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## Sugarcane farmers demand opening of mills

Special Correspondent



no juice here:Sugarcane farmers staging a demonstration in front of the collectorate in Thanjavur on Tuesday.Photo:B.Velankanni Raj

Sugarcane farmers who supply cane to the State government owned Arignar Anna Sugar Mills at Kurunkulam near here staged a demonstration in front of the collectorate here on Tuesday demanding the opening of the mills which has been closed from April 4 following a strike by the employees.

The mills suspended crushing of sugarcane and cutting orders have not been issued for harvest of cane which has led to drying of sugarcane by the farmers. The farmers burnt dried sugarcane to highlight their problem. S.Ramanathan, president of the Sugarcane Producers Association, P.Ramasamy, secretary and Sami Nadarajan, district secretary of Tamil Nadu Vivasayigal Sangam, participated in the agitation.

They also demanded compensation for the farmers who could not cut canes and send it to the mills on the scheduled time.They were arrested and later released.

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## **Short supply of cotton seeds, fertilizer irks farmers**

Staff Correspondent

A large number of farmers from across the district on Tuesday staged a dharna at Gandhi Circle here and burnt the effigy of the BJP government in protest against what they described as its failure to provide adequate quantity of seeds and the lathi-charge by the police on protesting farmers in Haveri. Protesters led by Huchavvanahalli Manjunath raised slogans against the BJP government, Chief Minister D.V. Sadananda Gowda and Agriculture Minister Umesh Katti for not distributing the required quantity of seeds and fertilizer to farmers.

Addressing the agitators, Mr. Manjunath said that the district had received good rain in the past 20 days and farmers were keen on cultivating cotton.

But the government had failed to provide the required quantity of seeds of a particular brand. Agriculture Department personnel were indirectly forcing farmers to buy cotton seeds of other brands as they had failed to keep an adequate stock of Kanaka brand, which was preferred for its high yield.

CHANDIGARH, May 9, 2012

## **High-yield sesame developed**

Scientists at Chaudhary Charan Singh Haryana Agricultural University in Hisar have developed an improved variety of sesame (Til) with high-yield potential and resistance against diseases. According to Vice-Chancellor K.S. Khokhar, this variety had been identified for release at the annual meeting of the All-India Coordinated Research Project on sunflower, sesame and niger held at University of Agricultural Sciences, Bangalore, recently. The new variety, Dr. Khokhar added, had recorded 15 to 25% more seed yield.

ARIYALUR, May 9, 2012

## **Schemes to boost yield in red gram and pulses in 12 villages**

*Farmers to be imparted training on latest technique of pro tray method*



on development path: Anu George, Collector, inspecting a model of micro irrigation farm at an exhibition at Tirumanur on Monday.

The agriculture department will implement two special schemes – red gram transplantation village scheme and system of pulses intensification village scheme – in 12 select villages in six blocks in the district during the 'khariff' season in June or July.

So far, red gram is being cultivated as an inter-crop, without being given much importance as a comprehensive cultivation crop. Similar is the condition for pulses. Hence, the agriculture department has chalked out schemes for enhancing the area under the crop.

Six villages would be selected for each crop (red gram and pulses), at the rate of one in each of six blocks in the district and all farmers in the entire village would take up the cultivation.

Explaining the advantages of these schemes at the valediction of the farmers festival at Tirumanur near here on Monday, Anu George, Collector, said that farmers would be trained to adopt the latest technique of pro tray method for registering higher yield.

Further, the duration of the crop would be reduced from the conventional term of six months to about three months, she said.

Lakshmanan, Joint Director of Agriculture, said that about 8,900 soil samples were collected at the fields during the course of the festival at 175 centres in the district. As many as 4,800 farmers had been advised to shift in cropping pattern suited to their soil.

Farmers raised the asha or lakshmi variety in red gram. The concept of 'red gram transplantation village' would help register a higher yield, thereby bringing down its price, he hoped.

### **Tractors distributed**

The Collector distributed 33 tractors and 32 rotavetors to primary agricultural cooperative credit and thrift societies, at a total credit of Rs. 2.06 crore, including a subsidy of Rs. 1.10 crore, released through the Tiruchi District Central Cooperative Bank, according to Murugan, joint registrar of cooperative societies.

C. Annadurai, deputy director of agriculture, N. Srinivasan, Tirumanur panchayat union chairman and Mani, executive engineer of Agricultural engineering department spoke on the agricultural potential in Tirumanur block.

Balu, deputy director of horticulture and Latha, assistant director of agriculture spoke.

Earlier an exhibition was organised in which the Collector inspected the models of micro irrigation farm in villages.

ERODE, May 9, 2012

### **Farmers' associations to unite under one banner**

*A meeting named 'Maha Panchayat' will be organised in Erode on May 11*

The farmers' associations in the State have established an umbrella organisation to unite the farmers under one banner so that they may be able to put forth their demands to the government collectively.

The first meeting of the umbrella organisation, named 'Maha Panchayat', will be organised in Erode on May 11 and leaders of various farmers' associations will participate in the meeting and discuss the measures to be taken up to save the agriculture sector.

“If the farmers start thinking as ‘one community’, there will be no need to seek freebies from the government. We can make the government think about our interests before making any decision and listen to our grievances seriously,” president of Turmeric Farmers Association of India P.K. Deivasigamani said.

### **Major problems**

Lack of unity and non-remunerative prices for produces are the major reasons for various problems faced by the farmers in the country. The farmers have not been able to put a joint front to make their presence felt. “The Maha Panchayat is a step forward to make our presence felt in the State,” Mr. Deivasigamani said.

Farmers suffer heavy losses due to non-remunerative prices.

They stage demonstrations, block traffic and submit numerous petitions highlighting their grievances. But the government rarely listens to their grievances.

The effective solution to save the agriculture is uniting the farmers under one banner, farmers leaders say.

### **Labour shortage**

Apart from the problem of getting remunerative prices for farm produces, a number of issues including labour shortage, fixation of minimum support price for turmeric, man-animal conflict and crop insurance will be discussed during the first meeting of ‘Maha Panchayat’.

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• *Leaders of various farmers' outfits to participate*

• *“The Maha Panchayat is a step forward to make our presence felt in the State”*

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KAKINADA, May 9, 2012

### **Officials told to complete distribution of farm input subsidy**

District Collector Neetu Prasad on Tuesday wanted officials of the agriculture department to complete the distribution of input subsidy to farmers in drought-hit mandals at the earliest.

Reviewing arrangements for the Rythu Chaitanya Yatra programme to be held in the district for three weeks from May 10,

The district Collector said that Rs. 1.79 crore had been released by the State government towards input subsidy meant for farmers of 14 drought-hit mandals.

Expressing dissatisfaction over the nonchalant attitude of the agriculture officials on the distribution, the Collector said the officials must take the initiative to make all the beneficiaries open bank accounts.

She said of the 46,000 beneficiaries under the input subsidy scheme, only 36,000 farmers had bank accounts and it was not possible to disburse the subsidy to the remaining 10,000 farmers, unless they opened accounts with the banks.

She cautioned the officials against issuing show-cause notices in the event of failing to disburse the subsidy to all the beneficiaries in time.

Additional Joint Collector B. Rama Rao, Joint Director of Agriculture D. Prameela, and District Lead Bank Manager S. Jagannadha Raju were present.

JAIPUR, May 9, 2012

### **New crop loan policy for farmers in Rajasthan**

The Rajasthan Government intends to announce a new farmer-oriented cooperative crop loan policy by this weekend to associate more agriculturists with the credit facility. The State is bearing full interest component of loans for farmers who are making repayment on time.

State Cooperative Minister Parsadilal Meena said at a two-day conference of cooperative banks, which ended here on Tuesday, that the new policy would promote agriculture and help out small and marginal farmers who could not meet the expenses of agricultural inputs.

The new policy would provide for disbursement of crop loan up to Rs.20,000 or a farmer's credit limit, whichever is less, and give priority to the farmers belonging to the Scheduled Castes and Tribes. Mr. Meena said the farmers' faith in the loan scheme had been proved by the fact they repaid loans worth Rs.1,000 crore this past week.

"Rajasthan is the third State in the country bearing the interest component on timely repayment of crop loans," said Mr. Meena.

The State Government has also decided to give land free of cost as well as financial assistance for construction of buildings and stockrooms for cooperative banks, he added.

# hindustantimes

Wed, 09 May 2012

## weather

### Chennai - INDIA

#### Today's Weather



Partly Cloudy

Wednesday, May 9

Max Min

37.2° | 28°

Rain: 00 mm in 24hrs

Sunrise: 6:35

Humidity: 79%

Sunset: 18:03

Wind: Normal

Barometer: 1004

#### Tomorrow's Forecast



Sunny

Thursday, May 10

Max Min

37° | 28°

#### Extended Forecast for a week

Friday May 11	Saturday May 12	Sunday May 13	Monday May 14	Tuesday May 15
36°   27°	36°   27°	36°   28°	36°   28°	36°   28°
Sunny	Sunny	Rainy	Partly Cloudy	Partly Cloudy

8 MAY, 2012, 04.35PM IST, BHARGAV TRIVEDI, ET BUREAU

## Chana at all-time high, soyabean firms up again

AHMEDABAD: Prices of agricultural commodities like chana and soyabean have seen buoyancy in the market with Chana making an all-time high on the National Commodity and Derivatives Exchange (NCDEX) on Tuesday.

The correction in soyabean could not sustain more than three days and prices rose by 2% on the back of strong clues from international market. Jeera too showed firmness with revival in export enquiries, said analysts.

The May delivery future of chana touched a high of Rs 4,254 (100 kg), up 2% from previous close of Rs 4,165. The prices were ruling around Rs 4,242 around 3 pm on Tuesday afternoon.

The May future reported a 60,000 contracts of trade while 1.1 lakh contract were traded for the June series contracts that traded at Rs 4,362, a premium of 3% over the May contract. Chana prices rose by 27% so far in 2012 from its closing of Rs 3,300 on December 31, 2011.

Soyabean prices rose by 48.60% till date in current calendar. Prices of May delivery future made an all-time high of Rs 3,736 on last Thursday. However, they corrected sharply and dropped to Rs 3,500 levels.

Upbeat mood in the global market helped prices firm up on NCDEX and May future was trading at Rs 3,590, a rise of 1.5% in the afternoon trade.

Analysts don't see possibility of any sharp correction in soyabean as rupee has been weakening against dollar and demand from China is on the rise. "Chinese demand has been increasing and crop data from the South America is disappointing. A strong dollar is also putting pressure on the domestic prices," said Dilip Parmar, research analyst at Ahmedabad-based Kunverji Commodities.



However, the increased scrutiny over the rising prices at futures by the Indian government might weigh on the market sentiment, he believes. According to him, soyabean may touch new high before giving healthy correction.

8 MAY, 2012, 03.54PM IST, PTI

### **Select edible oils recover on fresh buying**

NEW DELHI: Select edible oil prices recovered up to Rs 100 per quintal on wholesale oils and oilseeds market today on fresh buying by millers amid a firming global trend.

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

Trading sentiment also turned better after palm oil gained in global markets on speculation that stockpiles in Malaysia, the second-largest supplier, may have declined in April as exports increased.

Meanwhile, palm oil for the July-delivery contract climbed 0.8 per cent to USD 1,109 a tonne on the Malaysia Derivatives Exchange.

Besides, fresh buying by vanaspati millers to meet the marriage season demand also supported the recovery move.

In the national capital, sesame mill delivery oil rose by Rs 100 to Rs 8,300 per quintal.

On positive overseas cue, soyabean refined mill delivery (Indore) and soyabean degum (Kandla) oils recovered by Rs 50 each to Rs 8,000 and Rs 7,550, while crude palm oil (ex-kandla) traded higher by the same margin to Rs 7,300 per quintal, respectively.

Palmolein (RBD) and (palmolein (Kandla) oils followed suit and traded higher by Rs 50 each to Rs 8,100 and Rs 7,750 per quintal, respectively.

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## Govt to set up agriculture marketing board soon

TUESDAY, 08 MAY 2012 22:25

PIONEER NEWS SERVICE | DEHRADUN

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In a bid to help farmers acquire appropriate price of their crops, very soon the State Government is going to set up an Agriculture Marketing Board.

Announcing setting up of Agriculture Marketing Board Chief Minister Vijay Bahuguna said that it would help farmers in marketing their produce and also help them in maintaining better coordination with the investors. The marketing board will very soon start functioning. He disclosed this while convening a meeting with the entrepreneurs engaged in food processing at Secretariat on Tuesday.

Uttarakhand had great potential in food processing urged the entrepreneurs to set up maximum industries in the hill region. Announcing to establish Food Parks in the Kumaon and Garhwal regions, he called on the entrepreneurs to set up food processing industries in these parks assuring them of all possible assistance from state government's side. Veer Chandra Garhwali Tourism Self Employment Scheme would also be included in the food processing industry so that more youths get employments.

The CM directed the officials concerned to prepare maximum proposals under National Mission on Food Processing Scheme which had already begun on April 1 this year. The contribution percentage in the scheme between State and the Centre was 25:75. He revealed that 33 per cent grant was provided in this `75 lakh budgeted scheme for strengthening of Information Technology, establishment and modernisation process. Similar way the grant is provided for development of human resource too, he said.

The establishment of food processing industries in the hill areas would check migration from hill areas as the youth would get jobs in their native villages.

President of Kumaon Garhwal Chamber of Commerce and Industries Vikas Jindal presented before the Chief Minister various suggestions useful in accelerating the food processing industry

in the State and expected support from the State Government. He expected release of Government order for uninterrupted power supply, waiver in 2.5 per cent mandi tax and increase in the CST rebate to food processing industries as earlier announced by the CM.

Other dignitaries, including secretary, All India Frozen Food and Vegetable Association Ashvini Chhabra, former president of CII Uttarakhand chapter Rakesh Oberai, Pankaj Gupta of Uttarakhand Industries Association, Industrialists Anil Goel and Director Industry Sudhir Chandra Nautiyal were present during the meeting.

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# Business Standard

Wednesday, May 09, 2012

## Seafood exports to China come to a halt

George Joseph / Kochi May 9, 2012, 0:07 IST

With China banning Indian seafood import from June 1, exporters have completely stopped consignments from the last week of April, as it takes three-four weeks for these to reach China.

Exporters told Business Standard commerce ministry officials had asked them to 'wait and watch', but with no assurance coming by, they had stopped sending further consignments. "We are afraid that if our consignments reach after the deadline, they may be rejected. So, it is safe to stop exports until the issue is sorted," an exporter from Gujarat said.

The ban has majorly hit the seafood sector in Gujarat, as 70 per cent of exports to China are from the state. The average annual export to China from Gujarat is 90,000 tonnes (11 per cent of total exports), valued at Rs 1,151 crore, mainly of low-value fish items. These items have very little domestic demand.

According to the Seafood Exporters Association of India, 700 exporters across the country send products to China, of which 90 exporters are from Gujarat. According to an exporter from

Gujarat, this would affect not only exporters, but also workers.

Low-value fish items require more workers to process and make ready for export. In Gujarat, 200,000 people depend on this industry for their livelihood.

The export sector of the state directly employs around 20,000 people, a majority being women. India exported 845,000 tonnes of seafood items, valued at Rs 16,824 crore, in 2011-12.

Exporters alleged the Union government was not taking the issue seriously. There was no fruitful dialogue between the two countries, except sending an official letter to Beijing.

India was not included in the list of countries which had confirmed with China's General Administration of Quality Supervision, Inspection and Quarantine (AQSIQ) about the inspection and quarantine certificate for export of aquatic products to China.

This was because of negligence from the Indian side, as China had published a notice on the implementation of the administrative measures of inspection, quarantine and supervision on entry and exit of aquatic product, a year before. They had published the list of approved countries in October, but India did not act even then. China will allow consignments from AQSIQ-approved countries only.

In a notification, AQSIQ had approved 27 countries, of which seven are from the Asian region. These are Vietnam, Thailand, Pakistan, Japan, Philippines, Myanmar and South Korea. Ten nations are from Europe, seven from the American continent besides Australia and New Zealand.

### **Chana futures up 1.3%**

Reports of likely fall in output also supported prices

**Press Trust of India / New Delhi May 08, 2012, 15:46 IST**



Chana prices rose further by Rs 53 to Rs 4,218 per quintal in futures trade today, as participants enlarged their positions, driven by reports of a likely fall in its crop.

Also, strong demand at spot markets also supported the upside in chana futures prices.

At the National Commodity Derivatives Exchange, chana for May contract rose by Rs 53, or 1.27%, to Rs 4,218 per quintal, with an open interest of 59,120 lots.

The June contract gained Rs 49, or 1.14%, to Rs 4,337 per quintal, with an open interest of 90,500 lots.

Analysts said fresh positions created by speculators following reports that chana's production may decline in the current crop year, influenced prices at futures trade here.

### **New procedure by DGFT to speed up cotton exports**

**BS Reporter / Mumbai May 9, 2012, 0:09 IST**

To speed applications from interested cotton exporters, the Directorate General of Foreign Trade (DGFT), under the Ministry of Commerce, has modified the procedure for obtaining registration certifications (RCs).

As against the earlier procedure of personal visits to the respective departments dealing in RCs, DGFT has mandated sending of all documents and associated papers through an e-mail. The purpose is to keep queries, if any, ready by the time an exporter sends hard copy of the applications and other relevant papers.

According to the current practice, an exporter applies with all valid documents in physical form. After these papers are assessed by DGFT, queries are raised. An RC takes weeks and, sometimes, months to obtain. With the new format of application, the RC can be issued within a couple of days.

The procedure is required to be speeded, especially when DGFT issued revised guidelines early this month for cotton exporters. In fact, DGFT clarified through a notification on May 4, that an exporter would be issued a second RC only on filing proof for executing at least 50 per cent of the quantity of exports mentioned in the first RC.

Generally, from the date of RC an exporter requires at least a month to physically ship the quantity of exports. The 50 per cent mandatory shipment clause, therefore, requires executing

export orders fast to obtain another RC for the next consignment.

Welcoming the move, M B Lal, an industry veteran, said, "With the revised procedure, only genuine traders would be able to execute export orders fast."

The price of the benchmark Shankar 6 variety remained stable at Rs 35,000 a candy (one candy = 356 kg) in the Ahmedabad spot market, despite exports being allowed by the government. So far, 16 million bales have been exported. By the end of this month, exporters expect this figure to move up to 20 million bales.

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## THE HINDU Business Line

### Tanker non-availability hits coconut oil movement

V. Sajeev Kumar



Kochi, May 8:

Higher arrivals from Tamil Nadu resulted in coconut oil prices declining in Kerala markets this week. Prices were quoted at Rs 62 a kg against the last week's Rs 63.

Mr Prakash B.Rao, Vice-President of the Coconut Oil Merchant Association (COMA), said that corporates continued to stay away from the market and their buying was close to nil, especially during the last couple of days. They have built enough stocks in anticipation of copra procurement by government agencies.

Prices of coconut oil in Tamil Nadu ruled at Rs 59.50.

Mr Bharat N.Khona, former Board Member, COMA, cited non-availability of oil tankers for moving coconut oil for upcountry markets as the reason for lower demand. This, he said, has led to a situation of piling up of stocks. Prices will pick up slowly if the commodity starts moving once consumption resumes in north Indian markets, he said.

According to him, prices quoted this week are attractive as far as corporates are concerned. However, the disruption in movement has forced them to postpone their buying from the market, he said.

Prices of edible oil such as palm oil and palm kernel oil, which are close substitutes of coconut oil, are still on the higher side. Prices stood at Rs 70 and Rs 76, respectively this week, particularly due to fluctuations in the rupee.

Referring to copra, he said that prices ruled at Rs 4,200 a quintal in Kerala and Rs 4,000 in Tamil Nadu.

According to Mr Thalath Mahamood, President, COMA, copra arrivals in Kerala markets are on the higher side due to good production in Andhra Pradesh and Tamil Nadu. He said coconuts produced in Malabar area are being transported to Tamil Nadu for processing due to labour shortage in Kerala.

### Dearer soyameal drives up poultry feed



Karnal, May 8:

Higher soyameal prices have led to increase in prices of poultry feed products in the last couple of weeks.

Prices of poultry feed products have increased by Rs 30-90 for 30-and 50-kg bags over the past week. Broiler concentrates feed prices, too, have increased by Rs 90 and quoted at Rs 1,600 for a 50-kg bag. Broiler finisher increased by Rs 20 to Rs 1,260 for a 50-kg bag.

Prices of “Broiler Pre-Starter Concentrate 30 per cent” increased by Rs 50 to Rs 1,400 for a 30-kg bag, while layer concentrate was quoted at Rs 1,210 for a 50-kg bag, Rs 30 up from previous level. Higher export of soyameal to Iran is the reason for the rally in prices, said Mr Subhash Sharma, financial head, Sarvottam Poultry Feed Supply Centre Pvt Ltd. Soya is a key ingredient of poultry feed and a pack of feed consists of 40-50 per cent soyameal. The price of soya in the domestic market has increased to Rs 3,500 a quintal against Rs 1,700 a quintal a month ago.

If soyameal export continues, prices could rise further, said Mr Subhash. The industry wants the Government to regulate prices of soyameal, so that the commodity gets back on track. The industry is demanding a ban on soyameal exports. “It's hard to anticipate the market's future in a situation where soyameal prices are going up every week and fresh arrivals are keeping maize under pressure. Both are base ingredients of poultry feed, said Mr Ajay Khurana, a poultry farmer. On the other hand, other ingredients of poultry feed are under pressure. Arrivals from Bihar have pulled down maize prices by Rs 50 to Rs 1,400-1450 a quintal. Bajra prices decreased by Rs 25 and quoted at Rs 1,150 a quintal. Fish oil was quoted at Rs 68 a litre while DCP was at Rs 34-35 a kg.

### Groundnut buyers wait for further price fall



Rajkot, May 8:

No trading took place in groundnut on Tuesday in Rajkot on lack of demand. Millers and buyers are waiting for further fall in prices since the summer crop has begun to arrive. Demand was lacking also since customers are shifting to other edible oils such as cottonseed oil and soyabean oil.



Groundnut oil slipped by Rs 20 to Rs 1,700-1,705 for a 15-kg new tin. Loose groundnut oil traded at Rs 1,200-1,205 per 10 kg. *Teliya* tin was quoted at Rs 1,840-1,841 for a 15-kg tin. Cotton oil ruled steady and traded at Rs 1,110-1,120 for 15 kg tin. Cotton oil wash was quoted Rs 632-635 for 10 kg. About 450-500 tonnes cotton oil were traded in Saurashtra.

A Rajkot based trader said: "Since prices of groundnut oil are ruling very high, most consumers are diverting to other edible oil such as cotton oil, soya oil, sunflower oil. Only the elite are buying groundnut oil."

A miller said that demand in groundnut oil is almost zero right now as the price is very much on the higher side. However, millers are hopeful that supply will improve for crushing as the summer groundnut crop is about to hit the market.

The Indian Oilseed and Produce Export Promotion Council (IOPEPC) has estimated summer groundnut production in Gujarat at around 4.59 lakh tonnes, 56 per cent higher than 2.94 lakh tonnes last year.

In Gujarat, Rajkot, Bhavnagar, Jamnagar, Mahuva, Talaja and Vyara-Surat side witnessed new arrivals of groundnuts in a smaller way. Hope of higher arrivals soon put pressure on market.

### Sugar gains more on higher demand hopes



Mumbai, May 8:

Sugar prices have gained in the last couple of days as Maharashtra mills have sold 2.5 lakh to three lakh bags (100 kg each) to buyers from eastern parts of the country.

The sale includes 2–3 rail rakes (some 75,000–80,000 bags) volume to West Bengal buyers. Local stockists too have begun to build inventories.

On the other hand, sugar mills are holding the price-line on expectation of higher demand in the coming days.

On Tuesday, prices improved further by Rs 25–30 a quintal in the spot market and Rs 10-30 in Naka delivery on the Vashi wholesale market on Tuesday. Mills tender rates increased Rs 15-20. Mr. Jagdish Rawal, Joint Secretary of Bombay Sugar Merchants Association (BSMA), said that fresh buying by the eastern region stockists and improved local demand pushed up prices in physical and futures markets.

The sentiment was bullish on possibilities of higher sugar exports due to weakness in Indian currency and end of crushing season next month, he said. The rupee's weakening is also aiding the trend.

Rising temperature is likely to lead to higher demand for sugar in the coming days, a leading broker said.

In Vashi market arrivals were 53-54 truckloads and local dispatches were 52-53 loads.

On Monday evening, about 20-22 mills offered tenders and sold about 1.00–1.25 lakh bags in the range of Rs. 2,810-2,930 (Rs 2,780-2,890) for S-grade and Rs 2,920-2,990 (Rs 2,890-2,970) for M-grade.

**The Bombay Sugar Merchants Association's spot rates were:** S-grade Rs 2,950-3,012 (Rs 2,922-2,982); and M-grade Rs 3,040-3,161 (Rs 3,002-3,151). **Naka delivery rates:** S-grade Rs 2,930-2,960 (Rs 2,920-2,940) and M-grade Rs 3,000-3,080 (Rs 2,980-3,050).

### Edible oil stockists keep off building inventories



Mumbai, May 8:

Stockists preferred to keep away from building edible oil inventories in view of a firm dollar. The weakness in Indian rupee makes import costlier. Hence, refiners are forced to hold their priceline. Otherwise, the market witnessed thin activity in the absence of demand. With improvement in arrivals of new oilseeds at producing centres and weak closing of Malaysian palm oil futures market, prices of most oils dropped sharply. Groundnut oil dropped by Rs 10, soya refined oil declined by Rs 3, sunflower oil dropped by Rs 5 while cotton and palmolein eased by Re 1 each in local market.

A leading broker said that volume in the physical market was thin despite higher import parity due to rebound in the dollar value. In Mumbai, owing to lack of fresh demand, the volume was thin. Leading refineries sold about 150-200 tonnes of palmolein, while about 50- 60 tonnes palmolein were traded in resale. Arrivals of new crops in producing areas put pressure indigenous oils.

Soyabean arrivals were 40,000-45,000 bags, while rapeseed arrivals were about 1.25-1.50 lakh bags.

In Madhya Pradesh, soyabean prices were Rs 3,460-3,550 a quintal and Rs 3,550-3,570 at plant level.

Towards the day end, Liberty quoted palmolein at Rs 658-659. Ruchi quoted palmolein at Rs 657-658, soya refined oil at Rs 715 and sunflower refined oil at Rs 740. Bunge quoted palmolein Rs 658. Resalers were offering palmolein at Rs 656-657.

Malaysia's crude palm oil June contracts closed at MYR 3,359 (MYR 3,369); July at MYR 3,351 (MYR 3,360) and August at MYR 3,340 (MYR 3,346 a tonne. On National Board of Trade, Indore, soya refined oil May contracts closed at Rs 751 (Rs 750) and June at Rs 760 (Rs 758).

**The Bombay Commodity Exchange spot rates were (Rs/10 kg):** groundnut oil 1,210 (1,220), soya refined oil 715 (718), sunflower exp. ref. 665 (670), sunflower ref. 740 (740), rapeseed ref. oil 815 (815), rapeseed expeller ref. 785 (785) cotton ref. oil 695 (696) and palmolein 655 (656).

## Chana races to record as big players stock up



Indore, May 8:

Weak arrivals and bullish futures lifted chana by Rs 100 a quintal to a record Rs 4,325-50, while chana (desi) ruled at Rs 4,300. Besides, stocking of chana by big companies has added to the bullish sentiment.

With unseasonal rain drenching various parts of Madhya Pradesh for the past three days, arrival of chana in various *mandis* has declined, adding to price rise, said Mr Sanjay Bansal, an Indore-based trader.

He said that with speculators ruling the roost, chana prices both in the futures and physical market may go up in the coming days.

Rise in spot chana also perked up chana dal with prices of chana dal (average) being quoted at Rs 5,075-5,100 a quintal (Rs 4,900-4,925), chana dal (medium) at Rs 5,175-5,200 (Rs 5,000-5,025), while chana dal (bold) ruled at Rs 5,375-5,400 a quintal (Rs 5,200-5,225).

Dollar chana or chickpea ruled stable on limited queries and sluggish demand both from domestic and export markets. In local *mandis*, dollar chana ruled at Rs 6,500-7,300 a quintal.

In container also, dollar chana ruled stable with the 42/44 count being quoted at Rs 8,400, 46/48 count at Rs 8,300, while dollar chana 58/60 count at Rs 7,100. Arrival of dollar chana on Tuesday declined to around 2,500 bags.

## Pepper falls on liquidation fears

G. K. Nair

Kochi, May 8:

The pepper market on Tuesday dropped on bearish sentiments, liquidation fears and limited activities. Prices of all the active contracts declined.

Investors were said to be planning to liquidate and get out of the market after losing interest following the imposition of new staggered system by the regulators.

On the other hand, futures prices are ruling below spot prices for the past few days and the margin for buyers is still at 27.73 per cent while that for the sellers is at 13.73 per cent.

“It appears that those having no knowledge about the market domain are acting without looking at the market fundamentals,” market sources told *Business Line*.

### Domestic demand

Demand from the domestic market from end users was slowly coming up and they were buying pepper below 500 GL grade at Rs 365 a kg from Karnataka.

In the overseas market, everybody is said to be in a wait-and-watch mode. In fact, the difference between the Indian parity and that of other origins was at \$200 - \$300 and hence “we are not out-priced,” they said.

May contract on the NCDEX decreased by Rs 245 to the last traded price (LTP) of Rs 37,030 a quintal. June and July contracts were down by Rs 265 and Rs 160 respectively to the LTP of Rs 37,600 and Rs 38,235 a quintal.

### Turnover

Total turnover moved up by 272 tonnes to end at 2,729 tonnes. Total open interest increased by 213 tonnes showing good additional buying and yet the market dropped.

May open interest fell by 99 tonnes to 3,240 tonnes while June increased by 317 tonnes to 2,341 tonnes. July declined by 6 tonnes to 134 tonnes.

Spot prices in tandem with the futures market trend, and not on any selling pressure, declined by Rs100 a quintal to close at Rs36,700 (ungarbled) and Rs38,200 (MG 1) a quintal.

Indian parity in the international market was at \$7,350 a tonne (c&f) for Europe and \$7,650 a tonne (c&f) for the US and despite the fall in futures market the parity was slightly firmer following the strengthening of the rupee against the dollar today, they said.

### **Spurt in soya prices hit poultry industry**

Our Bureau

Hyderabad, May 8:

Eggs seem to be no more good for the financial health of the poultry industry.

A spurt in prices of soya meal in the last few weeks has left the industry in dire straits. Currently selling eggs and broilers at prices lesser than the production cost, it is feared that if steps to control prices of soya meal are not taken, the industry could be forced to raise prices by 30-40 per cent.

The Andhra Pradesh poultry industry, which accounts for one third of India's production, feels that an increase in exports of soya meal, especially to Iran, has perked up prices to unprecedented levels.

"Soya prices have risen by about 75 per cent in the last few weeks. Soya traders are taking undue advantage of support of exports and stocking up large quantities for speculative prices," Mr D. Sudhakar, president of AP Poultry Federation, said.

The State produces seven core eggs per day and three crore broilers every month, providing employment to more than six lakh people.

Although there has been a good harvest of soya this season, prices have been ballooning.

There has also been a good harvest of maize up to 22 million tonnes during the last year.

"Two years ago, soya was available in the domestic market for Rs 1,400 per quintal. Today it is Rs. 3,200. Due to this, cost of production has increased to Rs. 2.75 for eggs and Rs 70 for broilers. We are still selling eggs for Rs. 2.25," Mr Sudhakar told media persons here on Monday.

In fact, about 20 days ago soya meal prices were ruling at Rs 18,000 per tonne, going up by 75 per cent to Rs 32,000 today. Industry players feel that a crop failure in countries such as Brazil and US has led to increase in exports from India to countries like Iran, Vietnam, Bangladesh and Pakistan. "We fear soya prices could touch Rs 35,000 in matter of days. Availability also could become an issue," he pointed out.



The industry has called for ban on exports of soya to put the industry back on track. It has also called for provision of damaged wheat and paddy at subsidised rates to poultry farmers to make up for the unavailability of soya at reasonable prices.

## Indian basmati set to scale Chinese wall

Vishwanath Kulkarni



### TANTALISING CHINESE TASTEBUDS

- China has been importing aromatic basmati from Pakistan in small quantities
- China with a population of over 1.3 billion presents a big opportunity, believe Indian exporters
- India's basmati exports in 2011-12 were projected to be around 2.5 million tonnes, up 15 per cent over previous year

New Delhi, May 8:

Basmati rice exporters are gearing up to tap the market in China, which has recently decided to allow imports from India. Exporters believe it may take a couple of years to develop this new market, which largely consumes the glutinous sticky rice.

"It will take a while for us to develop this market. So far, there have been no orders from China," said Mr Vijay Setia, President, All India Rice Exporters Association. A formal system is being set up to facilitate the Indian rice exports.

China has been importing aromatic basmati from Pakistan in small quantities. However, the Chinese prefer the fragrant, glutinous and sticky Jasmine rice from Thailand and Vietnam. The Thai Jasmine rice is relatively cheaper than basmati. China with a population of over 1.3 billion presents a big opportunity, believe Indian exporters. However, they don't have any estimates of Chinese market size.

“There is a huge market potential,” said Mr Anil Mittal, CMD of KRBL Ltd, the country's largest basmati exporter under the India Gate brand. “We are in talks with the Chinese buyers and hope to do export about 200-300 tonnes in the current financial year,” Mr Mittal said.

### **New market**

China presents a new market for Indian exporters, who have seen a surge in basmati volumes in recent years despite hiccups in key markets like Iran due to the payment issues. India's basmati exports in 2011-12 were projected to be around 2.5 million tonnes, a growth of about 15 per cent over previous year's 2.18 million tonnes.

“It's a great thing that China has allowed Indian imports. Even if we get a one per cent market share, it will be good,” said Mr Gurnam Arora, Joint Managing Director of Kohinoor Foods Ltd. “However, we need to carry out major promotional drive in China,” Mr Arora said.

### **Prices high**

The price of basmati rice, which flared up during the year-end March, continues to rule high on the news of China allowing Indian imports. However, the trading volumes are still small as the build-up in prices is largely seen as speculative in nature, trade sources said.

## **Edible oil prices soar by 25% on fall in output, weak rupee**

PTI

New Delhi, May 8:

Prices of edible oils such as mustard and groundnut have risen by up to 25 per cent this year due to fall in production, high global prices and rupee depreciation.

In a written reply to the Lok Sabha, the Food Minister, Mr K.V. Thomas, said edible oil prices have “increased during 2010, 2011 and current year”.

“Consumption of edible oils in the country has increased steadily whereas production of oilseeds is not increasing as compared to the demand,” the Minister said.

“According to the third advance estimates, oilseeds production may decline to 300.62 lakh tonnes in 2011-12 oil year (November-October) from 324.79 lakh tonnes in the previous year,” he said.



The average prices of edible oils such as mustard, groundnut, soybean and sunflower in January-March, went up by 25 per cent compared with their average prices in 2011.

The average price of groundnut oil during January-March, was at Rs 10,834 per quintal compared with Rs 8,693 per quintal last year.

The price of mustard oil stood at Rs 7,687 per quintal in January-March this year (Rs 6,390).

The country meets about half of its edible oil needs through imports and any rise in global prices impacts domestic rates.

### Coonoor tea turnover up 16% in four months

P.S. Sundar



Coonoor, May 8:

The turnover of Coonoor Tea Trade Association in the first four months of this year has increased by 15.94 per cent over the same period of last year, according to an analysis of the market reports.

This has happened because more volume was sold at a higher price.

In all, 17 auctions had been conducted in January, February, March and April. A total volume of 1.56 crore kg had been sold against 1.38 crore kg in the same months of last year. The average prices increased to Rs 72.45 a kg against Rs 70.64 last year.

Consequently, the overall turnover increased to Rs 113.02 crore from Rs 97.48 crore, an increase of 15.94 per cent.

The increased turnover laid spread among growers, factory owners, dealers, buyers, warehouse keepers and workers.

There has been a consistent increase in turnover in all the months so far this year. The increase in turnover, which was Rs 67 lakh (2.39 per cent) in January over the same month of 2011, rose to Rs 4.70 crore (9.26 per cent) in February and Rs 10.31 crore (13.46 per cent) in March before peaking to Rs 15.54 crore (15.94 per cent) in April.

### Supply woes may push up poppy seed prices

G. K. Nair



Kochi, May 8:

If the present trend is any indication the prices of poppy seeds in the international and Indian market are destined to soar given the short supply of the commodity of which the country is a major consumer.

According to upcountry dealers “poppy seeds markets are very firm with international prices zooming to \$4,600 a tonne. Consequently, new import cost will be at Rs 350 a kg”. Local

markets are already up from Rs 260-280 a kg in one day. "As reports of higher prices at origins spread all were covering locally", they told *Business Line*.

To be in line with the soaring of prices in the international markets, Central Board of Excise and Customs (CBEC) has also raised the tariff for imported poppy seeds to \$3,680 a tonne with effect from Apr 16 from \$2,850 a tonne a week before.

### **Small crop**

"This year crop are small, reports have come today that the new crop of Turkey is only 8,000 tonnes against usual 25,000 tonnes, India crop also failed, buying is low so prices moving up slowly, but will move up very fast in one month", Bangalore-based dealers claimed.

The trade attributed the squeeze in supply to fall in output in major producing countries due to severe cold weather conditions coupled with reduction in growing areas.

They said India needs 45,000 tonnes of poppy seeds and against this Indian crop is estimated at around 10 per cent of the total demand and hence much of the requirement is met by imports.

Turkish exporters and farmers, they claimed, are very rich and hence they could hold huge stocks to push up the prices. Consequently the markets are likely to move up this month.

### **Crop Restrictions**

According to latest information, Indian crop will be somewhere between 4,000 and 5,000 tonnes this year following reduction in growing area by 50 per cent by the Narcotic Control Board. The Board, the trade said, does this every three years so as to restrict the opium availability in the country.

Such decisions are taken in line with the rules of the International Narcotic Control Board, Vienna, which is the global controlling body. Add to this, severe cold climate has inflicted damage to the existing crop and according to reports about 50 per cent of crop has been damaged, the trade claimed.

India has an annual requirement of an estimated 45,000 tonnes of poppy seeds and thus remains a net importer and one of the major consumers of this commodity in the world. It is used in sambhar, chutney, sweets, rice dishes, etc. Normally, the demand for poppy seeds starts from March to December, and Kolkata is the biggest buyer with a daily consumption of 1,000 bags, they said.

The crop in Turkey, the major supplier, is also reportedly less as growing area has been reduced there also on the directions of the INCB. The normal crop there is estimated at 25,000-30,000 tonnes but this year it is expected to be somewhere between 8,000 and 12,000 tonnes i.e., below 50 per cent, they said.

In fact, the weather has played havoc in Europe and there was huge snowfall in many growing areas in the European Union leading to serious crop damages, they said.

In Europe, poppy seeds, both white and blue, are used in bakery products and the indirect uses are so many. Reports of poor crop and drop in availability will lead to aggressive buying by all including India and other Asian countries, they claimed.

### **Govt closely monitoring trend in non-basmati rice exports**

New Delhi, May 8:

The continued export of non-basmati rice is unlikely to have an adverse impact on domestic prices, said the Food Minister, Mr K.V. Thomas, on Tuesday.

Replying to a query in Lok Sabha, Mr Thomas said the Government is closely monitoring the trend in export of non-basmati rice.

The Government had allowed exports of non-basmati rice under open general licence in September last year. The exports, since then, stand at 4.18 million tonnes, Mr Thomas said.

Stating that the prices of non-basmati rice have been stable for over a year, Mr Thomas said the exports were allowed after taking into consideration the record production, procurement and comfortable stock position of rice in the Central Pool as well as in the country.

### **Sugar body wants notification of decision to free exports soon**

New Delhi, May 8:

The sugar industry body ISMA on Tuesday asked the government to soon notify its decision to free exports for ensuring shipments of surplus sweetener on time.

In an inter-ministerial meeting Chaired by Prime Minister Dr Manmohan Singh on May 2, the government had decided to free sugar exports by putting it under Open General Licence (OGL).

Indian Sugar Mills Association (ISMA) noted that the country would have a comfortable surplus of around 4 million tonnes for exports from current year's production.



“However, to ensure that the surplus is physically shipped out in time, the government should issue the orders for unrestricted exports, a decision which was taken at the level of the Prime Minister on May 2, 2012, orders for which are still awaited,” ISMA said in a statement.

The early notification of the decision would help millers in clearing cane payment arrears to farmers that have mounted to over Rs 10,000 crore.

Sugar output is estimated at 26 million tonnes in 2011-12 marketing year (October-September) against 24.3 million tonnes in the previous year.

The annual domestic demand is estimated at about 21.5-22 million tonnes considering the quota allowed by the food ministry for sale in open market and ration shops.

Before deciding to free sugar exports, the government had permitted 3 million tonnes of shipments in equal tranches but the notification were issued for only 2 million tonnes. The decision to put sugar export under OGL would be applicable on one million tonnes permitted on March 26.

ISMA Director General Mr Abinash Verma had said the country could export another two million tonnes in the remaining five months of the current marketing year ending September. Till April, physical shipments of 1.6 million tonnes of sugar were undertaken.