

Two-day ultimatum to sugar factory owners to pay arrears

Legal action to be taken against them if they fail to deliver

The State Sugarcane Control Board on Monday issued a two-day ultimatum to sugar factories to pay the arrears to sugarcane growers as per the price fixed by the government (Rs. 2,500 a tonne).

Briefing presspersons after a marathon meeting with sugar factory owners, Minister for Sugar Prakash B. Hukkeri, who is also the chairman of the Sugarcane Control Board, said it would be inevitable for the government to initiate civil and criminal proceedings against the factory owners if they fail to clear the farmers' dues.

Of a total due of Rs 9,247.71 crore (as on April 15 this year) to growers, Rs. 3,357.56 crore is still to be cleared. "We appeal to the factories to clear this along with last year's arrears of Rs. 34.15 crore (a total of around Rs. 3,391 crore) to the growers within the next two days or face action," he said.

He said the government had to strictly follow the rules and initiate action as per the directions of the Karnataka High Court.

Talks fail

Talks between the government and the sugar factory owners had failed, following which the court had asked the government to act as per law.

Minister for Law T.B. Jayachandra said following the court's directions, Chief Minister Siddaramaiah had directed the Sugarcane Control Board to have another meeting with the

owners and convince them to pay the dues. “We have told them at the meeting today (Monday) that they should pay before legal action is initiated against them. If there is no quick response, action is imminent,” he said.

Minister of State for Agriculture Krishna Byre Gowda explained that the Union government had released a soft loan of Rs. 1,067 crore as part of the bailout package to the factory owners to enable them to pay arrears to the growers.

Moreover, last year’s recovery rate of 10.35 per cent had increased to 10.98 per cent this year. Apart from this, the sugar price had gone up from Rs. 26 per kg (when the minimum support price was fixed in November) to Rs. 31 per kg now.

The members said till last year, factory owners had to pay 10 per cent of the total production of 40.66 lakh tonnes at Rs. 13 a kg. But the commodity is levy free now, they said.

Another meeting

Vidya Murukumbi, founder member of Renuka Sugars, who participated in the meeting, said that representatives of the factory owners will meet again in a day or two and convey their stand to the government. “We are not averse to abiding with the board’s directions as market price of sugar is improving. However, we will transfer the benefit to farmers in proportion to the market price,” he said.

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- *Around Rs. 3,391 crore is due to growers*
 - *‘Centre has released a loan of Rs. 1,067 crore as part of bailout package to factory owners’*
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Papaya, mango orchards bear the brunt of unseasonal rains



Unseasonal rains that lashed various parts of the district on Sunday night caused extensive damage to horticultural crops particularly mangoes, papaya and chilli.

Unexpected downpour, accompanied by high velocity winds, inflicted severe damage to the mango orchards in Khammam urban and rural mandals besides Raghunadhapalem, Kamepalli, Gundala and several other mandals in the district.

Nature's fury left a trail of destruction on the mango crop, ready for harvesting in several orchards at many places in the district including at Kothagudem village in Khammam urban mandal.

The mangoes in half-ripe and ripe stages were found scattered on the ground in the rain-ravaged orchards, leaving mango growers miserable.

Papaya growers in Raghunadhapalem and Kamepalli mandals bore the brunt of the sudden downpour and strong gales, which uprooted hundreds of papaya trees in more than 100 acres in the two mandals.

Papaya orchards in Chintagurthi, Surya Tanda and some other villages in Raghunadhapalem mandal witnessed extensive damage under the influence of unseasonal rains.

Chilli growers also suffered huge losses at several villages in Tirumalayapalem, Mulkalapalli and some other mandals. In some villages, harvested chilli stocks stored in the open fields got drenched in the rain, sources added.

Meanwhile, Horticulture Department assistant director J. Marianna and other officials visited some of the affected villages in Raghunadhapalem and Kamepalli mandals on Monday afternoon. The team assessed the extent of damage caused to papaya orchards and vegetable crops at Chintagurthi and Balapeta villages.

Nizamabad Staff Reporter adds: Paddy and mongo were damaged following the gales and hailstorm that occurred in some mandals in the district. Reports said the paddy had just been harvested and the crop was to be cut in the mandals of Beerkur, Darpally, Bheemgal and Varni.

The exact extent of loss is yet to be ascertained by the Agriculture Department.

One killed in thunderstorm

Sangareddy Staff Reporter adds: Heavy rain and thunderstorms lashed several places in Medak district on Monday evening. The rain continued for six hours.

One person was reported dead and three persons injured at Srigiripally in Gajwel mandal while they were working in an agricultural field. According to reports, it rained at Siddipet, Dubbak, Gajwel, Narsapur, Sangareddy and other parts of the district. About 1,500 bags of paddy kept at Toguta market yard got soaked.

A rich fruit spread topped with honey



Additional Director-General of Police R. Sreelekha examined the fruit she had just been given with apparently mild trepidation. “You must eat it like that,” said Balachandran Nair, chairman, Sanghamyathi Farmers Producer Company Ltd., indicating that the fruit should be devoured without it being sliced or peeled.

The fact that anyone can bite into the fruit and feel no irritation or burning sensation was testimony to how clean and chemical-free the mangoes grown by the farmers under Sanghamyathi were, Mr. Nair said.

“I have never eaten a mango like that before, but it tasted fine,” Ms. Sreelekha said.

She was among the visitors to the National Honey and Mango Festival which got to a start at the Sooryakanthi grounds here on Monday. The Sanghamyathi stall alone displayed 12 varieties of mango grown by farmers in and around the district and stored in a ripening chamber at their head office at Pallichal. The process entailed the use of no artificial preservatives or chemicals to hasten ripening, Mr. Nair said.

“It is because people are now more aware and careful, they purchase less from retail stores or wholesale markets bringing down the price of the fruit compared to last year,” said Muraleedharan, a farmer. A kg of *Kottukonam Varikka* , for instance, cost over Rs.140 last year, but, this year it has not risen over Rs.100. Customers were also drawn to a small, more rotund variety of mango – partly because of its rather endearing name, *Chakkarakutty* .

“We source it directly from an orchard in Krishnagiri district in Tamil Nadu,” said Muraleedharan, adding that there was once a time when this type was in abundance in Kerala. “Now, you have rubber plantations taking over the existing orchards and there are a few lucky households where trees still stand,” he said.

Food safety officials were monitoring the fruits brought to the fair this year. Use of chemicals would entail strict legal action against the group concerned, sources said.

The sales section aside, the Horticulture Mission also had a tent meant for display and decorative purposes alone. Over 135 kinds of mangoes were laid out here, labelled in English and Malayalam, followed by a brief description of its texture and flavour. Several stalls were yet to be occupied, especially at the section displaying honey products, but officials said that many were due in from other parts of the State by Tuesday. The fair will continue till May 11.

Prices of coconut, lemon shoot up

Prices of coconut and lemon have soared in the last few weeks and threaten to go up further as farms are hit by water shortage problems.

The retail price of coconut in the city is Rs. 12 to Rs. 20 and the wholesale price of lemon is about Rs. 120 a kg.

M. Rajendran, president of Thyagi Kumaran Market Vegetable Merchants' Association, says that this is the peak season for coconut arrivals. However, coconut farms are hit by water shortage problems. Production is high only in Tamil Nadu, Karnataka, and Kerala and in many places, the trees are affected. For the last couple of years, coconut prices did not go up much though the prices of other vegetables shot up. Hence, farmers were unable to spend much on maintenance of the farms. The prices might go up further in the coming weeks, he says. With regard to lemon, arrivals in Coimbatore are mostly from Andhra. The prices usually go up during summer. The demand is high for it till June

across the country. Last year, the whole sale prices were Re. 1 or Rs. 2 less than the current price for each fruit, he said.

Water level

TIRUNELVELI

The water level in Papanasam dam on Monday stood at 32.55 feet. The dam had an inflow of 51.39 cusecs and a discharge of 104.75 cusecs. The level in Manimuthar dam stood at 61.72 feet. The inflow into the dam was six cusecs and the discharge was 200 cusecs.

Kanyakumari

The level stood at 16.45 feet in Pechipparai dam, 36.70 feet in Perunchani, 3.71 feet in Chittar 1, 3.80 feet in Chittar 11, 1.70 feet in Poigai and 45.11 feet in Mamabazathuraiyaru dam.

Chennai

Chennai - INDIA

Today's Weather

Tuesday, May 6

Clear
Max 32° | Min 28°

Rain: 0 Sunrise: 05:47

Humidity: 79 Sunset: 06:24

Wind: normal Barometer: 1007

Tomorrow's Forecast



Wednesday, May 7

Partly Cloudy
Max 32° | Min 27°

Extended Forecast for a week

Thursday May 8	Friday May 9	Saturday May 10	Sunday May 11	Monday May 12
31° 26°	34° 26°	33° 26°	35° 27°	36° 27°
Cloudy	Cloudy	Cloudy	Partly Cloudy	Partly Cloudy

Airport Weather

Chennai

Rain: 0 Sunrise: 05:47
Humidity: 79 Sunset: 06:24
Wind: normal Barometer: 1007



Business Standard

Uttar Pradesh sugar output declines 13% to 6.42 mt



In the current cane-crushing season, sugar output has dropped 13 per cent to 6.42 million tonnes (mt) in [Uttar Pradesh](#). With the crushing season about to end soon, it is expected the final data for production won't see much change, as only a handful of the 119 [sugar mills](#) in the state are operational.

During 2011-12 and 2012-13, sugar production in the state stood at 6.97 mt and 7.4 mt, respectively.

At the beginning of the crushing season, the Indian Sugar Mills Association ([Isma](#)) had projected production at 6.6 mt this season. In March, ISMA had revised its pan-India sugar production estimate to 23.8 mt from 25 mt earlier.

Meanwhile, the 95 private mills lead the tally in sugar production in the state (5.83 mt), followed by the 24 cooperative mills (0.55 mt) and corporation's lone unit at 2,61,000 tonnes. The operational mills, mostly in the private sector, are likely to be shut by May 15.

Meanwhile, [sugarcane](#) arrears for this season have touched Rs 7,925 crore, with the mills' collective payment at about 55 per cent. At about Rs 7,600 crore, private mills lead the

tally for the arrears, too.

On the high arrears, Uttar Pradesh Sugar Mills Association secretary Deepak Guptara said this was partly due to non-disbursal of loans under the Centre's interest-subsidy scheme, as banks insisted on higher interest in a few cases.

UP SUGAR SCENARIO

Crushing season	Operating mills	Sugar production (in mn tonnes)	Value of sugarcane purchased by mills (₹ crore)	Sugarcane price (common variety) (₹/quintal)
2009-10	127	5.2	12,228	165
2010-11	125	5.8	13,030	205
2011-12	122	7.0	18,200	240
2012-13	121	7.4	22,463	280
2013-14*	119	6.42	19,165	280

*Estimates
Compiled by Virendra Singh Rawat

“The prevailing sugar price of about Rs 3,200 a quintal ex-factory is lower than the cost of production and leaves a gap of about Rs 4 a kg, a clear deficit,” he said.

For private millers, Rs 113 crore is pending from the 2011-12 crushing season. The defaulting mills, mostly standalone units, have already had recovery certificates issued against them.

This season, the aggregate sugar recovery improved to 9.27 per cent from 9.18 per cent last year. Recovery refers to sugar produced per unit of cane crushed; higher percentage means higher output and, consequently, a higher profit margin to mills.

Global wheat prices rise to highest in a year



[Wheat](#) rose to the highest in more than a year, as violence in [Ukraine](#) spread to the country's main grain [export](#) port of Odessa, increasing concerns of supply disruption, and after drought and freezing weather damaged the US crop.

Ukraine troops are in heavy fighting in Slovyansk in the country's east, while clashes in Odessa on Sunday left two people injured, Interfax reported. Odessa and four other Black Sea ports handle 87 per cent of Ukrainian grain exports, Morgan Stanley said in March.

"The markets should have a firm start to the week as a result of the worsening situation in Ukraine and continuing dry conditions for the large wheat production areas in the US," Paris-based farm adviser Agritel wrote in a comment.

July-delivery wheat rose 1.6 per cent to \$7.275 a bushel on the Chicago Board of Trade by 4:38 am local time after earlier touching \$7.405, the highest since May 9 last year. Milling wheat for November traded on [Euronext](#) in the French capital rose 1.1 per cent to Euro208.25 (\$288.97) a tonne.

US farmers probably will harvest the smallest winter-wheat crop since 2006 after freezes damaged yields and drought conditions persisted for the fourth straight year in the Great Plains, according to a survey of 20 analysts and traders by Bloomberg News.

The US is the biggest wheat exporter, while [Russia](#) and Ukraine are expected to rank fifth and sixth in the 2013-14 season, according to the International Grains Council.

Ukraine grain exports have dropped since the middle of April, Agritel wrote. Corn shipments were less than 200,000 tonnes in the past seven days, while wheat shipments "remained large" with 175,000 tonnes exported, it said.

[Mango exports: Alphonso's loss could be Dussehri's gain](#)

The ban imposed on [Alphonso mango](#) imports by the European Union has irked the Union government but growers in the mango belt of [Uttar Pradesh](#) see it as a good opportunity to expand their market abroad. Despite being the largest producer in the country, UP lags Maharashtra, Gujarat and Andhra Pradesh in mango export. Last year, despite four million tonnes of production, UP exported barely 12,000 tonnes, a majority of it to Persian Gulf countries.

Siraj Mehndi of the All India Mango Growers Association said the output in UP this year is expected to be down 20 per cent. He said last year the mango belt of Malihabad had produced 440,000 tonnes of Dussehri; this year, it is expected to be 360,000 tonnes. The crop area for mango in this belt is 30,000 hectares; in all of UP, it is 275,000 ha. Heavy rain in February had hit the crop. However, said grower Shiv Saran Singh, they can compensate with increased export, if only the state government helps, with timely freight subsidy and better cargo handling.

High coconut oil prices pave way for adulteration



A steep rise in the price has triggered sale of adulterated [coconut oil](#) in [Kerala](#).

According to traders, almost 70 per cent of the coconut oil sold through unbranded retail network is impure. Households account for the highest consumption of coconut oil since it is used as the traditional cooking medium in the state.

Sources told Business Standard leftover palm oil and sunflower oil were being mixed with coconut oil. While the cost of production of pure coconut oil comes to around Rs 150 a kilogram, adulterated oil at retail prices is available in the state for Rs 140. In Kerala, the retail price of coconut oil is Rs 180 kg, the highest in recent times.

The business is carried by sourcing imported palm kernel, which is available at Rs 60 per kg, in Chennai and then is mixed with coconut oil and sold at Rs 140 a kg, according to traders.

In Ernakulam district, [impure coconut oil](#) is available in coastal areas of Mattanchery, Fort Kochi and Chellanam. Zulfikkar, a wholesale trader, said impure coconut oil trade was a mafia business in the state. The adulterated oil is marketed in packets too, he added. The business increases when the coconut oil prices increase. This time it is gaining momentum as the price has touched Rs 180 a kg.

Palm kernel oil imported through the ports in Chennai and Tuticorin is mixed with coconut oil and is transported to Kerala mainly through the Valayar check post in Palakkad.

In the past, when paraffin was cheap, it was widely used for adulterating coconut oil.

The mafia also gathers used palm oil and sunflower oil from bakeries and catering service providers and mix it with coconut oil. The trade is flourishing in the suburbs of Kochi, traders allege.

Developed nations have banned the import of palm kernel oil on health issues. But in India, its import is still allowed. Malaysia exports a major chunk of palm kernel oil, which is not meant for edible use.

Kerala Food Safety officials have been conducting raids at various locations and are insisting laboratory reports for transporting the oil to the state. Samples from trucks are being tested periodically.

According to official sources, around 50 trucks carrying coconut oil were stopped at various check posts for not producing lab certificates. But many truck loads come to Kerala on a daily basis by bribing officials, said a trader.

Unfortunately, scientific detection of adulteration is very difficult as normal lab testing is ineffective in the case of coconut oil. Adulterated oil having coconut oil to the tune of 30 per cent exhibits the same quality and aroma as that of pure coconut oil.

Coffee exports in April up 11% at Rs 535 cr



India's [coffee exports](#) rose by over 11% in value terms at Rs 535.83 crore in April this year on better realisation following firm global prices, according to the Coffee Board.

Coffee shipments from India -- the world's fifth biggest exporter -- stood at Rs 480.77 crore in the corresponding period of last year.

However in volume terms, coffee shipments fell by over 4% at 31,836 tonnes in April this year from 33,211 tonnes of shipments in the year-ago period.

"The export realisation remained as high as Rs 1,68,362 per tonne in April, 2014, against Rs 1,44,762 per tonne in the year ago because of better global prices," a senior Board official said.

But the volume of coffee exports from India remained lower last month as domestic traders held back stocks anticipating recovery in global prices, which have firmed since February on likely drop in production in the world's largest coffee producer Brazil, the official added.

According to the Board, the global coffee prices have already risen by more than 80% this year owing to concerns over drought conditions in Brazil and an outbreak of coffee leaf rust plant disease in Central America.

During last week of April, arabica-quality coffee prices at New York had touched 219 US cents on April 24 -- the highest since February 2012. Robusta futures price for July had risen to \$2,156 a tonne from \$2,086 a tonne.

The Board official said that harvesting of coffee in the country has got over now. Overall domestic production is expected to be in line with the Board's estimate of 3,11,500 tonnes for 2013-14 crop year (October-September), down by 2.1% from 3,18,200 tonnes produced in 2012-13.

India exports coffee largely to Italy, Germany, Belgium, Jordan, Turkey and Russia, among others.

Jeera up 1.3% on pick up in demand



[Jeera](#) prices rose by 1.32% to Rs 10,725 per quintal in futures trade today, taking positive cues from the spot markets.

At the [National Commodity and Derivatives Exchange](#), jeera for delivery in June rose by Rs 140, or 1.32%, to Rs 10,725 per quintal with an open interest of 4,938 lots.

Similarly, the spice for delivery in May gained Rs 135, or 1.29%, to Rs 10,590 per quintal in 6618 lots.

Analysts attributed the rise in jeera futures to fresh positions created by speculators, triggered by rising demand in the spot markets.

Coriander up 0.9% on strong demand, tight supply



[Coriander](#) prices today rose by 0.95% to Rs 9,745 per quintal in futures trade, mostly supported by strong domestic demand against tight supplies from producing regions.

At the [National Commodity and Derivative Exchange](#), coriander for delivery in June shot up by Rs 92, or 0.95%, to Rs 9,745 per quintal with an open interest of 38,890 lots.

Likewise, the spice for delivery in May traded higher by Rs 73, or 0.78%, to Rs 9,492 per quintal in 26,360 lots.

Analysts said fresh positions built up by speculators on the back of strong domestic demand against restricted arrivals mainly from producing belts pushed up coriander prices at futures trade.

Potato up 0.8% on rising demand



Amid rising spot market demand and restricted arrivals from producing regions, [potato](#) prices rose further by 0.80% to Rs 1,392.60 per quintal in futures trade today.

At the [Multi Commodity Exchange](#), potato for delivery in May advanced by Rs 11.10, or 0.80%, to Rs 1,392.60 per quintal in a business turnover of 66 lots.

In a similar fashion, potato for delivery in June gained Rs 6.60, or 0.45%, to Rs 1,479.40 per quintal in 116 lots.

Analysts said besides rising demand in the spot market, limited arrivals from producing regions supported the upside in potato prices.

Chilli down 3.2% on sluggish demand



[Chilli](#) prices moved down by 3.20% to Rs 9,674 per quintal in futures trading today largely in tune with a weak trend in the spot markets owing to subdued demand.

At the National Commodity and Derivative Exchange, chilli teja for delivery in June lost Rs 320, or 3.20% to Rs 9,674 per quintal with an open interest of 1610 lots.

Similarly, the spice for delivery in July traded lower by Rs 232, or 2.28% to Rs 9,940 per quintal in 110 lots.

Analysts said offloading of positions by speculators driven by sluggish demand in the spot market mainly kept pressure on chilli teja prices at futures trade.

[Chana up 0.85% on upsurge in demand](#)



[Chana](#) traded 0.85 per cent higher at Rs 3,071 per quintal in futures market today, largely in tandem with an upsurge in demand in the spot markets, as speculators created positions.

At the National Commodity and Derivatives Exchange, chana for delivery in May moved up by Rs 26, or 0.85 per cent, to Rs 3,071 per quintal with an open interest of 71,980 lots.

The June contract added Rs 25, or 0.80 per cent, to Rs 3,135 per quintal in 91,430 lots.

Analysts said fresh positions built-up by speculators following strong demand in the spot

market amid restricted arrivals from producing regions led to rise in chana prices at futures trade.

Cardamom falls 0.49% on subdued demand



[Cardamom](#) prices fell by 0.49 per cent to Rs 984 per kg in futures market today as speculators trimmed their positions, tracking a weak trend at spot market on sluggish demand.

Besides, adequate stocks position weighed on cardamom prices.

At the Multi Commodity Exchange, cardamom for delivery in May eased by Rs 4.80, or 0.49 per cent, to Rs 984 per kg in a business turnover of 459 lots.

Similarly, the spice for delivery in June weakened by Rs 3.20, or 0.33 per cent, to Rs 976 per kg in 365 lots.

Analysts said speculators trimmed their positions, tracking a weak trend at spot market on subdued demand against adequate stocks position, leading to a fall in cardamom prices at futures trade.

Sugar falls over 1% on profit-booking



[Sugar](#) prices fell sharply by 1.11 per cent to Rs 3,838 per quintal in futures trading today, amid increased profit-booking by speculators and subdued spot demand.

However, a likely drop in output limited the losses.

At the National Commodity and Derivatives Exchange, sugar for delivery in May lost Rs 44, or 1.11 per cent at Rs 3,838 per quintal with an open interest of 65,470 lots.

The June contract shed Rs 32, or 1.01 per cent, to Rs 3,144 per quintal in 31,420 lots.

Market analysts said besides profit-booking by speculators, subdued demand at spot markets put pressure on sugar futures prices but an estimated drop in output, capped the downside.

Costlier cardamom loses flavour

Cardamom lost flavour on slack demand amidst moderately higher supply at auctions last week.

Arrivals exceeded 50 tonnes on an average at the auctions.

Total arrivals last week were around 400 tonnes and of this, nearly 375 tonnes were sold out.

As the individual auction average moved above Rs. 900 a kg, buyers have started slowing down their buying only to meet the immediate requirement.

This phenomenon coupled with widespread rain in all the cardamom growing regions in Kerala's Idukki district, where country's over 75 per cent of the spice is grown, for three days last week has created a bearish sentiment in the market. The rain has, in fact, raised hopes of an early crop hitting the market in early July, market sources told *Business Line*.

Export buying

Export buying was negligible last week following the uptrend in prices, export sources said.

As the Indian prices are ruling higher in the domestic market, Guatemala which has been waiting for the Indian parity to rise is offering at competitive prices in West Asian markets, trade sources said.

KCPMC auction

At the KCPMC auction on Sunday, 72.3 tonnes of cardamom arrived and almost the entire quantity was sold out, P C Punnoose General Manager, CPMC, Kumily, said.

The maximum price was Rs. 1,105 a kg and the auction average fell to Rs. 869.46 from Rs. 929 a kg the previous Sunday, he said.

During the current season, ending on July 31, arrivals are 19,140 tonnes against 12,186 tonnes during the same period a year ago. Sales are 18,582 tonnes against 11,619 tonnes. The weighted average price as on May 4 was Rs. 632.27 a kg against Rs. 731.24 a kg.

Prices of all graded varieties declined and prices in at the weekend were (Rs. /kg):
AGEB 1,040-1,050; AGB 840-850; AGS 810-820; and AGS-1: 790-800.

(This article was published in the Business Line print edition dated May 6, 2014)

Selling pressure in sugar to continue

Sugar prices on the Vashi wholesale market declined by Rs. 10-20 a quintal on Monday due to routine demand and selling pressure. Naka and mill tender rates also dropped by Rs. 10-20. Prices declined sharply in the domestic futures markets over two per cent on an increase in speculative selling. Arrivals at the Vashi market were around 63-64 truckloads (each 100 bags) and local dispatches were 61-62 loads. On Saturday evening, about 16-17 mills offered tenders and sold 50,000-54,000 bags at Rs. 10-20 lower at Rs. 2,980-3,130 (Rs. 3,000-3,140) for the S-grade and Rs. 3,150-3,300 (Rs. 3,150-3,320) for the M-grade. Our Correspondent

(This article was published in the Business Line print edition dated May 6, 2014)

Coconut oil gains on lower copra output

Coconut oil prices increased further on Monday and oil crushers expect them to increase further.

“Coconut oil was sold at Rs. 2,140 for a 15 kg loose pack last week end, smashing projections of further decrease in price and rose on Monday. It was sold at Rs. 2,200 for a 15 kg loose pack. Only a few buyers purchased and oil crushers are expecting the price to increase further,” said RM Palanisamy, a coconut oil trader.

Oil crushers said the price of copra has risen considerably and it was sold at Rs. 10,500 a quintal in the Regulated market Committees and for Rs. 10,700 in the cooperatives. In the private market, it is available at Rs. 11,000.

Two months back, copra was sold at Rs. 6,500 and the price rose suddenly and stocks with farmers were exhausted. So many farmers purchased in a large quantity of more than 1,500 tonnes from Kerala and Karnataka and converted the same into copra to sell for a high price.

(This article was published in the Business Line print edition dated May 6, 2014)

Rice may be range-bound over the next few days

After witnessing a downtrend last weekend, Pusa-1121 rice managed to maintain its previous price level, while other aromatic and non-basmati varieties continued to rule flat on Monday. In the physical market, Pusa-1121 (steam) was sold at Rs. 9,200 a quintal, while Pusa-1121 (sela) was quoted at Rs. 8,000 a quintal. Pure basmati (raw) was quoted at Rs. 12,450 a quintal. Duplicate basmati (steam) was sold at Rs. 7,500 a quintal. Pusa-1121 (second wand) was sold at Rs. 7,350; Tibar at Rs. 6,400, and Dubar at Rs. 5,400 a quintal. In the non-basmati section, Sharbati (Steam) sold at Rs. 4,850 while Sharbati (Sela) quoted at Rs. 4,300 a quintal. Permal (raw) sold at Rs. 2,350 a quintal, Permal

(sela) at Rs. 2,320 a quintal, PR-11 (sela) sold at Rs. 2,725 while PR-11 (raw) at Rs. 2,700 a quintal. Our Correspondent

Buyer resistance keeps spot rubber on leash

Spot rubber prices continued to rule weak on Monday. The market opened on a steady note but lost the initial strength on buyer resistance though there was no selling pressure.

While the most active counters RSS 4 and RSS 5 slipped during late trading hours, ISNR-20 and latex finished unchanged on supply concerns. Overall volumes were low.

Sheet rubber declined to Rs. 139 (Rs. 140) a kg, according to traders. The grade dropped to Rs. 140 (Rs. 141) and Rs. 137 (Rs. 138) respectively, according to the Rubber Board and dealers.

May futures weakened to Rs. 139.10 (Rs. 139.73), June to Rs. 142 (Rs. 142.37) and July to Rs. 143.20 (Rs. 143.45) while the August futures improved to Rs. 143 (Rs. 142.37) on the National Multi Commodity Exchange. Spot rubber rates (Rs. /kg) were: RSS-4: 139 (140); RSS-5: 136.50 (137); Ungraded: 133 (133); ISNR 20: 131 (131) and Latex 60%: 114 (114).

Profit-booking drags soya oil Rs. 15/10 kg

Weak global cues, sluggish demand and profit booking at higher levels have once again dragged soya oil prices at the Indore mandis. Soya refined oil on Monday was quoted at Rs. 685-95 in local mandis, while soya solvent declined to Rs. 652-53 for 10 kg.

Compared with last week, soya oil is down Rs. 10-15. In the futures also, soya oil was trading low on weak foreign buying support. Soya oil rallied high last week amid weak arrival of soya seeds in the mandis across Madhya Pradesh and scarce availability of soy seeds with the crushers. However, a few days ago, a crash in prices in the international oil market reduced the demand for soya oil in the physical market, leading to a fall in prices.

On the other hand, a rally in soyabean continued on weak arrivals. Amid arrival of 35,000 bags, soya seeds in the Indore mandis on Monday ruled at Rs. 4,500-4,650/quintal (Rs. 4,300-4,500/quintal last week).Our Correspondent

Cotton blooms on export enquiries

Cotton price moved up on the back of fresh export and demand from domestic mills. Moreover, slower arrivals also supported the price to go up. According to a Rajkot-based cotton broker, the price of cotton may rise further during this week as quality stock is not available. Gujarat Sankar-6 cotton moved up by Rs. 500 to Rs. 43,500-44,000 for a candy of 356 kg. B grade cotton was traded at Rs. 41,000-42,000 and lower cotton for Rs. 36,000-38,000. About 30,000-35,000 bales of cotton arrived in Gujarat and 90,000-100,000 bales arrived across the country. Kapas or raw cotton traded higher by Rs. 10-15 in Saurashtra. At Rajkot, kapas was sold at Rs. 920-1,105 for a *maund* of 20 kg. Gin delivery kapas was traded at Rs. 1,100-1,130.Our Correspondent

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Palm oil drops below Rs. 600/10 kg

The edible oils market remained bearish on Monday, tracking extended loss in the futures market amid lack of demand. Imported palmolein and soyabean refined oil declined by Rs. 3 each for 10 kg. Palmolein ruled at three weeks low breaking below Rs. 600 level. Rapeseed oil increased by Rs. 2. Groundnut, sunflower and cotton refined oil rule unchanged. At the end of the day, Liberty was quoting palmolein at Rs. 600 for June 10 delivery, super palmolein at Rs. 612 for June 10 and soyabean refined oil at Rs. 662 for July 15. Ruchi quoted Palmolein at Rs. 600 for May-June, soyabean refined oil at Rs. 660 for June and sunflower refined oil at Rs. 660 for June. Allana was quoting palmolein at

Rs. 602 for May, soyabean refined oil at Rs. 660 for June and sunflower refined oil Rs. 660 for June. Our Correspondent

THE ECONOMIC TIMES

Potato futures remain up on rising demand



NEW DELHI: Amid rising spot market demand and restricted arrivals from producing regions, potato prices rose further by 0.80 per cent to Rs 1,392.60 per quintal in futures trade today.

At the Multi Commodity Exchange, potato for delivery in May advanced by Rs 11.10, or 0.80 per cent, to Rs 1,392.60 per quintal in a business turnover of 66 lots.

In a similar fashion, potato for delivery in June gained Rs 6.60, or 0.45 per cent, to Rs 1,479.40 per quintal in 116 lots.

Analysts said besides rising demand in the spot market, limited arrivals from producing regions supported the upside in potato prices.

Sugar futures fall over 1% on profit-booking



NEW DELHI: Amid increased profit-booking by speculators and subdued spot demand, sugar prices fell sharply by 1.11 per cent to Rs 3,838 per quintal in futures trading today.

However, a likely drop in output limited the losses. At the National Commodity and Derivatives Exchange, sugar for delivery in May traded at Rs 44, or 1.11 per cent down at Rs 3,838 per quintal with an open interest of 65,470 lots.

Likewise, the sweetener for delivery in June fell by Rs 32, or 1.01 per cent, to Rs 3,144 per quintal in 31,420 lots.

Market analysts said besides profit-booking by speculators, subdued demand at spot markets put pressure on sugar futures prices but an estimated drop in output, capped the downside.

Chana rises in futures trade, price up by 0.85%



NEW DELHI: Chana traded 0.85 per cent higher at Rs 3,071 per quintal in futures market today, largely in tandem with an upsurge in demand in the spot markets, as speculators created positions.

At the National Commodity and Derivatives Exchange, chana for delivery in May moved up by Rs 26, or 0.85 per cent, to Rs 3,071 per quintal with an open interest of 71,980 lots.

Similarly, the commodity for delivery in June traded higher by Rs 25, or 0.80 per cent, to Rs 3,135 per quintal in 91,430 lots.

Analysts said fresh positions built-up by speculators following strong demand in the spot market amid restricted arrivals from producing regions led to rise in chana prices at futures trade.

Coffee exports surge 11% in April

India's coffee exports rose by over 11% in value terms at R535.83 crore in April this year on better realisation following firm global prices, according to the Coffee Board.

Coffee shipments from India — the world's fifth biggest exporter — stood at R480.77 crore in the corresponding period of last year. However in volume terms, shipments fell by over 4% at 31,836 tonne in April this year from 33,211 tonne in the year-ago period. "The export realisation remained as high as R1,68,362 per tonne in April, 2014, against R1,44,762 per tonne in the year ago because of better global prices," a senior Board official said.

But the volume of coffee exports from India remained lower last month as domestic traders held back stocks anticipating recovery in global prices, which have firmed since February on likely drop in production in the world's largest coffee producer Brazil, the official added.

According to the Board, global coffee prices have already risen by over 80% this year owing to concerns over drought conditions in Brazil and an outbreak of coffee leaf rust plant disease in Central America.

In the last week of April, arabica-quality coffee prices at New York had touched 219 US cents on April 24 — the highest since February 2012. Robusta futures price for July had risen to \$2,156 a tonne from \$2,086 a tonne.

The Board official said harvesting of coffee in the country has got over now. Overall domestic production is expected to be in line with the Board's estimate of 3,11,500 tonne for 2013-14 crop year, down by 2.1% from 3,18,200 tonne produced in 2012-13.

India exports coffee to Italy, Germany, Belgium, Jordan, Turkey and Russia, among others.