

# THE HINDU

Online edition of India's National Newspaper

Monday, February 14, 2011

Date:14/02/2011 URL: <http://www.thehindu.com/2011/02/14/stories/2011021464310900.htm>

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## Agriculture department's portal wins gold award

Special Correspondent

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*AGRISNET also makes available relevant market intelligence*

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CHENNAI: The Tamil Nadu Agriculture Department's portal, AGRISNET, has won a national gold award for e-governance in the Focus Sector category. The focus for the Specific Sector Award for 2010-11 was on agriculture.

Silver and bronze awards had gone to 'e-Krishi', a Kerala government portal, and the Tea Board's e-auction portal respectively.

### Web connection

According to an official release, offices of the Agriculture Department in 30 districts in the State and also 385 block extension centres have been computerised and provided with web connection.

Farm-related information is provided through the Agriculture Information Service Network (AGRISNET) at a cost of Rs.4.37 crore to all these offices and centres.

Using this facility, the farming community could plan cultivation without being affected by natural calamities like flood and drought and augment production. It also makes available relevant market intelligence.

The award was handed over at a national e-governance meet at Aurangabad on February 10 by the Governor of Maharashtra to P. Rama Mohana Rao, Agricultural Production Commissioner, Tamil Nadu, and P. Murugesu Bhoopathi, Vice-Chancellor, Tamil Nadu Agricultural University.

**Date:**14/02/2011 **URL:** <http://www.thehindu.com/2011/02/14/stories/2011021456751700.htm>

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### **In China, drought brings focus on water, food security**

Ananth Krishnan

Photo: Xinhua



**All's not well:Workers dig a well on Thursday to fight a severe drought in Tancheng County in east China's Shandong Province. —**

BEIJING: The worst drought to hit China in 60 years has triggered debate about how the country can tackle a fast-spreading water crisis, as well as meet rising food security challenges.

Eight of China's major wheat-growing provinces, which account for 80 per cent of the country's total wheat output, have been hit by a four-month drought.

Last week, the government announced a slew of emergency measures to boost grain production. Premier Wen Jiabao said on Friday the government would spend \$1.96 billion on emergency measures and raise minimum rice purchase price to mitigate the impact of the drought, which has left 2.81 million people and 2.57 million heads of livestock without adequate drinking water.

Mr. Wen also stressed the importance of long-term measures to address the water problem: China needed to strengthen farmland irrigation, promote water conservancy construction and boost irrigation systems, he said.

Analysts say poor water management practices have magnified the impact of the drought. They have called on the government to boost water conservation efforts in the next Five-Year Plan (2011-15), which will be announced next month.

China has substantially improved its irrigation systems over the past two decades, investing \$2 billion annually. Forty-eight per cent of China's arable land is now irrigated. India, in contrast, has more arable land than China but less irrigated area, estimated at 30 per cent.

China's improvements in irrigation systems, along with greater fertiliser use, have been attributed as being behind its significant increases in grain production, which now more than doubles India's.

But rising strains on water resources, coupled with high wastage and pollution, have raised concerns here over the country's long-term water and food security. China's water productivity, estimated by the World Bank at \$3.6 per cubic metre, is higher than India's but lower than the \$4.8 per cu.m. average for middle-income countries, and lagging far behind the \$35 per cu.m. average in high-income nations. The government said last month it would double average annual spending on water conservation in the next decade, investing four trillion yuan (\$608 billion) on conservation projects. This would include adding 2.7 million hectares of irrigated land by 2015.

The next plan may also, for the first time, introduce higher resource taxes and an energy tax. "The next Five-Year Plan is crucial in terms of whether China can succeed in transforming its economy from the current [energy and consumption] intensive model to a low-carbon model,"

Yang Ailun of Greenpeace China told The Hindu. “Energy security is crucial for water security too, as coal uses a lot more water and pollutes far more than other energy sources.”

## Wastage

While environmental groups have called for a focus on reducing wastage and improving irrigation efficiency, they fear much of the investment will instead be directed towards big dam projects, which are expected to mark a return in the next Plan.

Less than one-third of the dams proposed in the last Five-Year Plan were allowed to begin construction, following a backlash against big dams amid rising environmental activism.

However, the recent approval for a controversial project on the Jinsha river and the construction of the Zangmu dam on the Brahmaputra, or Yarlung Tsangpo, have been “widely interpreted as a clear signal” that more projects would be approved, the official Global Times reported last week.

**Date:**14/02/2011 **URL:** <http://www.thehindu.com/2011/02/14/stories/2011021461410300.htm>

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## Land identified for Grape Research Station

Staff Reporter

*Assistance worth Rs.58.46 lakh given to 928 beneficiaries*



**HELP:Collector P. Muthuveeran handing over a cow to a woman at a special mass contact programme held at Odaipatti in Theni district on Saturday.**

THENI: Twenty five acres of land near Shanmuganadhi Reservoir have been identified for setting up of a Grape Research Station to improve the quality of grapes produced in Odaipatti and Cumbum valley, said Collector P. Muthuveeran.

He was presiding over the 29 {+t} {+h} 'Makkalai Naadi Maavatta Nirvagam,' a special mass contact programme, at Odaipatti town panchayat near here on Saturday. A proposal in this connection had been sent to the government for approval. Farmers informed the Collector that with the depletion of groundwater table in Odaipatti and surrounding areas, many adopted drip irrigation method. Responding to this, the Collector assured that steps would be taken to supply water from the reservoir for irrigation in Odaipatti and nearby villages. The district administration had received 50,000 petitions through 28 special mass contact programmes held in different places so far and it had settled 30,000 petitions.

Benefits such as old-age pension, loan to self-help-groups and cattle for farm labourers will reach the home of the petitioners who handed over petitions to him at this programme within a week. Bus facility will be provided to Then Pazhani village. He directed officials to remove encroachments near a burial ground at Vellaiammalpuram.

The Collector also gave instructions to shift a TASMACHOP shop near a government school to a distant place. After random checks at medical and fair price shops at Vellaiammalpuram, he ordered closure of a medical shop that sold free samples of medicines. He ordered action against a Primary Agricultural Cooperative Bank staff who did not disburse loan to a SHG member for more than two years. Welfare aid worth Rs.58.46 lakh were given to 928 beneficiaries.

**Date:14/02/2011 URL: <http://www.thehindu.com/2011/02/14/stories/2011021464180800.htm>**

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**Reduction in paddy coverage area in Tirupur causing concern**

Staff Reporter

Tirupur: Considerable reduction in overall area coverage of paddy in the district this financial year vis-a-vis the last fiscal, is causing concern among the agriculture experts and officials.

The extent of fields where the System of Rice Intensification (SRI) technique was adopted to increase the yield of paddy also came down marginally this fiscal.

The overall area sown under paddy this financial year was 8,128 ha against 11,500 ha achieved during 2009-10.

Likewise, only 4,339 ha could be brought under System of Rice Intensification technique against the target of 6,300 ha set for this fiscal.

Last year, SRI methodology was adopted on an expanse of 4,900 ha against the similar target of 6,300 ha.

Delay in water release

“The late onset of monsoon and the subsequent delayed release of water from Amaravathy dam are the main reasons for the reduction in the overall area coverage of paddy,” Agriculture Department officials told The Hindu.

Normally, water used to be released from the new Ayacut of Amaravathy dam by September 15.

But this fiscal, it got extended by another two months owing to the late arrival of rain, the officials pointed out.

In the case of SRI technique, the difficulty in getting adequate labour was attributed as one of main causes for the reduction in area coverage since the system is a labour intensive mechanism at least in the initial stages of planting though it is giving higher yield.

Some of the paddy farmers told The Hindu that they were not getting adequate labourers since the introduction of Mahatma Gandhi National Rural Employment Guarantee Scheme where the workforce get paid without putting in hard work.

**Date:14/02/2011 URL: <http://www.thehindu.com/2011/02/14/stories/2011021455270900.htm>**

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## **“Increase area under mulberry cultivation”**

Special Correspondent

COIMBATORE: Area under mulberry cultivation has gone up during the last four years in the State and efforts should be taken to increase it to about one lakh acres in five years, Minister for Rural Industries and Animal Husbandry Pongalur N. Palanisamy said here on Sunday.

Speaking at the Resham Krishi Mela organised by the Regional Sericultural Research Station and Department of Sericulture, he said the area under mulberry in the State four years ago was 10,000 acres and it was 30,000 acres now. Farmers were able to earn Rs.1.5 lakh to Rs.3 lakh for an acre. The country was importing nearly 7,000 tonnes of silk annually now. There would be no requirement for imports if the area under mulberry in the State was increased to about one lakh acres. The reeling units should also modernise as they were already facing labour shortage.

R. Rajagopal, Principal Secretary, Department of Handlooms, Handicrafts, Textiles and Khadi, Government of Tamil Nadu, said farmers should look at measures such as mulberry cultivation to improve their income. The government was giving assistance to boost mulberry cultivation. The farmers had health insurance for their family members too.

Five years ago, the government spent about Rs.8 crore a year for the development of sericulture in the State. Now it was Rs.30 crore, including Rs.20 crore from the Centre. Last year, mulberry farmers were affected because of the attack of the papaya mealy bug. The farmers should make use of crop insurance scheme, introduced this year, he said.

S.M.B. Qadri, Director, Central Sericultural Research and Training Institute, said Tamil Nadu was one of the leading centres in the country for sericulture.

“Our efforts are towards bivoltine silk production.” Bivoltine silk production in the State improved during the last seven years. “We need to maintain and increase this quantity to get better prices,” he said.

V. Prabhakaran, Director, Department of Sericulture, Tamil Nadu, said the total silk demand in the country was 27,000 tonnes. However just about 19,000 tonnes was produced in the country.

The raw silk production in the State in 2006-2007 was 1,124 tonnes and it had increased to 1,233 tonnes now. The production of bivoltine silk had also doubled to 350 tonnes now.

Date:14/02/2011 URL: <http://www.thehindu.com/2011/02/14/stories/2011021463420600.htm>

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## **Mango, amla are favourite crops for ryots in Madurai**

Special Correspondent

*New techniques and precision farming come in handy*

MADURAI: New techniques and precision farming methods are coming in handy to the farmers in the district that fruits such as mango and amla are turning favourite crops, according to Horticulture officials.

There is a gradual rise in the cultivable area of mango and amla alone in the last two to three years that today, close to 5,000 hectares is covered in the regions of Alanganallur, Vadipatti, Melur, Kottampatti and parts of Thirumangalam and Kalligudi areas.

Apart from this, crops such as green chillies grown in pockets of Sedapatti are fetching higher yields. For cocoa, there is good support gaining from the ryots that they are willing to cover more areas in and around Vadipatti gradually as there is an assured marketing network.

The district had the scope to bring in more and more land under cultivable area despite urbanisation, said District Collector C. Kamaraj.

“All that we need to do is tap the right potential among the ryots and disseminate concepts such as drip irrigation techniques. By giving them technical support through National Horticulture Mission and financial subsidies from the governments would turn profitable for the growers,” he told The Hindu on Sunday.

In a bid to encourage more farmers' to take up such crops, the Horticulture department officials conducted a two-day expo-cum-seminar at the Agricultural College here in which authorities and faculties from the Agriculture, NABARD, Krishi Vigyan Kendra, Canara Bank (lead bank), technocrats from the drip irrigation companies among others addressed over 200 farmers. Success stories from a few farmers' about their experience in raising new crops, the price they



got for the goods and the display of the produce was the cynosure. The sapotta and green chilly varieties at the expo drew tremendous enquiries, Horticulture Department officials said.

Date:14/02/2011 URL: <http://www.thehindu.com/2011/02/14/stories/2011021459920200.htm>

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[Back](#)

[Tamil Nadu - Tiruchi](#)

### **Mineral mixture to boost milk yield**

Special Correspondent

TIRUCHI: The Tamil Nadu Veterinary and Animal Sciences University (TANUVAS) Training and Research Centre, and the Department of Agriculture jointly conducted a campaign at Ramalingampatti near Manapparai recently to promote the TANUVAS mineral mixture as a supplement for milch animals to increase milk production.

T. Lurthu Reetha, Assistant Professor of the TANUVAS Training and Research Centre, said the TANUVAS mineral mixture contains 12 minerals, including calcium, phosphorus, selenium, and zinc, copper, cobalt, and sulphur which are essential for maximising digestion and absorption of nutrients from feedstuff the animal consumes.

Field reports

Field reports of farmers who regularly supplement this have reported increased milk yield up to 1.5 litre daily. The cost of this mineral supplement is Rs.1.70 a day, Dr. Reetha said.

This mixture is available only at TANUVAS Training and Research Centre and its cost is Rs.50 per kg. It is recommended that for a cow giving 10 to 12 litres of milk about 30 grams of mineral mixture need to be supplemented in bran or oilcake daily and thus 1 kg is sufficient for a cow a month.

Long term benefit of supplementation of minerals includes enhanced conception, healthy calving and more calves apart from reduction in overall feeding cost.

Free distribution

The TANUVAS mineral mixture was distributed to the farmers free of cost by Gomathy Thangam, Assistant Director of Agriculture, Vaiyampatti.

A large number of farmers, including women, from Vaiyampatti and surrounding areas attended the programme.

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<http://www.thehindu.com/2011/02/14/stories/2011021461630300.htm>

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**50 per cent increase in paddy procurement expected**

Special Correspondent

*TNCSC opens 42 direct paddy purchase centres in district*

— PHOTO:R.M. RAJARTHINAM.



**GOOD START: Procurement of paddy underway at a DPC in Lalgudi in Tiruchi district.**

TIRUCHI: Even as samba paddy harvest has gathered pace in Tiruchi district, the Tamil Nadu Civil Supplies Corporation (TNCSC) was expecting a 50 per cent increase in paddy

procurement this year in the district over the previous year.

The TNCSC has opened 42 direct paddy purchase centres (DPC) across the district, a majority of them in Lalgudi taluk.

Arrivals at the DPCs have picked up over the past few days and the Corporation was fully geared up to procure and handle the increased arrivals expected in the coming days, B.Kannaiyasamy, Senior Regional Manager, TNCSC, Tiruchi, told The Hindu. Paddy harvest has been going on in some parts of the district over the past fortnight and is expected to go on full swing over the next 15 days.

Till Friday, 6,700 tonnes of paddy have been procured in the district and arrivals were steadily increasing to touch 360 tonnes a day on Friday. Mr.Kannaiyasamy said last year about 43,000 tonnes of paddy was procured in the district and this year a 50 per cent increase was expected in view of the good samba season.

The TNCSC was monitoring the procurement exercise on a daily basis and all necessary arrangements have been made to procure the paddy offered by farmers fully. Gunny bags and cash for disbursement have been kept ready. Arrangements have also been made for transport of the procured paddy to the storage points, he added.

Many farmers in the district also preferred to sell their paddy at the DPCs as the price has fallen steeply in the open market, says P.Viswanathan, president, Tamil Nadu River and Tank Irrigated Areas Farmers Association. Besides, farmers get less money for more paddy, in comparison to the government price, as private traders procure the paddy in measures of 60 kg bags only, some farmers of Lalgudi said.

Farmers in Lalgudi also demanded that the DPC at Vasantha Nagar in the town be shifted to a spacious place as it was currently functioning in a portion of a private farm. The access roads is also in a poor shape, posing difficulties in transporting paddy to and from the DPC, they said. Mr.Kannaiyasamy said the problem would be looked into and necessary arrangements made.

He appealed to the farmers to utilise the DPCs well and get the government fixed price of

Rs.1050 a quintal for common variety and Rs.1,100 for fine variety.

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**hindustantimes**



**Press Trust Of India**

New Delhi, February 13, 2011

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### **Economists expect inflation to be 8.5% in January**

Economists see overall inflation moving up slightly to 8.5% in January because of high food prices and hike in petrol rates last month.

Headline inflation, which also captures the increase in wholesale prices of food commodities, soared to 8.43% in December, from 7.48% in the previous month.

"Inflation in January will continue to remain at around 8.5%. However, it will start moderating February onwards, on the back of a bumper crop," said D K Joshi, chief economist at Crisil.

The government is slated to announce the headline, or overall, inflation data on Monday.

As for food inflation, it has remained high during the course of January before declining to a seven-week low of 13.07% towards the end of the month.

Besides high food inflation, the decision of the oil marketing companies to hike petrol prices by about Rs 2.50 per litre with effect from January 15 will impact the headline inflation for month.

Ficci director-general Rajiv Kumar too expects the headline inflation to be around 8.5% in January before declining in subsequent months.

"Headline inflation (based on wholesale prices or WPI) will be 8% by March-end as globally, the crude and commodity prices continue to remain high," Kumar added.

Axis Bank chief economist Saugata Bhattacharya said that the decline in food inflation in the last week of January is unlikely to have much of an impact on inflation based on Wholesale Price Index (WPI) for January.

Meanwhile, the Reserve Bank has recently raised the March-end forecast for overall inflation to 7% from 5.5% earlier.

<http://www.hindustantimes.com/StoryPage/Print/661763.aspx>

## Weather

Chennai - INDIA

### Today's Weather



Clear

#### Monday, Feb 14

Max Min  
31° | 24°

Rain: 00 mm in 24hrs

Humidity: 78%

Wind: Normal

Sunrise: 6:32

Sunset: 18:14

Barometer: 1010.0

### Tomorrow's Forecast



Cloudy

#### Tuesday, Feb 15

Max Min  
31° | 19°

### Extended Forecast for a week

Wednesday

Feb 16



27° | 21°

Cloudy

Thursday

Feb 17



25° | 22°

Cloudy

Friday

Feb 18



28° | 24°

Rainy

Saturday

Feb 19



30° | 24°

Rainy

Sunday

Feb 20



29° | 22°

Cloudy

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# DECCAN Chronicle *On The Web*

Published on Deccan Chronicle (<http://www.deccanchronicle.com>)

## **Milk stir goes statewide, hits supply**

Feb 14 2011

Feb. 13: You may soon have to drink black tea in the morning, if the government does not quickly find an amicable solution to the agitation by milk producers, which entered a seventh day on Sunday.

The farmers are demanding a price hike of `8 per litre for buffalo's milk and `5 per litre for cow's milk.

As part of intensifying the agitation, the farmers are resorting to road blockade and free distribution of milk. They are even emptying milk cans on roads in various parts of the state to express their angst. Erode Milk producers, which remains the epicentre of the farmers' agitation, staged a demonstration at five places in the district including Nambiyur and Gobichetti-palayam. In some places, they sold the milk to private dairies and some in Uzhavar Shandies.

Thanks to the stir, the Primary Milk Producers Cooperative Society got no supply from the milk producers in Erode.

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**Source URL:**

<http://www.deccanchronicle.com/chennai/milk-stir-goes-statewide-hits-supply-679>

14 Feb, 2011, 01.29AM IST, Jayashree Bhosale,ET Bureau

## **Maharashtra dairies to up milk prices by Rs 3**

PUNE: Sixty private and cooperative dairies in Maharashtra have decided to increase the selling price of milk by Rs 3/litre from February 16. The cow milk price will go up from Rs 26/litre to Rs 29/litre while the buffalo variety will go up from Rs 33/litre to Rs 36/litre. Amul, Mahanand and Gowardhan will take a call prices on Monday. Maharashtra dairies had raised milk prices by Rs 1/litre only last month.

Amul, the country's top milk brand, finds the proposed increase a bit high. "We have already increased milk prices three times during the last one year. The hike of Rs 3/litre proposed by Maharashtra dairies is on the higher side. We will take a decision on our price revision on Monday.

But if there is a hike, it will be up to Rs 1/litre," said Gujarat Cooperative Milk Marketing Federation chief general manager RS Sodhi. With the increase of Rs 3/litre, users will have to pay 81% more than the procurement price as the cooperatives purchase milk for Rs 16/litre and sell it for Rs 29/litre, a difference of Rs 13/litre.

Mon, Feb 14, 2011 | Updated 06.37AM IST

13 Feb, 2011, 12.38PM IST,PTI

## **'Supply from Gujarat helps defuse onion crisis in Delhi'**

NEW DELHI: Large inflow of onion from Gujarat has helped rein in high prices of the vegetable, which is now available at Rs 25-30 a kg in retail markets, in the national capital, traders said.



"Increased arrival of onion from Gujarat from January 25 onwards boosted supply in the national capital due to which price of the vegetable crashed to Rs 25-30/kg," Onion Merchants Association General Secretary Rajendra Sharma told PTI.

The prices of onion, which had shot up to Rs 70-85 a kg in December, were ruling at Rs 40-60 a kg in retail in the third week of January.

Sharma said Gujarat is accounting for almost 90 per cent of onion supplied to Delhi now.

The Azadpur market (Asia's biggest wholesale fruit & vegetables market) is receiving around 1,200 tonnes of onion daily now, Sharma said adding a bulk of it hails from the western state.

Gujarat is the third largest producer of onion in the country after Maharashtra, with annual production of over 9 lakh tonnes.

President of Azadpur-based Onion Merchants Association Surendra Budhi Raj said though Gujarat onion is more in quantity, it is fetching less price than the one from Maharashtra in the wholesale market.

"While the red coloured Gujarat onions are selling at a rate of Rs 9-12 a kg in the wholesale nowadays the pink and yellow varieties of Maharashtra are costing Rs 11-12/kg," Budhi Raj added.

After suffering damage in kharif due to unseasonal rains, Gujarat has witnessed bumper rabi (October-January) onion crop.

The wholesale rate of onion which had zoomed to Rs 65 per kg in the last week of December in Delhi has dropped to Rs 4-12/kg now, traders said.

14 Feb, 2011, 01.14AM IST, Ram Sahgal & Vijay Gurav,ET Bureau

### **Commodities may top stocks in futures turnover**

MUMBAI: For the first time since their inception seven years ago, turnover on commodity futures exchange looks likely to exceed that of stock and index futures in a financial year on the back of rising commodity prices and growing trading interest. While stock market fortunes have been more volatile over the past one year, commodity prices have by and large been rising on account of the global economic recovery and international funds moving cheap money in search of higher returns.

Data from the commodity market regulator, Forward Markets Commission (FMC), shows that in the current financial year to January 15, cumulative turnover of commodity futures has risen by 50% to Rs 88.62 lakh crore from the year-earlier period while stock and index futures, excluding options, has increased by a paltry 7% at Rs 78.66 lakh crore.

In fact, the FMC expects commodity futures turnover to be around Rs Rs 112 lakh crore in FY11, a 44% jump from FY10. Including options, however, the picture looks very different. Still the rise in commodity futures turnover is impressive considering that only plain-vanilla commodity futures are traded and participation of institutional investors and mutual funds is restricted.

Benefits such as lower margins — commodities like gold and silver attract margins between 5% and 8% compared with 20% and more for stock futures — absence of the equivalent of a securities transaction tax and more or less similar contract size make commodities an attractive alternative to other asset classes in the domestic market. Participants in commodity futures trading can also opt for delivery, which has been made compulsory in most contracts. This option has also recently been introduced in equity futures recently.

Commodities including gold, silver, copper, crude oil and edible oils have shot through the roof

over the past one year and look likely to continue their bull run on hopes of a stronger economic recovery in the West which has been underpinned by low interest rates.

The cheap cost of funds, in turn, has also made alternative assets such as commodities an attractive play for global funds seeking to earn higher returns. International contracts traded on domestic commexes mirror those traded on LME, Comex and Nymex, which are part of the CME group, and enable speculators and investors here to take exposure to them.

Dinesh Thakkar, CMD, Angel Broking, makes an interesting observation. "While there has been a shift in some interest from equity to commodity futures, the volume is mostly driven by growing participation of people directly dealing in physical commodities. Gold merchants, gold retailers and wholesalers, APMC market dealers and industry houses using commodities are now actively involved in commodities futures trading, contributing to the increase in the volumes," said Thakkar.

## Business Standard

Monday, Feb 14, 2011

### **Food ministry to seek nod for sugar export**

**Ajay Modi / New Delhi February 14, 2011, 0:31 IST**

Under pressure from various quarters and buoyed by higher estimates of sugarcane production, the food ministry is now set to fast-track the process of seeking sugar export approval from an empowered group of ministers headed by Finance Minister Pranab Mukherjee.

"I have got requests from the Maharashtra Chief Minister (Prithviraj Chavan) and some sugarcane societies to allow exports. The ministry will prepare a proposal by Tuesday and it will

be put before the EGoM,” Minister for Food and Consumer Affairs K V Thomas told Business Standard.

The decision to expedite the proposal comes on the back of a revision in cane production estimates last week. The second advance estimates of farm production released by the agriculture ministry last week peg cane output for the current season at 336.7 million tonnes, 11.8 million tonnes higher than the first advance estimates.

In December, the food ministry, headed then by Sharad Pawar, decided to allow the export of 500,000 tonnes of sugar. Following that, a notification was issued on January 1 to allow 500,000 tonnes of sugar exports under the open general licence, as the government’s sugar production estimate of 24 million tonnes was seen adequate (though various sugar bodies have been estimating an even higher output of 25 million tonnes).

However, surging food inflation caused the government to route the export decision through an EGoM. The food ministry, whose charge had by then gone from Pawar to Thomas, acted extra-cautious and decided to wait for more data on sugarcane and sugar output before taking the proposal to the EGoM.

While the government’s estimate of 24 million tonnes was pegged on a sugarcane crop of 324.9 million tonnes, the new data call for a revision in the sugar estimate by at least a million tonnes.

The sugar industry had been pressing for the opening of exports. While the December decision has improved the sentiment in sugar trade, the January decision caused panic and prices fell Rs 150-200 a quintal.

“Given the higher sugarcane availability, which will translate into higher sugar production, the earlier decision of allowing 500,000 tonnes of exports should be implemented. Prices have been falling and most mills have been selling at a loss for the last two weeks,” said Abinash Verma, director-general, Indian Sugar Mills Association.

Since the next year is also certain to be a surplus year, the opening stock of five million tonnes should be more than adequate, according to Sharma. This would leave a clear surplus of 1.8

million tonnes, of which the country could comfortably export over a million tonnes during the current year.

The government should allow exports immediately, as the viability would come down after April, he said. "At present, Indian mills have an opportunity to realise Rs 5,000-6,000 a tonne higher on exports," he added.



### **Onion prices nosedive after import from Gujarat**

February 14, 2011 11:52:15 AM

**Staff Reporter | New Delhi**

Large inflow of onion from Gujarat has helped rein in high prices of the vegetable, which is now available at Rs 20-25 a kg in retail market, in the national Capital, traders said.

"Increased arrival of onion from Gujarat from January 25 onwards boosted supply in the national Capital due to which price of the vegetable crashed to `20-25 per kg," Onion Merchants Association general secretary Rajendra Sharma said on Sunday.

The prices of onion, which had shot up to Rs 70-85 a kg in December were ruling at Rs 40-60 a kg in retail in the third week of January. Sharma said Gujarat is accounting for almost 90 per cent of onion supplied to Delhi now.

The Azadpur market (Asia's biggest wholesale fruit & vegetables market) is receiving around 1,200 tonnes of onion daily now, Sharma said adding a bulk of it hails from the western State.

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production of over 9 lakh tonnes.

President of Azadpur-based Onion Merchants Association Surendra Budhi Raj said though Gujarat onion is more in quantity, it is fetching less price than the one from Maharashtra in the wholesale market.

“While the red-coloured Gujarat onions are selling at a rate of Rs 9-12 a kg in the wholesale nowadays the pink and yellow varieties of Maharashtra are costing Rs 11-12/kg,” Budhi Raj added.

After suffering damage in kharif due to unseasonal rains, Gujarat has witnessed bumper rabi (October-January) onion crop. The wholesale rate of onion which had zoomed to Rs 65 per kg in the last week of December in Delhi has dropped to Rs 4-12 per kg now, traders said.

### **Farmers stage protest against Haryana Govt**

February 14, 2011 11:53:30 AM

#### **SR | Gurgaon**

Thousands of aggrieved farmers held a Mahapanchayat at Panchgao in Gurgaon on Sunday. Farmers demanded that the State Government revert its decision of acquiring land of farmers for expansion of the industrial township near Manesar. When nobody from the authorities listened to them, they came out on roads and blocked the Delhi-Jaipur National Highway No 8. Traffic came to a stand-still for about three hours.

Traffic at both the carriageways of NH-8 was stopped and there were long queues of vehicles on the road. People who were caught in the jam said the authorities should have made proper arrangements when they were already aware that the farmers were going to protest. Villagers

and farmers from 90 villages took part in the Mahapanchayat. Krishi Bhoomi Bachao Sangharsh Samiti, the umbrella body of farmers from seven villages in this region, said that the State Government has issued notifications for compulsory acquisition of approximately 6,000 acres of fertile agricultural land for setting up of an Industrial Model Township near Pachgaon Chowk, about 5 km from Manesar.

The entire patch of land, which is being acquired, is used for at least three crops in a year and is irrigated with the help of bore wells. The Chief Minister has stated publicly that no land shall be acquired where more than one crop is harvested and irrigated.

However, the latest actions of the authorities are contrary to the public stand, a release issued by the committee said. If the land is acquired, at least 10,000 families will be rendered homeless, the release claimed. Farmers have been accusing the State of playing the role of real estate developer for commercial firms.

### **Processed foods cash in on veg price rise**

February 14, 2011 11:53:42 AM

**SEEMA SINDHU | New Delhi**

When vegetable prices were going through the roof, a major change was taking place in the consumption pattern. A significant numbers of consumers shifted to processed or frozen vegetables because of comparatively cheaper prices.

Companies like Dabur, Nestle and Capital Foods, which sell ready-made garlic and ginger pastes and tomato purees, saw their sales registering big growth when fresh vegetable prices were going out of the reach of common man.

Consider that, when garlic was at Rs 280 per kg in Delhi, 100 gm garlic paste costs only Rs 10. Since the fresh garlic has wastage, 100 gm processed garlic can be used to cook double

quantity of vegetables compared to the same quantity of fresh ones.

The same goes for ginger and tomato. Ginger which is currently at Rs 70-80 a kg in retail market, tomatoes are selling at Rs 40-50 a kg whereas 100 gm ginger paste cost Rs 10 (enough to make around 8-10 preparations) and 200 ml tomato puree for a mere Rs 15 (sufficient to make three-four preparations).

Maggi's Bhuna Masala (a ready-mix of onion, tomato, ginger and garlic) is for Rs 15. Renu, a housewife from Dwarka, says, "One day, when I was picking up some snacks from the shelf in a Big Bazaar store, I happened to see Dabur's Homemade pastes. I looked at the price and picked up five pouches comparing it with the high prices of fresh garlic. Now it has replaced the fresh garlic, ginger and tomato in my vegetable basket."

A Dabur India spokesperson told The Pioneer since working women find processed vegetables, paste and purees convenient the category was already registering a good growth but the last two months have seen big spikes in the sales. "Over the years, our homemade sales have been growing at 40 per cent, but in Dec-Jan our sales shot up by 50-60 per cent."

Ajay Gupta, MD, Capital Foods (which sells Smith & Jones ginger-garlic pastes), said "Our products adoption has shot up by 20-25 per cent in last two months. People are adopting this foreign trend more and more. Now they understand the value additions of processed foods." He explained that 250 gm of Smith & Jones ginger-garlic paste (for Rs 24) would be equivalent to 700 gm of ginger-garlic which would be far more expensive.

Meantime, frozen vegetables adoption has also gone up. A Safal (a unit of Mother Dairy) marketing executive in Delhi also admitted that sales of such consumer items have gone up substantially.



While frozen vegetables prices are higher than the fresh vegetables during off-season, on-season “actual prices” of Safal are lower than fresh vegetables. “By actual price we mean deducing wastage of the fresh vegetables, a Safal official said. Welcoming the new consumption trend, an agriculture ministry official told The Pioneer that this check abnormal rise in prices of these commodities during shortage. “We must give more emphasis to food processing in our country. This would help us control prices in lean period like what happened with onions. When we have bumper production, we can save it for the lean period so that prices don’t shoot up.”

Certainly, more processing is the answer. Right now, only 30 per cent consumers buy processed or frozen vegetables but the trend was changing now, said a Government mandi official.

#### **Cotton growers to be benefited by park: Sukhbir**

February 14, 2011 11:54:22 AM

#### **PNS | Gidderbaha**

Punjab Deputy Chief Minister Sukhbir Singh Badal on Sunday said that his Government was giving final touches to a textile park project in Bathinda to provide gains of value addition to cotton farmers of Bathinda and Mansa belt and said that plans were in final stages.

Talking to reporters after laying the foundation stone of ` 33 crore irrigation rehabilitation projects, 66 KV sub station grid besides inaugurating Doda sub-Tehsil here, Badal said that he was happy that cotton farmers of Punjab have got record procurement price and he would like to make them partner in the value addition of cotton by setting up cotton fabric industry in the textile park.

An IT park was being set up in Rajpura and a hand tool industry park in Kapurthala and all these three parks would be marketed as power cut free zones for which Powercom could be signatory

to the agreement assuring 24 hour power with a penal clause. He said that with farm output reaching the plateau, diversification in the industrial sector especially in the soft skill industry for IT enables services and agro processing industries including cotton related industry were the only answer to provide value addition to farmers besides opening new vistas of employment for our youth.

When asked about PPSC recruitment scam, Badal said that matter was being looked after by the Punjab and Haryana High Court and he would not like to comment on this issue. When asked about controversy in Education department between DGSE and Education Minister Sewa Singh Sekhwan, Deputy Chief Minister said that Chief Minister Parkash Singh Badal was seized of this matter.

Badal said that the Congress had no development road map for the State and was trying to distract the public by raising non issues everyday. He said that he believes in focusing on development and does not want to join issue with any leader. Deputy Chief Minister Badal said that it was matter of great satisfaction that over 100 Sub-Tehsils have been put on net with record of more than 7000 villages fully computerized.

He said that though computerisation of land record was a time consuming process but district authorities were taking total care in checking, cross checking every record besides giving public also a chance to authenticate the record about their land holdings before putting the record on the net.

When asked about the progress of Governance Reforms, Badal said that every Government official and officer would have to cooperate in accomplishment of this State's mission and no one would be allowed to derail the process of reforms.

He said that reforms process was going on in all departments and over 70 recommendations of

Punjab Governance Reforms Commission would be implemented by June 2011, facilitating the interaction of public with the Government authorities.

### **Big relief to Punjab's basmati rice producers**

February 14, 2011 11:54:25 AM

#### **PNS | Chandigarh**

In a major relief to the exporters of Basmati rice exporters, Punjab Chief Minister Parkash Singh Badal on Sunday restored the exemption from payment of Rural Development Fund (RDF) on the export of basmati rice.

A decision to this effect was taken by Badal in a meeting with the delegation of Punjab Rice Millers Exporters Association led by president Rajeev Setia here at Chief Minister's residence this morning.

Setia on behalf of the entire rice exporting industry of Punjab expressed gratitude to the Chief Minister for conceding their long pending demand, which would certainly boost the export of rice from the State.

The delegation apprised Badal that the rice millers association had taken a major initiative with the active support of State Agriculture Department to diversify from the traditional varieties of rice to basmati rice which had helped to arrest the declining water table to save the precious resources.

In another meeting with the delegation of Punjab Agricultural University Students Association, the Chief Minister Badal assured that nearly 300 posts of Agriculture Development Officers and Horticulture Development Officers would be filled soon in a phased manner.

## Govt struggles to make space for rabi crop

February 14, 2011 11:54:31 AM

Monika | Chandigarh

The arrival of fresh crop in the forthcoming rabi season is set to multiply the crisis of storage in Punjab. Nearly 140 lakh metric tonnes of wheat crop is ready for harvest in April, the already existing 80 lakh tonnes shortage of storage space has left the authorities in a tizzy as to where to store the fresh stock.

Available figures suggest that around 60,000 metric tonnes of food grains rotted in Punjab alone and thousands of tonnes more across the nation. With the arrival of the new season starting April, the storing will remain a major problem. The authorities are struggling with building new storage spaces, but in vain. "A storage space of 13 lakh tonnes was sanctioned on the public-private partnership (PPP) mode. That will take approximately nine to 12 months to be constructed," Food Corporation of India (FCI) deputy general manager (storage), Punjab region Aseem Chabra told The Pioneer.

During the previous kharif season, Punjab faced a shortage of 80 lakh tonnes of storage capacity. Considering which, the Centre, during the times of trouble in March 2010, promised to increase the State's storage capacity by 70 lakh metric tonnes in two years' time. The Centre sanctioned to built only 13 lakh tonnes that too on the public-private partnership (PPP) mode. "They promised to build 70 lakh tonnes of storage space against the shortage of 80 lakh tonnes. Then they prune it to around 50 lakh tonnes," said a senior official of Agriculture Department. Apart from the FCI, which has the maximum share, other Government agencies — PUNGRAIN, MARKFED, PUNSUP, Punjab State Warehousing Corporation (PSWC), and Punjab Agro Industries Corporation Limited (PAIC) — also participate in procurement process.

## Milk strike enters seventh day in TN



Erode, Feb 13:

The strike called by Tamil Nadu Milk Producers Welfare Association here demanding increased procuring price entered its seventh day today, with supply-less milk cooperatives wearing a deserted look.

As against an average supply of 1.5 lakh litres of milk a day, the Primary Milk Producers Cooperative Society registered no supply from the milk producers who are demanding a hike of Rs 8/litre for buffalo's milk and Rs 5/litre for cow's milk.

The Erode District Milk producers Cooperative Union, which normally sends more than 60,000 litres of milk daily to Chennai, has not been able to do the same for the past one week, due to the strike.

The supply of AAVIN milk sachets in the districts is fast running out and authorities said yesterday that they would last only for one or two days more.

## Tight supply, bullish activities keep pepper market hot



Pepper market after midweek has been highly volatile and bullish with bull operators remaining in the driving seat pushing the market up substantially.

Kochi, Feb. 13:

Pepper market after midweek has been highly volatile and bullish with bull operators remaining in the driving seat pushing the market up substantially. With the sharp rise in February delivery price, Indian pepper has become out-priced and hence at the current levels no overseas demand is likely.

Buyers are now waiting for Vietnamese pepper to arrive in good quantity pushing pepper prices down. Vietnam has been offering 500 GL and 550 GL pepper at \$4,150-4,450 a tonne (fob) respectively. Overseas buyers would go for it as availability of asta grade pepper in Vietnam might be tight following upsurge in white pepper prices.

It would convert all bold berries into white. The processing cost is also comparatively much less. Therefore, there could be possibility of a squeeze in availability of asta grade.

Also, availability of Vietnam pepper would depend on the volume of cross-border trade with China. Brazil does not seem to have much material to offer at present and hence from now onwards till the arrival of the Indonesian new crop in Aug/Sep, Vietnam may remain the sole source of pepper.

Meanwhile, availability in India is limited due to poor crop. Supply from the southern districts of Kerala has become very thin. Arrivals have to pick up from the spices district, Idukki and Wayanad.

In fact, India may not have much indigenous pepper left for export and whatever is available at current prices would be absorbed by the strong domestic market. The only possible threat to domestic prices, which might emanate in the coming days, would be from cheap pepper imported from Vietnam for value-addition and re-export.

Imported bold berries could be sold as Wayanadan pepper in the domestic market at the prevailing premium price on the one hand and on the other, after making substantial gains cheap material could be dumped into the domestic market and pull prices down for covering cheaper to meet the export commitments, growers said.

During the weekend, February delivery prices has soared and surpassed March by over Rs 300 a quintal due to the tight supply situation as sellers withdrew, while speculators and operators were in control of the market. Bulls who were suffering for the past three-four deliveries appeared to have mustered strength and held on to their positions, which in turn pushed prices sharply up, market sources told *Business Line*.

All contracts on the NCDEX soared during the week. February, March and April increased by Rs 2,512, Rs 1,959 and Rs 1,736 respectively to close at Rs 25,366, Rs 25,053 and Rs 25,116 a quintal.

Total turnover during the week soared by 77,347 tonnes to close at 1,19,656 tonnes at the weekend. Total open interest also increased by 4,678 tonnes to close at 18,481 on Saturday showing good additional purchases.

Spot prices surged by Rs 1,500 to close at Rs 23,200 (un-garbled) and Rs 24,000 (MG 1) a quintal at the weekend close, in tandem with the futures market trend and tight supply situation.

Indian parity in the overseas market is at around \$5,600-5,650 a tonne (c&f) and remained much above other origins.

**IPC report**

According to the International Pepper Community (IPC), black pepper market showed moderate improvement in India. Trading at the Commodity Exchange was active during the week. Small quantity from the new crop has arrived in local market. Prices increased by around 3 per cent in both spot as well as futures and fob prices. In Vietnam, activity are still limited.

Slight increase was also recorded in Sarawak and Sri Lanka.

### **White pepper**

In Bangka, white pepper prices increased, while in Sarawak prices was stable. In HCMC, local prices increased on Friday from VND 1,15,000 a kg VND to 1,22,500. In China, players are still on holiday.

Indian exports of whole pepper dropped sharply by 30 per cent in 2010 from that of the previous year while with an import of 18,000 tonnes, the country became a net import last year, according to the IPC.

### **Cashew research station suggests new variety for coastal Karnataka**



The team of United Nations Development Programme officials at the Horticultural Research Station in Ooty (file photo) - Special Arrangement

Mangalore, Feb. 13:

The Horticultural Research Station of the University of Horticultural Sciences (Bagalkot) at Ullal in Mangalore taluk, has recommended the cultivation of NDR 2-1 variety of cashew in coastal Karnataka.



In an informal chat with newsmen on the sidelines of cashew field day at Ullal on Saturday, Dr Lakshman, Head, Horticultural Research Station, Ullal, said that the variety released by the Cashew Research Station of Kerala Agricultural University at Madakkathara was studied for 10 years in Ullal research station, before recommending the variety for cultivation in coastal Karnataka.

The average yield of cashew nut in this variety is 21.4 kg a tree and the seed size of this crop is also good, he said.

Till now, the research station at Ullal has released Ullal 1, Ullal 2, Ullal 3, Ullal 4 and UN-50 varieties of cashew for cultivation. Of them, Ullal 1 yields 19 kg of seeds a tree, Ullal 2 variety 18 kg a tree, Ullal 3 yields 15 kg a tree, Ullal 4 variety 9.5 kg a tree, and UN-50 yields 10.5 kg a tree.

Ullal 1 and 2 were recommended for cultivation in 1984; and Ullal 3, 4 and UN-50 were recommended for cultivation in 1993, 1994 and 1995, respectively.

Spread over 35 acres of land, the research station at Ullal cultivates 15 varieties of cashew. On an average, the station gets around 150 quintals of seeds as yield every year, he added.

### **Global tea output rises 6.27%**



Business Line Plantation workers using a harvester in a tea garden in the Nilgiris.

Coonoor, Feb. 13:

Global black tea output rose 6.27 per cent in calendar year 2010 over the previous year, reveals an analysis of the latest information available with producers and trading organisations.

“According to our compilation, world black tea output totalled 1925.48 million kg (mkg) against 1811.91 mkg. There will be slight variation once we get final data from Uganda and Zimbabwe. Both have reported a higher crop over 2009”, Mr Rajesh Gupta, Director, Global Tea Brokers, told *Business Line*.

This shows an increase of 113.57 mkg or 6.27 per cent over 2009.

### **Kenya's output-biggest**

The biggest increase of 84.81 mkg has come from Kenya where production rose to 329.38 mkg. Sri Lanka posted an increase of 38.25 mkg to reach 329.38 mkg.

### **Shortfall in India**

But, India, the world's largest black tea producer, suffered a shortfall of 12.60 mkg to dip to 966.40 mkg.

North Indian output lost 11.90 mkg to fall to 723 mkg while South Indian production dropped marginally 0.70 mkg to total 243.40.

Indonesia lost 2.30 mkg to dip to 72.20 mkg, Malawi just lost one mkg to produce 51.60 mkg and Bangladesh lost marginally 0.80 mkg to account for 59.20 mkg.

### **Red gram falls below Govt support price**



## Business Line

Dharwad, Feb. 13:

Red gram is trading at prices 17.64 per cent lower than the minimum support price fixed by the Central/State Governments at Rs 3,400 in the north Karnataka markets.

According to the price forecast for red gram by the Domestic and Export Market Intelligence Cell (Demic), set up at the Department of Agri-business Management, University of Agricultural Sciences, Dharwad, "Red gram will be around Rs 3,400 to 3,700 per quintal from February to March months in Gulbarga, Sedam and Humnabad markets."

Giving reason for the sudden dip in prices, Demic has advised farmers to sell red gram immediately on harvest, because storage is not expected to fetch any higher price. "Storage of the crop is not going to improve the price as late sown crop in other regions will start pouring in," it further added.

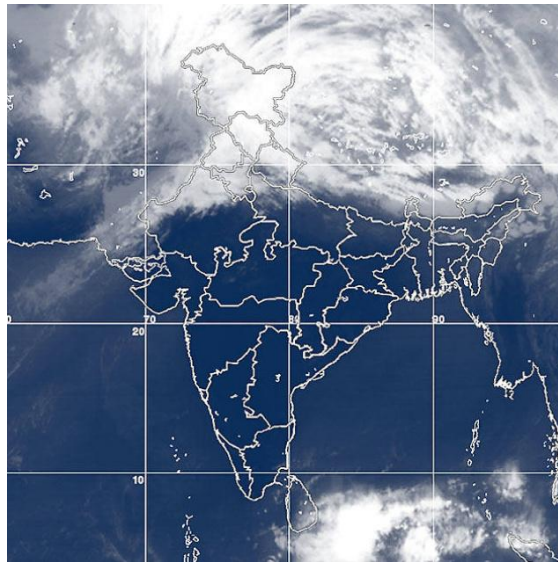
In addition to the Central Government's support price, the State Government has also come forward to procure red gram through its agencies by offering Rs 4,000 a quintal. Red gram is grown in north Karnataka districts like Gulbarga, Yadgir, Bijapur, Bidar, Raichur and Bagalkot.

According to a senior university official, the area under red gram has increased to 8.46 lakh hectares this kharif season as against 5.43 lakh hectares last year. Hence a bumper crop is in the offing.

The targeted area in this kharif season was 6.76 lakh hectares. Red gram covers 50 per cent of the area under pulses. After several years, the area under pulses has crossed the target.

Farmers in north Karnataka had lost the crop last year (2009-10) because of delayed monsoon, and later excessive rain in September. The launch of the Accelerated Pulses Production Programme in six districts under the aegis of the National Food Security Mission, a Central Government-sponsored scheme, has contributed to increased acreage. To make the mission a success, free kits containing micro nutrients, plant protection chemicals, etc., were distributed to small farmers.

#### **Heavy rain, snow to sustain over Jammu and Kashmir**



Thiruvananthapuram, Feb 13:

Widespread rain or snow has been reported from Jammu and Kashmir and scattered over Himachal Pradesh during the 24 hours ending Sunday morning.

The causative western disturbance, an 'active' one, also brought isolated rain and thundershowers over Punjab, an India Meteorological Department (IMD) update said on Sunday evening.

## **WEATHER WARNING**

A weather warning issued by the IMD said that heavy to very heavy rain or snowfall would unfold at a few places over Jammu and Kashmir and Himachal Pradesh. The heavy to very heavy rain or snowfall belt would move later to Uttarakhand.

Isolated thunder squalls and/or hail are likely to occur over Punjab, Haryana and Rajasthan on Monday and Tuesday and subsequently over Delhi and west Uttar Pradesh.

A few international models suggested that the outgoing long-wave radiation (OLR) would stay negative, indicating cloud presence, over many parts of the country going into March first week.

## **EASTERN RAINS**

This could mean sustained westerly activity over northwest India, which some forecast models have already gone on record saying would continue through most part of the rest of this month.

European Centre for Medium Term Weather Forecasting is foremost among them, with the US National Centres for Environmental Prediction seeing rains breaking out over eastern India and the east coast during the week ending February 20.

There is the likelihood of a follow-up western disturbance intervening and helping sustain these rains over a wide geography from Bihar, Jharkhand, West Bengal, Northeast, Orissa, Chhattisgarh, Vidarbha, Telangana, Rayalaseema, south interior Karnataka, interior and south Tamil Nadu and Kerala.

## **IMD VERSION**

But an IMD forecast said scattered rain or thundershowers would occur over Kerala, Tamil Nadu and the North-eastern States during this period. This is most likely to happen as a Bay of Bengal weather system drifts in from Sri Lanka and interacts with the westerlies dipping over east India.

Meanwhile, minimum temperatures have risen to above normal by 4 to 7 deg Celsius over many parts of northwest and central India.

## **CONVECTIVE CLOUDS**

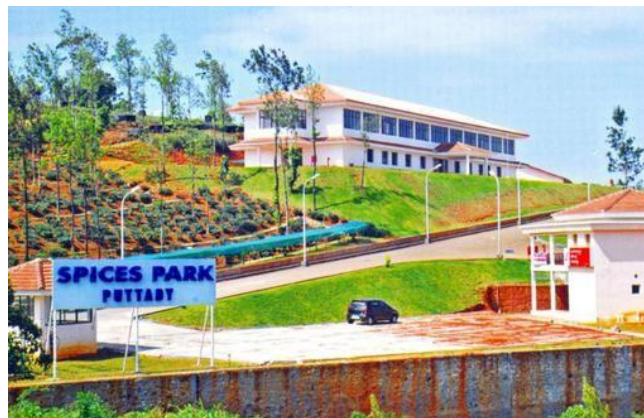
The lowest minimum temperature touched double-digit figures at 10 deg Celsius recorded at Sikar in Rajasthan in the plains of the country.

Satellite picture on Sunday afternoon showed the presence of convective (rain-bearing) clouds over many parts of Jammu and Kashmir, Himachal Pradesh and parts of Uttarakhand, Punjab and south Bay of Bengal.

Forecast until Wednesday said that widespread rain or snowfall would occur over Jammu and Kashmir and Himachal Pradesh.

Fairly widespread rain or snow would occur over Uttarakhand on Monday and Tuesday and increase thereafter.

## **Spices park opened in Kerala**



The Hindu A spices processing and storage park with modern facilities was opened at Puttadi in Kerala's Idukki district, with special focus on cardamom and pepper. The park, set up at a 7.5 acres campus at a cost of Rs 27 crore by the Spices Board, was inaugurated by Kerala Opposition leader, Mr Oommen Chandy.

Puttadi (Kerala):

Giving a thrust to value-addition of spices, a spices processing and storage park with modern facilities was opened today at Puttadi in Kerala's Idukki district, with special focus on cardamom and pepper.

The park, set up at a 7.5 acres campus at a cost of Rs 27 crore by the Spices Board, was inaugurated by the Kerala Opposition leader, Mr Oommen Chandy.

Besides world class storage houses, the park has other required facilities such as laboratories, electronic auction centre and cleaning and grading plants for pepper and cardamom, two crops mainly grown in the area.

In his address, Mr Chandy wanted the Centre and the State governments to work out a mechanism to ensure the security of farmers when they faced adverse situations like price crash or crop fall. He said increasing the productivity of spices grown in Kerala was the one that required urgent attention.

Similarly, organic farming should be promoted in view of growing international demand for products grown without using chemical fertilisers and pesticides, he said.

The facilities at the park included raw material and finished goods storehouses, black pepper processing plant, white pepper production unit, laboratory for testing physical parameters and electronic auction system with 60 terminals.

It also has cardamom cleaning and grading plant, cardamom colour sorting machines, pepper cleaning, de-stoning and grading plant, pepper crushing and powdering plant, pepper packing unit and steam sterilisation unit.

Lok Sabha member from Idukki, Mr P T Thomas and Spices Board Chairman Mr V J Kurien also spoke on the occasion. .

**Sharp fall in offerings at Colombo tea sale**



Business Line Tea gardens in Darjeeling Hills (File photo): Ajay Sha  
Colombo, Feb. 13:

Total tea offered at the auction here in the second week of February dipped sharply to 6.1 mkg compared to a healthy 7.5 mkg last week. This is the lowest offer since the beginning of the year.

Part of the reason was the fall in ex-estate offering to 0.8 mkg. Ex-estate offerings had not gone down below the 1 mkg in the past two months.

Demand remained good, though at irregular rates. There was no significant movement in prices, particularly for the western planting districts, despite lower volumes.

According to Forbes and Walker Tea Brokers, on average Below Best and Plainer BOPs lost LKR 5 to 10 per kg although a few select BOPF invoices in the Best and Below Best category appreciated after special enquiries.

The price structure of NuwaraEliyas showed marginal improvement, while CTCs remained firm. Off grade and dusts gained LKR 5 to 10 per kg (for most grades) compared with last week.