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Officials asked to take steps to scale up milk procurement

Collector also instructs officials to revive closed milk cooperative societies

Photo: Special Arrangement

Inspection:Collector V. Arun Roy (second right) at a cooperative milk cooperative society at Majithkollahalli village on Friday. Aavin general manager Nainappan (right) is also in the picture .—

KRISHNAGIRI: The Dharmapuri District Milk Cooperative Federation has been asked to improve the procurement of milk from 1.54 lakh litres to 1.60 lakh litres per day.

An instruction in this regard was given to the management of the Aavin by Collector V. Arun Roy at a review meeting held here on Friday.

Mr. Roy asked the officials to take immediate steps to scale up the procurement to reach 1.60 lakh litres per day. Though the milk production is high in the district, large quantity is procured by the private sector.

He also instructed the officials to meet the targeted enrolment of milk producers under the Anna Centenary Milk Producers Welfare Fund scheme. As per the scheme, the contribution of the member is Re. 1 and Re. 1 by the society concerned and Aavin per member as premium. If a member dies, he will be given Rs. 1 lakh as compensation and in case of injury, he would be given Rs. 50,000 as compensation.

It was informed in the meeting that 9,600 members were enrolled in this scheme, 1642 members are yet to enrolled.

Regarding the insurance scheme for milch animals, the target fixed for the district is 1,500 for this year. Officials should take steps to meet the target, if not they will be pulled up during the next review meeting in July.

Mr. Roy asked the officials to revive the closed milk cooperative societies in the district and also to take effective steps improve the financial position of the societies in red.

The Collector instructed the Aavin administration to send a proposal for improvement of the unit in Krishnagiri, as it could be done through Part II scheme of the government.

Earlier, Mr. Roy inspected two Milk Cooperative Societies at Ikundam and Majjithkollahalli villages and verified the process of assessment of the quality of the milk supplied to the societies. On hearing the grievances of the farmers, Mr. Roy said that procurement price could be hiked only by the Government. The milk price was revised during October 2009 earlier.

When the members complained that they were not given bonus for the last four years, the officials said that as the societies are running on profit this year, after getting the audit report, bonus would be disbursed to the farmers.

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Inflation will come down to 6% by December, says Montek

Govt keen on more public-private projects in infrastructure sector.

– G.R.N. Somashekar

Mr Montek Singh Ahluwalia, Deputy Chairman, Planning Commission, and Dr Vinod K. Nowal, Vice-President, BCIC, at an interactive session organised by the Bangalore Chamber of Industry and Commerce in Bangalore on Friday.

Our Bureau

Bangalore, July 30

The current inflation situation is not comfortable, but will get down to around 6 per cent by December, the Deputy Chairman, Planning Commission, Mr Montek Singh Ahluwalia, said at an interactive session organised by the Bangalore Chamber of Industry and Commerce here on Friday.

“Inflation situation is uncomfortable now, but it is progressively becoming less uncomfortable. But not until the end of this calendar year that will you see it coming down to more comfortable levels,” he said. Prices had shot up the same time last year too, but they climbed up only gradually after November, he explained. Mr Ahluwalia, however, said that the difference between the inflation level last year and this year will narrow down, and “the inflation will get to around 6 per cent by December,” he added.

Inclusive growth

According to him, any drastic monetary squeezing effort will also kill growth. He said that the Government's objective was inclusive growth too, and added that the recent mid-term appraisal done with the National Development Council shows that the country is making progress on inclusiveness also.

The Eleventh Five-Year Plan will see agricultural growth rate at 3-3.5 per cent, he said.

“Though this would be short of the targeted 4 per cent growth, it is still better than the 2 per cent growth achieved during the 10 {+t} {+h} Plan,” he pointed out.

On the infrastructure deficit in the country, Mr Ahluwalia said that there were numerous new projects on board, and that the Government was pushing for public-private partnerships, which have fetched good results.

The 11th Plan targeted infrastructure investments worth $500 billion, of which 30 per cent was envisaged from the private sector. Mr Ahluwalia said that the private sector investments surpassed the target to 35 per cent, while there was a shortfall in the public sector investments.

Private participation

The 12th Plan has a tentative target of $1 trillion worth investments, he said, adding that he expected private sector participation to go up from the current 35 per cent to 50 per cent. “To go up from $170 billion to $500 billion is a huge task, and requires doubling of efforts,” he said.

According to him, the Government plans to set up a $5-billion infrastructure debt fund, which would be one way of contributing to the financing problem that infrastructure projects face today. “This fund will not solve financing problems, but will demonstrate that such funds will work in India,” he added.

To a query if infrastructure financing problems could be solved partially by use of forex reserves, Mr Ahluwalia said that the scale of the financing problem cannot be solved by just using forex reserves, but “by mobilising funds domestically and internationally”.

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Back Kharif sowing sees shift from oilseeds to pulses

Timely rains, promise of better prices lead the change.

Kharif sowing

(in lakh hectares)

	Normal*	2010	2009
Rice	395.170	212.320	191.930
Coarse cereals	219.944	166.993	159.555
(a) Maize	68.654	63.915	62.930
(b) Bajra	91.523	69.790	61.988
(c) Jowar	35.984	24.047	25.617
Pulses	111.692	87.360	75.446
(a) Arhar	35.804	33.608	27.252
(b) Urad	24.611	16.662	15.658
(c) Moong	27.342	22.236	19.716
Oilseeds	173.100	141.969	141.837
(a) Groundnut	53.809	42.954	33.137
(b) Soyabean	83.999	85.337	90.730
(c) Sunflower	8.153	1.844	3.880
(d) Sesamum	15.147	8.257	11.290
(e) Castor	8.130	2.769	2.180
(f) Niger	3.863	0.808	0.620
Sugarcane	45.460	47.430	41.790
Cotton	93.940	95.045	80.630
Jute	8.080	7.555	6.917

*Five-year average from 2004-05 to 2008-09

Our Bureau

New Delhi, July 30

Farmers have shifted significant area under oilseeds this time to pulses because of more favourable price signals in the case of the latter.

Up 12 lakh ha

According to the Agriculture Ministry's latest kharif crop acreage data, the progressive area sown under pulses is up almost 12 lakh hectares (lh) compared with the coverage during the same period last year.

All the three major kharif pulses – arhar, urad and moong – have recorded higher acreages this time.

In arhar, the major area increases have taken place in Maharashtra (12.63 lh against 9.55 lh), Karnataka (6.17 lh against 4.56 lh), Andhra Pradesh (4.56 lh against 2.24 lh) and Uttar Pradesh (2.70 lh against 2.65 lh). Maharashtra farmers have also expanded plantings of urad (4.66 lh against 3.42 lh) and moong (5.72 lh against 3.95 lh).

TIMELY RAIN

Krishi Bhawan officials say that timely rain along with promise of better prices have led farmers in Maharashtra to divert a large area that would have been normally sown under soyabean to pulses.

SOYABEAN DIPS

In fact, soyabean area in the State is lower this time, at 23.98 lh, compared with last year's corresponding coverage of 27.14 lh.

The main soyabean-growing State of Madhya Pradesh (M.P.) has also registered a decline in coverage, from 51.02 lh to 50.88 lh.

The cause of this, however, has more to do with poor rains in the State: Western M.P. has so far recorded a 27 per cent deficiency in overall precipitation during the current monsoon season.

In fact, M.P. has registered lower acreages even in maize (8.13 lh versus 8.30 lh), urad (4.79 lh versus 5.16 lh), arhar (3.33 lh versus 4.06 lh) and jowar (3.67 lh versus 3.82 lh).

GROUNDNUT ACREAGE

Oilseeds area in general is lower this year, with the only real increase taking place in groundnut – that too, courtesy Andhra Pradesh (11.69 lh versus 3.84) and Gujarat (16.29 lh versus 15.88 lh).

On the whole, the revival of the monsoon during July has resulted in higher acreages under most kharif crops, including cotton and rice.

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Back **Fresh arrivals, low offtake grind wheat**

Our Correspondent

Karnal, July 30

The wheat market continued to witness a downward trend and dropped to levels of Rs 1,190-1,195 a quintal.

On Friday, the Dara variety ruled at around Rs 1,195 a quintal, fine variety was quoted at Rs 1,210 a quintal and Tohfa variety of Madhya Pradesh at Rs 2,195.

Other local wheat varieties such as Lokwan was quoted at Rs 1,805, kitchen queen new marka at Rs 2,100, Angoor variety between Rs 2,115 and Rs 2,135 a quintal, Nano variety was quoted at Rs 2,050 while the Kangan and Parle-G variety ruled at around Rs 2,165.

Around 200 quintals of Dara variety arrived on Friday, and the stocks were picked up by small atta chaki millers and local traders at Rs 1,195 a quintal against last year's Rs 1,210.

Mr Subhash Chand, a wheat trader, told Business Line that fresh arrivals and lukewarm demand are the main reasons for the downward trend.

He said that traders expect the decline to continue in August and September.

According to wheat traders, the Food Corporation of India will is likely to call for tenders for the open market sale scheme to offload its stocks.

Traders expect the prices to be around Rs 1,210 a quintal, while damaged wheat could be offered around Rs 1,150 a quintal.

TThe Cabinet has approved the sale of 50 lakh tonnesof wheat through the open market scheme to bulk users such as flour mills.

With the drop in wheat prices, the price of flour is also likely to fall soon. The wheat market witnessed the levels of Rs 1,210 a quintal early this year, no change compared with the same period a year ago.

Bloomberg reports: Wheat rose for a fourth day in Chicago, heading for the biggest monthly gain in more than three decades, on concern that drought in Russia and parts of Europe will crimp global supply.

September–delivery wheat gained 1.6 per cent to $6.375 a bushel on the Chicago Board of Trade, the highest price for a most–active contract since June 2009.

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Back **Ramadan demand drives onion higher**

What's happening in Lasalgaon*

Date	Arrivals	Min	Max	Modal
July 26	897	200	831	681
July 27	957	200	819	751
July 28	1,105	200	841	731
July 29	1,211	200	865	741
July 30	1,200	200	840	725

Arrivals in tonnes; prices in Rs/quintal

M. R. Subramani

Chennai, July 30

A strong demand during Ramadan from West Bengal lifted onion prices this week by almost Rs 100 a quintal.

Most of the gains came on Monday and Tuesday when the prices increased by Rs 50 and Rs 70 a quintal before moderating and closing at Rs 725 on Friday.

“We are witnessing huge demand from the Kolkata region due to Ramadan. Prices have gained nearly Re 1 a kg at the wholesale level,” said Mr Madan Prakash, Director of the Chennai-based Rajathi Group of Companies that exports onions.

“The price rise was unexpected and many growers brought out their stocks they had been holding,” Mr Prakash said.

Arrivals that were around 900 tonnes last week improved to over 1,000 tonnes for a major part of this week in view of the rise in prices.

“All eyes are on Kurnool in Andhra Pradesh. If it rains, then the prices could firm up a bit more. Otherwise, onion prices are expected to be around this range for the next couple of weeks,” Mr Prakash said. Though the new crop in Karnataka has hit the market, traders find the offer rates a little higher at Rs 1,000-1,100 a quintal. “The prices are likely to drop when arrivals peak in that State,” Mr Prakash said.

“Moreover, it is new crop and a premium is definitely worth it,” Mr Prakash said. “We have seen samples of the new crop. It is wonderful and the quality is excellent,” he said.

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Back **Edible oils mixed**

Our Correspondent

Mumbai, July 30

Edible oil markets witnessed a mixed trend on Friday. On global cues, palmolein and soya refined declined by Rs 2 for 10 kg. Short supply in imported oils turned buyers to indigenous oils such as sunflower, rapeseed refined, and cotton refined, whose prices increased by Rs 2 to Rs 5 for 10 kg. High price and lack of demand, kept groundnut oil steady.

In Mumbai market, the volume was thin. Liberty, Ruchi and Allana were the main sellers in imported oils.

In the world market, Malaysia, China and Chicago ruled steady on Friday.

Malaysia's August palm oil futures ended higher by 4 ringgits (MYR) and September futures declined 4 MYR. August futures closed at 2,589 MYR . September closed at 2,538 MYR and October at 2,517 MYR (2,514 MYR) a tonne.

Indore NBOT soya oil August futures closed lower at Rs 485.80 (Rs 488.50) and September at Rs 490.90 (Rs 491.10).

Soyabean steady in china

Soyabean price in China's major producing areas were largely unchanged. Large volumes of soyabean imports offset the bullish pressure from heavy rains in producing areas. China's July soyabean imports are expected to reach 56 lakh tonnes, which would be the second highest on the record, the China's Ministry of Commerce said this week. Soya oil stocks at processing plants are ample, limiting room for a sustained rally, a research note said. According to the Mumbai Commodity Exchange, spot rates for 10 kg were:groundnut oil Rs 860 (Rs 860), soya refined oil Rs 468 (Rs 470), sunflower exp. refined. Rs 460 (Rs 455), sunflower refined Rs 520 (Rs 515), rapeseed refined Rs 578 (Rs 575) rapeseed expeller Rs 548 (Rs 545), cotton refined Rs 487 (Rs 485) and palmolein Rs 440 (Rs 442).

Oil Extractions

Oil extraction prices atonne were: groundnut Rs 17,100, cotton undeco. Rs 12,200 (up Rs 200), rice bran Rs 7,750, sunflower Rs 13,750, rapeseed Rs 10,650, soyameal Rs 16,750 and castor Rs 4,100.

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Back **Selling pressure continues in sugar**

Our Correspondent

Mumbai, July 30

Sugar prices continued to fall due to month-end selling at lower price by mills to fulfil the July free sale quota. The prices dropped to Rs 100-160 a quintal on Friday.

Within a span of three days at the Vashi wholesale market, prices have tumbled by Rs 210-250 for a 100-kg bag. The sharp decline in price is likely to reflect at the retail level soon.

Last week, sugar mills decided not to sell S-grade sugar below Rs 2,700 a quintal and M-grade below Rs 2,850 (including excise), but it has failed to yield results due to disunity among mills, resulting in the fall in price, said Mr Tokershi Dedhia, a trader.

On Thursday evening, stockists/traders came forward to buy at lower rates. Mills did business of about 2.5-3 lakh bags (100 kg each) in the range of Rs 2,450 for S-grade and Rs 2,500-2,550 (excise paid) for M-grade.

On Friday , about 1 lakh bags were sold by Maharashtra mills. Upcountry buying also resumed after a gap of 2-3 days. With the start of new month, the market will see good demand and prices may settle at the current levels, said Mr Ashok Kataria of Ashokkumar and Sons.

Ttotal arrivals were at 33-35 truck loads (10 tonnes each) and lifting was also at the same level. There will be more arrivals on Saturday and Monday, said traders.

According to the Sugar Merchants Association, spot market rate was for S-grade was Rs 2,540-2,630 a quintal, (Rs 2,700-2,730), M-grade quoted at Rs 2,610-2,700 (Rs 2,720-2,820).

Naka delivery rate for S-grade was Rs 2,540-2,570 (Rs 2,670-2,680) and M grade Rs 2,590-2,630 (Rs 2,710-2,730). Maharashtra sugar mills quoted Rs 2,350-2,370 for S-grade and Rs 2,400-2,450 for M grade.

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Back **Cheaper imports drag pulses lower**

Our Correspondent

Indore, July 30

Prices of pulses dropped as imported pulses and pulse seeds were available at cheaper rates and with new arrival added momentum to the trend. In the case of urad, the prices dropped Rs 300 a quintal.

In spot market, chana dal quoted at Rs 2,650-2,675, a quintal. Similarly masor dal quoted at Rs 3,900-3,925, tur dal Rs 5,800-5,900, moong dal Rs 6,000-6,200, and urad dal quoted at Rs 5,800-5,900, respectively.

Traders said that with increased arrivals of imported pulses and that of domestic crops in the market, the prices will decline further.

In the current financial year, public sector companies such MMTC and PEC have so far finalised deals to import 2.35 lakh tonnes (lt) of pulses. Of this, PEC alone has finalised deal to buy 1.63 lt. Of the deals struck, 49,051 tonnes have already arrived in the domestic market.

According to traders, in the past four months prices of imported pulses have declined $100-300 a tonne. Similarly, lemon tur price has declined from Rs $1,100 a tonne to $804.

Arrival of moong has already commenced in the domestic market, while new urad will arrive in the market in the next few days. It will help in bringing down prices in retail markets, trade sources said.

According to a local pulse trader, Mr Mayank Shah, moong price in the last three months has dropped sharply to Rs 6,000-6,300 and it will further decline with increased arrivals in the domestic market.

Reuters reports: In Delhi spot market, chana prices fell by Rs 10 to Rs 2,290 a quintal. The futures dropped on higher area under kharif pulses and forecast of good rains in next two months.

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Back **Turmeric continues to tow futures, gains**

Our Correspondent

Erode, July 30

Prices of finger and root varieties of turmeric increased here on Friday taking cues from the futures market where prices increased on declining arrivals.

In the regulated market, the finger variety was sold at Rs 14,769-15,049 a quintal up Rs 614.. The root variety was sold at Rs 14,617-15,059 a quintal, an increase of Rs 600 a quintal, over the Wednesday's price. Of the 1,808 bags arrived, 1,757 bags were sold.

In the private market, the commodity was sold at Rs 14,700-14,800 a quintal, an increase of Rs 400/quintal. Similarly, the root variety ruled at Rs 14,400-14,500, up Rs 200 from Wednesday's rate.

Out of 8,500 bags that arrived , 3,100 bags were sold in the private market and 950 and 900 bags sold in the Erode Cooperative Marketing Society and Gobichettipalayam Cooperative Marketing Society, respectively.

Mr V. Ravi, President of the Erode Turmeric Merchants Association, said: “The turmeric market would be closed in the next four days for Aadi festival and the market will resume on August 4.”

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Back **Jeera spot steady despite volatile futures**

Our Correspondent

Rajkot, July 30

Jeera prices witnessed volatility on Friday.

Prices began on a high note but due to profit- booking, came down by Rs 70-80 a quintal at the end of the day in the futures market. The spot market was steady.

On the National Commodity and Derivatives Exchange, jeera August contract decreased Rs 84 to Rs 14,635 a quintal, with open interest of 9,432 lots.

Prices at Unjha spot market ruled steady as arrivals were marginally down. Demand, however, was weak. It was traded at Rs 13,590-13,595 a quintal.

Arrivals were lower at 3,500-4,000 bags compared with 4,500-4,000 at the Unjha mandi.

Mr Ajay Kumar Kedia of Kedia Commodity, said: “Market participants are booking profits as jeera price had increased significantly during the past few sessions. A downward correction is likely to continue in the short term, but with inventories being lower the price will rise. Jeera will not go below Rs 14,000 as international demand is probably shifting to India.”

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Back **Pepper futures fall sharply on bearish trend**

G.K. Nair

Kochi, July 30

The pepper futures market, after witnessing high volatility, ended much below the previous close on bearish activities. Bearish sentiments were created by spreading news that there was no support from the overseas buyers while resellers were offering Indonesian Lampung Asta pepper at $4,100 a tonne (fob). Karnataka was quoting lower to attract buyers as north Indian dealers stopped buying suddenly, market sources told Business Line.

Domestic buyers stayed away from the declining market. The proposed truck strike in south India from August 2 and the all-India strike from August 5 in protest against high NH toll fee in the south were also responsible for the slow buying, they said. However, in the primary markets in Kerala, there were no sellers as traders were finding it difficult to replenish their stocks for want of material from the growers who were not releasing their produce, they said.