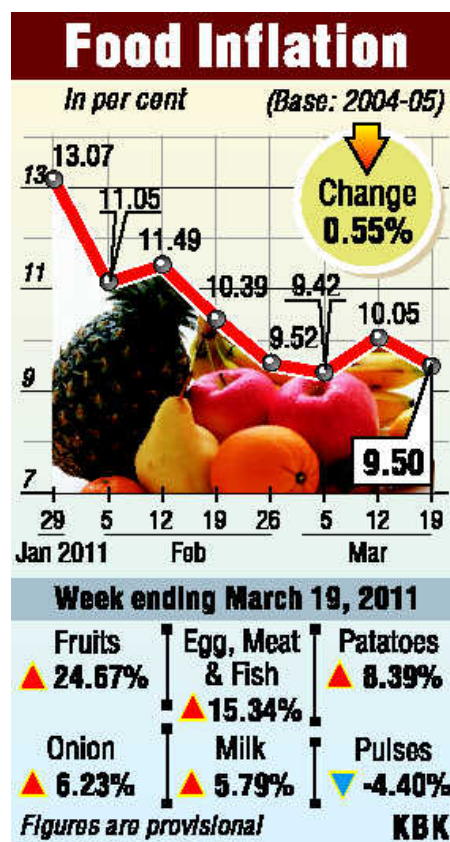


## Food inflation eases to 9.5%



NEW DELHI: Food inflation eased to single digit at 9.5 per cent for the week ended March 19 from 10.05 per cent in the previous week, ostensibly on account of a decline in the prices of pulses even as fruits, vegetables and protein-based edibles remained costlier.

The lower inflation level, as per the wholesale price index (WPI), is unlikely to afford any cheer for the common man, as the drop is more owing to a high base effect since food inflation during the like week in 2010 stood pegged way higher at 20.18 per cent.

The WPI data revealed that while prices of pulses fell 4.40 per cent on a year-on-year basis, vegetables continued to rule higher by 5.52 per cent during the week with potatoes and onions turning dearer by 8.39 per cent and 6.23 per cent, respectively. Alongside, while prices of fruits surged 24.67 per cent, eggs, meat and fish were 15.34 per cent costlier on a yearly basis.

Base effect helps

Evidently, apart from the statistical anomaly of base effect which tends to provide relief from high prices only on paper and not to pockets, the government will have to undertake some more administrative measures to contain rising food prices as mere tinkering with key policy rates by the Reserve Bank of India is unlikely to yield the desired results.

Since March 2010, the RBI has raised its policy rates eight times to contain headline inflation, but it is common knowledge that food inflation is on account of mismatches in supply and demand.

According to the WPI food inflation data, milk turned dearer by 5.79 per cent on a yearly basis and barring wheat, which remained unchanged, other items also ruled higher with cereals costlier by 3.96 per cent and rice by 2.94 per cent.

**Date:01/04/2011 URL: <http://www.thehindu.com/2011/04/01/stories/2011040166122000.htm>**

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## **100 % FDI allowed in some areas of farm sector**

Special Correspondent

NEW DELHI: Tuning the policy norms further to attract declining foreign investment, in a significant development, the Centre on Thursday announced allowing 100 per cent foreign direct investment (FDI) in the agriculture sector, including seeds, plantation, horticulture and cultivation of vegetables.

According to a circular by the Department of Industrial Policy and Promotion released on “Consolidated FDI Policy — Circular 1 of 2011”, 100 per cent FDI has been now allowed in development and production of seeds and planting material, floriculture, horticulture, and cultivation of vegetables and mushrooms under controlled conditions. The policy will come into

effect from Friday (April 1). Besides, animal husbandry (including of breeding of dogs), pisciculture, aquaculture under controlled conditions and services related to agro and allied sectors have been brought under the 100 per cent FDI norm. Similarly, the tea sector has also been brought under the 100 per cent FDI norm.

The DIPP has imposed certain conditions for companies dealing with development of transgenic seeds and vegetables wanting to take the 100 per cent FDI route.

Under the 100 per cent FDI in tea sector, it demands compulsory divestment of 26 per cent equity of the company in favour of an Indian partner/Indian public within a period of five years prior to approval of the State Government concerned in case of any future land use change.

**Date:01/04/2011 URL: <http://www.thehindu.com/2011/04/01/stories/2011040160130300.htm>**

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## **Need to strengthen farm sector stressed**

Staff Correspondent

DHARWAD: The recent global economic meltdown did not affect India much for the sole reason that ours is still an agro-based economy with 65 per cent of the population depending on agriculture for livelihood, R.R. Hanchinal, Vice-Chancellor, University of Agricultural Sciences, Dharwad, has said.

Delivering the Sir C.V. Raman Memorial National Science Day Foundation lecture on the 'Agriculture scenario in India and future prospects' at Karnatak University here on Thursday, Dr. Hanchinal said the Indian economy was predominantly rural. Therefore, stress should be given on strengthening the agricultural sector, which in turn would benefit various sectors, he said.

Increasing numbers

Referring to the population explosion, he said this called for greater focus on enhancing food production to provide food security for the nation.

By 2020, the country would require 250 million tonnes of foodgrains. Hence, the 12th Five Year Plan had focussed mainly on agriculture, while schemes had been designed to increase the

annual agricultural growth rate from 3.2 per cent to 4 per cent. If we achieve this target by 2020, the country would have food security, he said.

Fragmentation and degradation of land, and mismanagement of water resources had affected farm productivity, the Vice-Chancellor said. Farmers were not trained in water management or fertilizer usage, he added.

Vice-Chancellor of Karnatak University, Dharwad, H.B. Walikar, who presided over the programme, called upon the farmers to maintain the soil fertility and make proper use of various agricultural schemes for the benefit of society.

Date:01/04/2011 URL: <http://www.thehindu.com/2011/04/01/stories/2011040164511100.htm>

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### Farmers find leasing out land to ginger growers profitable

Sathish G.T.

*Potato growers in Hassan suffered losses after the crop was hit by late blight*

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*Farmers are assured of getting a fixed amount at the end of the year if they lease out the land*

*Till mid-March, ginger had been sown in about 45,000 hectares in the district*

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reaping benefits: Agricultural workers from Kerala at a ginger field at Dasanakoplu near Hassan.

Hassan: For Narasamma, a farmer from Dasanakoplu near here, leasing out her land to ginger growers is more profitable than venturing into farming. She has leased out two acres of land to ginger growers from Kerala at the rate of Rs. 45,000 an acre per year.

Similarly, hundreds of potato farmers in the district have leased out their land to outsiders after their crop was hit by late blight in the past few years.

Ms. Narasamma said her family members preferred to hand over the land on lease as they were sure of getting an assured sum at the end of the year. Also, there was no need to look after the crop every day. "I get Rs. 45,000 an acre per year. And, the lessee pays another Rs. 50,000 for using the borewell water," she said.

Potato is a traditional crop here. Hundreds of farmers had suffered losses after their crop was infected by late blight. The estimated loss since 2008 is Rs. 230 crore, according to the Agriculture Department.

#### Best alternative

"Continuing loss of crop prompted farmers to look for alternative crops. Many found ginger as the best alternative. However, we can't say that cultivation of potato has come down drastically before conducting a detailed ground survey," Nagaraj, Deputy Director of Horticulture, said. According to Mr. Nagaraj, till mid-March, ginger had been sown in about 45,000 hectares in the district. By April-end, it will be extended to another 15,000 hectares. Last year, ginger was cultivated in 45,000 hectares.

Bobby, an agricultural worker from Kalpetta in Kerala, is among the three who are working on 7 acres of land taken on lease at Dasanakoplu. He is working for a Kerala-based farmer. "If the yield is good, the returns will be a minimum of Rs. 1.5 lakh per acre in a year," he said.

However, these growers keep moving from one place to another as ginger is not meant to be cultivated on a particular land every year. "The yield is good in the first year. It sucks nutrients from the soil to the maximum level. Farmers will have to grow ragi or jowar for the next couple of years for the soil to regain fertility," Mr. Bobby said.

## Engineering students develop multipurpose farming machine

Staff Reporter



**Innovation:G. Rajasekharan, P. Rohit, B. Ashok, G.G. Ganesh and H. Visakh of the Mar Baselios College of Engineering and Technology, Thiruvananthapuram, and their teachers, display the farm machine.**

THIRUVANANTHAPURAM: A group of students of Mar Baselios College of Engineering and Technology, here, have developed a farming machine that integrates digging and tilling.

Designed to be used on small plots of land or in home gardens, this multipurpose machine uses a petrol engine for digging and tilling. However, the machine itself has been designed in such a manner that it has to be moved manually.

Though the machine can till and dig, there is no provision for switching over from one function to the next, on the go. The machine has to be stopped, the tiller equipment removed and the digger, has to be fitted.

The instrument has been designed by G. Rajasekharan, P. Rohit, B. Ashok, G.G. Ganesh and H. Visakh. The project was supervised by Professor K.M. Raju, Head of Department of Mechanical Engineering, K Gisuthan, Professor, V.P. Premchand, Assistant Professor and R.K. Vineetha, Lecturer.

Team member G. Rajasekharan said that tilling and digging were now being done by separate machines that cost about Rs.40,000 and Rs. 26,000, respectively. By integrating these two functions, this multipurpose machine allows huge cost savings.

The team spent just about Rs. 10,000 to develop the machine, as they built it using scrap material. For a full-fledged machine using a more powerful motor and with a more robust body, the costs would be higher. However, this machine would still be cheaper than buying two separate ones for tilling and digging. Since they had their eye on the final bill, the team also had to leave out some additions to the machine; this includes a shield which would guard against any accidental injury to the user.

**Date:**01/04/2011 **URL:** <http://www.thehindu.com/2011/04/01/stories/2011040163710700.htm>

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## **State gets third largest loan component from NABARD**

Special Correspondent

*Rs. 1,237 crore sanctioned for rural infrastructure*

**HYDERABAD:** The National Bank for Agriculture and Rural Development has sanctioned Rs.1,237 crore under the Rural Infrastructure Development Fund to the State during 2010-11.

The State occupied third position in the country in terms of assistance sanctioned under RIDF during the year after Uttar Pradesh and Rajasthan.

Meanwhile a loan of Rs.137.02 crore was sanctioned to the State government in a meeting held on March 29 for construction of 110 rural roads and 52 rural bridges by the Panchayat Raj Engineering Department at a total outlay of Rs.173.09 crore and the balance Rs.36.07 crore will be released by the State.

The major departments which accessed funds from NABARD under RIDF during the year included the Horticulture Department which got Rs.372.72 crore for financing Andhra Pradesh Micro Irrigation Project (APMIP) to cover 1,50,000 hectares under drip and micro irrigation, four horticulture projects and four polytechnics.

Rural Water Supply and Sanitation department was sanctioned Rs.237.17 crore for providing drinking water to 12 lakh population and designed to benefit 15 lakh people by the year 2032.

The other departments that got funds under the RIDF are Panchayat Raj and Roads and Buildings- Rs.202.13 crore, Panchayat Raj Engineering Department- Rs.209.85 crore, Rs.75.3 crore for construction of 347 roads and 69 bridges through Roads and Buildings, Women Development and Child Welfare Department- Rs.50 crore for setting up 1,384 anganwadi centres in 22 districts. Since inception of RIDF in 1995-96, NABARD sanctioned 25,845 projects with a loan component of Rs.13,274.76 crore to the State, according to P.Mohanaiah, Chief General Manager, NABARD.

**Date:01/04/2011 URL: <http://www.thehindu.com/2011/04/01/stories/2011040159250200.htm>**

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### **Meghalaya braces for disaster management**

Shillong: The Japan earthquake has prompted the Government of Meghalaya which is located in Zone—V, one of the most seismic areas in the world, to brace itself for disaster management.

“District Disaster Management Committees headed by the respective deputy commissioners along with mobile medical units would be deployed in case of disaster,” faculty head of the Disaster Management Centre S Ahmed said during an interactive session with journalists here on Thursday.

Acknowledging that almost 75 per cent of villages in the State had Disaster Management Committees, he said there were provisions for Disaster Response Funds at district levels.

The Centre, he said, would bear 75 per cent of resources under Calamity Relief Fund in cases of emergency.

Mr. Ahmed, however, said Emergency Operation Centres in the State were still not operational.

“The centres will be made functional soon.”



Former deputy director of the directorate of information and public relations, P Marbaniang, who was a resource person at the session said, “the point is not to create panic but to make the public aware of disaster management methods.”

Stating that there were ‘Early Warning’ and ‘Search and Rescue’ teams, amongst others, he, however, admitted that much of these were on paper only.

The Meghalaya Administrative Training Institute has conducted training in disaster management for various people including teachers, health officers, paramedical personnel and State Government officers of different departments.

Officials, however, admitted that the response to disaster management workshops in the State so far has been lukewarm.

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**hindustantimes**



**Press Trust Of India**

New Delhi, March 31, 2011

First Published: 13:53 IST(31/3/2011)

Last Updated: 13:57 IST(31/3/2011)

### **Food inflation in single digit at 9.5% for week ended March 19**

Food inflation fell to a single digit at 9.5% for the week ended March 19 amid easing pulses prices, even as fruits and protein-based items remained costly.

Food inflation based on the wholesale price index (WPI) had risen to 10.05% for the preceding week leading up to March 12 after remaining in a single digit for two weeks.

During the week ended March 19, prices of pulses declined by 4.40%.

However, as per data released today, vegetables became costlier by 5.52% year-on-year, with potato prices rising by 8.39% and onions by 6.23% during the week under review.

What is more, prices of fruits soared by 24.67% year-on-year and eggs, meat and fish became dearer by 15.34%.

Food inflation stood at 20.18% in the comparable period last year.

During the week under review, milk became 5.79% costlier on an annual basis.

The latest WPI data also shows that prices of cereals were up 3.96% and rice became dearer by 2.94% during the week. However, wheat prices remained unchanged year-on-year.

Meanwhile, non-food inflation was up by 26.18% year-on-year.

Mineral prices were up by 12.35% during the week under review, while petrol became dearer by 23.14%.

Headline inflation in the country has remained above 8% since February, 2010. Overall inflation in February this year stood at 8.31%.

<http://www.hindustantimes.com/StoryPage/Print/679732.aspx>

Mumbai, March 31, 2011

First Published: 10:51 IST(31/3/2011)

Last Updated: 17:03 IST(31/3/2011)

### **Sensex up 155 pts at close on FII inflows and easing inflation**

The BSE Sensex moved up for the eighth straight session on Wednesday- the longest stretch of upward march since last April - adding 155 points to close above 19,445 on steady FII inflows and easing inflation amid firm global trends.

In a highly volatile trade, the gauge shuttled between 19,575.16 and 19,284.35 as the recent rally led investors to off-load pending positions on the last day of the month's settlement in the derivative segment.

The Bombay Stock Exchange benchmark index Sensex gained 155.04 points to close at 19,445.22 in continuation to a gain of 1,446 points in the last seven sessions -- the longest stretch of gains since April 15, 2009.

The Sensex jumped 5.2 % last week and has rallied 8.8 % in March, poised for its biggest monthly advance since September.

Similarly, the broad-based National Stock Exchange index Nifty rose by 46.10 points to 5,833.75, after touching the day's high of 5,872.

FII's bought \$ 1.3 billion worth of Indian equities in March, after selling \$ 2.2 billion in January and February.

Brokers said investors bought equities on easing food inflation, which fell back in the single digit, and hopes of better fourth quarter earnings to be announced -- starting in a couple of weeks.

Food inflation fell to 9.5 % for week ended March 19, down from 10.05 % in the previous week.

Asian trend firmed and Europe opened higher on US jobs report that increased confidence in the growth of the world's largest economy.

IT sector led the rally by adding 1.92 % to reach 6,548.10 on hopes that upbeat results and outlook last week from global tech majors indicated resurgence in tech spending.

The Indian IT sector index has jumped nearly 8 % since results from the two US-based giants.

The second most heaviest on the Sensex - Infosys Technologies spurted by Rs 66.60 to Rs 3,236.75. Tata Consultancy Services rose by Rs 31.15 to Rs 1,182.50 and Wipro by Rs 5.45 to Rs 478.30.

The stocks of FMCG, oil and gas, teck, metal, realty and power sector also remained in the fore-front of buying.

<http://www.hindustantimes.com/StoryPage/Print/679653.aspx>

## Weather

Chennai - INDIA

### Today's Weather



Clear

Rain: 00 mm in 24hrs

Humidity: 84%

Wind: Normal

**Friday, Apr 1**

Max Min  
37.4° | 24.4°

Sunrise: 6:06

Sunset: 18:20

Barometer: 1008.0

### Tomorrow's Forecast



Cloudy

**Saturday, Apr 2**

Max Min  
37° | 24°

### Extended Forecast for a week

Sunday

**Apr 3**



34° | 23°

Cloudy

Monday

**Apr 4**



33° | 22°

Cloudy

Tuesday

**Apr 5**



32° | 21°

Cloudy

Wednesday

**Apr 6**



33° | 22°

Partly Cloudy

Thursday

**Apr 7**



31° | 25°

Rainy

# Business Standard

Friday, Apr 01, 2011

## Spices exports rise 4% in April-February

George Joseph / Kochi April 1, 2011, 1:15 IST

Spices exports increased four per cent in volume and 19 per cent in value during April-February. In dollar terms, the rise was 24 per cent. A total of 471,165 tonnes of spices and spice products were exported, valued at Rs 6,030.74 crore (\$1,323.28 million) as against 453,495 tonnes valued at Rs 5,058.26 crore (\$1,063.44 million) in the same period of last financial year.

Exports till now have already exceeded the target set for the current financial year in terms of both, quantity and value. Compared to the target of 465,000 tonnes valued at Rs 5,100 crore fixed for 2010-11, the achievement is 101 per cent in terms of quantity and 118 per cent in value terms, the latest Spices Board data showed.



Exports of chilli, ginger, fennel, garlic, asafoetida and tamarind increased both in volume and value during the period. Exports of value added products like spice oils and oleoresin and curry powder/paste also increased. However, in the case of pepper, cardamom (large), turmeric and mint products, the increase was in terms of value only. Other spices like cardamom (small), coriander, cumin, celery, fenugreek, nutmeg and mace decreased both in volume and value

terms.

<b>NOT SO SPICY</b>				
<b>Spice</b>	<b>Quantity (tonnes)</b>		<b>Value (Rs cr)</b>	
	<b>2010-11</b>	<b>2009-10</b>	<b>2010-11</b>	<b>2009-10</b>
Pepper	16,600	18,425	334.62	293.00
Cardamom (small)	865	1,765	100.41	143.62
Chilli	218,500	180,750	1379.52	1156.57
Ginger	12,000	5,100	77.29	41.51
Spice oils & oleoresins	6,800	6,225	803.02	651.68
Curry powder & paste	13,250	13,100	178.76	173.30
Coriander	37,500	41,150	150.00	202.70
Cumin	27,500	44,800	333.72	494.48
<i>(The time span of exports is from April-February)</i>				

Garlic export edged up 66 per cent in volume and 138 per cent value terms at 16,700 tonnes valued at Rs 66.54 crore, according to the data. Export of mint products registered eight per cent drop in quantity, but 40 per cent increase in value during the period.

A total 42,500 tonnes of turmeric valued at Rs 608.84 crore were shipped registering a decline of nine per cent in quantity, but 78 per cent rise in value terms in April-February 2010-11.

During the period, a total quantity of 2,18,500 tonnes of chilli valued at Rs 1379.52 crore was exported as against 1,80,750 tonnes valued at Rs 1156.57 crore, registering an increase of 21 per cent in quantity and 19 per cent in value. During April- February 2010-11, 12,000 tonnes of ginger valued at Rs 77.29 crore was exported as against 5,100 tonnes valued at Rs 41.51 crore of last year.

## **60% import duty on sugar likely from today**

**Press Trust Of India / New Delhi April 1, 2011, 1:13 IST**

With the country's sugar production set to exceed domestic demand, the government is likely to reimpose 60 per cent import duty from tomorrow.

"The duty-free notification lapses on Thursday. From April 1, it automatically reverts to the old duty structure," an official source said.

In early 2009, import duty on sugar was abolished to boost domestic supply in view of a dip in production in the 2008-09 sugar year (October-September). Prior to that, the same stood at 60 per cent. The duty-free regime was valid till on Thursday.

India has imported about six million tonnes (mt) of sugar since February 2009 to meet domestic demand. Production fell to 14.7 mt in 2008-09, as against the annual demand of 22 mt. Output improved to 19 mt in 2009-10. However, it was still short of demand.

In the current sugar year, production is expected to outstrip demand at 24.5 mt and the country has started exporting the sweetener. Domestic Prices have also softened to Rs 30-32 a kg in the national capital from nearly Rs 50 a kg in mid-January 2010.

Recently, the government allowed export of 500,000 tonnes of sugar under the open general licence scheme.

## **THE HINDU Business Line**

### **Kabli gram declines in thin trade**

New Delhi, March 31:

In restricted activity, kabli gram prices declined by Rs 50 a quintal on the wholesale pulses market on Thursday, owing to slackness in demand against sufficient stocks position.

Traders said sluggish demand against comfortable stocks position mainly led to decline in kabli gram small prices. In the national capital, kabli gram small declined by Rs 50 to Rs 4,000-5,400 a quintal.

Following are today's quotations in rupees a quintal: Urad 3,900-[4,300, Urad chilka (local) 4,800-5,200, best 5,300-5,800, Dhoya 5,350-5,450, Moong 4,400-5,400, Dal moong chilka local 5,300-5,700, Moong Dhoya local 5,600-5,800 and best quality 6,200-6,400.

Masoor small 3,100-3,300, bold 3,250-3,500, Dal Masoor local 3,650-3,750, best quality 3,950-4,250, Malka local 3,500-3,550, best 3,650-3,750, Moth 2,300-2,600, Arhar 3,450-3,950, dal arhar dara 5,000-5,400.

Gram 2,375-2,400, gram dal(local) 2,650-2,665, best quality 2,750-2,850, besan (35 kg) Shakti bhog 1,190, Rajdhani 1,190, Rajmah chitra Pune 3,350-3,750, China 3,450-3,950, red 3,500-3,600, kabli gram small 4,000-5,400, dabra 2,700-2,800, imported 4,700-5,100, lobia 4,700-5,200, peas white 2,100-2,200 and green 2,250-2,450.

#### **Rain in wheat bowls could delay arrivals**



Wheat arrivals are likely to be delayed by five days to a week on rain in the growing areas. The production of wheat is likely to be higher this year, even hitting a record, and it could lead to a drop in prices.



Chennai, March 31:

Wheat arrivals are likely to be delayed by five days to a week on rain in the growing areas. The production of wheat is likely to be higher this year, even hitting a record, and it could lead to a drop in prices.

“We have had rain a couple of days ago. This could lead to delay in arrivals by at least five days,” said Mr Raj Narayan Gupta, a miller based in New Delhi.

The Agriculture Ministry has projected the output to be 82 million tonnes (mt) against last year's 80.68 mt.

“The crop is very good. We expect production to be over 80 mt,” Mr Gupta said.

“The crop's health is good in almost all States. In Gujarat, production is expected to be 3.5 mt, almost double of last year,” said Mr Pramod Kumar, Executive Director of Bangalore-based Sunil Agro Foods Ltd.

Most industry players are expecting the crop to be 3-4 mt higher since the yield is expected to be higher.

“The weather has been good and favourable to the crop this year,” Mr Kumar said.

The higher production could see a drop in wheat prices from current levels.

Currently, wheat (dara) is quoted at Rs 1,195 a quintal at New Delhi, a benchmark for the grain prices in the country. It has come dropped from Rs 1,250 last week.

Millers in South India were offered wheat at Rs 1,340 a quintal (delivered at Bangalore) against 1,420 a couple of days ago.

“Prices could drop to levels of Rs 1,150 in New Delhi,” said Mr Gupta.

Industry sources say how prices will rule could depend on how procurement is done in Uttar Pradesh. The northern state accounts for around 35 per cent of the country's wheat production.

“The Uttar Pradesh Government has announced setting up of 4,000 procurement centres,” said Mr Kumar.

“The question is how much Uttar Pradesh can procure when there is no storage space,” wonder Mr Gupta.

Procurement in Uttar Pradesh could be a game-changer with regard to wheat prices.

### **Export decision and prices**

Any decision to export could also spur prices. Agriculture Ministry officials say that exports, banned currently, could be allowed sometime in April or May. Trade sources expect a decision after elections to the Tamil Nadu and Bengal State Assemblies get over.

“Even if one or two mt gets exported, it could put tremendous pressure on wheat prices here,” an industry source said, adding that the Centre was also under pressure to announce bonus.

Meanwhile, procurement is on in Madhya Pradesh and a few other States. As on Thursday, wheat procurement by State-owned agencies was 2.5 lakh tonnes against 3.36 lakh tonnes during the same period a year ago.

Wheat procurement is expected to be around 25 mt this year against last year's 22.5 mt.

According to sources, procurement would hinge on Haryana and Punjab production. Both States contribute 21 per cent of the country's wheat production but their share in procurement is far higher. This is because the private trade stays away from markets in these States as they charge higher market levies.

An uncertainty prevails over Madhya Pradesh crop since parts of the State were hit by unseasonal rain in December. A mixed view prevails on season-ending stocks of wheat. While a section of the trade is pegging stocks around 15 mt, another says it could be around 18 mt.

## Spot rubber gains a tad on covering buys



### Business Line

Kottayam, March 31:

Physical rubber prices finished marginally higher on Thursday. Covering purchases kept the market firm since the uptrend is expected to regain strength during in the new financial year. Late declines in domestic futures took the steam out and the gains were limited as sheet rubber remained under pressure on late trading hours.

Short-term prospects of natural rubber depend on how early the geopolitical concerns are mitigated and the nuclear crisis in Japan is solved according to Mr. Jom Jacob, Senior Economist, Association of Natural Rubber Producing Countries. Among other reports, at least 50,000 tonnes of rubber shipments from Thailand, the world's biggest rubber producer and exporter, were delayed by severe floods in the country's major rubber producing areas, disrupting transportation. More rain is expected in the next few days.

Sheet rubber improved to Rs 230.50 (230) a kg as quoted by the traders. The grade closed at Rs 231 (229) a kg according to Rubber Board.

The April series weakened to Rs 235.50 (235.96), May to Rs 242.01 (242.75), June to Rs 247.50 (248.69) and July to Rs 248.50 (249.43) a kg for RSS 4 on the National Multi Commodity Exchange.

RSS 3 (spot) inched up to Rs 255.99 (254.09) a kg at Bangkok. The April futures for the grade increased to ₹448 (Rs 241.01) from ₹444.9 during the day session but then slipped to ₹443.1 (Rs 238.40) a kg in the night session on the Tokyo Commodity Exchange.

Spot rates were (Rs/kg): RSS-4: 230.50 (230); RSS-5: 228 (227); ungraded: 224 (222); ISNR 20: 225 (224) and latex 60 per cent: 135 (134).

### **Value-addition livens up spices exports**



The Hindu Mr V.J. Kurian, Chairman, Spices Board

Kochi, March 31:

Continuing the uptrend of recent months, spices exports registered a 19 per cent growth in value and four cent growth in volume during the first 11 months of the current fiscal. The growth was even more significant in dollar terms, rallying 24 per cent.

What is most evident from the export statistics is the slow and steady fall in pepper in the spices export basket over the years. The export of pepper which used to account for over 50 per cent of the country's total spices export basket by value, now accounts for just over five per cent.

The well diversified and multi-spices export basket is far more suitable for the contemporary global trade since it can withstand crisis in individual spices and still maintain a steady and sustained growth over the years, said Mr V.J. Kurian, Chairman of the Spices Board. While spices exports have become strong and resilient, crisis in individual spices has become recurrent and a more periodic phenomenon: be it from the changing weather patterns, global warming or market related crisis.

## **Important development**

What is even more noteworthy is the fact that it is the value-added spices which have taken over the major mantle in the country's spices export basket, Mr Kurian said. While mint product exports constituted the most significant component in the export basket, accounting for over 25 per cent of the total value, spice oils and oleoresins accounted for over 13 per cent and curry powder exports for close to three per cent. The efforts of the Spices Board to promote the export of value added spices at the cost of raw spices exports have begun to pay rich dividends, Mr Kurian pointed out.

Chilli export accounted for close to 23 per cent of the export basket. Chilli export emerged as another major component in the spices export basket, relegating pepper to the background. However, both chilli and pepper are also major components in the value-added spices exports, sources in the spices trade said.

A total of 4,71,165 tonnes of spices valued at Rs 6,030 crore was exported from the country during April-February. The foreign exchange realisation was \$1.323 billion. Spices exports have already surpassed last years level of Rs 5,560 crore.

## **Targets surpassed**

The export of spices from India between April-February period have already exceeded targets in terms of quantity and value set for the 2010-11. Against an export target of 4,65,000 tonnes valued at Rs 5,100 crore set for the financial year, the achievement so far has been 4,71,165 tonnes in quantity valued at Rs 6,030 crore. It has already achieved 101 per cent of the target in terms of quantity and 118 per cent in terms of earnings. While the foreign exchange earnings target was set at \$1,125 million, it has already crossed \$1,323 million by the end of February.

Mr Kurian said that spices exports have grown stridently from around \$580 million levels in 2005-06 and he expected to touch \$1.4 billion levels by the end of the current year.

Among the value-added spices, export of spice oils and oleoresins and curry powder have grown in volume and value during the 11 month period. Export of mint products increased in value only. Export of chillies, ginger, fennel, garlic and some other spices have also shown a growth in volume and value.

## Seaweed cultivation taken up in Orissa villages



Berhampur, March 31:

Seaweed cultivation in Orissa was started for the first time in the coastal villages of Ganjam by fisherwomen, mainly members of self help groups (SHG).

Known as “Green Micro Finance Project”, jointly implemented by Nabard and Orissa Rural Reconstruction Association (ORRA), a NGO was launched at Langaleswar in Khallikote block last week for seaweed cultivation, particularly the red algae on commercial basis.

### High demand

“As the red algae is in much demand in pharmaceutical and cosmetic industries, we hope the lower income group (LIG) of the coastal villages, particularly the fishermen, will get an extra income with the cultivation of this seaweed,” said Ms Smita Sucharita Nayak, Executive Director of ORRA.

The seaweed demand is increasing worldwide as its extracts are widely used in toothpaste, ice-cream, textile printing, teeth filling, cosmetics, tissue culture, plywood, packaging and several other industries. Bio fuel can also be made from it, said Ms Nayak.

“Investment in the cultivation is less, but profit is high,” she said, adding it also helps combat global warming.

Cultivation of red algae would be easy as it was available wildly in Parikuda area inside the Chilika lake, she said.

Harvest will be made 45 days after cultivation. ORRA has made an agreement with M.S. Swaminathan Foundation to buy all the dry red algae harvested by womenfolk in the area.

“It will provide an alternative livelihood for fishermen families when the fish landing in Chilika is dwindling,” said MLA of Khallikote, Mr P.C. Sethi.

### **Usher Agro enhances rice milling capacity**



Business Line Mr. Vinod Kumar Chaturvedi, Managing Director, Usher Agro Ltd  
Mumbai, March 31:

Usher Agro, one of the largest rice millers in India, has reported increased rice milling capacity at 543,600 tonnes per annum (tpa) with the addition of 291,600 tpa of enhanced capacity at its facility at Chhata, Mathura.

Mr Vinod Kumar Chaturvedi, Managing Director, Usher Agro said, the company has increased its capacity to process and produce par-boiled rice to 450,000 tpa, which is one of the largest in the country. “The increase will have a positive bearing on the top line and the profitability of the company,” he added.

Besides rice milling, Usher also has wheat flour milling facilities of 75,000 tpa and captive co-generation power plants based on rice husk, a bye product of rice milling activity.

The company's shares were up 10.62 per cent at Rs 102.6 on the BSE on Thursday.

### **Coonoor tea auction volume rises 81,000 kg**



Coonoor, March 31:

A volume of 12.07 lakh kg will be offered for Sale No: 13 of the auctions of Coonoor Tea Trade Association (CTTA) to be conducted on Friday, reveals an analysis of the listing by brokers.

This is the first auction to be held in 2011-12 financial year. This is the highest volume of the past 11 weeks. It is 81,000 kg more than last week's offer but, as much as 1.08 lakh kg less than the offer this time last year.

Of the 12.07 lakh kg on offer, 8.53 lakh kg belongs to the leaf grades and 3.54 lakh kg belongs to the dust grades. As much as 11.21 lakh kg belongs to CTC variety and only 0.86 lakh kg, orthodox variety.



The proportion of orthodox teas continues to be low in both the leaf and dust grades. In the leaf counter, only 0.47 lakh kg belongs to orthodox while 8.06 lakh kg, CTC. Among the dusts, only 0.39 lakh kg belongs to orthodox while 3.15 lakh kg, CTC.

### **Coffee exports up 59.31%**



Hubli, March 31:

Coffee exports increased 59.31 per cent in the 2010-11 financial year to 3.25 lakh tonnes compared with previous financial year's exports of 2.04 lakh tonnes.

Coffee exports in rupee terms were also up 75 per cent at Rs 3,789.03 crore against Rs 2,165.12 crore during the review period. In dollar terms, it is up 83.31 per cent at \$811.09 million against \$442.45 million. However, in terms of unit value realisation coffee fetched Rs 1,16,543 a tonne against last year's realisation of Rs 1,06,119 a tonne.

According to Coffee Board, exports between January 1 and March 30 were: arabica parchment constituted 20,832 tonnes (last year's exports stood at 12,677 tonnes), exports of arabica cherry was 5,449 tonnes (3,918 tonnes), robusta parchment 7,386 tonnes (5,344 tonnes) and robusta cherry 45,482 tonnes (27,300 tonnes).

Indian instant coffee total exports 12,721 (5,581 tonnes), instant coffee re-exports 12,346 tonnes (15,577 tonnes).

### **Top 10 export houses**

According to the Coffee Board data, following are top 10 exporters: Amalgamated Bean Coffee total exports 12,114.1 tonnes (arabica 6,284.6 tonnes, robusta 5,829.5 tonnes). CCL Products-India (only robusta 9,087.6 tonnes). NKG Jayanti Coffee 8,605.9 tonnes (arabica 2,947.1 tonnes, robusta 5,658.8 tonnes). Allansons Ltd 8,026.1 tonnes (arabica 2,489.8 tonnes, robusta 5,536.3 tonnes).

Bola Surendra Kamath & Co 7,461.3 tonnes (arabica 2,697 tonnes, robusta 4,764.3 tonnes). Olam Agro India 6,944.7 tonnes (arabica 2,317.6 tonnes robusta 4,627.1 tonnes). ITC Ltd 6,151.1 tonnes (arabica 1,613.8 tonnes, robusta 4,537.3 tonnes). Ned Commodities India 6,027.2 tonnes (arabica 962.4 tonnes robusta 5,064.8 tonnes). Tata Coffee 5,437 tonnes (arabica 308.7 tonnes, robusta 5,128.3 tonnes). ECom Gill Coffee Trading 4,540.3 tonnes (arabica 925.9 tonnes, robusta 3,614.4 tonnes).

### **Top importing countries**

Italy 25,230.9 tonnes (arabica 6,369.3 tonnes, robusta 18,861.6 tonnes). Germany 14,927.1 tonnes (arabica 10,622.8 tonnes, robusta 4,304.3 tonnes). Belgium 10,445.4 tonnes (arabica 2,357.6 tonnes, robusta 8,087.8 tonnes).

Russian Federation 8,560.5 tonnes (arabica 106.1 tonnes, robusta 8,454.4 tonnes). Spain 3,865.2 tonnes (arabica 212.8 tonnes, robusta 3,652.4 tonnes). US 1,989.6 tonnes (arabica 600.1 tonnes, robusta 1,389.5 tonnes).

## Palmolein, soyabean oils strengthen on global cues



Workers weighing oil palm fresh fruit bunches at a collection centre near Peddapuram in Andhra Pradesh's East Godavari district. – M.R. Subramani

New Delhi, March 31:

Palmolein and soyabean oils prices strengthened by Rs 20 a quintal on the wholesale oils and oilseeds market on Thursday on increased buying by vanaspati millers, amid a firming trend in global markets.

Sentiments remained upbeat as palm oil gained in global markets on concern that a report will show the nation's farmers are likely to plant less soybeans in favour of corn, reducing output of the crop used to make rival cooking oil.

Meanwhile, palm oil futures for the most-active June contract gained 0.7 per cent to \$1,103 a tonne in Kuala Lumpur.

In the national capital, Palmolein (rbd) and palmolein (Kandla) gained Rs 20 each to Rs 5,640 and Rs 5,350 a quintal.

Soyabean refined mill delivery (Indore) and soyabean degum (Kandla) also traded Rs 20 each higher at Rs 5,750 and Rs 5,710 a quintal.

Following are today's quotations in rupees a quintal: Oilseeds: mustard seed 2,525-2,655 and groundnut seed 2,100-2,850. Vanaspati ghee (15 litres tin) 1,065-1,140.

Edible oils: Groundnut mill delivery (Gujarat) 7,650, groundnut Solvent refined (a tin) 1,300-1,310, Mustard Expeller (Dadri) 5,480, Mustard Pakki ghani (a tin) 760-915, Mustard kachi ghani (a tin) 915-1,015, Sunflower 6,300, Sesame mill delivery 6,230, soybean Refined mill delivery (Indore) 5,750, Soyabean degum (Kandla) 5,710, Crude Palm Oil (Ex-Kandla) 5,060, Cottonseed mill delivery (Haryana) 5,500, Palmolein (RBD)Rs 5,640 Palmolein (Kandla) 5,350, Rice bran (phy) 3,750 and Coconut (a tin) 1,600-1,660.

Non-edible oils: Linseed 4,600, Mahuwa 4,000, Castor 8,600-8,700, Neem 4,000-4,100, Rice bran 3,300-3,400 and palm fatty 3,225-3,300.

Oilcakes: groundnut dehusk 800-850, sesame 950-1,150, Mustard (new) 1,000-1,025, Mustard 1,200-1,210 and Cottonseed 1,075-1,175.

### **Rice procurement down at 25.1 mt this crop year**



New Delhi, March 31:

The Government has procured 25.1 million tonnes of rice since October last year, nearly 1 per cent less than the year-ago period.

The Food Corporation of India (FCI), the nodal agency for procurement and distribution of foodgrains, purchased 25.26 mt in the corresponding period of the 2009-10 marketing year (October-September). It had procured 32 mt of rice in the entire 2009-10 marketing year.

Arrivals of paddy have declined marginally to 39.89 mt so far this year from 39.97 mt in the same period last year.

In Andhra Pradesh, rice procurement stands at 4.07 mt so far this crop year against 3.71 mt in the same period of the previous year. Similarly, procurement has risen to 3.49 mt in Chhattisgarh (3.02 mt).

In contrast, procurement in Punjab — which is the largest contributor to the central pool — has declined to 8.63 mt so far this year compared with 9.28 mt in the same period of the previous year. Likewise, procurement in Orissa dipped to 1.55 mt from 1.8 mt.

According to the Agriculture Ministry's second advance estimates, the country is expected to produce 94.01 mt of rice in 2010-11 crop year against 89.09 mt last year.

### **Pistachio rises on buying support**



New Delhi, March 31:

Pistachio prices rose by Rs 5 a kg in the national capital on Thursday largely on the back of fresh buying support from retailers and stockists due to domestic demand. Fall in supplies from overseas markets also supported the upside in prices.

Pistachio hairati and peshwari traded higher by Rs 5 to settle at Rs 1,005-1,055 and Rs 1,255-1,305 a kg, respectively.

Market analysts said increased demand from retailers and stockists, driven by domestic demand against fall in supplies from overseas markets mainly pushed up pistachio prices on the wholesale dry fruit market here.

Following are today's quotations for 40 kg: Almond (California) Rs 10,000 Almond (gurbandi-new) Rs 4,900-5,000 almond (girdhi) Rs 2,700-2,750 and Abjosh Afghani Rs 7,000-20,000.

Almond kernel for kg (California) Rs 350-360, almond kernel (gurbandi-new) (kg) Rs 300-370.  
Pistachio Peshawari Rs 1,255-1,305 Pistachio Dodi (roasted) 500-550 Walnut Rs 180-300  
Walnut kernel (1kg) Rs 500-800

#### **Pepper, jeera up on stockists buying support**



Heavy liquidation: Black pepper

New Delhi, March 31:

Black pepper and jeera prices rose by Rs 100 a quintal in the national capital on Thursday on increased buying by stockists, driven by firm domestic and export demand amid fall in supplies. Black pepper prices rose by Rs 100 to settle at Rs 23,900-24,100 a quintal.

Jeera common and jeera best quality prices also increased by Rs 100 each to conclude at Rs 15,200-15,300 and Rs 17,200-17,700 a quintal, respectively. Traders said increased buying by stockists on the back of pick up in domestic and export demand mainly influenced select spices prices.

Following are today's quotations in rupees a quintal: Ajwain 16,000-22,000, black pepper common 23,900-24,100, betelnut (kg) 110-120, cardamom brown-Jhundiwali (kg) 1,000-1,010, and cardamom brown-Kanchicut (kg) 1,100-1,250.

Cardamom small (kg): Chitridar 900-970, cardamom (colour robin) 940-970, cardamom bold 955-965, cardamom extra (bold) 1,150-1,160 and cloves (kg) 500-525.

**Sugar remains steady in thin trade**



New Delhi, March 31:

Steady conditions persisted in the wholesale sugar market at national capital on Thursday as prices moved in a narrow range on restricted trading activity and settled at previous levels.

Market analysts said sufficient stocks position against little buying largely kept prices unchanged.

Following were today's quotation in rupees a quintal: Sugar ready M-30 2,980-3,125 and S-30 2,970-3,100.

Mill delivery M-30 2,775-2,925 and S-30 2,760-2,900. Sugar mill gate prices (excluding duty): Kinonni 2,915, Asmoli 2,900, Mawana 2,880, Titabi 2,870, Thanabhavan 2,825, Budhana 2830 and Dorala 2,875.

### **Gur futures fall on rising inventories**



New Delhi, March 31:

Gur prices declined by Rs 21.50 to Rs 1,001 for 40 kg in the future trading on Thursday on reduced offtake by speculators, driven by weak spot market sentiment.

Market analysts said heavy stocks position along with fall in demand at physical markets mainly put pressure on gur futures prices. Reports of bumper sugarcane crop this year also further influenced the futures trading of gur, they added.

At the National Commodity and Derivatives Exchange, gur for delivery in September shed Rs 21.50, or 2.10 per cent, to Rs 1,001 for 40 kg, with an open interest of 1,940 lots.

Likewise, gur futures prices for delivery in July moved down by Rs 11, or 1.10 per cent, to Rs 988 for 40 kg, with an open interest of 11,580 lots.



## Spice exports rise to 4.7-lakh t in Apr-Feb



A file photo of spices being kept for sale at a retail outlet.

New Delhi, March 31:

Spice exports from the country rose almost four per cent to 4,71,165 tonnes during April-February 2010-11 on the back of major increase in the shipments of ginger, garlic, chilli and fennel.

According to Spice Board data, the country exported 4,53,495 tonnes in the year-ago period.

Exports of ginger, considered as 'betting crop' of farmers, rose more than two-fold to 12,000 tonnes during the period under review against 5,100 tonnes in the corresponding period previous fiscal.

Exports of garlic during April-February 2010-11 fiscal rose 66 per cent to 16,700 tonnes compared with 10,050 tonnes in the same period of the previous fiscal.

While exports of chilli rose 21 per cent to 2,18,500 tonnes from 1,80,750 tonnes, that of fennel rose 15 per cent to 6,950 tonnes from 6,050 tonnes. Other spices, namely tamarind, asafoetida, cassia, saffron, etc., rose 14.36 per cent to 21,500 tonnes (18,800 tonnes).

Exports of small cardamom during the period under review fell by more than 50 per cent to 865 tonnes from 1,765 tonnes in the year-ago period. Nutmeg and mace exports also declined by almost 52 per cent to 1,550 tonnes (3,210 tonnes). Similarly cumin exports too fell by almost 39 per cent to 27,500 tonnes (44,800 tonnes).

Exports of celery exports fell by almost 29 per cent to 3,250 tonnes from 4,575 tonnes and fenugreek by 13.48 per cent to 17,000 tonnes (19,650 tonnes).

### **Seaweed cultivation taken up in Orissa villages**

Berhampur (Orissa), March 31:

Seaweed cultivation in Orissa was started for the first time in coastal villages of Ganjam by fisherwomen, mainly members of self-help groups (SHG).

Known as "Green Micro Finance Project", jointly implemented by Nabard and Orissa Rural Reconstruction Association (ORRA), a NGO was launched at Langaleswar in Khallikote block last week for seaweed cultivation, particularly the red algae on commercial basis.

"As the red algae is in much demand in pharmaceutical and cosmetic industries, we hope the lower income group of the coastal villages, particularly the fishermen, will get an extra income with the cultivation of this seaweed," Ms Smita Sucharita Nayak, Executive Director of ORRA, said. The seaweed demand is increasing worldwide as its extracts are widely used in tooth-paste, ice-cream, textile printing, teeth filling, cosmetics, tissue culture, plywood, packaging and several other industries. Bio fuel can also be made from it, said Ms Nayak. "Investment in the cultivation is less, but profit is high," she said adding it also helps combat global warming, she added. Cultivation of red algae would be easy as it was available in plenty in Parikuda area inside the Chilika lake, she said. "We started cultivation of seaweed on commercial basis taking a small quantity from there by involving around 150 womenfolk of 16 SHGs in three villages," she said. Harvest will be made 45 days after cultivation. ORRA has made an agreement with MS Swaminathan Foundation to buy all the dry red algae harvested by womenfolk in the area. "It will provide an alternative livelihood for fishermen families when the fish landing in Chilika is dwindling," MLA of Khallikote, Mr P.C. Sethi said. Cultivation of the red algae was started on a pilot basis about two years ago as a part of the research project. Ms Nayak said they would also explore the possibilities of starting seaweed cultivation in Bhitarkanika in Kendrapara district.

