

Published: August 10, 2011 00:00 IST | Updated: August 10, 2011 04:10 IST NEW DELHI,  
August 10, 2011

## **NBA for action against Bt brinjal biopiracy**

Monsanto and co. can face criminal proceedings, say official sources

The development of Bt brinjal was a case of biopiracy, according to the National Biodiversity Authority (NBA). According to sources, the NBA has finally concluded its year-long investigation and recommended action against the U.S. agribusiness giant, Monsanto, and its Indian collaborators, who developed and promoted the controversial, genetically modified vegetable.

A decision to “take the case to its logical conclusion” was taken at an NBA meeting on June 20, according to official sources, who say, this means Monsanto and co. could face criminal proceedings. When the NBA met on Tuesday, it discussed the “comprehensive evidence” and “supporting proof” gathered against Bt brinjal's promoters, say sources. “The NBA is now continuously moving forward in that direction,” said a senior official who refused to speculate on how long the process will take.

The charge against the Bt brinjal's developers — which include Monsanto's Indian partner Mahyco, as well as Indian universities and research organisations — is that they allegedly accessed nine Indian varieties of brinjal to develop their genetically modified vegetable without prior permission from the NBA or the relevant State and local boards.

This is a violation of the Biological Diversity Act, 2002, according to the Environmental Support Group (ESG) which lodged the formal complaint with the Karnataka Biodiversity Board on February 15, 2010, soon after the government put a moratorium on Bt brinjal on health and safety grounds.

ESG points out that by using the local brinjal varieties without permission, Monsanto and co compromised “India's sovereign control over its biological resources” and also “denied economic and social benefits to local communities under the Access and Benefit Sharing Regime.” It adds biopiracy is a cognisable, non-bailable crime with severe financial penalties as well.

Monsanto has denied violating biodiversity protection laws, while the University of Agricultural Sciences, Dharwar, claims that the law does not apply to them as they are a publically funded company. The NBA has been responsible for the investigation since June 2010.

### **Onion varieties**

Meanwhile, Monsanto applied to the NBA on June 27 to access two varieties of Indian onions for potential hybridisation. While the NBA originally forwarded the application to relevant authorities, it is not clear if that process will be affected by the biopiracy case now reaching a conclusion.

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August 10, 2011

### **Lower oil prices will rein in inflation, prune subsidy burden: Pranab**

Talking the market to normalcy and hoping for a further softening in global commodity prices, Finance Minister Pranab Mukherjee on Tuesday reiterated that the country's macro-economy was on the right path and a decline in prices, particularly of crude oil, would help the government in containing inflation and pruning the subsidy burden. India's economic fundamentals, Mr. Mukherjee maintained, were strong and, therefore, capable of meeting any challenge posed by the United States rating and Euro zone crisis. Referring to Goldman Sachs' report on upgrading India to buttress his point, he said: "I would like to emphasise that some of the investment banks have upgraded India to market weight, that means the basic fundamentals are strong and macro-economy recovery is moving toward a positive direction."

### **"U.S. downgrade some concern for India"**

Mr. Mukherjee conceded that the U.S. downgrade had created some concerns for India, but the problems arising out of the international developments could be tackled.

"The challenge is there, but we have the capabilities of facing these challenges... Collectively, with the efforts of all concerned, particularly with the cooperation of the RBI, we will be able to face the challenges," he said.

Happy over the quick recovery witnessed in the India bourses as compared to other Asian markets, Mr. Mukherjee, however, felt that it was too early to comment on it as a downtrend.

### **Not satisfied**

On the decline in crude oil prices following the U.S. rating downgrade and the consequent global turmoil, Mr. Mukherjee said that he was not fully satisfied with the fall from \$107 a barrel to \$102 a barrel as it was still “reasonably high.”

Mr. Mukherjee, however, hoped oil and other commodity prices would decline further “which will help us to manage inflation and also help in reducing subsidy on oil.”

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Published: August 10, 2011 00:00 IST | Updated: August 10, 2011 04:05 IST TIRUVARUR,  
August 10, 2011

### **Don't overprice fertilizers**

Collector C.Muniyanathan has warned traders of stern action if they sell fertilizers at rates higher than the stipulated price.

He said on Tuesday that Kuruvai crop has been raised on 38,149 hectares in the district.

For a 50 kg bag of different varieties of fertilisers, the following prices have been fixed by the government. SPIC Urea Rs.278.51, Cripco Urea Rs.278.96, Mangala Urea Rs.268.14, R.C.F. Urea Rs.268.23, IPL Potash Rs.312, SPIC Di-Ammonium Phosphate Rs.656.06, IPL Di Ammonium Phosphate Rs.608.40, IFFCO Di Ammonium Phosphate Rs.624, RCF Di Ammonium Phosphate Rs.564.77, SPIC 20-20-13 complex Rs.466.93.

If farmers encounter any malpractices, they can contact the Assistant Directors of Agriculture by dialling the following numbers : Tiruvarur 9750963310, Thiruthuraipoondi 9750963320, Muthupettai 9750963321, Mannargudi 9750963322, Kottur 9750963323, Needamangalam 9750963324, Valangaiman 9750963325, Kodavasal 9750963326, Koradachery 9750963327, Nannilam 9750963328.

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Published: August 10, 2011 00:00 IST | Updated: August 10, 2011 04:08 IST Bangalore, August 10, 2011

## Orphans of the sericulture crisis



Chandana, Keertana and Sharat Kumar, students of the government lower primary school in Valagere Doddi in Malavalli taluk, are part of a delegation of 50 farmers who are sitting on a dharna at Freedom Park since Monday demanding re-imposition of import duty on silk.

The children, of course, have no clue what “import duty” is, but it has scarred their lives forever.

It was the Union Government's decision to cut import duty on silk from 30 per cent to 5 per cent and the resultant plunge in the price of silk cocoons that claimed the lives of their parents, leaving them orphaned.

Their sericulture-farmer parents, Swami Gowda and Vasantha Gowda, committed suicide in March last year as the silk cocoon prices touched an all-time low following the drastic cut in import duty. The couple, who cultivated a piece of land on rent, had gone to the market hoping to get Rs. 350 to Rs. 400 per kg of cocoon, but were shocked to find that their produce was not fetching them even half of this. The silk reelers, in anticipation of cheap silk from China after import duty cuts, were no longer interested in the local produce.

The three children are in Bangalore with their 65-year-old grandfather, Bore Gowda, who does not know how he will look after them. He is himself a sericulture farmer who cultivates land on rent.

“All politicians visited the family, but the old man has not been given a single paisa so far to help educate the children,” says Ramesh Gowda, head of the farmers' delegation who has come in a padayatra from Maddur to Bangalore.

“With education costs being what they are, how do you think the old man can educate them?” asks Jayalakshamma, another sericulture farmer in the delegation.

Mr. Bore Gowda adds that he is able to cope only because the neighbours are kind and the school teachers take a special interest in the children. “She even knows A-B-C-D,” says Pattaraju, another farmer, pointing to a shy Chandana, the eldest of the lot. “But I don't know how much longer this old man can send them to school.”

Ms. Jayalakshamma says that the crisis sericulture farmers face is much larger than the tragedy of a single family.

“People have started leaving for Bangalore looking for work,” she says. While it costs about Rs. 250 to produce a kg of cocoon, prices remain low and there is no support from the government. Labour costs are high, water is scarce and power is constantly fluctuating. “How can you expect farmers to remain farmers when such is the case?” she asks.

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August 10, 2011

### **CAG: Adarsh a classic example of 'fence eating crops'**

The Comptroller and Auditor General (CAG) has termed the Mumbai Adarsh Cooperative Housing Society episode a classic example of the “fence eating the crops,” which reflects a “consistent failure” across State and Central governments.

“This case would perhaps have no parallel anywhere else in the country where all agencies concerned have pooled their strengths not for a common national cause but for personal benefit,” the CAG concluded in a report placed before Parliament on Tuesday.

It said a group of select and powerful elite colluded to subvert rules for personal benefit and in the process, sought apartments in a prime location for themselves, resorting to falsification of the records, suppression of facts and used the noble cause of welfare of ex-servicemen and their widows.

However, while recommending that dereliction of duty and lack of probity and accountability be “seriously investigated,” it termed the option to pull down the 31-storey building “hasty and inadequately considered.”

It said demolishing the building would compound the problem, and suggested that instead of being allotted to those who fraudulently tried to appropriate it, the government could acquire the building and either use it for Central government housing and allot some to genuine war-widows as a deserving gesture. As for those members of the Society who paid for the flats, the report said they could be compensated as per law.

On environmental clearance, the report noted that both the Ministry of Environment and Forests and the department concerned of Maharashtra government failed to ensure compliance. It said “it would be reasonable to conclude that such an omission was indeed wilful.”

The Adarsh high-rise issue came to the fore last year. The CAG noted that while the Society was originally formed to help Servicemen, ex-Servicemen and their widows, its membership was expanded to include civilians, including IAF officials, politicians and senior service officers.

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THIRUVANANTHAPURAM, August 10, 2011

### **'67 pesticides banned in other countries in use in India'**

Many pesticides that have been banned or severely restricted in some countries are in use in Kerala and other States.

Kerala banned the use of 15 pesticides in May this year. However, about a dozen pesticides which are either banned or severely restricted in other countries continue to be used in Kerala, C. Jayakumar of Thanal (an advocacy organisation campaigning against pesticides) told *The Hindu* .

Moreover, several of the banned pesticides are still in use and some of the alternatives suggested officially are pesticides banned in other countries.

Currently, 67 pesticides which have been banned or restricted in some countries are in use in India. Though expert committees set up by the Central government have examined the matter, they have recommended continued use of the pesticides in most cases. In some cases, they have recommended that they be allowed for restricted use.

Committees that reviewed nearly half the pesticides have been headed by C.D. Mayee, who has reported that no link could be found between endosulfan and the health effects among those exposed to the pesticide in Kasaragod district.

In almost all cases, Mr. Mayee has recommended continued use of the pesticides banned in other countries in India. In a few cases, restrictions have been recommended.

The pesticides in use in Kerala include Carbaryl, Malathion, Acephate, Dimethoate, Chlorpyrifos, Lindane, Quinalphos, Phosphomidon, Carbandizm, Captan, Tridamorph, Practilachlor, 2.4-D, and Glyphosate.

## **Trap**

“We are caught in a pesticide trap and need to get out of these and look for green options such as biological control or non-pesticide management that has been a huge success in Andhra Pradesh,” Dr. Jayakumar says.

However, the Ministry of Agriculture is often taking a stand in favour of continued use of harmful pesticides.

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THIRUVANANTHAPURAM, August 10, 2011

## 'Research findings should reach farmers'

Kerala Agricultural University (KAU) Vice-Chancellor K.R. Vishambharan has said that to attain food security, findings of studies and research conducted in universities should reach farmers.

Agricultural events such as seminars and expos will help in bridging the divide between the academia and the farmers, Mr. Vishambharan said here on Tuesday after releasing the brochure of 'Haritotsavam 2011' agriculture event being organised by the university.

University Department of Extension Services director P.V. Balachandran presided over the function.

KAU research division director T.R. Gopalakrishnan, registrar P.B. Pushpalatha, college dean L. Rajamani, and comptroller R. Jayakumar were present.


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### Weather

Chennai - INDIA

#### Today's Weather

	<b>Wednesday, Aug 10</b>
Cloudy	Max 36.1°   Min 23.8°
Rain: 00 mm in 24hrs	Sunrise: 5:55
Humidity: 70%	Sunset: 18:33
Wind: Normal	Barometer: 1004

#### Tomorrow's Forecast

	<b>Thursday, Aug 11</b>
Rainy	Max 35°   Min 26°

#### Extended Forecast for a week

Friday Aug 12	Saturday Aug 13	Sunday Aug 14	Monday Aug 15	Tuesday Aug 16
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31° | 26°  
Rainy



32° | 26°  
Rainy



31° | 27°  
Rainy



31° | 26°  
Rainy



30° | 26°  
Rainy



### 'State must not have MoUs with seed firms like Monsanto'

August 09, 2011 10:32:59 PM

#### PNS | Bhubaneswar

The city based Living Farms has requested that the State Government should immediately scrap all the projects and partnerships with corporate on seeds and food and not to have any MoUs with corporations like Monsanto.

The organisation said the small farmers in south and western Odisha, have been practicing local resource based biodiverse agriculture with low external input dependence.

"However, the giant agri-corporations have been making concerted efforts to take control over our seeds, agricultural land, food and even the agriculture research agenda.

For example, Monsanto, Syngenta and DuPont are some of the agri-corporations that have been changing the agri-land scape in Odisha.

They have been replacing our rich, bio-diversity filled, mixed crop farms into monocropped cash crop-based farms in different districts in the State through aggressive promotion of their products," said the organization.

The lure of the short-term in this case sacrifices medium and long term sustainability of the rich natural resources and vulnerable farm livelihoods.

This has been going on in a large scale in western, northern and southern Odisha districts.

The farms having mixed cropping of millets pulses oilseeds are being replaced by hybrid maize and hybrid sunflower systematically, including through policy directives.

It is in this context farmers, concerned scientists, responsible consumers, academicians and students from across the country under the banner of Alliance for Sustainable and Holistic Agriculture (ASHA) have decided to launch "Monosanto, Quit India" campaign from August 9.

"In Odisha too farmer organisations, farmer unions, civil society organisations and individual seed conservers from more than 15 districts have joined this national call to save our food, farmers and freedom.

Padayatras and palli sabhas marked the day with dialogues with farmers in the tribal regions where the Government is promoting hybrid maize along with chosen corporations. Activists and farmers leaders urged farmers not to fall prey to the false promises and short-term yield claims of these corporations.

### **Rain boon for State farmers**

August 09, 2011 11:09:35 PM

### **Pioneer News Service | Ranchi**

Incessant rains over past four days have given farmers of the State a reason to celebrate. The monsoons have crossed the normal range of rainfall as predicted by the Indian Meteorological Department (IMD), raising hopes of excessive cultivation of paddy to meet demands.

Over 60 mm of rainfall had been recorded in a day, according to data released by the regional meteorological department. The timely and bountiful rains have helped the water-level in farm areas to be replenished.

As predicted by the IMD, the monsoon impact had crossed the long period average rainfall. With such abundant rains, the State agricultural department is eyeing a steep rise in the production of kharif crop. According to figures estimated by the department, the cultivation of paddy is expected to rise three times than last year's produce. The last year produce was calculated as 9 lakh tones and the department hopes to see the State reap paddy crop of 34 lakh tones this year.

Minister of Agriculture, Satyanand Jha 'Batul', who wishes an unexpected crop-produce this year, said: "The department has taken all steps and measures to enhance the crop yield this year. We have distributed hybrid variety of seeds block-wise in all the districts. This year, the timely and widespread monsoons in the State will help us in meeting the demands."

With the expected rise in yield, the State Agriculture department hopes to refill the State storages. There has been a clear indication of heavy rain showers in the State in the coming days as per the met department.

#### **Cabinet relief for MP farmers**

August 09, 2011 11:41:14 PM

#### **Staff Reporter | Bhopal**

The State Cabinet on Tuesday decided to return to farmers 885 hectare of land acquired for the submergence area of Tons Hydel Project implemented in 1990 by Madhya Pradesh State Electricity Board. This land is situated in 32 villages. Keeping in view local opposition, decision has been taken to keep the barrage's height at E.L 280.05 metres instead of stipulated height of EL 282.52 metres.

Following this, some parts of the acquired private land in Satna district were not submerged. It was also decided that the Revenue Department will undertake the process of returning the land, which has not come under the submergence area of Tons Hydel Project and is at present registered in the name of Tons Hydel Project, Rewa, to farmers.

It may be recalled that the Cabinet on July 28, 2008, decided to increase the height of Tons

Barrage by two metres to 282.52 metres. On Tuesday, the cabinet decided to keep the height of the barrage at 280.05 metres as before in view present-day commercial feasibility of the decision taken earlier.

The Cabinet decided to create 4,569 new posts for various departments. Accordingly, 2186 posts of contractual teacher grade-2 will be created in the high schools sanctioned from 1997-98 to 2009-09. Similarly, 969 posts of contractual teacher grade-1 will be created in the higher secondary schools sanctioned from 1997-98 to 2009-09.

In compliance of Chief Minister Shivraj Singh Chouhan's announcement, the cabinet decided to convert 50-seater hostels being run by SC, ST Welfare Department to over 50-seats capacity and granted sanction for creation of 36 posts for running them.

The Cabinet decided to create 40 posts in four high schools opened by the SC, ST Welfare Department under rationalisation of teachers in the districts from the year 1999 to 2000. Out of these, four posts are of principal, 24 of contractual teacher grade-2, four posts of contractual school teacher grade-3, four posts of lower division clerk and four posts of peon. Posts of lower division clerk and peons are of collector rate.

Similarly, a decision has been taken to create 130 posts in ten higher secondary schools opened by the SC, ST Welfare Department under rationalisation of teachers in the districts from the year 1999 to 2000. Out of these, ten posts are of principal, 80 of contractual teacher grade-1, 20 posts of contractual school teacher grade-3, ten posts of accountant and ten posts of peon.

It was also decided to create 100 posts for 10 middle schools converted to high schools in the year 2011-12. These include ten posts of principal, 60 posts of contractual school teacher grade 2 and ten posts of contractual teacher grade 3 (science).

The Cabinet has also decided to create 19 posts for Jabalpur-based Cancer Hospital. These include one post of professor, radiation oncologist, one associate professor radiation oncologist, two posts of professor medical physicist, two posts of associate professor, medical physicist, one post of assistant professor and 12 posts of radiotherapy technologists. Due to this decision, the cobalt the brachytherapy machines installed at the Cancer Hospital can be used in a better way.

# THE HINDU Business Line

## Edible oils freeze as global markets panic



Mumbai, Aug. 9:

Panic selling in global futures markets pulled down edible oils in the physical markets on Tuesday.

Except rapeseed oil, all edible oils declined by Rs 3-5 for 10 kg. Crude palm oil (CPO) futures on Bursa Malaysia Derivatives (BMD) touched a new low for the year, weighed down by broad commodity selling and macroeconomic concerns. Stock buying was absent even though the festival season begins from Saturday.

Only 100-150 tonnes of palmolein were traded at Rs 546-547 on need-based demand. Local refiners reduced prices of palmolein by Rs 4 for 10 kg and soya oil by Rs 6 for 10 kg. Demand for indigenous oils was weak. Liberty offered palmolein at Rs 552, soya oil at Rs 634 and sunflower oil at Rs 695. Ruchi quoted palmolein at Rs 550, soya refined oil at Rs 631 and sunflower oil at Rs 695. Allana offered palmolein at Rs 552. In Rajkot and Saurashtra, groundnut oil lost Rs 10 at Rs 1,455 for a *telia* tin and declined by Rs 10 at Rs 945 for loose (10 kg) in absence of demand.

Malaysia's BMD CPO September contract closed at MYR2,970 (MYR3,036), October MYR2,920 (MYR2,994) and November at MYR2,895 (MYR2,980) a tonne. August contract of soya oil closed lower at Rs 655 (Rs 658) and September dropped to Rs 645 (Rs 646.70).

**Mumbai Commodity Exchange spot prices (Rs/10 kg):** Groundnut oil 965 (970), soya refined oil 630 (634), sunflower exp. ref. 650 (655), sunflower ref. 695 (700), rapeseed ref. oil 685 (684), rapeseed expeller ref. 655 (654), cotton ref. oil 660 (663) and palmolein 550 (554).

(This article was published in the Business Line print edition dated August 10, 2011)

## **Cotton, urad farmers to form producers' groups**

### **A LEAF OUT OF CORPORATE WORLD**



Hyderabad, Aug. 9:

Taking a leaf out of corporate world, farmers now have decided to form commodity-wise groups within farmers' associations to discuss problems, learn and implement good agricultural practices (GAP).

Farmers in Andhra Pradesh, who initiated forming paddy producers' groups last year without much success, met here on Monday to form a cotton producers' groups.

### **10 districts from AP**

The representatives from over 10 districts from Telangana, Rayalaseema and Andhra regions gathered here and formed a preliminary leading group to take the issue forward.

“The objective is to exchange ideas on issues such as adverse impact on exports if produce contains residues such as plastics, jute and hair in cotton. International markets such as Japan are throwing up several challenges and require us to keep the produce very clean,” Mr P. Vishnuvardhan Reddy, Vice-Chairman of Agricultural Market Committee and who owns a

ginning unit, told *Business Line*. The Federation of Farmers' Associations (FFA) will follow this up with district level meetings in association with ATMA (Agriculture Technology Management Agency), supported by the Union Government. Mr P. Chengal Reddy, Secretary-General of Consortium of Indian Farmers' Associations (CIFA), said that these groups could ultimately evolve into societies and companies to promote better marketing of produce and value-added products.

### **For better incomes**

Mr Bojja Dasaratha Rami Reddy, General Secretary of FFA, said generic movements would generally tend to ignore specific problems of a commodity. "Some farmers do not even know how to calculate cost of production. Commodity-wise groups would go a long way in promoting good agricultural practices and improve incomes," he said. Mr Reddy said the association would also promote producers' groups for black matpe (urad) and red gram to help farmers reap better incomes. Mr V. Nagi Reddy, Principal Secretary (Agriculture, Government of Andhra Pradesh), who attended the inaugural session of the State-level meet, stressed the need for forming and strengthening commodity-wise groups.

(This article was published in the Business Line print edition dated August 10, 2011)

### **Turmeric plunges below Rs 6,000/quintal**



Erode, Aug. 9:

Spot turmeric price dropped below Rs 6,000 a quintal on Tuesday as arrivals continue to flood markets.

“Turmeric sold below Rs 6,000 a quintal due to heavy arrival and also due to lack of demand from North India,” said Mr R.KV. Ravishankar, President, Erode Turmeric Merchants Association. Of the 9,500-odd bags that arrived, only 30 per cent were sold.

He said: “For the past couple of days, prices are quoted low in the futures market and the price in other markets such as Nizamabad and Sangli are very low. This has reflected in Erode and buyers are quoting very low price.”

## **2-year low**

For the first time in the last two years, the turmeric price declined to Rs 5,659 a quintal in the Regulated Marketing Committee. Some growers said they are expecting prices to go up in September and they will sell their produce then. But traders said prices will increase only Rs 200-400 a quintal in September and they will not hit Rs 7,000 a quintal till the end of this year, as abundant stocks are lying with farmers. Also, next year they are expecting higher production.

At the Erode Turmeric Merchants Association, prices decreased by Rs 550 a quintal. At the Regulated Marketing Committee, they dropped by Rs 687 a quintal. At the Erode Cooperative marketing Society and Gobichettipalayam Marketing Society, too, prices decreased by over Rs 300 a quintal.

At the Erode Turmeric Merchants Association Sales Yard, the finger variety was sold at Rs 4,299-5,899 a quintal, the root variety Rs 4,001-5,466.

**Salem Crop:** The finger variety was sold at Rs 6,039-6,819, the root variety Rs 5,176-5,696. Totally 2,364 bags arrived for sale and 398 were sold.

At the Gobichettipalayam Agricultural Cooperative Marketing Society, the finger variety was sold at Rs 4,699-6,096, the root variety Rs 3,336-5,590. Of 443 the bags kept for sales 423 were sold.

At the Erode Cooperative Marketing Society, the finger variety was sold at Rs 5,096-6,096, the root variety Rs 4,900-5,689. Of 1,388 bags kept for sale, 1,299 were sold.



At the Regulated Marketing Committee, the finger variety was sold at Rs 4,811-5,659, the root variety Rs 4,704-5,389. Of the 732 bags kept for sales, 340 were sold.

(This article was published in the Business Line print edition dated August 10, 2011)

### **Potash imports may touch 5.5 million tonnes despite delay in contracts, says Russian seller**

New Delhi, Aug. 9:

India is likely to import up to 5.5 million tonnes (mt) of muriate of potash (MOP) during the current fiscal till March 31, according to Mr Oleg Petrov, Director of Sales and Marketing at Uralkali, the Russian potash major.

“Our expectation is that India will import 5.5 mt, of which 2.5 mt would be supplied by BPC (Belarusian Potash Company, a joint export arm of Uralkali and Belarus' Belaruskali that together control almost 45 per cent of global potash exports)”, he told *Business Line* over phone from Moscow.

Mr Petrov's statement is significant, considering that the country did not contract a single tonne of imports during April to July, as Indian buyers and global suppliers (including BPC, Canada's Canpotex, Israel's ICL Fertilisers and Jordan's Arab Potash Company) failed to agree on prices.

### **Impasse resolved**

The deadlock was resolved earlier this month, with Coromandel International and Tata Chemicals contracting a total quantity of 0.8 mt from Canpotex and ICL – half of it at \$470 a tonne (cost & freight) till December 31 and the balance at \$530 for January-March delivery.

Subsequently, Indian Potash Ltd (IPL) entered into a deal with BPC to import 1.2 mt at a flat \$490-a-tonne landed price till March 31. IPL has also contracted purchases of one mt from ICL and 0.3 mt from Russia's IPC (IPC, which is another trading arm of Uralkali).

In all, the contracts so far would add up to about four mt, which is lower than the record 6.3 mt that the country imported in 2010-11. Mr Petrov, however, felt that that final figure for this fiscal may touch 5.5 mt.

“Besides IPL, we are in the process of contracting with other buyers, including Zuari Industries, MMTC Ltd, Deepak Fertilisers & Petrochemicals, Nagarjuna Fertilisers and Mangalore Chemicals & Fertilisers. The price would be the same \$490”, he added.

The \$490-a-tonne rate is below the ruling spot prices of MOP, which range from \$510 in South-East Asia to \$550 in Brazil and \$ 600 in the US.

### **No extra supplies**

“Currently, the market is very tight and there are no extra supplies. Even if the current debt crisis leads to softening of commodity prices (and hence lower demand for fertilisers), I don't see the situation change much,” Mr Petrov claimed.

India and Brazil are the biggest buyers (3.1-3.2 mt each) of BPC/IPC's global potash sales of 17-18 mt.

Regarding Uralkali's plans for India, Mr Petrov said that the company was open to establishing joint ventures for manufacture of complex fertilisers that use potash.

“We are talking to a few companies, though it is still at a preliminary stage. Besides, we are also looking at joint distribution of MOP and setting up a port terminal in India”, he added.

(This article was published in the Business Line print edition dated August 10, 2011)

### **3-day strike by tea workers in Bengal's Terai, Dooars from today**



Troubled brew: A tea garden in Dooars region (file photo).

Kolkata Aug. 9:

Tea production in Terai and Dooars region of West Bengal may be hit, as workers are scheduled to join a three-day strike beginning August 10 demanding wage hike.

Mr Purnendu Basu, West Bengal Labour Minister, confirmed that efforts to avert the strike have failed till late evening on Tuesday.

The strike was called after failure of another round of tripartite wage negotiations on Tuesday. Striking workers have appealed the dominant tea unions in Darjeeling to join the agitation.

“We had tried to avert the three-day strike in the Dooars and Terai region. But talks remained inconclusive. However, attempts are still being made to see what can be done to avert the strike,” Mr Basu, told *Business Line*.

According to Mr Basu, the Government had proposed minimum wages of Rs. 130, on a par with the Mahatma Gandhi National Rural Employment Guarantee Act, nearly double the current wage of Rs 67.50 a day.

Earlier talks with the tea industry – represented by the Consultative Committee of Plantation Associations (CCPA) – ended inconclusive with the CCPA declining to accept such a steep hike.

CCPA, in turn, had offered a hike at the rate of Rs 8 a year for the next three years from the existing wage of Rs 67.50 a day.

CCPA and the labour unions were engaged in a tripartite negotiation involving the State labour commissioner on August 4.

This was followed by a bi-partite negotiation on August 5 where talks failed yet again. On Tuesday, the State Government made yet another attempt to mediate matters.

The Progressive Tea Workers Union (PTWU) backed by Adivasi Vikash Parishad previously imposed blockades on tea despatches demanding wage hike in end July.

“Till date it is the tea estate owners whose side have always been upheld in case of wage negotiations.

However, we are trying that there be a level playing field for both tea estate owners and workers," Mr Basu said.

(This article was published in the Business Line print edition dated August 10, 2011)

### **Fresh spell wipes out rain deficit**

Thiruvananthapuram, Aug. 9:

A renewed spell of monsoon rainfall progressing from South-East to north-west India has washed out two percentage points of the deficit over the past couple of days.

An India Meteorological Department (IMD) update on Tuesday evening said that the deficit now stands reduced to four per cent.

### **'LOW' ACTIVE**

This came about on a day when outlook on the dynamics of an existing land-based low-pressure area that guides the proceedings over central and adjoining northwest India suggested that it could grow in intensity over the next day or two.

The IMD located the 'low' to over west Madhya Pradesh and adjoining east Rajasthan on Tuesday evening. What seems to be aiding its intensification is the merger overnight of an existing upper air cyclonic circulation over west Rajasthan with itself. Additionally, the combined system has the backing of a persisting western disturbance over Jammu and Kashmir and adjoining north Pakistan, which acts as a sentinel system located to the northwest border.

### **MONSOON TROUGH**

The axis of the land-based monsoon trough extended from Barmer before being directed into the centre of 'low' and onward through Allahabad, Daltonganj and Kolkata before dipping into east-central Bay of Bengal. The western end of this trough was located to the south of its normal position whereas eastern end was near to the normal. The alignment and the bearing are sufficient to keep the trough active with the embedded 'low' and a cyclonic circulation over Jharkhand during the next three days.

The IMD said that scattered rain or thundershowers would break out over northwest India during the next two days and scale up thereafter. Meanwhile, the offshore trough ran down from Gujarat coast to Karnataka coast.

## **SATELLITE PICTURE**

A Kalpana-1 satellite imagery on Tuesday afternoon showed convective (rain-bearing) clouds rising over parts of south Rajasthan and Gujarat to the west and northwest of the country. To the east, these clouds were spotted over east Uttar Pradesh, Chhattisgarh, east and northeast India, north coastal Andhra Pradesh, north and adjoining central Bay of Bengal, north Andaman Sea.

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## **Poor offtake, higher inflows dent jeera**



Rajkot, Aug. 9:

Weak demand and high arrivals dragged down jeera prices in spot and futures markets.

August contract of jeera on the National Commodity and Derivatives Exchange declined by Rs 424 to Rs 14,611 a quintal, with an open interest of 10,593 lots. September contract dropped by Rs 434 to Rs 15,050, with an open interest of 17,814 lots.

Spot jeera traded at Rs 13,500-13,800 a quintal at Unjha *mandi*, down by Rs 200 a quintal. Quality jeera remained at Rs 15,000-16,000 a quintal. While new arrivals surged to 4,000 bags from 6,000 bags on Monday, demand slipped to around 4,000 bags against 6,500 bags.

With arrivals rising, investors booked profits after jeera prices rose during July-end, Mr Ajay Kedia of Kedia Commodities said. Spot demand will remain weak this month and futures prices may also remain under pressure, he added.

While exports slumped by 46 per cent to 5,750 tonnes, their value dipped by 36 per cent to Rs 7,560 lakh during April-June 2011. Foreign-exchange revenue from exports of spices and spice products during April-June 2011 registered a rise of 21 per cent even as tonnage declined by 26 per cent.

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### **Spot chana slides on weak buying, futures**



Indore, Aug. 9:

Pulses and pulse seeds remained sluggish on weak buying. Intermittent rain in parts of Madhya Pradesh in the last 24 hours kept traders off the market. Chana and dollar chana or chickpea declined for the second consecutive day.

In the local *mandi*, chana (kanta) slipped to Rs 2,900-2,950 a quintal against Rs 3,000-3,050 a quintal on Monday. Chana (desi) also declined to Rs 2,900-2,950 a quintal. Beside weak

demand, declining futures on the National Commodity and Derivatives Exchange also kept chana sluggish. Rains brought down arrivals of chana in local *mandis* to about 2,000 bags.

Taking cues from the weak spot chana, chana dal also declined by Rs 50. Chana dal (bold) quoted at Rs 3,675-3,700, chana dal (medium) at Rs 3,575-3,600 and chana dal (average) ruled at Rs 3,450-3,475 a quintal.

Dollar chana slid on weak domestic demand, with prices in local *mandis* declining by Rs 100 at Rs 7,400-7,700 a quintal, though traders said it will not fall any further. A thousand bags of dollar chana arrived. While masoor ruled steady at Rs 2,800-2,825 on subdued demand, masoor (medium) quoted at Rs 2,500 a quintal. Masoor dal ruled flat, with masoor dal (bold) being quoted at Rs 3,375-3,400, masoor dal (medium) at Rs 3,275-3,300 and masoor dal (average) at Rs 3,150-3,175 a quintal.

Tur ruled firm at Rs 2,950-3,000 a quintal on weak arrivals and tur (Nimari) ruled at Rs 2,300-2,500 a quintal. Tur dal remained stable despite subdued demand, with tur (marka) being quoted at Rs 5,800 a quintal, tur dal (full) at Rs 5,200-5,250 and tur dal (*sawa* no.) at Rs 4,300-4,350.

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### **Mixed trend in sugar market**



Mumbai, Aug. 9:

Sugar prices witnessed a mixed trend on the Vashi wholesale market on Tuesday.

Fair-quality sugar declined Rs 10 a quintal, while good quality M-grade increased by Rs 10 on fresh retail buying. Arrivals and dispatches were higher, with business being active in the physical market. Mill and naka level prices ruled steady as mills continued to sell at present rates. Eased supply are keeping prices range-bound, said market sources.

According to Vashi-based wholesale traders, the market will see fresh demand from retailers as *Rakshabandhan* is on Saturday and the Independence Day falls on Monday. Retailers were active buyers as the weekend will be a long one with market closed from Saturday to Monday. Mills are continually selling at the current price levels, easing supply in the domestic market.

In the absence of export demand or buying by neighbouring States, prices are range bound in Maharashtra, with Rs 15-20 plus or minus based on local demand support. The demand from sweet, confectionery and snacks makers were not on expected lines. As the market carries sufficient stocks to fulfil demand, there is lack of inventory purchase sentiment. A very little quantity of fine variety M-grade sugar was sold by mills to needy buyers at Rs 30-40 higher at the upper level.

**Bombay Sugar Merchants Association's spot rates** : S-grade Rs 2,700-2,831 (Rs 2,710-2,831) and M-grade Rs 2,741-2,941 (Rs 2,751-2,931).

**Naka delivery rates** : S-grade Rs 2,650-2,700 (Rs 2,650-2,700) and M-grade Rs 2,710-2,880 (Rs 2,750-2,880).

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**Dara wheat tumbles as bulk buyers check out**





Karnal, Aug. 9:

Dara wheat prices continued to tumble on low buying in the market, while desi wheat varieties managed to maintain their previous levels on Tuesday.

After ruling below minimum support price last weekend, dara eased further by Rs 15 and settled at Rs 1,090 a quintal.

Around 50 tonnes of dara variety arrived from Uttar Pradesh and the stocks were directly offloaded at the mills. Mill delivery was at Rs 1,090-1,095, while it traded at Rs 1,100 a quintal in the retail market.

Mr Subhash Chander, a wheat trader, told *Business Line*, that bulk buyers are out of the market at present because of uncertain weather. Only the small *atta chakkies* are buying, while big mills are using old stocks, he said.

Dara has dropped by Rs 45 in the last one week. At present, the market is at its lowest level in the last 2 years and wheat is ruling at around Rs 1,100 against the levels of Rs 1,150 of same corresponding period last year.

On the other hand, desi wheat varieties remained almost unchanged after witnessing an uptrend last week. Tohfa variety was quoted at Rs 2,140 a quintal, Maruti sold at Rs 1,800 , Lal Quila at Rs 1,950-2,000, while Kangan was sold at Rs 2,000 .

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### **Spot rubber may fall below Rs 200 a kg**

Kottayam, Aug. 9:

Spot rubber declined sharply on Tuesday in tune with the domestic and international futures as global markets continued to crash, following the downgrading of the US' credit rating.

Prices remained under pressure on buyer resistance, while more traders joined the sellers queue to reduce their commitments. RSS 4 is expected to break below the immediate support level of Rs 200 since the short term outlook of the commodity appears extremely bearish.

Sheet rubber surrendered to Rs 204 (207) a kg, according to traders. The grade dropped to Rs 203.50 (207.50) a kg both at Kottayam and Kochi, as reported by the Rubber Board.

RSS 4 declined at its August series to Rs 204.75 (207.29), September to Rs 201.35 (205.25), October to Rs 201.11 (205.11), November to Rs 201.01 (205.75) and December to Rs 202.85 (207.51) a kg on National Multi Commodity Exchange.

RSS 3 (spot) slipped to Rs 212.10 (213.31) a kg at Bangkok. The August futures nosedived to ₹ 349.8 (Rs 205.33) from ₹ 366 a kg during the day session but then recovered partially to ₹ 355.5 (Rs 208.76) in the night session on Tokyo Commodity Exchange.

Spot rubber rates (in Rs/kg): RSS-4: 204 (207); RSS-5: 200 (203); Ungraded: 192 (196); ISNR 20: 203 (205) and Latex 60 per cent: 132 (134).

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### **30% dust, 21% leaf withdrawn at Coonoor tea auction**

Coonoor, Aug. 9:

As much as 30 per cent of the 5.12 lakh kg of dusts and 21 per cent of the 11.18 lakh kg of leaf on offer at Coonoor Tea Trade Association auctions this week were withdrawn for want of buyers.

Homedale Estate teas, auctioned by Global Tea Brokers, topped CTC market at Rs 140 a kg. Vigneshwar Estate got Rs 138, Shanthi Supreme Rs 132, Sree Tea supreme Rs 131, Darmona Estate and Blue Monte Speciality Rs 126 each and Hittakkal Estate Rs 125. In all, 59 marks got Rs 100 and more.

Among orthodox teas from the corporate sector, Chamraj got Rs 193 a kg, Havukal Rs 165, Curzon Rs 163, Kairbetta Rs 160 and Quinshola Clonal Rs 141. In all, 24 marks got Rs 100 and more.

Among green tea, Wood Bridge Estate's 'Hyson' grade, auctioned by Paramount Tea Marketing, fetched Rs 212.

On the export front, Pakistan bought in wide range – Rs 36-69 a kg, the CIS Rs 38-70 and European markets Rs 42-66.

Quotations held by brokers indicated bids ranging Rs 35-40 a kg for plain leaf grades and Rs 80-120 for brighter liquoring sorts. They ranged Rs 40-45 for plain dusts and Rs 85-130 for brighter liquoring dusts.

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