmers' grievances day meeting at the collectorate on Friday.

Farmers of the district appealed to the State and the Central government to use labourers under Mahatma Gandhi National Rural Employment Guarantee Scheme (MNREGS) for agriculture to overcome shortage. At the monthly grievances day meeting here on Friday, they said acute labour shortage haunts agriculture in the district. The MNREGS has deprived agriculture of labour force. There is no labour for transplantation, harvest or weeding.

"If agriculture activities are included in the scheme, we may get labourers, " said M.S.Ganesan, a farmer from Maharajapuram. Many of the farmers echoed his view. They also pointed out that they have to depend upon machines to carry out works.

K.Baskaran, Collector, who presided over the meeting, said that samba harvest has been completed on 12,825 hectares so far in the district. He said that samba has been raised on 1,03,646 hectares in the district this year. Besides samba, thaladi crop has been raised on 36,939 hectares.

Pulses seeds are being distributed to farmers now. Black gram seed varieties ADT3, ADT5, Vamban 2,3,4 and green gram varieties ADT3 and KM2 are sold to farmers. . Under the seed village scheme, black gram seeds are given at 50 per cent subsidy.

Apart from pulses, gingelly and ground nut seeds are also being distributed.

With respect to fertilizers, there is a stock of 5160 tonnes of urea, 2581 tonnes of di-ammonium phosphate, 1070 tonnes of potash and 2050 tonnes of complex fertilizers in the district at present. V.Jeevakumar, a farmer from Rayamundanpatti and Sami.Nadarajan from Tamil Nadu Vivasayigal Sangam said that the Central government has announced cutting of subsidy to fertilizers, particularly for di-ammonium phosphate and potash. The reduction of subsidy will increase the price of these fertilizers and the Centre should reconsider its decision, they said.

Farmers also demanded opening of adequate number of Direct Purchase Centres (DPCs) of the Tamil Nadu Civil Supplies Corporation to procure samba paddy. To this, the Collector said that 299 DPCs are now functioning in the district. Samba paddy is procured at Rs.1180 per quintal for fine variety and Rs.1130 per quintal for common variety. Scientists from Soil and Water Management Research Institute (SWMRI) here explained the pulses cultivation methods to farmers and also removing pests in Coconut.

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## Training in food processing

Staff Reporter

Small Industries Product Promotion Organisation (SIPPO), in association with Union Food Processing Ministry, has announced a six-week free entrepreneurship training programme in food processing.

The training in Tiruchi district will commence on January 27. Men or women over 18 years of age with a pass or fail in Plus Two are eligible to apply for the training programme, according to a press release.

Participants will be oriented on opportunities, bank loans, subsidies, the technology, quality control, and packaging by experts.

The training will focus on processing food grains, fruits, vegetables, milk, milk-based products, fish and sea food; preparation of confectionary items, ready-to-eat food. Hand-holding support will be provided to prospective entrepreneurs, the release said, adding that the export import possibilities will also be explained.

Those completing the training will receive certificates. Those interested may dial 0452 – 2602339 / 2602511 today (January 20).

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## State exports Rs. 3,600-crore worth horticultural produce

Staff Reporter

TAKING A SHOT:A minder obliges visitors at the Lalbagh Horticulture Show, which was inaugurated on Friday in Bangalore.— PHOTO: K. MURALI KUMAR

The State Government is making efforts to strengthen the horticulture sector, which has reported Rs. 3,600 crore in exports during the last financial year, Chief Minister D.V. Sadananda Gowda said here on Friday.

Speaking after inaugurating the annual Republic Day Horticulture Show at Lalbagh Botanical Gardens here, he said not only has the horticulture sector provided good income but also employment opportunities to hundreds of farmers. Research in horticulture crops is getting a boost with the establishment of the Horticulture University at Bagalkot, he added.

He said mango cultivation has been extended to 70,000 hectares across the State.

Admiring the vast collection of flowering plants displayed at the show, the Chief Minister said every citizen must visit this horticulture show. It is also commendable that both the Horticulture Department and the Mysore Horticulture Society have been conducting this show since 1951, without a break.

The ambience of the historic Lalbagh moved the Chief Minister to say: “Looking at these beautiful flowers and plants, I feel like leaving politics and staying back here.” After inaugurating the flower show at the Glass House, Mr. Gowda visited the bonsai garden.

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## Farm sector can address waste management issues: Minister

Staff Reporter

Farmers' meet:Agriculture Minister K.P. Mohanan leading a farmers' rally at Panmana, near Kollam, on Friday. —Photo: C. Suresh Kumar

Agriculture Minister K.P. Mohanan on Friday said the agriculture sector could play a vital role in solving the solid waste disposal problem faced by the State.

Inaugurating Karshaka Sangamam 2012, a district-level gathering of farmers at Panmana near here on Friday, he said that solid waste generated at homes could be turned into rich manure for farms through simple processing.

The Minister said for various reasons, including economical and social, people of the State had become averse to farming. “But that phase is now over and a general interest towards farming is being shown. If this trend can be sustained through the right approach, the agriculture sector can be revolutionised," he said.

Mr. Mohanan said a government scheme to sell packed tender coconut water would be launched soon, which would be a boon to coconut farmers.

Presenting a report at the function, Principal Agriculture Officer, Kollam, C.O. Hemalatha said five action corps had been constituted at the Chadayamangalam block in Kollam on the lines of the Vadakancherry model of the food security scheme.

Members of the corps were being given training in operating mechanised farm equipment and modern farming methods. Thirteen power tillers, ten power reapers, and 14 sprayers were distributed. This year the scheme would be implemented in the Sasthamcotta block too, she said.

Agriculture Secretary K.R. Jyothilal distributed the Agriculture Technology Management Agency (ATMA) awards to seven farmers in the district.

The recipients are Chandrashekara Pillai from Kottarakara, Kunjukrishna Pillai from Chavara, Binu Joy from Vettikavala, Ajaya Kumar from Chirakkara, B. Prasanna Kumar from Sasthamcotta, and N. Gopi and Chandran Pillai from Chittumala.

The function was presided over by N. Peethambara Kurup MP. The function was preceded by a farmers rally led by Mr. Mohanan.

The day's programmes began with a seminar on "farming sector: problems and solutions". The seminar was inaugurated by the former Agriculture Minister Mullakkara Ratnakaran.

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**Need to increase livestock population, say scientists**

Staff Reporter

*Three-day visit of Central committee ends*

The three-day visit of the Central committee of scientists to the district to collect data for preparing a report to suggest sustainable alternatives in agriculture ended on Friday with a meeting of the team with public representatives.

The Central team headed by the Deputy Director General of the Indian Council of Agricultural Research (ICAR) and comprising experts in various branches of agriculture from around the country, during the last two days toured 18 villages in 20 mandals of the district and interacted with farmers besides undertaking field visits to understand the problems faced by farmers.

Today's meeting with public representatives held at the Revenue Bhavan in Anantapur was attended by representatives of various NGOs, Revenue Minister N. Raghuveera Reddy, MLAs, MLCs and representatives of political parties.

Summing up the two-day tour of the district, convener of the committee B. Venkateswarlu of the Central Research Institute for Dry Land Agriculture (CRIDA), said one of the preliminary observations of the team was the overwhelming need to increase the livestock population in the district by giving loans to farmers to buy cattle.

Mentioning an inherent problem of management, he said the committee had observed that there was a severe crunch of officers, because of which timely intervention by way of suggestions for alternative crops or nutrient and disease management was not being done effectively.

Some of the team members suggested the need to involve agricultural labour in MGNREGS, though the issue was a matter of policy which had to be decided by the government.

### De-silting of tanks

The team suggested that the government take up renovation of thousands of tanks in the district by de-silting them and building proper bunds.

The team opined that the silt removed, after scientific examination could be used to change the soil composition for the better especially in the face of the fact that the soil in the district had been altered to its detriment over the years.

Concurring with the team, TDP MLA from Uravakonda constituency Payyavula Keshav blamed government laxity on that front. He said the government was supposed to have renovated all the tanks in the district by January this year, but till now even estimates for the same were not prepared.

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- *Team suggests need to involve farm labour in MGNREGS*
- *Farmers not getting proper advice due to shortage of farm officials*

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## Banks told to expedite rabi crop loans

Correspondent

Collector N. Mukteswara Rao on Friday asked banks to achieve the rabi crop loan target of Rs.347.25 crore by February 15, as only Rs.199 crore was released so far.

He said of the annual credit plan of Rs.2,753.49 crore, only Rs.1,601 crore was made available. Credit sanctions should be expedited to achieve 100 percent coverage by March-end, he said.

### More branches sought

Mr. Rao, while presiding over the District Bankers' Committee meeting here, directed officials of the Agriculture and related departments to fix bank loan targets to each ‘adarsh rytu' and ensure their repayment on schedule so that he becomes eligible for fresh interest-free credit.

The Collector urged bankers to widen the branch network in interior areas and provide facilities to SCs, STs and weaker sections.

He asked them to finance small units of washermen and sheep-rearers, proposed and grounded by the BC Corporation.

In view of the severe drought prevailing in the district, he said, banks should liberally finance dairy units and encourage animal husbandry sector, noting that the district topped the list in the sanction of such units. Reserve Bank of India representative Sushila Re said banks should ensure 100 per cent grounding of schemes meant for SCs, STs, BCs, minorities since they were being scrutinised by the Centre.

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## Copra auction suspended

Staff Reporter

The auction of copra at the regulated market in Avalpoondurai in Erode district was suspended on Friday as farmers abstained from the process, urging the traders to pay higher amount for the sacks.

Farmers bring in copra to the market in sacks made of jute. Currently, traders pay Rs. 7 per sack in addition to the price for the copra. But farmers wanted the traders to pay at least Rs. 15 per sack. They claimed that they purchased sacks by paying up to Rs. 35 per piece.

Traders, however, said that the price quoted for the copra normally included the sacks as well. That was the procedure followed in all other regulated markets.

“But Rs. 7 per piece is being paid only at the Avalpoondurai market.”

Senior officials in the regulated marketing committee held talks with the traders and the farmers. As no agreement was reached, the committee suspended the auction for the day. Officials said the talks would resume on January 21. Farmers had brought over 3,500 bags of copra to the market on Friday.



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Business Standard

Monday, Jan 23, 2012

**Govt may decide on more sugar exports in early February**

Press Trust of India / New Delhi January 20, 2012, 18:57 IST

The government is likely to consider allowing further exports of sugar in the first week of February, as well as review the onion export situation.

An Empowered Group of Ministers (EGoM) on Food is expected to meet on February 7 to deliberate over these issues, sources said.

In order to improve liquidity, the sugar industry has been demanding the export of an additional two million tonnes of sugar in the 2011-12 season (October-September).

The government has permitted the export of one million tonnes of sugar this season in view of higher domestic production. The Food Ministry has so far issued export permits for about 5,00,000 tonne.

Sugar production in India, the world's second-largest producer and biggest consumer, is estimated at 24.5 million tonne this season, as against annual demand of 21.5 million tonne.

However, the Indian Sugar Mills Association (ISMA) has pegged sugar output at 26 million tonne in 2011-12, as against 24.2 million tonne in the previous season.

The country exported 2.6 million tonnes of sugar in the 2010-11 season.

Apart from sugar exports, the EGoM may review the export situation of onion and its minimum export price (MEP).

Early this month, the government slashed the MEP to boost exports. The MEP of onion was reduced to $150 per tonne from $250 per tonne, barring premium varieties Bangalore Rose and Krishnapuram, whose export price was brought down by $50 to $250 per tonne.

Onion exports from India declined by nearly 23% to 1.03 million tonne in the first nine months of the current fiscal vis-a-vis the year-ago period, mainly due to the higher MEP.

India, the second-largest producer of onions in the world after China, exported 1.34 million tonnes o

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## Edible oil firms' crushing margins turn negative

Dilip Kumar Jha / Mumbai January 21, 2012, 0:36 IST

In a significant impact on the profitability of edible oil producers, the crushing margins have turned negative in the past month due to their inability to pass on high prices of oilseeds to consumers.

The margin is the difference between the cost of production and realisation. At the current high price of oilseeds and low price of oil, the negative crushing margin for mustardseed works out to be Rs 381, while that of soybean is Rs 121. This means, for each tonne of seed processed by crushing units, the crusher will be losing Rs 381 for mustard seed and Rs 121 for soybeans.

“Farmers and stockists are holding oilseed stocks in anticipation of higher realisation in future. Hence, the quantity available in mandis for crushing is very little, which kept the seed price robust. Second, India remains import-reliant for edible oils, which keeps the domestic price movement in tandem with overseas markets. Since prices are currently lower abroad, crushers to an extent failed to pass on the seed price rise to users,” said Atul Chaturvedi, CEO, Adani Wilmar, the producer of mustard, soybean, sunflower, cottonseed, groundnut and coconut oil.

The scenario has reversed in the last one month. During the first few months of soybean harvesting, small and marginal farmers released their stock into mandis resulting in excessive supply. Generally, crushers stock these seeds for use in the lean season. However, this year the availability of seeds has started receding since early January, unlike early February in previous years. The benchmark price available on domestic futures exchange helps farmers and stockists hold their stocks for sale in lean season.

LOSING GRIP
Cost for crushing one tonne of seeds
(Rs cr)

| | Mustardseed (Kacchi Ghani) | Soybean |
|---|---|---|
| Procurement price | 34,250 | 24,500 |
| Crushing expenses | 1,315 | 1,050 |
| Cost | 34,565 | 25,550 |
| Oil realisation | 27,528 | 11,404 |
| Total realisation | 34,284 | 25,429 |
| Net crush margin | (-)381 | (-)121 |

Source : Solvent Extractors' Association (SEA)

As a consequence, prices of soybean for near-month delivery on the National Commodity & Derivatives Exchange fell marginally 0.81 per cent so far this month to trade at Rs 2,460 a quintal today as compared to Rs 2,480 a quintal on January 1. The fall, however, was severe in refined soyoil, traded at Rs 665 per 10 kg today as compared to Rs 686 per 10 kg on January 1.

Appreciation in the rupee against the dollar was another reason for holding oil prices low. Against the level of 53 a month ago, the Indian currency was trading at 50 on January 20. The 4.80 per cent appreciation in the rupee is keeping imports low today, said Chaturvedi.

Meanwhile, Dinesh Shahra, managing director of Ruchi Soya Industries, said, “This is a temporary phenomena, largely driven by volatility in currency. Our business is not affected.”

Malaysia’s palm oil exports fell 14 per cent to 799,210 tonnes in the first 20 days of the current month from the same period in December, due to low production in the country. In India, total stocks in the pipeline and at ports stand at nearly 1.3 million tonnes today, equivalent to one month of consumption.

Oilseed crushing mills have effectively reduced their operating capacity to avoid losses. But, one has to see the holding of seed stocks as well, said B V Mehta, executive director of the Solvent Extractors’ Association.

“This is usual phenomena which happens in the first few months of crop harvesting. The scenario will improve,” said Gobindbhai Patel, an industry veteran.

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## Natural rubber output rises 4.3% in Apr-Dec

George Joseph / Kochi January 21, 2012, 0:38 IST

Natural rubber (NR) production was up 4.3 per cent during the April-December period of the current financial year. Total production in the nine months was 679,100 tonnes as against 651,150 tonnes in the same period of the last financial year.

During April–December, 717,485 tonnes of rubber were consumed, up 1.2 per cent from 708,705 tonnes in the same period last year. A 320 per cent increase was recorded in exports, with 22,472 tonnes shipped during the period as against 7,293 tonnes earlier. There has been a slowdown in imports, as 133,693 tonnes were brought in compared to 166,463 tonnes in the same period last year.

There has been a fall in the total stock of NR. According to the revised estimates of the Rubber Board, the total stock was 262,000 tonnes at the end of December, against 314,890 tonnes last year. Production in December increased one per cent to 104,000 tonnes, compared to 103,000 tonnes during December 2010. Consumption in December also increased 2.4 per cent to 84,000 tonnes, compared to 82,000 tonnes during December 2010. Meanwhile, Tokyo rubber futures rose three per cent on Friday to their highest close in three months, bolstered by continued optimism about the global economy.

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THE HINDU Business Line

## Mixed trend in rubber

Kottayam, Jan. 20:

Physical rubber prices were mixed on Friday. The market opened better and improved further on fresh buying and short covering but declines in domestic futures kept it under pressure during late trading hours. Volumes were comparatively better.

Meanwhile, natural rubber continued its rally in the international markets on Thailand's move to prop up prices.

TOCOM rubber futures registered gains for the third successive week on improved growth outlook mainly following positive economic indications from US.

Sheet rubber finished unchanged at Rs 192.50 a kg after hitting an intra-day high of Rs 194, according to traders. The grade improved to Rs 193.50 (192) a kg both at Kottayam and Kochi, as reported by the Rubber Board.

RSS 4 weakened at its February series to Rs 195.39 (197.29), March to Rs 199.03 (201.23), April to Rs 205.50 (207.40), May to Rs 206.81 (209.06), June to Rs 206.11 (207.01) and July to Rs 204 (205.31) a kg on the National Multi Commodity Exchange.

RSS 3 (spot) closed firm at Rs 190.30 (188.54) a kg at Bangkok. The January futures for the grade improved to ¥297.9 (Rs 194.27) from ¥288.5 a kg during the day session but then finished unchanged in the night session on the Tokyo Commodity Exchange.

Spot rates were (Rs/kg): RSS-4: 192.50 (192.50); RSS-5: 188 (187); ungraded: 182 (182); ISNR 20: 190 (189) and latex 60 per cent: 108.50 (107. 50).

(This article was published in the Business Line print edition dated January 21, 2012)

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## Call to revamp supply chain to increase spices export

Kochi , Jan. 20:

The spices industry is confronting a major challenge of declining quantity for exports due to supply shortfalls and quality concerns.

This calls for immediate crisis management by revamping the entire supply chain starting from researchers, farmers, exporters, importers and consumers while ensuring adequate Government intervention and back-up support, Dr A. Jayathilak, Chairman, Spices Board, said.

Inaugurating an one-day workshop on ‘Sustainable Growth in the Spices Sector' organised jointly by the Spices Board, World Trade Organisation (WTO) Cell of Kerala Government and the World Spice Organisation, he said that though substantial jump in exports was observed in the past five years, export in quantity of spices has declined in the recent past.

While 32 per cent of the quantum and 40 per cent of the value targeted for spices export has been achieved in the year 2011-2012, the question as to why there is a fall in quantity remains. While Kerala's contribution to the spices sector needs to be improved, Karnataka had made huge advancements in pepper production.

## India's exports

India is the largest producer, exporter and consumer of spices in the world, but exports only 10 per cent of its total production, though it contributes almost 50 per cent of the global requirements, a press release issued here said.

There has been increasing global demand for spices and India has to consolidate and maintain its position as the world leader in this sector.

Speaking on the occasion, Dr K. Prathapan, Director, State Horticulture Mission, stressed the need to ensure quality planting materials to farmers. The work shop is a definite step on convergence of resources in this sector. Research and results of research should reach the farmers, he said.

The workshop chalked out strategies to ensure high yield and better quality among five major spices with high export potential — black pepper, cardamom, ginger, turmeric and nutmeg — by securing high quality planting material, overcoming soil constraints, dealing with devastating diseases and assuring stable price.

Mr Philip Kuruvilla, Chairman, WSO, detailed the parameters to remain internationally competitive for sound export business in the WTO era.

He outlined the major challenges in spice trade and highlighted the need to meet international standards on food safety and food security by resolving the problem of pesticide residues, presence of aflatoxin and illegal dyes.

Mr George Paul, Director of the World Spice Organisation, said that agricultural sustainability is primarily a question of human sustainability and therefore purity of food is an important factor. The international food safety standards are nothing but standards for human sustainability.

Scientists and experts from the Kerala Agriculture University, Indian Institute of Spices Research, World Spice Organisation and Spices Board, led the technical session on field problems and research interventions.

Constraints and opportunities from the farmers' perspective were also discussed. Spice farmers from various parts of the state, spices exporters, traders, scientists and foreign delegates participated.

(This article was published in the Business Line print edition dated January 21, 2012)

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## Mustard output may drop on lower oilseed sowing

Our Bureau

*Fall in area due to poor North-East monsoon*

**Rabi acreage sown** (in lakh ha)

| | This year | Last Year |
|---|---|---|
| Wheat | 294.07 | 290.98 |
| Rice | 12.8 | 13.41 |
| Coarse cereals | 58.37 | 59.35 |
| Pulses | 145.12 | 146.47 |
| Oilseeds | 83.8 | 90.36 |

New Delhi, Jan. 20:

Sowing of oilseeds has dropped by 7.25 per cent in the current rabi season, dragged by a decline in rapeseed/mustard acreage in Rajasthan due to poor rain.

This could hurt production as harvest of mustard is set to begin in the next few weeks.

In Rajasthan, the acreage under mustard so far is 26.41 lakh hectares against 32 lakh hectares in the corresponding period a year ago.

The total area under mustard stood at 65.30 lakh hectares against 71.11 lakh hectares.

The overall area under oilseeds is lower by 6.56 lakh ha and States such as Andhra Pradesh, Karnataka and Maharashtra have reported lower coverage due to poor north-east monsoon.

Sowing of wheat has almost been completed and the area so far has exceeded last year's total area of 294 lakh hectares.

Acreage under wheat has increased marginally at 294 lakh hectares against 290.98 lakh hectares last year.

The higher area coverage is led by Madhya Pradesh, where the area is up by 6 lakh hectares, followed by Rajasthan at 3.11 lakh hectares.

The Government is targeting wheat output of 84 million tonnes.

Sowing of wheat is expected to go on till end of January in areas where harvest of sugarcane and potato was on.

The area under pulses stood at 145 lakh hectares, marginally lower than previous year's 146.47 lakh hectares.

The acreage under gram is lower at 89.3 lakh hectares against 93.3 lakh hectares last year. This is despite higher area reported under gram reported from States like Madhya Pradesh, Chhatisgarh, Gujarat and Bihar.

The area under coarse cereals and rice is marginally lower than last year.

(This article was published in the Business Line print edition dated January 21, 2012)

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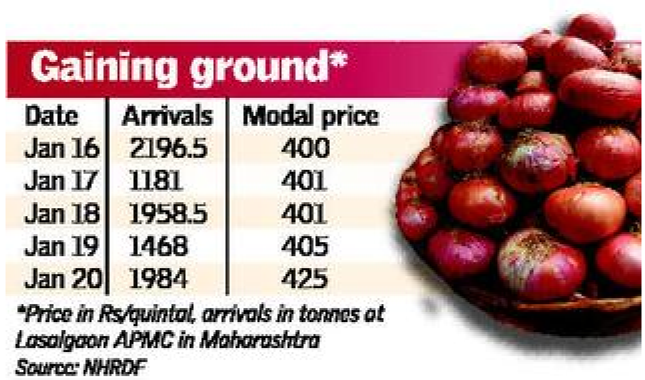
## Reduced arrivals lift onion

M.R. Subramani



**Gaining ground***

| Date | Arrivals | Modal price |
|---|---|---|
| Jan 16 | 2196.5 | 400 |
| Jan 17 | 1181 | 401 |
| Jan 18 | 1958.5 | 401 |
| Jan 19 | 1468 | 405 |
| Jan 20 | 1984 | 425 |

**Price in Rs/quintal, arrivals in tonnes at Lasalgaon APMC in Maharashtra*
*Source: NHRDF*

Chennai, Jan. 20:

Onion prices improved by Rs 70-80 a quintal this week as arrivals dropped in markets around growing centres in Maharashtra and Gujarat.

“In the last three days, the average price was Rs 450 a quintal with arrivals totalling 30,000 tonnes. But arrivals have dropped 20-25 per cent from a week ago,” said Mr Rupesh Jaju, Director of Nashik-based United Pacific Agro Pvt Ltd that exports onions.

At Lasalgaon Agricultural Produce Marketing Committee (APMC) yard, Asia's biggest for onion, the modal price or rate at which most trades took place improved to Rs 425 a quintal from Rs 351 a week ago. Arrivals on Friday were almost 2,000 tonnes.

“There was a sudden pick-up in prices on Wednesday and Thursday,” said Mr Jaju.

“Malaysia had bought ahead of the Chinese New Year. Next week, there is not much shipments to be made,” said Mr Madan Prakash, Director of Chennai-based Rajathi Group of Companies that exports agricultural produce.

“Export demand is constant,” said Mr Jaju, adding that exporters were buying from Nashik and Ahmednagar districts in Maharashtra.

“Sri Lanka should be back making huge purchases in February-March, while Malaysia will be back after February 14,” said Mr Prakash.

“Domestic demand, particularly from Tamil Nadu, Karnataka and Punjab, is being met from Solapur APMC,” said Mr Jaju.

Meanwhile, Pakistan has begun to make enquiries and exports could pick up through the Wagah border.

“Traders in Amritsar would be able to meet the demand from Pakistan,” said Mr Jaju.

However, Mr Prakash said that the Pakistan market was not stable. “Also, arrival of Pakistan crop is due,” he said.

With kharif and late kharif onion likely to swamp the markets in the next two days, prices could correct by Rs 20-25 a quintal, said Mr Jaju.

“A lot of onion from kharif and late kharif is still available,” he said.

However, the public holiday on January 26 could see pressure on the supply as well as demand side, Mr Jaju said.*mrsubramani@thehindu.co.in*

*(This article was published in the Business Line print edition dated January 21, 2012)*

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## Cotton down on lower export, local demand

Our Correspondent

Rajkot, Jan. 20:

Cotton fell by Rs 500 a candy of 356 kg on lower export and local demand besides higher arrivals on Friday.

The Sankar-6 variety decreased by Rs 500 to Rs 36,500-36,800 a candy. About 70,000 bales (60,000-62,000) of 170 kg each arrived in Gujarat.*Kapas*or raw cotton was down Rs 10-15 to Rs 850-910 here and it traded at Rs 890-925 a*maund*of 20 kg for delivery at Kadi.

Its April contract dropped by Rs 32.90 to Rs 960 for a*maund*, with an open interest of 11,134 lots. The Cotton Advisory Board, in its meeting next week, cut output estimates by 10 lakh bales for the current year. In the last meeting, it had estimated the crop at 356 lakh bales.

A section of the trade and industry is putting the crop size at 325 lakh bales, mainly due to drop in yield in Karnataka and Andhra Pradesh.Futures dip

NewsWire18 reports:In Mumbai, MCX January and March cotton contracts ended lower on Friday due to profit-booking after having risen sharply in early trade, analysts said.

Prices of both the contracts may open still lower on Saturday due to extended profit-booking, an analyst at Cotton Corp of India.

(This article was published in the Business Line print edition dated January 21, 2012)

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## Imported oils extend losses on global cues

Our Correspondent

Mumbai, Jan. 20:

Imported palmolein and soya refined oil extended losses by Rs 3 and Rs 4 for 10 kg on Friday, tracking weak foreign markets.

Cotton refined oil lost Rs 2 and sunflower refined oil Rs 5 for 10 kg on lack of demand. Groundnut and rapeseed oils were unchanged. March contracts of Malaysian crude palm oil futures closed lower.

Local refiners reduced prices due to lack of demand in the ready market. Buyers kpt away from new bets. Resellers traded about 150-200 tonnes of palmolein at Rs 568-570.

Resellers quoted palmolein at Rs 568-570. Liberty quoted palmolein at Rs 570-572, super palmolein at Rs 600 and sunflower oil at Rs 715. Ruchi offered palmolein at Rs 561 for February delivery, soya refined oil at Rs 661 for February and sunflower refined oil at Rs 695 for delivery between February 1 and 10.

Malaysian crude palm oil'sFebruary contracts settled at 3,163 ringgits (3,165 ringgits), March at 3,162 ringgits (3,164 ringgits) and April at 3,165 ringgits (3,157 ringgits) a tonne. Soya refined oil for February delivery shot up to Rs 701.60 (Rs 697.60) and for March at Rs 680.30 (Rs 683.50) on the National Board of Trade in Indore.

Bombay Commodity Exchange spot rates (Rs/10 kg):groundnut oil - 1,020 (1,020), soya refined oil - 665 (669), sunflower seed exp. ref. - 625 (630), sunflower seed ref. - 712 (715), rapeseed ref. oil - 795 (795), rapeseed expeller ref. - 765 (765), cottonseed ref. oil - 632 (634) and palmolein - 570 (573).

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## Sugar stockists avoid building inventories

Our Correspondent

Mumbai, Jan. 20:

Higher *naka* sales pulled down sugar by Rs 10 a quintal on the wholesale spot market in Vashi on Friday, while *naka* rates themselves fell by Rs 10 a quintal on lack of demand.

Traders expect demand to improve next week. Sugar prices, down Rs 250-300 a quintal in the last six to seven weeks, are now below the cost of production.

Mills were reluctant to sell at lower prices. Stockists avoided building inventories and bought more fine quality sugar as its prices have fallen. Local demand remained need-based. Supplies were as usual. Higher production this year and lack of demand from neighbouring States put more pressure on producers. While 50-52 truckloads arrived in Vashi, local despatches were around 50-52 truckloads. On Thursday evening, only about 11-12 mills offered tenders and sold about 35,000-37,000 bags at Rs 2,755-2,850 (Rs 2,755-2850) for S-grade and at Rs 2,840-2,930 (Rs 2,840-2,930) for M-grade.

**The Bombay Sugar Merchants Association's spot rates:** S-grade — Rs 2,882-2,956 (Rs 2,892-2,966) and M-grade — Rs 2,958- 3,082 (Rs 2,951-3,092).

***Naka* delivery rates:** S-grade — Rs 2,840-2,880 (Rs 2,850-2,900) and M-grade — Rs 2,920-3,000 (Rs 2,920-3,000).

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## Turmeric pales on tepid N. India demand

Erode, Jan. 20:

Spot turmeric prices decreased by Rs 150 a quintal on Friday on lukewarm demand from North India.

“Due to the harsh winter in North India , trading starts only at noon. Traders keep their shops open only for four hours. So, they have not placed any orders for turmeric from Erode and Nizamabad.

“Exporters and bulk buyers in Erode are therefore quoting lower rates for spot turmeric. Further, only 8,000 bags arrived for sale, and buyers preferred the hybrid and new crops,” said Mr R.K.V. Ravishankar, President, Erode Turmeric Merchants' Association.

He said 600 bags of Mysore crop and 425 bags of Number 8 variety from Chennampatty arrived for sale and traders purchased all the new crop. Traders are now buying to meet orders from masala firms.

They have also purchased the hybrid variety by quoting Rs 200 a quintal higher.

On Friday, 8,100 bags of turmeric arrived for sale, but the offtake was very poor as only 35 to 40 per cent of the stock was sold. Traders are expecting farmers to bring more than 10,000 bags a day to the market for sale next week onwards.

At the Erode Turmeric Merchants' Association sales yard, the finger variety fetched Rs 3,236-4,289 a quintal, and the root variety Rs 3,011-4,089.

Salem Crop:The finger variety was sold at Rs 4,209-4,829 and root variety at Rs 3,811-4,239. In all, 1,865 bags arrived for sale and 792 were sold.

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