

Published: May 19, 2012 00:00 IST | Updated: May 19, 2012 05:05 IST

Cotton prices decline on low buying

Price of the widely-used Shankar 6 variety of cotton in the country has dropped to Rs. 33,700-Rs. 33,500 a candy because of low demand in the domestic market and declining prices in the international market.

A couple of months ago, the Union Government withdrew the suspension on cotton exports and prices started going up expecting export demand.

However, the prices are on a downtrend for the last 10 days. Now, the price of Indian cotton is slightly higher than in the international market.

China is not likely to be in the market for some time and the demand is low from other countries too because of the economic crisis in some of the European countries, according to K.N. Viswanathan, vice-president of Indian Cotton Federation.

The domestic yarn market is also not as good as it was last month and most of the mills are purchasing just one to one-and-a-half month stock. Thus, there is no buying pressure from the domestic mills, he says.

Availability of cotton is not a problem now. However, it may become a problem in two or three months when the cotton season comes to an end, says D.K. Nair, secretary general of Confederation of Indian Textile Industry.

Published: May 19, 2012 00:00 IST | Updated: May 19, 2012 05:05 IST

Sell red gingelly upon harvest

Price expected is between Rs. 50 a kg and Rs. 53 a kgThe production is 0.29 lakh tonnes

The Domestic and Export Market Intelligence Cell (DEMIC) of Tamil Nadu Agricultural University has asked farmers to red gingelly upon harvest since there are no chances for the price of increase in the next three months.



Yield

According to a release, the red gingelly yield was about 350 kg to 400 kg / acre this season. DEMIC came up with this forecast after analysing the price that prevailed in Sivagiri Regulate Market for the last 11 years.

The price for May-June is expected to be between Rs. 50 a kg and Rs. 53 a kg.

Gingelly is usually grown in two seasons in Tamil Nadu, Thaipattam (January-February) and Adipattam (July-August). The area under gingelly was 0.63 lakh hectares and the production was 0.29 lakh tonnes. Erode, Villupuram, Thanjavur, Karur, Tiruchi, Cuddalore, Tuticorin and Salem are the major gingelly producing districts in Tamil Nadu. Thaipattam sown crop is under harvest and arrivals have started.

The peak season of arrival is May-June. The quality of irrigated gingelly is good compared to rainfed gingelly.

Contact

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Published: May 19, 2012 00:00 IST | Updated: May 19, 2012 05:05 IST

Farmers to take back their lands

Special Correspondent

Tamil Nadu Vivasayigal Sangham – Coimbatore district unit is planning to take possession of their lands, which was acquired by the Government in 1982 to set up Bharatiyar University.

District secretary of the Sangham V.P. Elangovan said that the lands were in

Somayampalayam, near Vadavalli. The compensation paid to the farmers was very meagre. The farmers had challenged it before the court.

The District Sub-Court on October 29, 2007 directed the Government to pay a higher compensation. But till date, the 1,200 farmers who lost nearly 994.04 acres were yet to get the compensation.

The Sangham at its meeting held recently told the Government farmers would take possession of their lands on June 19 if compensation was not paid.

Published: May 19, 2012 00:00 IST | Updated: May 19, 2012 08:30 IST

Procure more copra, farmers tell government

S. Ramesh

Price of copra has fallen to Rs. 40 a kg from Rs. 50 a kg; the government is offering Rs. 51 a kg



Loads of copra kept for auction at the regulated market in Avalpoondurai in Erode district.–

PHOTO: M. GOVARTHAN

Coconut growers have appealed to the State Government to enhance the copra procurement in the district as the sharp fall in the prices in the open market has affected them.

The prices of copra, which stood around Rs. 70 a kg, had come down to Rs. 40, leaving the coconut growers to depend on the government, which procures the produce at the minimum support price of Rs. 51 a kg.

But the procurement is not being carried out in full swing.

Only about 30 per cent of the farmers have been given identity cards to participate in the procurement process, farmers here allege.

The Tamil Nadu Co-operative Marketing Federation Limited (TANFED) is currently procuring the copra from the farmers on behalf of the National Agricultural Cooperative Marketing Federation of India Limited.

Though the arrival of copra has picked up, the government has managed to procure only about 14 tonnes of copra this year in Erode district. Due to the slow procurement, a large number of farmers are forced to sell their copra for a low price to the private buyers, growers claim.

Growers urged the government to provide identity cards to all of them and enable them to participate in the procurement process.

Price fluctuation

Coconut growers have appealed to the government to come up with concrete measures to protect them from frequent fluctuations in the prices.

Apart from copra, the prices of coconut fibre and shell also witnessed a drastic fall this year, leaving many growers to suffer heavy losses.

A tonne of coconut shell, which was selling at Rs. 9,000, fell to Rs. 4,000.

A coconut fibre, which was selling at Re.1 a year ago, now fell to 20 paise, farmers pointed out.

The cost of labour increased by 30 per cent this year and there was an acute shortage of labour. The cost of inputs had almost doubled, they said.

Published: May 19, 2012 00:00 IST | Updated: May 19, 2012 05:08 IST

Farmers' markets in Karaikal soon

Staff Reporter

Farmers' markets or 'Uzhavar Sandhais' are proposed to be set up in the district, said Minister for Agriculture Chandrakasu here on Thursday.

Unveiling a demonstration on paddy transplanters by KVKat Maadhur, Mr.Chandrakasu said the transplanter that was purchased at Rs.30 lakh would be let out to farmers at subsidised charge.

Three more paddy transplanters and three harvesters are proposed to be purchased for the use by farmers. Sathyaseelan, Director, Agriculture, was present .

Published: May 19, 2012 00:00 IST | Updated: May 19, 2012 05:05 IST

'Over 19,000 soil samples analysed during Uzhavar Peruvizha'

Staff Reporter

As many as 19,080 soil samples collected from farmers were analysed for macro and micro nutrient status and soil health cards were issued during Uzhavar Peruvizha, said a release from N. Nachiappan, Joint Director, Agriculture, on Friday. The release said that Uzhavar Peruvizha events were conducted in all the 636 revenue villages in Krishnagiri, Kaveripatinam, Bargur, Veppanapalli, Mathur, Uthangarai, Shoolagiri, Kelamangalam, Hosur and Thally blocks from April 13 to May 17. A multi dimensional data book called Farmers Integrated Hand Book was distributed to farmers. A total of 1,48,416 farmers attended the Uzhavar Peruvizha events and 4,066 demonstrations on various technologies were conducted throughout the district.

To create awareness among the farming community in Krishnagiri district on the latest technologies and improved practices related to agriculture and allied activities, all the departments viz. Agriculture, Horticulture, Agricultural Engineering, Marketing and Agri Business, Seed certification, Animal Husbandry, Sericulture, Fisheries, and Aavin, primary co-operative societies, sugar mills, NABARD, Lead Bank, TNAU and KVK were involved in the Uzhavar Peruvizha activities. Agriculture inputs worth Rs.72.35 lakh were distributed with a subsidy of Rs.36.5 lakh to 7,269 farmers, the release added.

Published: May 19, 2012 00:00 IST | Updated: May 19, 2012 05:06 IST

Farmers bitter about Alanganallur sugar mill



GIVING A HEARING: District Revenue Officer Ravindran addressing the farmers in the city on Friday.— Photo: G. Moorthy

Levelling a series of charges against the functioning of the State-owned sugar mill at Alanganallur, the farmers were determined to get their grievance redressed at the meeting held here on Friday.

Presiding over the meet, District Revenue Officer Ravindran and Joint Director (Agriculture) Jayasingh Gnanadurai said that they have already sent a report to the State government for action.

Not satisfied, the farmers alleged rampant corruption in different sections of the mill. A farmer claimed that despite assurance of getting his produce lifted, it was almost a fortnight and the officials had not turned up. The DRO promised to take it up with the Collector and assured action.

Dyeing unit

A farmer pointed out the presence of a dyeing unit in Porusupatti area, and claimed that the environment was getting polluted. Immediately, Mr. Gnanadurai referred the issue to the TN Pollution Control Board authorities . There were also complaints against a former DMK MLA who was behind sand mining activities . In Vedarpuliyankulam, mining was carried out beyond the stipulated level of three metres, farmers said.

Published: May 19, 2012 00:00 IST | Updated: May 19, 2012 05:10 IST

Farmers raise water release issue at meeting

Staff Reporter

The farmers' grievance day meeting which was held at the Collectorate on Friday witnessed heated arguments between the representatives of various farmers' associations and the officials with regard to the release of water from Pechipparai and Perunchani dams on June 1 and the execution of renovation work of water bodies in different parts of the district for the benefit of farmers before the onset of southwest monsoon.

The Government has allotted adequate funds for the renovation of Kodayar irrigation project.

But owing to official apathy the works were yet to be started, the representatives of various farmers' associations said. To this the Executive Engineer of the Public Works Department (irrigation), Subramaniyam, said that the Government has allotted Rs. 4.22 crore for the renovation of Kodayar irrigation project as a maintenance grant.

The tender procedure for the work would be finalised in a couple of days and steps would be taken to complete the work within 10 days, he said.

The farmers questioned him as to how it was possible to complete the work before the onset of southwest monsoon.

They also said that it had become a routine practice of the officials to start the renovation of water bodies just 10 to 15 days before the release of water from dams for irrigation purpose.

This practice had been followed for several years and as a result the farmers were being put to untold hardship as they could not undertake agriculture operations in time.

The Collector, S. Nagarajan, told the farmers' representatives that a proposal in connection with the release of water from Pechipparai and Perunchani dams would be forwarded to the Government.

“Government has allotted Rs. 4.22 crore for renovation of Kodayar irrigation project as maintenance grant”

Published: May 19, 2012 00:00 IST | Updated: May 19, 2012 05:09 IST

Agriculture panel provides photo identification cards to farmers

To establish identity when transporting produce



Explaining the problem: A farmer speaking at the monthly grievances meeting held at the Collectorate in Salem on Friday. -Photo: P. Goutham

The Agriculture and Marketing Committee have provided photo identification cards to farmers of Dadagapatti who supply vegetable to Uzhavar Santhais.

Farmers were provided the card during the monthly farmers' grievance meeting held at the Collectorate on Friday.

During the last grievance meeting, farmers voiced their concern that they transport their produce to uzhar santhais by bus.

But a few conductors refuse to allow them to transport their produce as farmers' identity could not be established. Hence farmers sought identification cards.

A farmer questioned how a private contractor was able to get permission within a month to extract sand from the river bed in Abinavam village near Attur when their application was pending for over three months for the same work.

Farmers wanted a wholesale vegetable market in Uthamasolapuram, asked for displaying blood group in photo identification cards given to farmers and sought suitable compensation for farmers who died while travelling to uzhar santhais.

Officials said that demonstration of newly-introduced agricultural gadgets would be done in all revenue villages in the district for the benefit of the farmers.

Market Committee officials said that steps have been taken to set up tapioca point scale in five places in the district, construct regulated market in Attur at a cost of Rs. 1 crore, and form committees to assess the feasibility of the construction of mega market complex and cold storage godown and Agmark lab on the marketing committee premises.

District Collector K. Maharabushanam, District Revenue Officer N. Prasanna Venkatesan, Joint Director of Agriculture G. Udhayakumar, P.A. Agriculture A. Sengutuvel, DRDA Project Director Sunderrajan, P.A. General R. Priya, farmers and officials from various departments participated in the meeting.

Published: May 19, 2012 00:00 IST | Updated: May 19, 2012 05:10 IST

Rs.20 crore for improving fodder production

The State Government allotted Rs.20 crore for improving fodder production in the district under Accelerated Fodder Development Programme and State Fodder Development Scheme, said Collector K.S. Palanisamy.

Talking to presspersons here on Friday, he said that cattle feed including fodder will be developed on 300 acres in the district this year. (Fodder varieties like CO-3 and CO-4 had been cultivated on 150 acres of land spending Rs.14.33 lakhs under the same scheme last year.)

Crops like maize, fodder maize and 'karamani' will be cultivated with cent per cent subsidy on 300 acres this year.

A sum of Rs.16.20 lakhs has been allotted for this purpose.

Besides, rain gun will be given to 15 small and tiny farmers having fodder crops on one acre at cent per cent subsidy and to another 38 farmers at 75 per cent subsidy.

A sum of Rs.31.08 lakhs has been allotted for cultivation of fodder for cattle.

Farmers having at least 0.25 acres of land and cultivating fodder for three years were eligible to avail this scheme.

Top priority will be given to small and tiny farmers, Adi Dravidars, Tribals and beneficiaries of priceless goat and cattle.

The Collector advised cattle growers to feed hybrid fodder to cattle to boost milk production and reduce feed cost.

Health of the animals will also improve.

He appealed to farmers to avail these schemes and develop fodder sources well in order to main uninterrupted fodder supply to the cattle throughout the year.

Published: May 19, 2012 00:00 IST | Updated: May 19, 2012 05:10 IST

1.15 lakh take part in farmers festivals

About 1.15 lakh farmers have participated in the farmers festivals organised at 470 revenue villages across the district over the past one month.

Chief Minister Jayalalithaa had ordered the conduct of the festivals to double productivity of farmers and to sensitise them to to latest agricultural practices and technologies.

According to Agriculture Department officials, the festivals organised with the convergence of various line departments had attracted 1,15,249 farmers. Of these, 13,070 farmers were given

integrated farmers handbooks. As many as 2318 demonstrations on latest technologies were organised and 20,361 soil samples were collected for analysis during the farmers' festivals.

About 703 beneficiaries were given farm inputs worth Rs.24.74 lakhs through the Agriculture and Horticulture departments with a subsidy component of Rs.16.60 lakh. About 14,502 heads of cattle were screened at veterinary camps organised at 222 revenue villages.

Published: May 19, 2012 00:00 IST | Updated: May 19, 2012 05:10 IST

Focus on quality in seafood processing



Rising standards:V.K. Venkataramani, Dean, Fisheries College and Research Institute, Tuticorin, presents a certificate to a student in Tuticorin on Friday.— Photo: N. Rajesh

To promote the concept of quality in seafood processing and consumption, the stakeholders involved in processing seafood were apprised of different methods at a five-day training programme at Shore Laboratory Wing attached to the Fisheries College and Research Institute here on Friday. Isolation and identification of bacterial pathogens related to fish were the highlights of the programme.

At the valedictory session on 'microbiological techniques in fish quality control' attended by technologists of various fish processing industries, V.K. Venkataramani, Dean, FCRI, said problems arising out of microbial quality have posed challenges to the technologists before exporting the seafood. Seafood export in India is fetching foreign exchange revenue to the tune of Rs. 12, 500 crore every year. Hence quality control measures needed to be adopted to meet the requirements of buyers from countries abroad. Since the export of seafood including chilled, frozen and ready-to-eat value-added products like retorted pouch processed fish curry and pasteurised crab meat is on the rise, utmost care should be taken to enhance the quality

through various processing techniques. Not only for exports, but hygiene should be maintained until seafood reached the domestic consumers also.

“India is poised to increase its gross domestic product rate in agriculture, which comprises the fisheries sector also,” he said. G. Jeyasekaran and R. Jeya Shakila, Professors in Fish Processing Technology also spoke. Twelve technologists from eight processing units located in Tuticorin, Tirunelveli and Kanyakumari districts participated. Certificates were given to the participants.

Published: May 19, 2012 00:00 IST | Updated: May 19, 2012 05:08 IST

Farm implements distributed

Winding up the 'Uzhavar Peru Vizha' at Kootteripattu in Tindivanam block here on Friday, Commercial Taxes Minister C.Ve. Shanmugam distributed subsidised farm implements worth Rs. 5 lakh to farmers.

He said that within one year of assuming office, Chief Minister Jayalalithaa had launched a slew of welfare and development schemes for the benefit of farmers. The farmers' fete was being held with the objective of making the farmers familiar with modern farm techniques and helping them get access to various schemes launched by the government.

Citing an instance, Mr. Shanmugam said the government was giving full subsidy of Rs. 1.96 lakh to farmers who would go for drip irrigation system. They would also get cost free farm implements and vegetable seeds. Collector V. Sampath, Project Officer (DRDA) G. Muthumeenal, Deputy Director (Agriculture) Rajendran and Assistant Director (Agriculture) Porchezhiyan were present.

Published: May 19, 2012 00:00 IST | Updated: May 19, 2012 08:31 IST

State looks to increase mango yield

Shankar Bennur

Horticulture Department plans a demo of high-density plantation method



Close-cropped: Under the high-density planting method, mango trees are pruned periodically, which stops it from growing to its full size.— File photo

The Department of Horticulture has chalked out a plan to promote high-density mango plantation that is expected to boost yield by nearly 50 per cent.

As a first step, nearly 500 mango saplings would be planted in one hectare at the horticulture farm in Yalachanahalli, about 18 km from Mysore. This would be a demonstration of the high-density planting method to popularise it among farmers. Short-duration varieties were mostly planted using this method.

The horticulture farm is spread across 196 acres. About 75 acres were given to the University of Horticultural Sciences, Bagalkot, for establishing the campus for the College of Horticulture, presently functioning at Thandavapura, near Nanjangud. The foundation stone for the campus was laid recently.

Nearly 3,000 mango trees and about 5,000 cashew trees planted at the farm (several years ago) were yielding fruit. The farm produced nearly five tonnes of mango during the “on year”. Almost all the popular varieties of mango were cultivated at the farm for demonstration.

Sources in the department said a maximum of 100 trees can be planted on one hectare using the conventional method. However, under high-density planting, the number can go up to 500, allowing space of 2.5 metres between two trees. Unlike the conventional method — where each plant is allowed to grow to its full size — the plants under high-density planting method are pruned periodically, restricting their size.

A business model

Speaking to *The Hindu*, Senior Assistant Director of Horticulture (State sector) Raju M.S. said the Yalachanahalli farm was being developed as a “business model” for the promotion of the mango crop. “There is still not enough acceptance in the district for hybrid varieties. Moreover,

selection of varieties was key in improving yield. Grafted saplings of high-yielding varieties are available with the department and farmers can use them to get higher yield,” he said.

Therefore, in order to educate farmers on the “proven” methods of mango cultivation, the department decided to develop a “model farm” by promoting high-density plantation. Mr. Raju said farmers would be invited to the farm under a comprehensive horticulture development programme on May 26. On the same day, the planting would be done. Mysore district may not be known for commercial cultivation of cashew, but nearly 5,000 trees have been planted here.

Published: May 19, 2012 00:00 IST | Updated: May 19, 2012 05:09 IST

'1.10 lakh quintals of seed kept ready for kharif'

Staff Reporter

Agriculture Joint Director D. Prameela on Friday said that the department kept 1.10 quintals of seeds ready for the kharif season to prepare seed beds in 2.02 lakh hectares in East Godavari district.

Speaking on seed village programme, 'polambadi' and Rythu Chaitanya yatras she said that they have taken up 142 polambadi villages exclusively for paddy seed processing on buy back policy along with 175 existing seed villages. She said that 798 progressive farmers were identified and they were asked to train at least 10 farmers each in their village.

Giving details of seed stocks, the JD said that department is procuring 67,000 quintals from AP Seeds, 30,000 quintals from local farmers and 13,000 quintals under Seed Development programme. Along with paddy, she said that 33,000 750 packets of cotton seed was kept ready for cotton farmers and those who want breeder seeds can directly contact Marteru Farm and get them for Rs.110 per kg. She appealed to the farmers to cultivate millets, cereals between seasons.

Responding on Rythu Chaitanya Yatras, she said that farmers have brought some important issues to the notice of officials during these yatras including, enhancement of MSP for paddy, subsidy to oil engines, submersible pumps, oil motors and provide water carrying pipes on subsidy, supplying power tillers on 50 per cent subsidy, linkage of NREGS to farming sector, postponement of insurance premium in view of natural calamities and so on.

The JD said that till now they have conducted 440 Rythu Chaitanya Yatras in the district in which 43,125 farmers, 780 progressive farmers, 316 non-loanee farmers participated and 921 demonstrations were held.

hindustantimes

Monday, May 21, 2012

HT Correspondent, Hindustan Times

New Delhi, May 18, 2012

First Published: 23:08 IST(18/5/2012)

Last Updated: 23:45 IST(18/5/2012)

Navigating an economic maze

Call it the Big Squeeze. Galloping prices, a sliding rupee, sluggish job prospects and persistently high borrowing costs — families have been buffeted by a string of problems. On Friday, latest data showed that there has been no let up on the price front as retail inflation reached a worrisome 10.32% in April, pummelled by high vegetable and protein-based food items.

“Shopping and eating out are the two biggest casualties of inflation,” said Heena Sardana, a Delhi college student.

For finance minister Pranab Mukherjee, high inflation and a persistently weak rupee that hit a low of 54.91 on Friday has added to an array of problems, graver than just cutting down on dining out. A weak rupee is also a warning sign of plunging investor sentiment.

Last month, US credit rating agencies Standard and Poor’s (S&P) and Moody’s raised fresh questions on India’s economic health hit by high government borrowing and political compulsions stalling reforms. “The revision in outlook may have some perceptual impact. The government has taken

NUMBERS TELL THE STORY

7.5%

Or **1313.45 pts**: the fall in Sensex since Budget day on March 16, 2012

16,152.8

The level at which the benchmark Sensex closed on Friday, up 82.3 points

8%

The approximate fall in the value of the rupee against the dollar in the last three months

54.91

The record intra-day low that the rupee hit on Friday

₹4,896 cr

or **\$926 mn**
Outflow of funds from foreign institutional investors (FIIs) in April

(-)3.5%

Contraction in India's industrial output in March 2012 against 9.5% in March 2011

2.7%

Growth in manufacturing output in March 2012 against 7.2% in March 2011

3.9%

Estimated manufacturing growth in FY12, from 7.6% last year

6.9%

Estimated GDP growth in 2011-12 down from 8.4% in 2010-11

2.2%

Growth in car sales in 2011-12, down from 30% in previous year.

note of these concerns," Mukherjee said in a written reply in the Lok Sabha on Friday. Chronicle of a downturn

<http://www.hindustantimes.com/StoryPage/Print/857935.aspx>

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THE ECONOMIC TIMES

19 MAY, 2012, 04.07PM IST, REUTERS

Wheat, gold make stunning runs in nervous markets

NEW YORK: Wheat charged higher on Friday to post its biggest weekly gain in 16 years and gold continued its recovery from four-month lows as commodity markets saw selective buying amid lingering worries about the euro zone.

Prices of crude oil and copper -- two of the biggest industrial commodities -- remained weak amid uncertainties posed by fresh elections looming in Greece and a cut in the credit ratings of 16 Spanish banks by Moody's.

Leaders of major industrial economies meet this weekend to try to head off a full-blown crisis in Europe where fears are growing that Greece could leave the euro zone bloc, threatening the future of the common currency.

"Given how critical the situation is in Europe at present, policy makers may well feel the need to come up with something to soothe the markets and the possibility of that might lead to some book squaring ahead of the weekend," Fastmarkets said in a note.

Worries about a slowing economy in China -- the world's largest metals importer and a giant consumer of many other raw materials -- further clouded the demand outlook for commodities, analysts said.

Oil and copper prices fell 4 percent on the week. The front-month contract for U.S. crude oil fell \$1.08 to settle at \$91.48, less than \$2 above its \$90 per barrel support. Brent July crude in London eased 35 cents to settle at \$107.14 a barrel, about \$2 above its \$105 support.

Copper futures in London had their biggest weekly decline since December, settling below the \$8,000 a tonne level critical for the confidence of market bulls.

While many expected copper prices to test new lows in coming days, some braced for the odd rebound that could surprise.

"Next week is a tough call, but my gut feeling is that we'll see slightly higher prices because we've gone too far on the downside," said Stephen Briggs, metals strategist for BNP Paribas in London.

The 19-commodity Thomson Reuters-Jefferies CRB index edged higher after the relative outperformance of wheat, gold and a few other markets such as corn and cocoa.

On a weekly basis, however, the CRB closed down for a third week, weighed down by the multi-month lows in oil and copper.

WHEAT SIMMERS ON HEAT WAVE

U.S. wheat futures had their biggest since 1996 as hot and dry weather kept fears simmering about crop losses in the U.S. Plains and Russia.

"Wheat is a weather market right now," said Jack Scoville, analyst for brokers TPGF in Chicago.

Crop experts said the promise of a bumper harvest for U.S. hard red winter wheat was eroding by the hour as scorching weather and high winds in important growing areas of the U.S. Plains sapped soils of needed moisture.

Benchmark wheat for July on the Chicago Board of Trade settled at \$6.95-1/4 a bushel, up 37-

1/2 cents, or almost 6 percent for the day.

For the week, wheat was up almost \$1 a bushel, or 16 percent. Reuters data showed that was the biggest weekly gain since 1996 for a front-month CBOT wheat contract on a spot continuation basis.

Gold jumped, posting its biggest weekly gain in a month. The spot price of gold, which tracks trade in bullion, hovered just above \$1,590 an ounce, up \$17 on the day. After sinking this month during three-fourths of the trading sessions and breaching various technical low points as investors sold the precious metal to cover losses elsewhere, the market popped up on Thursday by nearly \$35. Despite sharp declines from Monday through Wednesday, the two-day rally put the spot price of gold up 0.8 percent for the week -- its biggest weekly rise since mid-April.

19 MAY, 2012, 04.04PM IST, PTI

Sugar ends steady on small buying

NEW DELHI: The wholesale sugar price ended quiet in the national capital today following scattered buying against restricted supply. Marketmen said apart from summer season demand from bulk consumers amid adequate stocks position kept sugar prices unmoved.

The following are today's quotations per quintal: Sugar ready: M-30 3,200-3,450, S-30 3,175-3,425. Mill delivery: M-30 3,000-3,250; S-30 2,975-3,225. Sugar mill gate prices (excluding duty): Kinnoni 3,250, Asmoli 3,230, Mawana 3,180, Titabi 3,160, Thanabhavan 3,140, Budhana 3,130, Dorala 3,180, Khatauli 3,175, Morna 3,060 and Ramala 3,030, sakoti 3050, Chandpur 3060.

19 MAY, 2012, 03.59PM IST, PTI

Select edible oils remain weak on sustained selling

NEW DELHI: Select edible oil prices fell for the second day by losing up to Rs 50 per quintal on the wholesale oils and oilseeds market today on increased selling by stockists against subdued demand at prevailing higher levels.

However, non-edible oils moved in a narrow range in limited deals and settled around previous levels.

Traders said sustained selling by stockists against subdued demand mainly kept pressure on edible oil prices.

In the national capital, mustard expeller oil shed Rs 20 to Rs 8,130 per quintal and mustard pakki and kachi ghani oils traded lower by Rs 10 each to Rs 1,145-1,285 and Rs 1,300-1,400 per tin, respectively.

Sesame and cottonseed mill delivery (Haryana) oils declined by Rs 50 each to Rs 8,250 and Rs 6,650 per quintal, respectively.

The following were today's quotations per quintal: Oilseeds: Mustardseed 2,950-3,050 and Groundnut Seed 2,150-2,900.

Vanaspati Ghee (15-litre tin) 1,100-1,250. Edible oils: Groundnut Mill Delivery (Gujarat) 11,500, Groundnut Solvent Refined (per tin) 1,850-1,900, Mustard expeller (Dadri) 8,130, Mustard Pakki Ghani (per tin) 1,145-1,285, Mustard Kachi Ghani (per tin) 1,300-1,400, Sunflower 6,300, Sesame Mill Delivery 8,250, Soybean Refined Mill Delivery (Indore) 7,850, Soyabean Degum (Kandla) 7,430, Crude Palm Oil (Ex-Kandla) 7,220, Cottonseed Mill Delivery (Haryana) 6,650, Palmolein (RBD) Rs 7,950, Palmolein (Kandla) 7,600, Rice Bran (phy) 3,800 and Coconut(per tin) 1,550-1,600.

Non-edible oils: Linseed 5,100, Mahuwa 4,000, Castor 8,350-8,450, Neem 4,350-4,450, Rice Bran 3,280-3,380 and Palm Fatty 3,225-3,300.

Business Standard

May 19, 2012

Natural vanilla losing its flavour in India

George Joseph / Kochi May 19, 2012, 0:39 IST

The production of natural vanilla has come to a halt as companies are preferring to use synthetic vanilla, instead of natural vanilla due to a substantial price difference between the two. Synthetic vanilla is much cheaper and considered more useful than the natural version.

Vanilla is mainly used in ice creams and as a flavour for bakery items. Of late, companies prefer synthetic vanilla, thanks to the marked price advantage.

Vanillin, the extract of natural vanilla, costs Rs 20,000 a kg, whereas the price of synthetic vanilla hovers around Rs 1,000 a kg.

Also, the number of farmers engaged in vanilla production fell to 100 from 200,000 during the peak time. A majority of farmers shifted to production of nutmeg and natural rubber.

For eight years from 1999, vanilla cultivation attracted thousands of farmers in the country's peninsular part, especially Kerala. The wane started from 2007, and on Friday the spice has lost its flavour among growers in the country. Reason: A heavy drop in prices owing to an absence of demand, both in India and abroad.

Strikingly, the country currently has no local market for the spice. Even the Spices Board does not have an idea about the latest production figures of vanilla in India. Officials in the Board say their office maintained no data about the production or sale of vanilla for the past couple of years. "After November 2011, there was no export. During the month, just 160 kg of processed beans were shipped," a source told Business Standard.

Growers in Ernakulam district of central Kerala, where the cultivation was abundant a decade ago, also have little idea about the present status of their crop. The Vanilla India Producer Company Ltd (Vanilco) says upstate Kannur district has some belts like Iritty where a few farmers are currently engaged in vanilla cultivation. "The crop is also grown in some parts of Karnataka" says Vanilco Director M C Saju. "The combined area (in Karnataka and Kerala) cannot be above 200 hectares at present, as against 5,815 hectares in 2005-06," he added.

The production of processed beans peaked at 236 tonnes in 2004-05, against a few kg at present. The export was at its peak in 2008-09 — 305 tonnes valued at Rs 26.70 crore, against 210 tonnes valued at Rs 18.25 crore in FY08, said Saju.

The heavy fall in prices of green vanilla beans, coupled with the advent of cheap synthetic vanilla, drained the lucre out of natural vanilla production. Due to a series of crop failures in Madagascar, the world's largest producer, during the second half of the 1990s, demand for the crop from other countries, including India, increased.

This led to a steady rise in its price. During 2001-02, the global price of vanilla green beans rose to Rs 3,500 a kg. This attracted a large number of southern India's farmers to vanilla, as happened in the case of cocoa during 1980s. Till 2007, vanilla prices were on a high, but then they began to fall sharply. Towards the end of 2007, the open market price of green beans dropped to as low as Rs 250 a kg. In subsequent years, it fell below Rs 100-a-kg. The current global price is Rs 250-300 a kg, Saju added.

But, compared to synthetic vanilla, the price of the natural variety is still high. Hence, synthetic vanilla is used widely for all applications across the world.

"This huge gap in prices of natural and synthetic vanilla has led to a collapse in the production and marketing of the natural stuff," Saju said. Natural vanilla is not an essential item; it is only used to add flavour. On the other hand, synthetic vanilla is useful for more than one purpose.

Saju added that the 2003-founded Vanilco still has a stock of 500 kg of vanillin, lying idle for want of demand. In its good times, Vanilco had a contract with Amul, ensuring regular purchase of vanillin. Then Union commerce minister Jairam Ramesh assured that Amul would get the difference between prices of natural and synthetic vanilla as a price subsidy for promoting natural vanilla. But, the government did not keep its word, prompting Amul to back out.

This upset the working of Vanilco and has left it in a bad shape. The entity is now searching a way to clear the stock.

Turmeric weakens on subdued demand

Subdued demand against adequate stocks position mainly led to fall in turmeric prices at futures trade

Press Trust of India / New Delhi May 18, 2012, 14:42 IST



Turmeric prices weakened by Rs 26 to Rs 4,104 per quintal in futures trading today owing to

slackened demand against adequate stocks availability in the physical market.

Reports of higher output this year in growing areas also put pressure on turmeric prices.

At the NCDEX, the June delivery declined by Rs 26, or 0.63%, to Rs 4,104 per quintal, with an open interest of 28,125 lots.

The May delivery shed Rs 4, or 0.10%, to Rs 3,830 per quintal in 2,820 lots.

Analysts said subdued demand against adequate stocks position mainly led to fall in turmeric prices at futures trade.

They said reports of higher output this season further influenced the sentiment.

Jeera sheds more than 2% down on rising arrivals

Speculators sell off on weak export demand adds to pressure

Press Trust of India / New Delhi May 18, 2012, 15:35 IST



Jeera prices fell by 2.68% to Rs 13,075 a quintal in futures trade today on speculators offloading their positions following weak export demand. Rising arrivals from producing belt also put pressure on jeera prices. At the National Commodity and Derivatives Exchange, jeera for delivery in May fell by Rs 360, or 2.68%, to Rs 13,075 per quintal, with an open interest of 1,248 lots. The June contract moved down by Rs 280, or 2.02%, to Rs 13,595 per quintal, with an open interest of 19,026 lots. Market analysts said speculators offloaded their positions on the back of weak export demand, which pulled down jeera prices at futures trade.

They said rising arrivals from producing belt also kept pressure on jeera.
