THE HINDU

MADURAI, June 12, 2012

Agriculture Department bags best stall award

Exhibition contributes Rs. 39.38 lakh to State kitty

RECOGNITION:Collector Anshul Mishra (right) presenting the first prize for the best stall in the Government departments category to Joint Director of Agriculture P. Sankaralingam at the Madurai Collectorate on Monday.— Photo: R. Ashok

The Agricultural Department has bagged the Best Stall Award in the annual Government Chithirai Festival Expo 2012 under the Government Deaprtments category. The District Rural Development Agency (DRDA) came second with the Cooperation and Social Welfare Departments sharing the third prize.

Collector Anshul Mishra on Monday presented the award to P. Sankaralingam, Joint Director (Agriculture), DRDA Project Director M. Prabakar, Joint Registrar of Cooperative Societies-Madurai Region S. Gurumoorthy and to District Social Welfare Officer M. Jeyalakshmi.

Agriculture Department was winning the top position at the Chithirai expo for the first time, said Mr. Sankaralingam adding that it was because of the good response from farmers.

The stall showed farmers how to bring about the second agricultural revolution by doubling agricultural productivity and tripling productivity. Farmers were also provided information on how to adopt latest technologies. Besides providing information on various government schemes and subsidies available, the farmers were also given details on whom to contact at their respective blocks.

Guidance was also provided on soil management. Successful case studies of farmers were also showcased. The stall was managed by the Departments of Agriculture, Horticulture and Agri-Business and Marketing with their staff deployed on rotation.

In the Government Undertakings category, Tamil Nadu Water Supply and Drainage (TWAD) Board bagged the first prize with Tamil Nadu Generation and Distribution Corporation Limited (TANGEDCO) and Madurai Municipal Corporation coming second and third respectively. Under the Central Government category, the Reserve Bank of India was presented the award.

According to an official, the Chithirai expo, held at Tamukkam Ground between April 21 and June 10, saw a total of 4.31 lakh visitors and yielded a revenue of Rs. 39.38 lakh to the State Treasury. It featured Government departments, Government undertakings and Central Government organisations. Various government schemes were also explained to visitors during the event.

ARIYALUR, June 12, 2012

Two-day training on rearing milch animals

Two-day training on rearing milch animals to beneficiaries who got livestock under the Tamil Nadu Backward Classes Economic Development Corporation (TABCEDCO) was held here recently. A total of 107 beneficiaries who got livestock through the primary agricultural cooperative and thrift societies in Anandavadi and Iluppaiyur, Vilankudi and Ponparappi underwent training.

In a press release issued here on Monday, Anu George, Collector, said that every minute detail in rearing milch animals was explained to the beneficiaries.

The use of fodder, prevention of diseases and steps to be followed for increasing milk yield were also explained by scientists and resource persons.

Day-long field training was also held at the milk storage godown at Sendurai and at the agricultural farm in Nagamangalam. Gunasekar, District Backward Classes Welfare Officer, and Murugan, Joint Registrar of Cooperative Societies, were present.

KOCHI, June 12, 2012

‘Prawns only' farming decried

K. Sukumaran, former Kerala High Court judge, has called for putting an end to the practice of year-round prawn farming in the pokkali rice fields in Ernakulam and Alappuzha districts.

Mr. Sukumaran, who opened a protest meeting organised by the Kerala Samsthana Janakeeya Prathirodha Samiti and the Samyuktha Samara Samiti at Ezhupunna on Monday, said the traditional practice of six-month prawn farming and six-month pokkali rice farming was a healthy, environment-friendly one. But over the past decade or so, this had been upset with the focus on prawn farming by letting in saline water into the fields. Apart from destroying the eco-friendly cultivation tradition, it caused loss of biodiversity as well as less jobs for the people in the inland areas.

Speakers said that because of the year-round prawn farming, under the impact of saline water, several houses close to the inland water sources had been damaged.

KADAPA, June 12, 2012

Supply of subsidy seeds to farmers begins in 34 mandals

District Collector V. Anil Kumar launched subsidy seed distribution in 34 mandals by distributing seed in Kamalapuram district headquarters on Monday.

Thirty thousand quintals of groundnut, pigeon pea, Horse chestnut and jeelaga seeds would be distributed through Agriculture Department in 34 mandals in the first phase on June 11 and 12, he said. The Collector and Joint Director of Agriculture Jonathan distributed seeds to farmers on Kamalapuram MPDO office premises. Seeds were distributed to farmers of Nallalingayapalli, J. Kothapalli, Thurakapalli, Gollapalli, Pandillapalli, Jambhapuram and Yerragudipadu villages in Kamalapuram mandal in four counters. Queue lines, shamianas and drinking water were provided at seed distribution centres, the Collector said. They also distributed seeds at Vallur MPDO office. Agriculture officers in the JDA office Ashok Reddy and Narahari Kumar, Assistant Director of Agriculture, Kamalapuram, Anitha, AOs Easeari Kavitha and Sravani, A.P. Seeds Managers Khan and Reddappa Reddy, Agros Officer Chandrasekhar Reddy and farmers participated.

AIPUR, June 12, 2012

1.68 crore for establishment of centre for cattle-breeders

The Rajasthan Government has sanctioned Rs.1.68 crore for establishment of the State's first training centre for cattle-breeders in Jodhpur and appointed 16 officers and employees to it. Chief Minister Ashok Gehlot had announced establishment of the new centre in his 2012-13 Budget speech earlier this year.

State Agriculture & Animal Husbandry Minister Harjiram Burdak said here on Monday that veterinary experts at the centre would impart training for treatment of diseases of the livestock, increase in milk production and care and maintenance of the livestock belonging to improved breeds.

Cattle-breeders in groups of 50 each would be trained in the five-day residential courses and apprised of the latest techniques and procedures for looking after the bovine. Mr. Burdak said about 2,500 cattle-breeders would get training at the new centre every year.In the 16 posts created at the centre, the joint director will be designated as the head of the institution, while there would be two assistant directors and two veterinary officers responsible for conducting the training programmes.

Published: June 11, 2012 01:16 IST | Updated: June 11, 2012 01:16 IST

A portal to disseminate information on agricultural productivity

The International Food Policy Research Institute (IFPRI) has launched a portal to disseminate farm-related information to improve agricultural productivity and farm income for small and marginal ryots.

Launched in partnership with the e-Extension Centre of Tamil Nadu Agricultural University (TNAU), the ICICI Knowledge Park (IKP) Centre for Advancement in Agricultural Practice (ICAAP), the portal (http://www.advanceagripractice.in) currently provides data on rice, pulses (black gram and green gram), sugarcane, banana, and coconut in the delta region of Tamil Nadu (Thanjavur and Tiruvarur districts). It will in due course be scaled up to include data on major commodities such as wheat, cotton, groundnut, tapioca, turmeric, mango, and maize, fodder crops and animal husbandry topics such as cattle, buffalo, goat, sheep, and poultry farming as well as tribal agriculture.

“We're aware of the challenges of information dissemination in a lingually diverse country like India. So we will be making available content in regional languages as we move along,” said Kwadwo Asenso-Okyere, director of IFPRI's Eastern and Southern Africa Regional Office.

In Tamil by year-end

The Tamil content is expected to be ready by the year-end. The IFPRI will also explore various dissemination platforms that are farmer-friendly such as text messages, street plays and bulletins on radio and television.

The data available on the portal includes region specific information such as soil fertility status, potential hydrogen (PH), land use patterns and cropping patterns, availability of high quality agricultural inputs such as certified seeds and fertilizers, news regarding agriculture-related government schemes and agri-credit institutions and information on procurement centres, traders and markets.The portal also features success stories and case studies highlighting farmers' best practices and experiences that can be emulated. It also seeks to serve as a gateway for knowledge and best practices from the CGIAR (a global research partnership for a food secure future), other international agricultural research centres, and national agricultural research institutes.Sandeep Saxena, Tamil Nadu Agricultural Production Commissioner and Agriculture Secretary, appreciated the efforts in developing the portal and suggested strategies for promoting this portal on national level. He also urged the need for ICT information on agriculture, and the necessity of reaching all farmers with instant agricultural advice.

C.V. Krishnan, president of the Institute of Financial Management and Research described the portal as a “one-stop source of information from inputs to credit, markets, and prices.”

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hindustantimes

Tue,12 Jun 2012

weather

Chennai - INDIA

Today's Weather

Partly Cloudy

Tuesday, Jun 12

Max Min

41.2° | 26.1°

Rain: 00 mm in 24hrs

Humidity: 55%

Wind: Normal

Sunrise: 6:35

Sunset: 18:03

Barometer: 1002

Tomorrow's Forecast

Rainy

Wednesday, Jun 13

Max Min

36° | 30°

Extended Forecast for a week

Thursday	Friday	Saturday	Sunday	Monday
Jun 14	Jun 15	Jun 16	Jun 17	Jun 18
37° | 29°	34° | 28°	37° | 28°	34° | 28°	34° | 29°
Rainy	Rainy	Rainy	Rainy	Rainy

THE ECONOMIC TIMES

12 JUN, 2012, 04.24AM IST, ET BUREAU

Maharashtra sugar output to drop 11% in 2012-13

PUNE: Sugar production in Maharashtra, the top producer of the sweetener in the country, is expected to fall by more than 11% in the 2012-13 sugar season, according to Maharashtra co-operation minister Harshvardhan Patil. Cane production is likely to be down by close to 22% due to drought-like conditions in the state.

"The area under cane is expected to decline from 10.22 lakh ha in 2011-12 to about 8 lakh ha in 2012-13 while sugar production is likely to go down from 90 lakh tonne to about 80 lakh tonne. The availability of cane will be the biggest challenge," said Patil. The department of co-operation controls the sugar industry in the state, which is mostly concentrated in the co-operative sector.

The department has organised a cane development workshop for sugar mills as there is a possibility of cane shortage in the next season. In the 2011-12 season, 125 co-operative mills and 51 private mills produced sugar.

In the next sugar season, the number of private sugar mills is set to go up by 10, taking the total number of mills from 176 to 186. "The daily crushing capacity has increased from 4 lakh tonne per day last year to 5.5 lakh tonne per day in the current year," said Patil.

To ensure that sugar mills put in enough efforts to improve productivity, the government is thinking of tightening the regulation. A sugar mill is required to take crushing licence before starting crushing operations.

The government is thinking about linking the crushing licence with the efforts done by the mill for increasing productivity.

The average cane productivity of Maharashtra is 81 tonne per ha. Tamil Nadu has the highest productivity of 103 tonne per ha followed by Karnataka at 89 tonne per ha.

12 JUN, 2012, 04.26AM IST, BLOOMBERG

Malaysian palm oil stockpiles drop to 13-month low in May

KUALA LUMPUR: Palm oil reserves in Malaysia, the second-largest supplier after Indonesia, slumped to the lowest level in 13 months in May as production continued to drop from a year ago and exports gained as China and India built up reserves.

Inventories tumbled 4.5% to 1.76 million metric tonne from 1.85 million tonne in April, the Malaysian Palm Oil Board said in a statement on Monday.

That compared to the median of 1.78 million tonne in a Bloomberg survey. Output was 1.38 million tonne in May from 1.27 million tonne in April, and 1.74 million tonne a year earlier.

Exports gained 4.8% to 1.4 million tonne in April, the board said.

Prices have dropped 17% from a 13-month high in April on concerns over rising output, a slowing Chinese economy and deepening debt crisis in Europe.

The Indian EXPRESS
JOURNALISM OF COURAGE

Dhampur Sugar board approves merger of J-K Sugar with company

Agencies Posted online: Mon Jun 11 2012, 15:24 hrs

New Delhi : Dhampur Sugar Mills today said its board has approved the merger of JK Sugar with the company and shareholders of the latter will get 275 shares for every 1,000 shares they hold.

In a filing to the BSE, the company said, "The board of directors in its meeting held on June 10, 2012, gave approval to the amalgamation of JK Sugar Ltd with the company."

The Board approved the share exchange ratio of 275:1,000, meaning thereby that every equity shareholder of JK Sugar holding 1,000 fully paid-up equity shares of Rs 10 each will be entitled to receive 275 fully paid-up equity shares of Dhampur Sugar Mills, it said.

The proposed merger is subject to regulatory and other approvals, the company added.

JK Sugar, a part JK Industries, in a separate filing to the BSE said its board has approved the proposed merger in its meeting on June 9.

JK Sugars has sugarcane crushing capacity of over 4,000 tonnes per day. While Dhampur Sugar Mills has capacity to crush 39,500 tonnes of cane per day.

Both the companies are based in Uttar Pradesh, which is second in the country for sugar production after Maharashtra.

Shares of Dhampur Sugar Mills were trading higher by 1.35 per cent at Rs 45.10 on the BSE. JK Sugar was quoted at Rs 18 apiece, down 2.6 per cent over previous close, on the BSE at 1350 hrs.

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the pioneer

State to disburse Rs 3,000 crore crop loan for 2012 Kharif

MONDAY, 11 JUNE 2012 23:25

PNS | BHUBANESWAR

In order to help improve the condition of farmers and the farm sector, the State Government has set a target to provide an estimated Rs 3,000 crore crop loan to 15 lakh farmers during the 2012 Kharif season.

Besides, it has decided to disburse Rs 600 crore towards agricultural term loan for the 2012-13 financial year, according to official sources.

The sources said during last Kharif, 2011, the State Government had fixed Rs 2,381 crore to meet the credit needs of the farmers. Considering the performance of the Short Term Cooperative Credit Structure and the credit requirement of the Primary Agricultural Cooperative Societies, this year the amount of the farm credit has been saised to Rs 3,000 crore.

The sources further said that the crop loans would be made available to the farmer members of the Primary Agricultureal Cooperative Societies at concession rate of 5 per cent of interest. If the lonee farmers would repay the outstanding dues on or before due dates, 3 per cent interest incentive would be available to them thereby reducing the cost of credit to 2 per cent per annum, they added.

The crop loan would be provided through Kissan Credit Cards and steps have already been taken to make PACS and LAMPS as single point for delivery of agriculture-related needs of farmers. As many as 5 lakh new KCCs would be issued to farmers during the current Kahrif season.

The sources said besides member farmers in the cooperative fold, the State Government has also decided to ensure flow of credit to tenant farmers and oral lessees through Joint Liability Groups (JLGs).

While it is targeted to achieve credit linkage of at least 50,000 JLGs during the current year, it said at least 3 per cent of the aggregate crop loan advances would be made available to the share croppers through the JLGs.

Stating that target for disbursement of agricultural term loans during the 2012-13 financial year has been fixed at Rs 600 crore, the sources said that the Cooperative Banks have been asked to augment financing under tractor, power tiller, pump set, minor irrigation, farm mechanisation, plantation, horticulture and allied agricultural activities like diary, poultry and fisheries.

Banks have been asked to keep close coordination with the line departments concerned to avail of the opportunity.

Pointing out that it has been targeted to disburse highest Rs 300 crore crop loan in Bargarh district followed by Rs 260 crore in Baleswar district, the sources said till June 2, an estimated Rs 546 crore crop loan has already been given to farmers in the State.

Agriculture commission will have an agriculture scientist

MONDAY, 11 JUNE 2012 21:51

PIONEER NEWS SERVICE | LUCKNOW

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The department wise Budget discussion got under way on Monday with the presentation of the Budget of the Agriculture, Cooperative, Panchayati Raj, Animal Husbandary and Dairy, Horticulture and Food Processing and Fisheries.

Presenting the Agriculture Budget, the Agriculture Minister Anand Singh announced that Agriculture Commission will be set up which will include imminent agriculture scientist with the condition that they must be borne in Uttar Pradesh.

He said that Mandi Vision Document will be prepared by any IIM.

He also said that to overcome the storage problem silos will be constructed across the state. Similarly the Cooperative Minister Shivpal Singh while presenting the departmental budget assured that the state government will take all possible steps to run those 25 cooperative banks which have been closed down on the directives of the Reserve Bank of India.

He said that government will hold conversations with the RBI officials and has also made the provision of Rs 200 crore to run these banks.
The BJP LP Leader Hukum Singh moved the cut motion on Agriculture Budget and said that though the government has made tall claims about several schemes but no where it was mentioned that where the funds will come from to realise these schemes.

He also raised the problems of the farmers and alleged that no serious and feasible attempts were mentioned in Budget to remove the problems of the farmers.

Business Standard

Tuesday, Jun 12, 2012

Slowdown ahead in global pepper market

George Joseph / Kochi June 12, 2012, 0:37 IST

A slowing demand from the Euro zone and the US, two major takers of pepper, is likely to have a negative impact on prices in the second half of the current year, say leading global traders and experts. Coupled with a steady supply of the commodity, this may pull down prices by $500-750 a tonne in the fourth quarter of the year.

According to information from various producing countries, the second half is likely to have a total supply of 146,000 tonnes. Indonesia is expected to have total production of 30,000-35,000 tonnes, Brazil of 40,000 tonnes and Sri Lanka estimates 16,000 tonnes. Reports from Vietnam put their probable stock ranges at 60,000-70,000 tonnes for the remaining part of the year. The country had already shipped 62,000 tonnes during January–March period and 12,228 tonnes in May. In sum, a supply crunch in the global pepper mart can easily be ruled out.

This comes, as mentioned, with a sharp fall in buying by European Union nations and America. US import this April dropped to 2,689 tonnes as against 4,075 tonnes in the same month last year. The cumulative figure for January–April was 12,279 tonnes against 14,855 tonnes in the same period of last year. Leading exporters say US import is likely to slow further, in a wait over there for the market to drop or stabilise. Likewise, the euro zone crisis has affected shipment to this region and is likely to continue doing so.

Experts rule out a glut in the market, as the cash- rich growers of Vietnam and Brazil can keep stocks in wait for a positive reaction. So, a section of experts believe there would not be a big fall in prices. Current prices in Vietnam, Brazil and Indonesia are high, at $6,500-6,900/tonne FOB. India is on top of the table with $7,400/tonne. All this points to a probable correction in the global mart.

Export ban on skimmed milk powder lifted

Press Trust Of India / June 12, 2012, 0:33 IST

The government on Monday notified lifting of the ban on exports of skimmed milk powder to improve finances of dairy firms and help milk producers. The government had decided to lift the export ban, amid surplus availability of milk. Exports of milk and cream, concentrated or containing added sugar or other sweetening matter, including whole milk powder, dairy whitener and infant milk foods are still prohibited.

Offsets proposed for fertiliser sector

Anindita Dey / Mumbai June 12, 2012, 0:35 IST

The ministry of chemicals and fertilisers has recommended the government extend its national policy on offsets/ counter trade to the fertiliser sector. According to official sources, this move will facilitate entry of Indian entities into the ownership and sourcing of basic raw materials like gas, rock phosphate and potash abroad.

The proposal says, as with the defence sector, high value government purchases, should be leveraged for gaining entry of fertiliser companies, both PSUs and private entities, in acquiring assets for mining of rock phosphate/potash or for long-term gas linkages from countries which have abundant resources.

The demand forecasts for the 12th-five year plan are 33.7 million tonnes (mt) for urea, 12.4 mt for diammonium phosphate, 4.8 mt for muriate of potash and 11.4 mt for complex fertilisers. While it is expected that over and above the present installed capacity of 23.9 mtpa of urea, additional capacity is expected to come in the next Plan period, for non-urea categories, India is dependent on imports for 70-90 per cent of its consumption. Thus, like oil, fertiliser prices are vulnerable to exchange rates and a drag on the import bill.

“Thus, such offsets will primarily aim at securing access of Indian companies to basic raw material as well as price advantage compared to its competitors”, explained an official source.

They said, currently the national policy of offsets is applicable primarily for the defence sector but primarily for import of items and not acquisition. Under such arrangement, defence hardware acquisitions above Rs 300 crore require the foreign supplier to ‘offset’ at least 30 per cent of the contract value by sourcing sub-assemblies, components and services from India, as is the case with the recent $10.6-billion jet fighter deal with Dassault Rafale.

They explained India procures a lot of defence items from Belarus and Russia and such a policy may help the fertiliser companies to procure assets or leases in fertiliser resources in those countries. Further the ministry has proposed a model for acquisition of raw material assets abroad by first creating goodwill by building infrastructure needs of a country rich in fertiliser resources and then acquiring the raw material resources.

Officials explained that this model has been successfully adopted by China in many African countries. Chinese construction firms are building dams, telecom networks, railways, hotels etc in African countries and in exchange acquire concessional leases/rights to African mines and oil and gas resources.

For financial funding, while the ministry has already proposed a separate corpus of $ 1 billion in the twelfth plan period, it has recommended lending at attractive rate of interest by Indian financial and Export credit agencies to companies venturing overseas for acquisition. For separate corpus , it has urged the government either for a grant or a loan of $ 1 billion at subsidised rate of interest.

Collapse of sugar under weight of surplus

Kunal Bose / June 12, 2012, 0:30 IST

Pension and hedge funds managers putting their bets in sugar are in the habit of looking for cues from the eponymous founder of Switzerland based consultancy Jonathan Kingsman and experts Louis Dreyfus and Czarnikow as to how prices of the soft commodity will behave in the days ahead. They mostly benefit by listening to expert views. But in the past sugar year, most investors flipped the coin wrongly, going by highly optimistic surplus forecasts by experts, though revised downward with season's progress. The factor having most significant bearing on prices is how much surplus or deficit the world will have of sugar in a season and the next. Like while this season to end in September 2012 is having a surplus of eight million tonnes (mt), early forecasts for 2012-13 show excess supply from four mt to eight mt.

Being an agro-based commodity the supply of cane and beet from which sugar is made is decided first by commitment of land to the two crops and then by behaviour of the weather, which keep on changing. Didn't Kingsman bring his global surplus estimate down from 5.17 mt to 3.52 mt for the 2010-11season in the course of three months. Who could have thought in early parts of this season that bumper harvests in Thailand defying floods, China, Russia and the European Union would create a global surplus of eight mt?

But now China is lifting production by 1.05 mt to 11.5 mt. In a remarkable recovery from early season gloom, Thailand has produced 600,000 tonnes more at 10.24 mt. The bumper beet crop has largely freed Russia from the import pressure for stocks replenishment. Largely bec-ause of sector specific reforms, EU sugar beet production in terms of raw sugar equivalent has leapt from 15.4 mt to 17.2 mt.

At some point, the market had to reckon with the big surplus resulting from bumper harvests in India, expected from the season start and some other places, surprising the observers. To add to the challenge of living with an eight mt surplus, an equally large excess supply is likely to overwhelm the market's next season. The question may be asked as to why fund managers waited for so late in the season before putting their trades into the bear groove. They had reasons to be cautious after they walked the wrong path last season, listening to the sages at consultancies and banks.

For any commodity, when prices sink below a certain level, speculation starts as to where the new floor will be found. Last week at one point, the July raw sugar contract on New York Intercontinental Exchange (ICE) fell to 18.86 cents per lb, the lowest intra-day price since August 2010. Speculators were found extending their net short positions. In less than a year and a half, the sugar pendulum has swung from one extreme to another.

In February 2011, raws climbed to 35.31 cents per lb, the highest in three decades, as news of damages caused by cyclone in Australia, a leading sugar producer, streamed in.

The global surplus of the magnitude that is being talked about for the current and next year is no doubt the main culprit for price fall. But the commodity market in general is also now contending with a raft of dismal economic news from around the world. Not to talk about the crisis in Euro zone, the emerging economies like China and India have started showing signs of running out of steam, says industry official Om Prakash Dhanuka. Raw prices have looked up since, though still a tad lower than the psychologically important 20 cents per lb.

This happened on reports that rains in Brazil's centre-south, accounting for over 90 per cent of cane crop of the world's largest producer and exporter of sugar, will delay harvest and on a mounting backlog in shipments from its leading ports of Santos and Paranagua.

As is the pattern, the Ramadan month to start on July 20 is creating some extra demand and premium but for white sugar. Some benefits have, however, spilled on raws.

In a situation of surplus keeping sugar prices at uneconomic levels for factories, particularly the ones in India denied the advantage of any linkage between cane and sweetener prices, mitigation of some pains can come if the Brazilian industry would start using more cane this time than usual to produce ethanol.

This could happen if sugar prices will over a period stay below the ethanol floor price (in industry parlance, it is ethanol parity) to make it worth Brazilian factories while to get intensely focused on making ethanol.

Ethanol parity is subject to change depending on the behaviour of sugar and crude oil prices and also the Brazilian currency real and dollar parity.

The importance of currency parity is underlined by Brazil's mammoth 42 per cent share of world sugar exports.

Recent fall in value of real has lifted income from sweetener exports in local currency.

At the same time, every fall in oil price will make ethanol a less promising product for Brazilian sugar factories.

In an ideal situation, however, as much as seven mt of Brazilian sugar could be diverted to ethanol making.

THE HINDU Business Line

Falling cotton prices force ginners to hold stocks

Rajkot, June 11:

Cotton was unchanged on Monday amid below-normal demand and restricted selling by ginners.

Falling prices have restricted ginners from selling their stocks, said a cotton broker. Cotton may continue to fall this week on global cues.

The new A-grade S-6 variety traded at Rs 32,000-32,500 a candy of 356 kg and B-grade at Rs 31,500-31,800. The New V-797 variety was offered at Rs 26,000-26,500 a candy. About 15,000-16,000 bales of 170 kg each arrived in Gujarat, around 45,000 bales arrived in the rest of the country.

In Maharashtra, A-grade low micronaire (29 mm) quoted at Rs 31,700-32,000 a candy and high micronaire at Rs 32,000-32,500. In Madhya Pradesh, while the former quoted at Rs 31,700-32,000, the latter quoted at Rs 32,000-32,500.

According to the Cotton Corporation of India, out of the estimated 347.05 lakh bales, 321.27 lakh bales had arrived till May 27, in line with last year's 321.52 lakh bales. Despite a decline in consumption to 252 lakh bales, compared with 267 lakh bales last year, end stocks are estimated to decline sharply to 24.3 lakh bales on the back of record high exports that crossed 115 lakh bales this year.

Stockists' offtake heats up edible oils

Our Correspondent

Mumbai, June 11:

Improved demand from stockists at lower level resulted in higher volume in palmolein on Monday. Palmolein breached Rs 600/10 kg-level in Mumbai from its lowest level seen since March 23. Palmolein declined by Rs 3 as refiners sold it at a lower rates but later in evening they gained tracking higher closing of Malaysian market. Soya refined oil increased by Rs 3, Sunflower expeller refined oil was up by Rs 10 and cotton refined oil improved by Rs 2. Rapeseed oil lost Rs 7 while Groundnut oil remained flat.

Liberty sold about 400 – 500 tonnes of Palmolein at Rs 602– 603. Ruchi sold about 700- 750 tonnes at Rs 595 – 596 for Patalganga July delivery. It also bought 250 tonnes palmolein in ready from Bunge at Rs 595 for fulfilling own sell commitments due now. Meanwhile in

Saurashtra – Rajkot, groundnut oil ruled steady at Rs 1,900 (Rs 1,900) for *Telia* tin and Rs 1,250 (Rs 1,250) for loose - 10kg. Liberty quoted palmolein at Rs 604 – 605, Soya oil Rs 695 and Sunflower refined oil at Rs 720. Ruchi quoted palmolein at Rs 595- 597 for Patalganga. Soya refined oil was at Rs 695 – 700 and sunflower refined oil at Rs 715. Allana and Mewah both quoted palmolein at Rs 602. Resellers were quoting palmolein at Rs 603 – 604.

Malaysia's crude palm oil July contracts closed at MYR 2,989 (MYR 2,973), August at MYR 2,989 (MRY 2,973) and September at MYR 2,986 (MYR 2,970) a tonne.

The Bombay Commodity Exchange spot rates were (Rs/10 kg): groundnut oil 1,180 (1,180), soya refined oil 695 (692), sunflower exp. ref. 665 (655), sunflower ref. 715 (715), rapeseed ref. oil 795 (802), rapeseed expeller ref. 765 (772) cotton ref. oil 669 (667) and palmolein 599 (602).

Soya up marginally on renewed buying

Our Correspondent

Indore, June 11:

Sluggish trend in soya oil prevailing for the past few days came to a halt with soya oil showing a marginal gain on renewed buying support. Soya refined on Monday ruled at Rs 680-85 for 10 kg

(Rs 675-80). Similarly soya solvent also rose to Rs 640-45 for 10 kg (Rs 638-42) on improved global cues and scattered domestic buying interest.

Improved foreign and buying support also perked up soya oil futures with July contract on the NBOT closing Rs 3 higher at Rs 725.50 for 10 kg. On Saturday, soya refined June contract on the NBOT had closed Rs 5.40 lower at Rs 717.60 for 10 kg on weak global cues. On the NCDEX also soya oil futures closed higher on improved buying support with its June and July contracts closing at Rs 719.59 (up Rs 1.50) and Rs 725.35 (up Rs 3.85).

According to Mr Mukesh Purohit, even though soya oil on Monday saw a gain in the physical market on improved global cues and buying support, bullish sentiment in soya oil in near future appears unlikely on lack of buying support in the physical market. With adequate stock of oil on the port and cheap availability of cotton oil in the domestic market, bearish sentiment in soya oil will likely to continue till the end of June, said another soya oil trader.

Soyabean in Indore mandis on Monday ruled firm or gained marginally at Rs 3,320-3,400 a quintal. Plant deliveries in soyabean rose marginally to Rs 3,425-3,450 on improved buying support from crushers. In futures however, soyabean witnessed a mixed trend with June contract on the NCDEX closing Rs 10 down at Rs 3,402 a quintal on lack of buying support. Arrival of soyabean in Madhya Pradesh on Monday was recorded at 40,000 bags . Soya DOC on the port was quoted at Rs 29,400 a quintal .

Turmeric prices may rise after July 15

Erode, June 11:

Though turmeric arrivals dropped to their lowest on Monday here, prices rose a modest Rs 50-75 a quintal, said Mr R.K.V. Ravishankar, President, Erode Turmeric Merchants Association.

“On Monday, 9,800 bags of turmeric arrived for sales as against 13,000 bags on Friday. This is the lowest arrival in four months. Such low arrival may be due farmers being busy with their wards' admissions in colleges and schools,” he said.

Farmers said they'll bring more stocks for sale after July 15, when they expect prices to go up.

Mr Ravishankar said arrivals usually fall during June and July. Besides, this year no bulk buyer or exporter has purchased huge stocks so far for want of demand from North India.

Only stockists have stocked up more than 20 lakh bags to sell them next year or the year fater that, when everyone is expecting the prices to touch Rs 8,000-10,000 a quintal.

Mr Ravishankar said there was no demand for at Nizamabad and Sangli. Sales were low there, too.The price of hybrid Salem crop has increased by Rs 100 a quintal due to the arrival of quality goods. Most of the buyers have purchased the root variety as they have received some local orders for it.

At the Erode Turmeric Merchants Association, the finger variety was sold at Rs 2,311-3,559 a quintal, root variety Rs 2,291-3,485 a quintal.

Salem crop: The finger variety fetched Rs 3,959-4,369 a quintal, root variety Rs 3,299-3,639 . Out of a total arrival of 1,360 bags , 1,050 bags were sold.

At the Regulated Marketing Committee, the finger variety was sold at Rs 3,289-3,717 a quintal, root variety Rs 3,172-3,489 a quintal. Out of 1,212 bags of turmeric 1,153 bags were sold.

At the Gobichettipalayam Agricultural Cooperative Marketing Society, the finger variety was sold at Rs 3,269-3,719 a quintal, root variety Rs 2,639-3,632 . 281 bags of turmeric were sold as against the arrival of 302 bags.

At the Erode Cooperative Marketing Society finger variety was sold at Rs 3,109-3,629 a quintal. Root variety Rs 3,089-3,529 . Out of 1,096 bags of turmeric, 1,023 bags were sold.

Fresh retail demand sweetens sugar

Mumbai, June 11:

Spot sugar prices on the Vashi terminal market improved by Rs 10 a quintal on Monday on increased local retail demand. After the onset of monsoon, demand for fine variety M-grade has risen. Retailers placed fresh orders, which improved sentiment at the upper level also. *Naka* rates were up Rs 10 a quintal on a spike in mill tender rates. A Vashi-based wholesaler said that activities in sugar market improved on fresh buying by retailers, even as ample supplies from mills continue. Mill-level enquiries from neighbouring States remain absent. Rail-rake trade halted after buyers from eastern States bought about three rakes (of 27,000 bags of a quintal each) last week.

In the Vashi market, arrivals were 53-54 truck loads, while local dispatches were about 50-52 truck loads. On Saturday, 11-12 mills sold about 52,000-55,000 bags sugar to local traders at

Rs 2,775-2,840 (Rs 2,770-2,830) for S-grade and at Rs 2,850-2,920 (Rs 2,840-2,910) for M-grade.

The Bombay Sugar Merchants Association's spot rates: S-grade Rs 2,912-2,981 (Rs 2,912-2,971) and M-grade Rs 2,992-3,141 (Rs 2,991-3,131).

***Naka* delivery rates:** S-grade Rs 2,880-2,910 (Rs 2,870-2,900) and M-grade Rs 2,950-3,010 (Rs 2,940-3,010).

Local offtake may lift non-basmatis a tad

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Karnal, June 11:

The rice market witnessed a mixed trend on Monday. Traders expect that non-basmati varieties will improve marginally in the coming days as domestic demand is expected to improve, said market sources.After setting an uptrend last week, Pusa-1121 rice varieties witnessed some correction, while all other aromatic and non-basmati varieties remained steady.Mr Amit Chandna, proprietor of Hanuman Rice Trading Company, told *Business Line* that the correction was anticipated as domestic demand is not picking up.Following adequate supplies coupled with lukewarm trading in the market, prices of Pusa-1121 rice varieties fell by up to Rs 150-200 a quintal.On the exports front, because of payment issues with overseas buyers, exporters are not signing new contracts and only old contracts are being executed at present, he added.

In the physical market, Pusa-1121 (steam) shaved off Rs 200 and quoted at Rs 5,800 a quintal, while Pusa-1121 (sela) sold at Rs 4,850, Rs 150 down. Prices of pure basmati varieties continued to rule flat.Pure Basmati (raw) quoted at Rs 5,500, while pure basmati (sela) sold at Rs 5,000.For the brokens of Pusa-1121, Tibar sold at Rs 3,800, Dubar at Rs 2,800-2,900 and Mongra at Rs 2,100-2,300, a quintal.Prices of duplicate basmati remained unchanged and quoted at Rs 4,500. PR-14 (steam) quoted at Rs 2,400-2,600 while Sugandha (steam) was at Rs 3,700 a quintal.Sharbati (steam) sold at Rs 3,400-3,450 while Sharbati (sela) at Rs 3,200 a quintal.Permal (raw) sold at Rs 2,000-2,100, Permal (sela) at Rs 2,120, PR-11 (sela) at Rs 2,300-2,500 and PR-11 (raw) at Rs 2,450 a quintal.

Lack of buyers saps spot rubber

Kottayam, June 11:

Spot rubber declined on Monday. According to sources, there were no buyers on any grade even at lower levels. The market lost ground tracking the moderate losses on the National Multi Commodity Exchange. Sharp fall in the GDP growth, higher prices of petrol and subsequent fall in the sales of automobiles, and weakness in crude oil have dampened the sentiments, analysts said.

Sheet rubber weakened to Rs 186.50 (188) a kg according to traders. The grade dropped to Rs 187.50 (188) a kg both at Kottayam and Kochi as reported by the Rubber Board.

In futures, the June series closed at Rs 183.50 (185.77), July at Rs 185.40 (185.82), August at Rs 184.19 (184.21), September at Rs 182.60 (181.15) and October at Rs 180 (180.78) a kg for RSS 4 on NMCE.

The TOCOM rubber futures rallied paring the early losses as Euro Zone finance ministers agreed on an aid package to help Spanish banks, easing investor fears. Meanwhile the Shanghai Futures opened higher after the release of China's major economic data for May during the last weekend.

RSS 3 (spot) slipped to Rs 189.80 (190.97) a kg at Bangkok. The June futures recovered to ¥252 (Rs 176.76) from ¥247.5 a kg in day session but then remained inactive during the night session on the Tokyo Commodity Exchange.

Spot rates were (Rs/kg): RSS-4: 186.50 (188); RSS-5: 183 (185); ungraded: 177 (179); ISNR 20: 184 (185.50) and latex 60 per cent: 129.50 (130).

Coffee marketing, quality issues will be taken up: House panel assures growers

Anil Urs

Bangalore, June 11:

A Parliamentary Standing Committee on Commerce has assured growers that issues related to marketing of coffee abroad and boosting the quality will be taken up in the Parliament.

The growers while interacting with the Parliamentary committee had sought marketing assistance for coffee promotion abroad.

Parliamentary Committee, headed by its chairman Mr Shanta Kumar, who is touring coffee growing regions of Kodagu, Hassan and Chikmagalur, said “We are listening to all their woes and demands of coffee industry in Karnataka and all issues will be taken up in the Parliament.”

In Kodagu, growers raised the issue of wild elephant menace and also demanded that the Centre provide financial assistance to construct houses for estate labourers and to provide basic needs like water connection and electricity.

The committee in Hassan visited few coffee curing and interacted with traders.

At Chikamgalur, the committee met all stakeholders of the industry at the Central Coffee Research Station, Balehonnur and later met the members of Karnataka Planter’s Association (KPA).

KPA chairman Marvin Rodrigues, KPA Scientific Committee, Nishant Gurjer and past Chairman, Sahadev Balakrishna, who met the committee members highlighted the issues facing the plantation industry and suggested introduction of farm mechanisation scheme with a budget of Rs 300 crore spread over five years.

According to Mr Rodrigues, the association has requested that CCRI with a five-year plan should take up development of new high yielding varieties of Arabica and Robusta, which are resistant to diseases and pests.

Development of indigenous equipment for different field operations should also be encouraged. “With low technology and innovative ideas many of the field operations can be mechanised locally, at low cost,” said Mr Gurjer.

Mr Balakrishna said “The XII Five Year Plan proposals submitted by us to the Ministry of Commerce/Coffee Board emphasis on re-plantation subsidies to be extended to co-operatives and corporates. Enhancement of the capex cost of replanting which has increased by 100 per cent since the start of the XI Plan.”

For water augmentation, committee was apprised of the need to enhance the rate of subsidy based on actual costs and extending the scheme to all sectors to adopt green technologies.

Kerala steps to boost inland fish production

Kochi, June 11:

The State government has initiated steps to increase fish production from inland water bodies to 2.5 lakh tonnes annually.

Speaking after launching the Matsya Samridhi scheme, the Chief Minister, Mr Oommen Chandy, said the current fish production in the State is to the tune of 1.5 lakh tonnes and this needs to be improved for ensuring food safety in the State.

The distribution of seedlings and extending insurance cover for fish farmers are also important components of the programme and the State Fisheries Department will take steps in this direction, he said.

The insurance premium of one hectare fish farm will be Rs 4,000. The contribution of the State government will be Rs 3,000 and the farmer will have to pay Rs 1,000.

Kerala overtaken

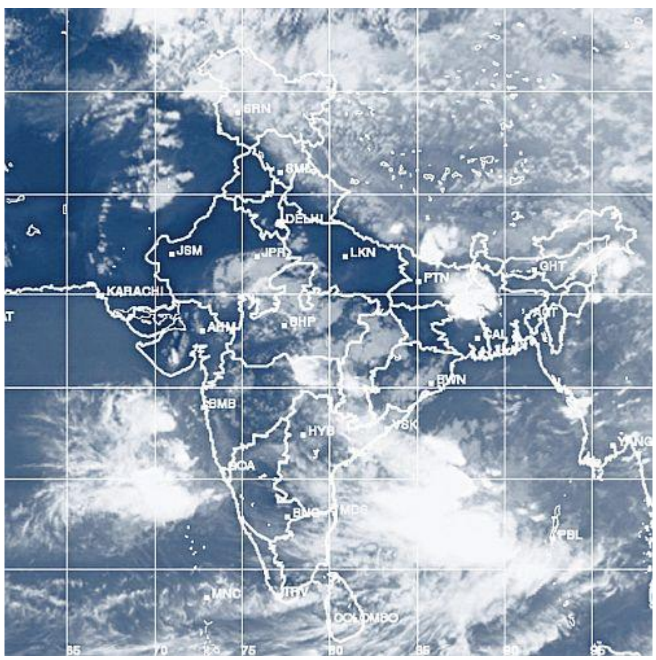
The Union Minister of State for Food, Prof K.V. Thomas, suggested on the occasion that the scientific advancements should reach the fisheries sector for improving the fish production.

Some of the States have overtaken Kerala in terms of fish production and the State should make use of the scientific advancements for regaining its position in the sector, he added.

The State Fisheries Minister, Mr K. Babu, said that an aqua culture policy will soon be formulated for the State. The expert committees formed for the purpose will submit their report within three months, he said.

Rains may pick up along west coast from tomorrow

Vinson Kurian



Thiruvananthapuram, June 11:

Outlook on the monsoon has scarcely changed on Monday, with expected revival likely to happen over the next couple of days.

Global weather models have elevated probabilities for rain to begin along the west as 'distinctly enhanced' from Tuesday or Wednesday.

MONSOON REVIVAL

These provide the nearest possible indicators for a revival of the monsoon, which is forecast to become dominant towards the weekend.

The India Meteorological Department (IMD) satellite imageries showed convective clouds rising over the Andaman Sea, south Bay of Bengal and central Arabian Sea.

Otherwise, all other monsoonal indicators looked down over mainland India, with hitherto heightened activity in northeast India too having tapered off.

The offshore trough along has also become less marked in terms of its capacity to host sustained monsoon flows.

But it can suddenly becoming active with flows picking up, which is expected to happen over the next few days.

RAIN OUTLOOK

An IMD outlook until Thursday said that rainfall would occur at many places over Kerala, coastal Karnataka, Konkan, Goa and the Andaman and Nicobar Islands.

Rain or thundershowers would also break out occur at one or two places over rest south peninsular India.

In particular, north Andhra Pradesh is likely to witness a surge in rainfall from Wednesday itself.

Rain or thundershowers have been forecast at many places over sub-Himalayan West Bengal, Sikkim and the Northeastern States.

One or two places over Madhya Pradesh, Chhattisgarh, Orissa, Gangetic West Bengal, interior Maharashtra and east Gujarat may also witness thundershowers.

INTENSIFIED MONSOON

An extended outlook valid until Monday next said that the rainfall activity would further escalate along the west coast, interior peninsula and adjoining east India.

The persisting cyclonic circulation in the west-central Bay of Bengal would become crucial for making any informed prediction on the progress of monsoon, sources said.

The IMD said on Monday that the northern limit of monsoon continued to be stuck along Harnai, Satara, Belgaum, Agumbe, Madikeri, Kodaikanal and Gangtok.

Pepper futures zoom on buying interest

G. K. Nair

Kochi, June 11:

The pepper market on Monday turned hot on strong buying interest. All active contracts went up much above the previous day's closing.

Market opened on an easier trend and June and July touched the lowest price of the day in the opening session itself. Thereafter it traded with high volatility.

During closing hours it touched the highest price with July hitting Rs 40,430, up by Rs 830 a quintal and June touching Rs 40,500, up by Rs 900 a quintal.

Circular trading

There was circular trading as was evident from the substantial rise in the turnover while the total open interest was up by just 23 tonnes. It gives the impression that the mechanism imposed to stop such trading failed to work, market sources told *Business Line*.

The market moved up following indications of firmness in the bull operators that they would be taking delivery of a significant quantity of pepper amid tight supply position. Their activities are, in fact, supported by the market fundamentals, they said.

The trade urged the regulator to initiate steps to arrange interaction by top-level officials along with top brasses in the exchange with all stakeholders, including growers.

Arrivals

Arrivals from the primary markets continued to be thin at eight tonnes today and 11 tonnes were traded at Rs 382 - 384 and Rs 386, according to quality and variety.

Domestic buyers are holding back because of the rise in prices. However,some of the upcountry dealers were buying hand to mouth strictly according to requirement. Prices in Karnataka also said to have gone up. The transporters from Karnataka have reportedly raised their charges by Rs10 per kg, they said.

June contract on the NCDEX increased by Rs1,080 to the last traded price of Rs40,490 a quintal. July and August went up by Rs 920 and Rs 880 respectively to the LTP of Rs40,425 and Rs40,600 a quintal.

Turnover

Total turnover increased by 1,953 tonnes to 2,999 tonnes. Total open interest moved up by 23 tonnes.

June open interest dropped by 50 tonnes to 1,475 tonnes while that of July declined by 27 tonnes to 3,029 tonnes. August open interest increased by 95 tonnes to 744 tonnes.

Spot prices in tandem with the futures market trend increased by Rs500 to close at Rs38,200 (ungarbled) and Rs39,700 (MG 1) a quintal.

Indian parity in the international market was up at $7,500 a tonne (c&f) for the Europe and Rs7,800 a tonne (c&f) for the US and remained much above other origins. It would have been much higher but for the weakening of the rupee, they said.

Vietnam reported to have exported 60,012 tonnes during Jan - May and of this 4,198 tonnes of pepper were imported by India and stood at the fifth place after the US, the UAE, Germany and the Netherlands.

Cardamom inches up on buying support

Unavailability of quality material seen affecting export market

Kochi, June 11:

The cardamom market gained last week marginally as exporters and upcountry dealers bought quality material at auctions held in Kerala and Tamil Nadu.

“As much of the material arrived at the auctions were of inferior quality the prices showed a decline but that for good quantity material showed an upward swing of Rs 50-60 a kg, as was evident from the average price at the Sunday auction. Compared with the individual auction average price from Wednesday to Saturday, there has been an increase,” trade sources told *Business Line*.

On Wednesday at the CPMC auction, average price was at Rs 660.58 a kg and thereafter the individual auction average showed a gradual rise to Rs 716.76 on Sunday.

According to auction sources in Bodinayakannur, twenty five tonnes arrived at the CPA auction there on Monday and almost the entire quantity was sold out.

Good quality material fetched Rs 1,052.50 a kg while inferior capsules were sold at Rs 399 a kg. Graded variety cardamom is not arriving at the market because of the drop in prices, they claimed.

There are export orders in hand but unavailability of exportable quality material is stopping the exporters from buying, they said.

Exporters last week bought an estimated 25 tonnes while demand from upcountry is said to have been buoyant, they said.

Export buying, especially for *Ramzan,* is expected to pick up but availability of quality material was very thin. The current prices, given the present exchange rates, the traders claimed, are competitive at the overseas markets.

The new crop is expected to arrive only in August and hence there is a going to be an extended lean period. Besides, the next crop is estimated to be much less than that of the previous one, they pointed out.

Arrivals at the Sunday auction stood at 34.7 tonnes against 48.5 tonnes the previous Sunday and almost the entire quantity was sold out. Maximum price yesterday was at Rs 998.50 a kg while the individual auction average was at 716.76 down from Rs 734.18 a kg the previous Sunday, Mr Punnoose, General Manager, CPMC, said.

Total arrivals during the current season from August 1, 2011 up to Sunday were at 18,810 tonnes and the sales at 18,084 tonnes, against 10,781 tonnes of arrivals and 10,503 tonnes of sales in the same period last year.

Weighted average price as on Sunday was at Rs 633.91 a kg against Rs1,031.74 a kg on the same date last year, according to market sources.

Official prices of graded varieties on Monday in Rs/kg were: AGEB 1,115-1,125; AGB 795-805; AGS 770-780 and AGS 1: 750-760.

Good colour 8-mm bold cardamom was fetching prices Rs 1,250 a kg today, Bodi trade sources said.

Prices of other grades there on Monday in Rs/kg were: 7-8 mm (AGEB) 1,050-1,060; 6-7 mm (AGB) 790-800; 5-6 mm good quality (AGS) 755-765; and 4-5 mm (AGS 1) Rs 700-725.

The Southwest monsoon has yet to set in over the growing areas and therefore dry weather conditions are prevailing there, growers said.

However, there were some light showers a few days ago, they said. They hope the monsoon comes in full swing in the coming days.

Coonoor tea sale turnover up 1.8% in one week

P.S. Sundar

Coonoor, June 8:

Producers and traders who operated through the auction of Coonoor Tea Trade Association that ended on Friday have earned 1.84 per cent more than last week.

This has happened despite prices falling, because of increased volume being sold, reveals an analysis of the Market Reports.

Prices dropped to an average of Rs 92.24 a kg from Rs 93.27 last week.

This helped volumes rise to 9.61 lakh kg from 9.33 lakh kg.

Consequently, the overall turnover increased to Rs 8.86 crore from Rs 8.70 crore.

This increase of Rs 16 lakh in one week marked a growth of 1.84 per cent.

This is the highest turnover to be fetched here in several weeks.

The average price of leaf grades dropped to Rs 92.34 a kg from Rs 93.71. The average price of dust grades fell to Rs 91.87 from Rs 92.34.

Natural rubber output falls 3% in May

Natural rubber production down by 3 per cent to 58,000 tonnes in May 2012.

New Delhi, June 11:

Natural rubber production has declined by 3 per cent to 58,000 tonnes in May 2012, compared to 59,700 tonnes in the same month last year.

The consumption of the commodity rose by 4 per cent to 83,000 tonnes in May this year as against 80,120 tonnes in the corresponding period of last year, Rubber Board data said.

Imports of natural rubber rose by 13 per cent to 18,419 tonnes last month from 16,293 tonnes in the year—ago period, whereas exports fell by 63 per cent to 1,131 tonnes against 3,031 tonnes in the same period last year, the data said.

The stock of natural rubber in the country at the end of May 2012 stood at 2.22 lakh tonnes.

In 2012—13 fiscal, India's natural rubber production declined by 5 per cent to 1.10 lakh tonnes in the April—May period from 1.16 lakh tonnes in the same period of the 2011—12 fiscal.

Natural rubber consumption grew marginally by 1 per cent at 1.63 lakh tonnes in the April—May period of 2012—13 against 1.61 lakh tonnes in the 2011—12 financial year.

Imports also rose to 35,928 tonnes in April—May of this fiscal from 22,811 tonnes in the year—ago period, but exports declined to 1,918 tonnes from 5,245 tonnes in the same period, the Rubber Board data said.

Govt notifies lifting ban on skimmed milk powder exports

Shishir Sinha

The milky way

Exports of milk and cream, concentrated or containing added sugar or other sweetening matter are still prohibited

Few years ago, milk powder was allowed to be imported at zero duty, which is now affecting the domestic industry

Domestic prices of SMP have declined to Rs 150/kg

New Delhi, June 11:

Skimmed Milk Powder can be exported now. The Directorate General of Foreign Trade (DGFT) has issued a notification in this regard.

Although, the notification has not mentioned about the quantity to be exported, but it is believed that 60,000 tonnes will be exported. The notification is also silent on the subsidy issue, although there was rumour that exporters might get subsidy in order to compete in the international market.

The notification says, "Entry Number 38 in the ITC (HS) Classifications of Export & Import Items has been bifurcated and an entry number 38.01(new entry) "Skimmed Milk Powder" is introduced. Export of new entry namely Skimmed Milk Powder has been made free." ITC (HS) means Indian Trade Clarification based on Harmonized System of Coding was adopted in India for import-export operations.

This notification follows a decision earlier this month. This decision aims to benefit the dairy industry which is facing liquidity crunch.

Meanwhile, according to the notification, exports of milk and cream, concentrated or containing added sugar or other sweetening matter, including whole milk powder, dairy whitener and infant milk foods are still prohibited. Export of skimmed milk powder was banned in February 2011 in order to arrest increasing milk powder.

Domestic prices of SMP have declined to Rs 150 per kg now against Rs 190—200 per kg in the same period last year. Milk production in India is estimated at over 120 million tonnes in 2011 which is highest in the world.