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## India to revisit cotton export ban to keep onions flowing

Sujay Mehdudia

NEW DELHI: India is understood to have told Pakistan that it is ready to lift the ban on cotton exports if the latter resumes its onion exports through rail and land routes.

Official sources in the Commerce Ministry said this was conveyed to Islamabad by the External Affairs Ministry. "The Indian side has conveyed to the Pakistani counterparts that it was ready to revisit the cotton export ban and ceiling issues, if the gesture is reciprocated by Pakistan through the removal of the ban on the movement of onion," a senior official said.

On January 6, Pakistan banned onion exports to India by land. This pushed up onion prices once again to the Rs.60-70-a-kg range. Around 300 trucks carrying 3,000 tonnes of onion to India had reached Wagah near Amritsar, but were not allowed to cross the border.

Union Commerce and Industry Minister Anand Sharma termed the ban shocking and said the issue would be taken up with Islamabad.

Pakistan's textile industry has been badly hit by the suspension of cotton exports by India. It sought to import nearly one million cotton bales from India to sustain its order books and cool the domestic prices. Pakistani traders hoped to tide over the shortage by importing cotton between November and January, but India's Textiles Commissioner, who controls

export and import of the commodity, suspended fresh registrations for exports.

Cotton price in Pakistan has peaked to 7,600 Pakistani rupees a maund (a bale of 37.32 kg). The flash floods in August and September displaced millions of people and submerged more than one million acres of fertile land. The areas in south Punjab and interior Sindh, which together produce the largest amount of cotton, were the most affected.

India opened registration for cotton exports of up to 2.5 million bales on December 31 last. It plans to export 2.5 million bales by February 25, since prices have almost doubled in the international market within a year. Of the 5.5 million bales of surplus, 3 million bales have already been exported. An Indian bale weighs 375 pounds or 170 kg.

“Now we are waiting for a positive response from the Pakistani side, and we could have a second look at the cotton export ceiling and ban to ease the situation there,” the official said.

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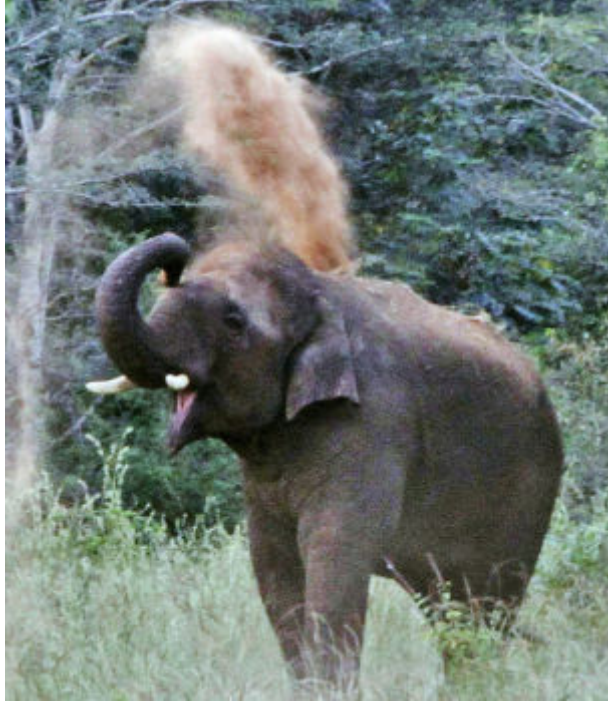
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**Tusker on a day out in Marudamalai- Vadavalli area**

V.S. Palaniappan

*Officials use crackers to push the tusker back into jungle*

Photo: K. Ananthan



**Battle of nerves: A lone tusker seen behind Bharathiar University in Coimbatore on Sunday. —**

COIMBATORE: Forest Department officials heaved a sigh of relief early on Sunday after pushing back into the forests near Marudamalai a herd of six elephants, including calves that wandered into human habitations in Kalappanaickenpalayam area on Saturday.

But, the relief was short-lived. A tusker aged around 25 engaged them on Sunday in yet another battle of nerves. As it is a loner, people have been told of its ability to cause trouble.

On Saturday, the herd marched right from the foothills of Marudamalai to Somayampalayam in Thadagam area and wandered all over the place before the forest officials closed in on it and employed a variety of measures to drive them back into the jungles at the crack of dawn.

Then came the information that a lone tusker was noticed near Bharathiar University, close to Yamuna Nagar and Kalappanaickenpalayam on Sunday.

Conservator of Forests V.T. Kandasamy and District Forest Officer V. Thirunavukkarasu mobilised the anti-depredation and anti-poaching watchers to check the movement of the

pachyderm further into more human habitations.

The officials also mobilised search lights, focus lights, drums and crackers to push the tusker back into the jungle.

Late on Sunday evening, the officials noticed the tusker near Bommanampalayam and IOB colony and with the Reserve Forest boundary close by the officials were confident of getting the tusker back into its habitat latest by Sunday midnight. A closer look at the tusker revealed that it was the one that strayed even up to Vadavalli Uzhavar Sandhai recently.

Vigil and effort continued till late into the night.

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## **VOs launch fertilizer shops**

Staff Reporter

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*86 shops already started in Medak district Rs. 50 lakh allocated to secure fertilizer*

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SANGAREDDY: Nakka Padma is a farmer in her late 30's belonging to Peddagundavalli village in Dubbak mandal of Medak district. She invested around Rs.40,000 on farming and generated revenue of Rs.1.2 lakh recently.

The past season's experience of unavailability of fertilizers for farmers forced her to think twice about the problem. As a result, now she has been supplying fertilizers to farmers through a shop that was established in her village through the village organisation (VO). The farmers are happy to purchase fertilizer locally instead of going to far off places.

Women groups

Collector S. Suresh Kumar, who witnessed the problems of farmers had initiated the idea of selling fertilizer through women groups.

Though selling of fertilizer was a bitter experience for VOs few years back, this time all precautions were put in place to arrest any problems.

New idea

During Kharif season, the farming community in Medak district faced serious fertilizer shortage and agitations were reported across the district. Repeated efforts by officials failed to convince them.

This forced the administration to come up with a new idea resulting in the establishment of fertilizer shops across the district that would be run by the VO.

Many shops

As many as 86 shops have been established in the district, on an average two for each mandal, and licenses were taken on the name of VOs.

A fund of Rs.50 lakh was allocated for this purpose with a view that VOs may not be in a position to invest the required amount to procure large quantities of fertilizer.

Supply

Around 700 tons of urea and DAP 20-20 was supplied to the VOs and almost 300 tons had already reached the farmers.

Officials are hoping that the business would pick up next week onwards as this was the time to feed the crop.

Farmers happy

"The farmers are happy to purchase fertilizers from our shop as it is located locally and there was not much transport expenditure. The cost of fertilizer at places like Siddipet and Dubbak is Rs.40 higher than the price offered by us," says Ms. Padma.

"As of now, we have not faced any problem in running these fertilizer selling centres. Even though fertilizers are being sold a little bit higher than the MRP, the farmers are being explained that only the cost transportation, wages of working women and Rs.5 profit included in the cost," said K. Mallesh, District Project Manager, Marketing.

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## **Forestry college students to begin indefinite fast**

Special Correspondent

*Over 400 of them will take out rally in Bangalore today*

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*'Make B.Sc. (Forestry) the sole eligibility criterion for recruitment to RFO and ACF posts'*

*'More than 60 graduates and 25 postgraduates pass out of the two colleges every year'*

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BANGALORE: They boycotted classes, staged demonstrations, shouted slogans, took out rallies and even wrote letters in blood. But, all their efforts went in vain.

Now, as a last resort, about 400 students of the College of Forestry in Sirsi and Ponnampet are descending on Bangalore on Monday to begin an indefinite fast to draw the Government's attention to their long-standing demand for making B.Sc. (Forestry) as the sole eligibility criterion for recruitment to the posts of Range Forest Officer (RFO) and Assistant Conservator of Forests (ACF).

With more than 60 graduates and 25 postgraduates passing out of the two colleges coming under the University of Agricultural Sciences (UAS), Dharwad and Bangalore, respectively, every year many of them are unable to pursue a career in their chosen field due to the 50 per cent ceiling imposed on recruitment of forestry graduates to the posts.

"The Government fills only 50 per cent of the RFO and ACF vacancies with forestry

graduates. The remaining posts are filled by recruiting graduates from other streams. This has led to a large number of forestry graduates working as call centre employees and bank employees or even joining the Police Department as sub-inspectors. So, what is the purpose of studying forestry for four years?" asked Vijay Bhatt, a student of the College of Forestry, Sirsi.

Though the National Forest Policy of 1988 and the report of National Forest Commission submitted in 2006 make out a strong case for making B.Sc. (Forestry) as the sole eligibility criterion for recruitment to the posts of RFO and ACF, the State Government has been pursuing a policy "inimical" to the future of the forestry graduates, according to the students.

Secondly, the State Government has provided 100 per cent reservation for graduates from agricultural and allied sciences passing out of agricultural universities for filling posts related to their educational qualification such as Assistant Agriculture Officer, Assistant Horticulture Officer, Veterinary Officer and Assistant Sericulture Officer to inculcate professionalism in their respective disciplines. "Why is the Government discriminating against forestry graduates?" secretary of the Karnataka Forestry Graduates and Students Association Harshavardhan M. said.

Rally

About 400 students from both the colleges will take out a procession from the Bangalore City railway station to Freedom Park on Monday, where they will undertake fast-unto-death.

"We will not budge until the Government issues an order making B.Sc. (Forestry) the sole eligibility criterion for appointment to the posts of RFO and ACF," said Mr. Harshavardhan.

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**Hybrid seeds have affected quality of farm produce, says Jigajinagi**

Staff Correspondent

### *Three-day Krishi Mela gets under way*



**Advice:Ramesh Jigajinagi, MP, speaking after inaugurating the Krishi Mela in Bijapur on Sunday.**

Bijapur: Though the agricultural sector has made considerable progress in the last two decades following development of technology, the quality of farm produce has deteriorated owing to excessive use of hybrid seeds, Ramesh Jigajinagi, MP, has said.

Speaking after inaugurating a three-day Krishi Mela at Hitnalli Agriculture Research Centre, 10 km from here, on Sunday, he said the major reason for the deterioration of quality of farm produce was the use of imported hybrid seeds.

Such farm produce would have adverse effect on the health of people who consume them, he said. Until a few decades ago seed production used to be done by farmers themselves and as a result the produce used to be of good quality, the MP said.

Another major problem that the sector was facing was shortage of labour, Mr. Jigajinagi said.

He called upon agricultural scientists to concentrate on developing technologies that could be affordable by small and marginal farmers.

Over 100 stalls have been set up at the venue to showcase various products and latest



technologies. Progressive farmers and scientists were felicitated by the organisers for their outstanding performance.

Vittal Katakond, MLA, presided over the inauguration programme.

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### **State will double subsidy for ryots growing vegetables, fruits: Minister**

Staff Reporter

*'Top priority will be given to drip and sprinkler system of irrigation'*

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*State Government will encourage establishment of more cold storages, says Minister*

*This will keep the produce secure from rotting in times of floods, he says*

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GUNTUR: The State Government will shortly double the subsidy provided to farmers cultivating vegetables and fruits, Minister for Horticulture Ramreddy Venkat Reddy said here on Sunday.

Speaking to reporters at the Inspection Bungalow premises before going on a field visit, Mr. Venkata Reddy said that farmers cultivating horticultural crops were being a subsidy of Rs.50,000 and this would be doubled.

The State Government was keen on giving fillip to horticultural production and would accord top priority to drip and sprinkler system of irrigation. Presently, farmers belonging to SC/ST were being given 100 per cent subsidy while farmers belonging to OC/BC were being given 70 per cent. The Minister said that the State Government would also encourage establishment of more cold storages in districts, which have abundant production of commercial crops, fruits and vegetables. Cold storages could play a vital role

in storing the produce and keeping it secure from rotting in times of floods, when large tracts would lay submerged.

The Minister also said stressed the need for integrated nutrient management to maximise the production of chilli and pointed out that that future belonged to cultivation of hybrids and rapid investment would be made in the field of post-harvest technology. Farmers should keenly watch the vagaries of nature which could have a detrimental effect on crop patterns, he pointed out. Horticulture Department Assistant Director D. Madhusudan Reddy explained the importance of poly-house which was an upgraded model of poly-drier and could be used for cultivation as well as drying of chillies. The Minister later visited two villages of Kanteru and Kothavaram and inspected chilli fields. He said that special focus should be made in preserving the rare breed of Ongole bulls. He also inspected some innovative methods in vegetable production.

Assistant Directors D. Madhusudana Reddy and Padmavathy accompanied the minister.

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**Fall in area under rabi cultivation by 4 lakh ha.**

Nagesh Prabhu

*Cereals being cultivated on 14.12 lakh hectares of land*

BANGALORE: The area under rabi cultivation in the State this season has come down by over four lakh hectares (ha.) from 34.39 lakh hectares in the last.

The Agriculture Department had set the target of cultivating rabi corps on 34.46 lakh hectares in the current season. The coverage, however, is 30 lakh hectares.

Cereals are being cultivated on 14.12 lakh hectares, pulses - 11.47 lakh hectares, oilseeds - 2.71 lakh hectares, and cash crops on 1.59 lakh hectares of land.

The coverage in terms of percentage of normal area under rabi cultivation (33.13 lakh

hectares) is highest in the case of pulses followed by cereals, oilseeds and cash crops, according to officials in the Agriculture Department.

The main reason for the reduction in the area under rabi cultivation is a shift towards pulses, especially red gram, and cotton during the kharif season by farmers in northern parts of the State, the officials said.

### Cereals

Among cereals, paddy is being cultivated on 0.25 lakh hectares, jowar -10.08 lakh hectares, ragi - 0.28 lakh hectares, maize - 1.03 lakh hectares, and wheat - 2.48 lakh hectares.

Area under wheat cultivation has come down by 1.04 lakh hectares when compared to the last season. There has been a drop in the area under sunflower and cotton cultivation too. Cotton is being cultivated on over 1.16 lakh hectares (last year 1.26 lakh hectares) while sunflower on 1.95 lakh hectares (last year 3.69 lakh hectares).

Among cash crops, sugarcane is being cultivated on 0.38 lakh hectares as against 0.34 lakh hectares last year.

In districts where potato, onion, tomato and chilli grown predominantly, sowing, inter-cultivation, land preparation, nursery-bed preparation and transplanting operations are under progress.

### Rainfall

The production of foodgrains this season is expected to be normal owing to excessive rain during north-east monsoon in October-December. During the period, the State recorded 274.4 mm rainfall, 52 per cent more than the normal 180.9 mm. The soil moisture is adequate, according to the officials. However, excessive rain in November damaged crops, mainly paddy and maize, in several districts.

Normal monsoon during the 2010 kharif season led to sowing in over 72 lakh hectares. This led to a reduction in the area under rabi cultivation.

The State was expecting a record foodgrain production of 12.37 million tonnes in 2010-11 as there was no shortage of seeds or fertilizer, the officials said. The target for rabi and summer crops production is 36.5 lakh tonnes.

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## Call to financially assist floriculture ventures

Staff Reporter

*Exhibition of ornamental fishes and flower arrangements main draw at flower show*



**VIBRANT COLOURS:** More than 60,000 people visited the ongoing Flower Show and Aquarium Show 2011 at the Kanakakkunnu Palace in the capital city during the last two days. A scene on Sunday.

THIRUVANANTHAPURAM: Additional Chief Secretary K. Jayakumar on Sunday inaugurated a one-day seminar on floriculture organised as part of the ongoing Flower Show and Aquarium Show 2011 at the Kanakakkunnu Palace in the capital city.

Speaking at the function, Mr Jayakumar said the Agri-Horticultural Society should function as a nodal agency in delivering financial assistance to floriculturists through various agencies like NABARD.

More than 60,000 visitors visited the flower show in the last two days, a statement released here said.

A highlight of the show is the exhibition of flower arrangements prepared by contestants of the flower arrangement competitions.

The next section of flower arrangement competition will be held on January 11. Those who are interested in participating in the competition may contact phone 9447166606.

Exhibition of ornamental fishes is another major attraction of the flower and aquarium show this year. The exhibition includes rare fishes such as Alligator gar and Stingray from foreign countries such as Malaysia, Singapore, and Indonesia.

The State Fisheries Department, Central Marine Fisheries Research Institute (CMFRI) and Matsyafed are also participating in the ornamental fish exhibition.

The CMFRI stall at the exhibition includes rare varieties of fishes and sea creatures such as sea horse, Koran Angelfish, Blue Dancer, different types of butterfly fish, lion fish, coral reefs, sea anemones, button polyps, parrot fish and sea weeds. The Arowana fish, considered auspicious under Vaastushashtra and which costs around Rs 2 lakh in the market, is another star of the show. Indigenous varieties of fishes like Puntius denisonii are also exhibited at the aquarium show.

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## **Organic farm certification programme conducted**

Staff Reporter

*Plan for survey to gauge those interested in organic farming*



**Safe food:Organic farming expert G. Nammalvar (second from right) releases a booklet in Arul Anandar College in Madurai on Saturday. NABARD Assistant General Manager R. Shankar Narayan receives the first copy.**

MADURAI: A one-day programme on organic farm certification was organised at Arulanandar College in Karumathur near here on Saturday by the National Bank for Agriculture and Rural Development (NABARD).

Organised under NABARD's Farm Innovation Promotion Fund (FIPF), around 100 farmers benefited from the programme. Scores of farmers who are already into organic farming methods in and around Meenakshipatti, Chellampatti, Karumathur, Karuveppillai, Munduvelampatti, Usilampatti, Peraiyur and nearby villages also took part.

Organic farming expert G. Nammalvar, who is also the State co-ordinator of Organic Farming Association of India (OFAI), delivered a lecture on the occasion.

Mr. Nammalvar also released a booklet on 'Organic Inputs Preparation' and presented the first copy to the NABARD Assistant General Manager ,R. Shankar Narayan.

The booklet contained inputs for practicing organic farmers who were interested in preparing vermi-compost, liquid inputs as also plant protection measures.

Mr. Narayan, who inaugurated the meeting, said that a pool of dedicated farmers practicing organic farming methods by utilising appropriate certification requirements should be created to enhance the credibility of organic farming.

## Empirical data

The NABARD was funding studies under FIPF to gather empirical data and document the profitability of adopting organic methods of cultivation. The findings would be placed before farmers so that they could develop appropriate cropping patterns based on local soil conditions.

A survey of farmers interested in taking up full-time organic would be initiated, he said, adding that intensive training inputs on organic farm certification through experts would be made available to them.

R.P. Maruthamalai Murugan, a senior consultant in East Resource Group, Madurai, a consulting agency that is working in environmental protection, said that that lecture by experts were being organised to sensitise farmers to organic farming.

S. Mannar Mannan, founder of MRITSNA Trust (Movement for Reduced Inputs and Tools for Sustainable and Natural Agriculture), briefed the farmers about the various interventions carried out under the project.

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## **Students turn fruit-sellers for a day**

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*The exercise was to develop their personality*

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Madikeri: Students, for a change, assumed the role of vegetable and fruit vendors, selling them the articles at a reasonable price, at the Hakathur Government High School, 10 km from here on Friday.

They sold lettuce, vegetables such as pumpkins, radish, brinjal, cucumber, black gourd, ash gourd and others; fruits such as orange, sapota, and watermelon, engrossing themselves in the “Makkala Sante”, meaning student shandy. Tomato was sold for Rs. 25 a kg. What was to be noticed was the absence of onion which had gone out of bounds of common people.

Students attracted “customers,” most of whom were parents, to sell the produce which was brought from their homes and from elsewhere. Ice-cream and squash were also offered at the shandy. This was a novel exercise aimed at the personality development of the students, according to headmaster of the school K.A. Ramachandra. The event would help students inculcate aspects of business and transactions, B.G. Anantashayana, editor of Shakti, a Kannada daily published from here, who was a guest, said. The event heralded the importance of agriculture among students.

Hakathur Gram Panchayat president Shareen, newly elected zilla panchayat member representing the area Beena Bollamma, writer Mahabaleshwar Bhat, Block Education Officer Mariswamy, and school SDMC president Kushalappa were present.

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**Pay crop compensation as promised: CPI**

Special Correspondent

KURNOOL: K. Ramakrishna, CPI State secretariat member, has urged the government to pay crop compensation to farmers as promised by the Chief Minister on the floor of the House.

Speaking to reporters here on Sunday, he said the Chief Minister promised to pay Rs. 6,000 per hectare towards the loss of crop but the officials are only paying Rs. 3,750 per hectare.



Mr. Ramakrishna said people will lose faith in Congress government if there is a mismatch between the amount promised and the compensation paid.

'Involve all parties'

He also urged the government to involve all-party leaders in preparing the list of farmers, saying the Congress agents misused money last time and deprived the genuine sufferers.

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**'Food Security Bill will ensure food grains at reduced prices'**

Staff Reporter

*Campaign by Press Information Bureau on at Njarakkal*

KOCHI: The proposed Food Security Bill will enable 70 to 80 per cent of the people in the country to get food grains at reasonable rates, said Union Minister of State for Agriculture K.V. Thomas here on Sunday. The Minister was inaugurating a public information campaign at Njarakkal, organised by the Press Information Bureau at the Manjooran Centre, said a press release here.

Programmes like integrated farming schemes, Rashtriya Krishi Vikas Yojana and the proposal to set aside a portion of the profits of public sector undertakings for the development of nearby villages and so on will help transform the agricultural sector, he said.

M.K. Purushothaman, MLA, presided over the inauguration of the awareness campaign. President of the Vypeen block panchayat Soujath Abdul Jabbar and president of the Njarakkal grama panchayat Jude Pulikkal were among those present on the occasion.

The information campaign is being organised in collaboration with various Central and State government departments; local self-government institutions; and voluntary agencies.

The campaign will end on Tuesday.

Vice-president of the Vypeen block panchayat C.D. Desikan said that the Mahatma Gandhi National Rural Employment Guarantee Scheme is a milestone in the path of progress. Kerala received a total of Rs.998 crore under it, he said, inaugurating a seminar on MGNREGS, organised as part of the campaign.

Member of the Njarakkal panchayat A.A. Suresh Babu presided over the inaugural function.

**Bicycles distributed**

Eighteen students in Njarakkal panchayat were gifted with a bicycle each on the day under a sponsorship programme by the State Bank of India, Union Bank of India, Corporation Bank and Bharat Petroleum Corporation-Kochi Refinery as part of the campaign.

The keys of the bicycles were handed over to the students by K.V. Thomas.

The three-day information campaign will highlight the flagship programmes of the Union government and includes an exhibition, public meetings, seminars, a free medical camp and cultural programmes, the press release said.

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## **Call to involve students in organic farming**

Special Correspondent

THRISSUR: Various programmes conducted by Patasala at Arangottukara on Sunday called for student involvement in organic farming. Schools students harvested paddy in organic fields cultivated by the Patasala and the Aided Upper Primary School, Ezhumangad.

Addressing a public meeting held in the evening, Speaker K. Radhakrishnan said that

children should be taught to love farming. "The younger generation cannot afford to stay away from agricultural farms. The country needs young hands to boost food security," he added.

He said that human lives were suffering from extensive use of pesticides on crops prompted by love of money. Schools should take the lead in creating organic farming systems and strategies, the meeting said.

"It will strengthen food systems and farming methods that are ecologically safe, economically viable and socially sustainable. It will bring about a revolutionary change in society," the meeting said.

The speakers pointed out the importance of kicking off a Back-to-Nature movement in schools. "What politicians and policy-makers cannot do, children can. When the seeds of positive social change are sown in young minds, the country can hope for a bright future," the meeting said. Two books, 'Varakalum Varikalum' and 'Pira: Rabindranath Tagore' were released by Attur Ravi Varma and Ravunni respectively on the occasion.

N. Manikantan, president, Desamangalam grama panchayat, presided. Among those present on the occasion were playwright Thuppattan (Subramanian Namboodiri), P. S. Mohandas, district panchayat member; A. M. Pushkaran, Block Panchayat member; P. Rasheeda, president, Thirumittakkodu grama panchayat; Sreedharan Nair, grama panchayat member; V. S. Vinayakumar, secretary, Neethi; C. P. Raman, president, Vidyaposhini Public Library, Ezhumangad; Moideen Kutty of Nanma, C. M. Narayanan, chairman, Patasala, and K. V. Sreeja, treasurer.

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**Paddy farmers saved by water-tolerant variety**

M. Venkateswara Rao

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*They reap a good harvest by going in for 'non-lodging' varieties of paddy*

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VIJAYAWADA: The untimely rain in late November damaged standing paddy crop on thousands of acres due to lodging in the Krishna-Godavari delta ruining farmers. But some saved their crop and reaped a good harvest of 25-30 bags an acre.

Reason? They opted for varieties that do not lodge. Craze for Swarna variety ruined them, say agricultural scientists.

But truth is most farmers are not aware of non-lodging varieties as there is little or no extension work in the State.

Need for extension

As Swarna variety, released by the Maruteru agricultural research station in 1982, was blast-tolerant and yielded more than 40 bags an acre, farmers made it a roaring success for 25 years. They never bothered about its negative quality---of lodging under submergence conditions---a situation they never faced.

During heavy rains at harvest time, the crop lodged and germinated damaging both quality and yield causing dismay among farmers. Former Minister Kalidindi Ramachandra Raju, a land-owner in Undi (West Godavari), was angry with scientists. "They released Swarna long ago, but left it without any development till now".

When contacted, scientists at Maruteru rebutted the charge. Senior rice breeder Paladugu Venkata Satyanarayana said Swarna was the most popular variety grown in nine States, besides Bangladesh and Myanmar. They were aware of its lodging quality and developed and released MTU 1061 in 2006. It is now grown in 60 per cent area in Krishna and 10 per cent in Guntur. They developed MTU 1064 (Amar) which can withstand submergence for 10 days. They released MTU 1075 (Pushyami) in 2008 which has 140-day duration, resistant to brown plant hopper while giving the yield.

Farmers who raised Pushyami on 50,000 acres in Ganapavaram mandal and Amar on

5,000 acres in Achanta mandal escaped without any losses.

Mr. Satyanarayana felt that as environment is deteriorating, it is likely that untimely heavy rains may pose a challenge to farmers. They have to gear up by taking to suitable varieties. The International Rice Research Institute, Manila, introduced submergence-tolerance gene into Swarna and released Swarna Sub last year to fight submersion till flowering stage and non-lodging. This would be most suitable for the Krishna-Godavari delta.

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### **Sugarcane crushing set to improve this season**

G.V. Prasada Sarma

*Production was affected last year owing to scanty rainfall*

— Photo: C. V. SUBRAHMANYAM



**Bright prospects:Workers engaged in cutting sugarcane in Visakhapatnam district.**

VISAKHAPATNAM: Sugarcane crushing by the four sugar factories in the district is expected to be much better this season compared to last year.

While there are apprehensions of sugarcane output dipping owing to successive spells of rain, it is likely to even out not affecting the total output.

The total crushing by the factories at Chodavaram, Etikoppaka, Tandava and Anakapalle is projected to be around 10.3 lakh tonnes. Chodavaram leads with 5.5 lakh tonnes, followed by Etikoppaka (2 lakh tonnes), Tandava (1.5 lakh tonnes) and Anakapalle (1.3 lakh tonnes), according to Assistant Cane Commissioner of north coastal districts V. Venkata Rao.

This is considerably higher than last year's crushing. The cane production last year was affected by lack of rain and the crushing fell drastically totalling a mere 5.38 lakh tonnes.

“Rain will have impact on the cane output this year. While in the rain-fed areas the production will increase by an average of about 5 tons an acre, it will fall by 2 to 3 tonnes in irrigated areas. Even there the crop will be affected where the fields lacked draining out,” says Mr. Venkata Rao. As a result this year is turning out to be reasonably good, he adds.

However, cane price continues to be a tricky issue. Last year with price in the international market shooting up and quoting Rs.4,000 a quintal in the country, factories raised cane price considerably. Though they began at around Rs.1,500 a tonne, subsequently it went up to Rs.1,800 and finally touched Rs.2,200. This time sugar prices are ruling low. Sugarcane crushing by factories continues till April.

**Date:**10/01/2011 **URL:**

<http://www.thehindu.com/2011/01/10/stories/2011011056770400.htm>

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## **Paddy farmers saved by water-tolerant variety**

M. Venkateswara Rao

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*They reap a good harvest by going in for 'non-lodging' varieties of paddy*

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VIJAYAWADA: The untimely rain in late November damaged standing paddy crop on thousands of acres due to lodging in the Krishna-Godavari delta ruining farmers. But some

saved their crop and reaped a good harvest of 25-30 bags an acre.

Reason? They opted for varieties that do not lodge. Craze for Swarna variety ruined them, say agricultural scientists.

But truth is most farmers are not aware of non-lodging varieties as there is little or no extension work in the State.

Need for extension

As Swarna variety, released by the Maruteru agricultural research station in 1982, was blast-tolerant and yielded more than 40 bags an acre, farmers made it a roaring success for 25 years. They never bothered about its negative quality---of lodging under submergence conditions---a situation they never faced.

During heavy rains at harvest time, the crop lodged and germinated damaging both quality and yield causing dismay among farmers. Former Minister Kalidindi Ramachandra Raju, a land-owner in Undi (West Godavari), was angry with scientists. "They released Swarna long ago, but left it without any development till now".

When contacted, scientists at Maruteru rebutted the charge. Senior rice breeder Paladugu Venkata Satyanarayana said Swarna was the most popular variety grown in nine States, besides Bangladesh and Myanmar. They were aware of its lodging quality and developed and released MTU 1061 in 2006. It is now grown in 60 per cent area in Krishna and 10 per cent in Guntur. They developed MTU 1064 (Amar) which can withstand submergence for 10 days. They released MTU 1075 (Pushyami) in 2008 which has 140-day duration, resistant to brown plant hopper while giving the yield.

Farmers who raised Pushyami on 50,000 acres in Ganapavaram mandal and Amar on 5,000 acres in Achanta mandal escaped without any losses.

Mr. Satyanarayana felt that as environment is deteriorating, it is likely that untimely heavy rains may pose a challenge to farmers. They have to gear up by taking to suitable varieties. The International Rice Research Institute, Manila, introduced submergence-tolerance gene into Swarna and released Swarna Sub last year to fight submersion till

flowering stage and non-lodging. This would be most suitable for the Krishna-Godavari delta.

Date:10/01/2011 URL:

<http://www.thehindu.com/2011/01/10/stories/2011011060170300.htm>

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## TDP seeks better deal for farmers

Staff Reporter

*Party leaders ask Collector to ensure opening of more paddy purchase centres*

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*Collector should take steps to ensure that discoloured paddy is purchased, say TDP leaders*

*Farmers yet to get enough support to come out of the recent losses, they say*

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VIJAYAWADA: The leaders of the Telugu Desam Party on Sunday met District Collector Peeyush Kumar and submitted a memorandum seeking a better deal for the farmers in the district and rescue them at a time when there are heavy crop losses this season. They wanted the Collector to see that more paddy purchase centres are open for offering a better price to the farmers.

TDP district president and Mylavaram MLA Devineni Umamaheswara Rao, Nandigama MLA Tangirala Prabhakar, Gannavaram MLA Dasari Balavardhana Rao, MLC Yelamanchili Babu Rajendra Prasad and others were in the delegation. The leaders narrated the woes of the farmers to the Collector and wanted him to take immediate measures to open more purchase centres.

The TDP leaders also demanded that the Collector take steps for making sure that the discoloured paddy will be purchased from the farmers at the centres without any



complaints.

They pointed out that in the recent heavy rains, harvested paddy in large tracts of land was lying under water for a long time resulting in discolouration and even germination. This necessitated the intervention of the district administration to protect the farmers from heavy losses.

Later, speaking to the reporters, the main opposition party leaders said that the farmers were yet to get enough support in order to come out of the recent losses in the heavy rains.

They said that the farmers would be in an unforeseen helpless state unless the Government initiates steps to extend substantial support to them to get over the crop losses.

The paddy farmers were the most affected in the district with the recent heavy rains coming at several intervals pushing up the cost of cultivation enormously.

The TDP MLAs also demanded that the Government provide assistance in extending crop insurance to the affected farmers so that they would not be discouraged from cultivation altogether. They wanted crop compensation to be paid to all the farmers without wasting much time so as to instil confidence in the farmers.

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**Indo-Asian News Service**

Bhubaneswar, January 09, 2011

First Published: 14:05 IST(9/1/2011)

Last Updated: 14:08 IST(9/1/2011)

## **Rising food prices a matter of deep concern: Pranab**

The rising food prices are a matter of deep concern and the central government has taken measures to improve the situation, finance minister Pranab Mukherjee said in Bhubaneswar on Sunday.

"It is a matter of deep concern," he said after delivering a lecture at the foundation day function of state-owned National Aluminium Company (Nalco).

"I hope the measures which we have taken both from the supply side and demand side and also allowing of imports of essential food items, which are in short supply with zero duty, will improve the situation," he told reporters.

"There is no way we can completely insulate ourselves from the adverse impact," he said, adding that the rising fuel prices, particularly the diesel price, impact the economy.

Mukherjee said he has written to all the chief ministers to check hoarding of essential commodities so that the poor and weaker section of the society get food items at subsidised prices.

<http://www.hindustantimes.com/StoryPage/Print/648154.aspx>

New Delhi, January 09, 2011

First Published: 17:16 IST(9/1/2011)

Last Updated: 17:18 IST(9/1/2011)

**Checking inflation focus of 12th plan, says Plan panel official**

Identifying inflation as a major challenge, the UPA government will come up with a new set of reforms to check it in the 12-five year plan starting from 2012-13.

Inflation crossed 18% mark in January 2011 making the government feel that keeping it under control will not be possible without systematic reforms in the food distribution and storage sector. Since April 2009, the inflation has increased by about 25%.

"Unless there is not a huge difference between the price farmer gets and at what the consumer buys checking inflation would be a difficult task," said Pranob Sen, principal advisor with Planning Commission, who has been given the task to formulate approach paper for the 12th plan.

While food to all through a re-structured Public Distribution System aimed at plugging leakages will be a reality in the 12th plan, the government will also target at taking agriculture infrastructure to the doorsteps for farmers. It includes cold storage chains and market access.

The commission has identified sectors where "well regulated markets are non-existent" and will come up with a strategy to create or improve markets in all sectors."The key would be providing access to farmers to markets all over the country," Sen said. Another key area identified for improvement is enhancing skills and faster generation of employment."It is believed that India's economic growth is not generating jobs or livelihood opportunities," said a plan panel internal note on approach for 12th plan. "At the same time, many sectors face manpower shortages". The panel also believes that there is a need to improve skills for both job market and for self-employment."We have to come up with modules to providing training to people who want to set up their own small business enterprises such a shops," Sen said. Although attaining economic growth of more than 10% through mobilization of resources and efficient capital markets will remain a key objective, the 12th plan is expected to have serious of reforms to make the growth inclusive for poverty eradication, for providing quality health and education facilities.

The commission has identified inefficient transport sector as a major bottleneck for attaining higher economic growth and insufficient access to large national markets.

In the 12th plan will be a renewed focus on development of rural and urban multi-modal transport.

Sen said while the 12th plan will take ahead the work of the 11th plan the emphasis will be on having bigger impact on people of the Central government schemes

<http://www.hindustantimes.com/StoryPage/Print/648242.aspx>

## Weather

Chennai - INDIA

### Today's Weather



Cloudy

#### Monday, Jan 10

Max Min  
29.6° | 22.6°

Rain: trace

Sunrise: 6:32

Humidity: 74%

Sunset: 17:55

Wind: Normal

Barometer: 1010.0

### Tomorrow's Forecast



Cloudy

#### Tuesday, Jan 11

Max Min  
30° | 22°

### Extended Forecast for a week

Wednesday

Thursday

Friday

Saturday

Sunday

Jan 12

Jan 13

Jan 14

Jan 15

Jan 16



28° | 24°

29° | 25°

28° | 25°

28° | 24°

28° | 24°

Rainy

Rainy

Rainy

Rainy

Cloudy

Printed from

## THE TIMES OF INDIA

### Capital inflow may hit price control: FM

TNN, Jan 10, 2011, 02.20am IST

MUMBAI: Finance minister Pranab Mukherjee has indicated that the flood of capital from overseas investors could thwart efforts to manage the difficult price situation.

Speaking at the Economic Times Awards for Corporate excellence in Mumbai on Saturday, he said there was a need to continuously monitor external capital inflows given the price situation.

He congratulated the winners of the year's top awards, which included Aditya Puri, MD HDFC Bank for business leader, Larsen & Toubro for company of the year, and RC Bhargava, former chairman, Maruti Suzuki for lifetime achievement.

His comments come at a time when there is a growing feeling that concerted action is needed to fight inflation.

Finance minister Pranab Mukherjee on Sunday said that though foreign inflows are not a challenge to forex and monetary policy management at present this could change at short notice and the situation should be monitored continuously.

He said while the economy had done well in recovering its growth momentum, a key challenge was to control prices, improve infrastructure and create jobs in order to increase the capacity of the economy to absorb capital inflows.

The finance minister also said that the Indian economy is headed for 9% plus growth in coming years. However, raising growth to double digits would require bringing about macroeconomic balance and addressing some structural issues in the reform process. Mukherjee pointed out that the economy was facing some challenges - a fragile global recovery and increase in global crude and commodity prices coupled with supply side pressures on food prices.

10 Jan, 2011, 04.58AM IST, Prabha Jagannathan,ET Bureau

## **Sugarcane fair price likely to be hiked by Rs 4 to 143 a quintal**

NEW DELHI: Sugarcane farmers in India, the world's second biggest producer of the sweetener, may earn more in the 2011-12 crop year as the Centre plans to raise the Fair and Remunerative Price (FRP) of cane by 4 a quintal to 143.

The Centre had fixed the FRP at 139 per quintal in the 2010-11 sugar year, which runs from October to September.

The food ministry has already proposed the hike in a note, an official said. The Cabinet Committee on Economic Affairs is expected to approve the note soon, he added.

FRP is the floor price of cane fixed by the Union government. It is computed by the Commission for Agricultural Costs and Prices by factoring in the imputed value of family labour, rent, element of risk and profit for the farmer. The commission also takes into account the cost estimates by sugar producing states before deriving a weighted annual all- India average.

In 2010-11, the cane FRP saw a mark up in price by 15% for profit and by 20% for risk involved.

Sugar mills are, however, free to offer any price above the FRP, although the industry has by and large followed the commission's recommendation on the floor price.

An industry representative said the government should announce the FRP before the states fix their advisory price.

"By the time the FRP is announced, top sugarcane states would have already announced a much higher state advisory price for the cane, making the FRP somewhat redundant," he said.

The food ministry is also considering a proposal to slash the import duty on the sweetener from the current 60% to 20-30% by March as domestic supply is projected to exceed demand for the first time in three years, the official said. Sector analysts said tight global supplies and the prevailing higher prices have also made sugar imports less attractive.

The 60% import duty had come into effect on January 1 after the end of a zero duty period.

The government estimates sugar production in 2011-12 at 24.5 million tonnes (mt). But an upbeat industry says it will be at least 1mt more than the government projection. India had produced 18.8mt in the previous season.

While sector analysts say it is too early to forecast the production, the industry expects sugarcane acreage to be the same if not higher in key producing states like Uttar Pradesh.

"More acreage is likely under cane in the 2011-12 year," an official with the Indian Sugar Mills Association ( ISMA )) said.

The Centre is also likely to scrap the curbs on stockpiling of sugar by traders in view of the higher supply projections. The restriction, which was imposed in March 2009, limited the stock a trader could store to 200 tonnes. It was supposed to end on December 31, but the government extended it for another three months.

The decision to extend the curb was taken to check the rising price of the commodity. Ending the restriction in December would have encouraged traders to hoard the sweetener, further

fuelling food inflation that climbed nearly to a year's high of 18.32% in the week to December 25.

10 Jan, 2011, 02.33AM IST, S Sujatha,ET Bureau

### **Sugar mills hold exports on hopes of a global rally**

COIMBATORE: Sugar millers in Tamil Nadu who can export around 43,000 tonnes of the sweetener under the open general licence (OGL) plan are going slow as they expect global prices to pick up in the coming days.

“The world sugar market is in a deficit now. Prices have dropped a bit now because of Indian supply. But we can wait for a week or two before starting exports as the supply-demand gap will surely push the prices up,” said Erode-based Ponni Sugars managing director and South Indian Sugar Mills Association President N Ramanathan.

Tamil Nadu sugar mills are also awaiting cooperative sugar mills' export strategy. “The cooperative sugar mills can join together and export their allocated quota or sell the licence to private mills,” he added.

While the government has opened exports under OGL with a cap of 5 lakh tonne for this season, quite a few sugar mills in Tamil Nadu are mainly looking to complete their export obligation under the advance licence scheme (ALS). Tamil Nadu mills had close to 5-lakh-tonne export obligation under the tolling system in which companies import fresh raw sugar, refine and reexport it.

Coimbatore-based Sakthi Sugars, which has 1.2-lakh-tonne balance to be shipped under the ALS obligation, has obtained a quota to export 6,000 tonne. “We have so far shipped 60,000 tonne under ALS and we need to complete the ALS export obligation by March 2011,” said



Sakthi Sugars vice chairman and managing director M Manickam. The company has contracted to send 25,000 tonne to Indonesia through Cargill Sugar.

He said India's export quantity under OGL was very less and it would not create any major change in global prices whereas even a slight drop in exports from Australia would alter the equation. "Australia exports four million tonne of sugar every year and even 0.5-0.75 million tonne shortage will brighten price sentiments in the international market," he added.

The world is now waiting for the actual export estimate of Australian sugar post-floods. Due to poor cane recovery, Brazil, the world's largest producer of sugar, is struggling to cater to world market needs. "While the shortage is spread across the world, the deficit in Asia itself is 10-12 million tonnes. So we can easily export to countries like Sri Lanka and Indonesia," he said.

On the New York futures market, raw sugar prices for the March 2011 contract were ruling around 33.74 cents per pound on December 31 but declined to 29.58 cents per pound on January 7 in anticipation of Indian supply. But the talk of a suspension or delay in exports from India brightened market sentiments and sugar prices closed at 31.52 cents per pound on Friday.

In India, on the NCDEX futures market, sugar prices have been continuously declining as mills are crushing cane in full swing in Maharashtra and Uttar Pradesh.

From `30.44 per kg on December 27, trading closed on Friday at `28.67 per kg for the January 21 delivery contract. On the spot market, ex-mill prices rule at around `28-29 per kg.

"Prices are under pressure in India as crushing is going on in full speed. Since international prices are very high, Indian market prices are also bound to go up," said Vedika Narvekar, a senior commodity analyst at Angel Broking . "Though I don't expect the government to stop or defer export of the already-announced quantity under OGL, if in case it happens, markets might

react for a week or so. But I think, the further opening of export quota might only be deferred,” she added.

10 Jan, 2011, 02.14AM IST,PTI

### **Onion prices ease, but still high at Rs 55-60/kg**

NEW DELHI: Retail prices of onion fell by Rs 5 to Rs 55-60/kg in metros across the country on Sunday, taking cues from wholesale markets , where prices have been on the decline due to increased supply and raids on hoarders.

Wholesale price of onions declined by Rs 3/kg to Rs 40-47 in Delhi, Mumbai, Kolkata and Chennai on Sunday, according to reports from these centres.

Traders attributed the fall in wholesale rates to increased supply from Gujarat, Maharashtra and Rajasthan, besides raids by the Income Tax (I-T) Department on hoarders across the country.

Though the retail prices of onions declined on Sunday, they are still high when compared to the going rate of Rs 25-30/kg in the first week of January 2010, according to official data. During the past two days, the I-T authorities have raided the premises of onion traders in Delhi and other parts of the national capital to check hoarding.

However, retail prices of onions remained unchanged at Rs 60/kg in Delhi and Mumbai on Sunday, but in Chennai and Kolkata, prices of the vegetable declined by Rs 5 vis-a-vis the previous day's levels to Rs 60/kg and Rs 55/kg, respectively, according to reports. However, in the posh colonies of metros, retail prices continued to rule at over Rs 70/kg.

“The wholesale prices have started cooling off in the last three days due to increased supply

from the key growing states and I-T raids on traders," Rajendra Sharma, the General Secretary of the Tomato and Onion Merchants' Association in Delhi's Azadpur mandi, said.

8 Jan, 2011, 07.48PM IST,PTI

### **Govt steps pulled down onion prices by Rs 10-15 a kg: FM**

MUMBAI: Finance Minister Pranab Mukherjee on Saturday said onion prices have moderated by Rs 10-15 per kg after the government took steps to augment supply of the vegetable, whose rates had skyrocketed to Rs 80/kg last month.

"(Onion) Prices have come down, however, by Rs 10-15 per kg. There is a mismatch between demand and supply. I have requested the Chief Ministers to collectively keep prices in check," Mukherjee told reporters here.

The retail prices of onion had touched a peak of Rs 70-85 per kg on December 22, 2010 due to sluggish supply in the wake of crop damage in Maharashtra due to unseasonal rains.

However, prices declined after government took steps by I-T searches on traders and by removing the import duty and facilitating more import of the vegetable. However, the efforts suffered a setback after Pakistan banned onion exports to Attar-Wagah land route.

Mukherjee said there is a big difference in wholesale price and retail price of onion, adding, that I-T raids in the premises of different traders have also helped in reducing prices. There has been a "dip in onion prices in some states after I-T search", he said.

However, Pakistan has refused to export onions to India through road, which may blunt the impact of customs duty removal. Mukherjee said the Centre alone cannot reduce the prices, and the help of states is required to check them.

"Prices cannot be checked by the central government alone...PDS (Public Distribution System) to be revamped by the state government," Mukherjee said.

Yesterday, the Finance Minister had written to all Chief Ministers to take steps to crack down on hoarders and remove supply bottlenecks in onions.

On hardening of international crude oil prices, Mukherjee said a balance has to be struck between moderating inflation and reducing losses of oil PSUs because of high global crude rates. "The crude has increased to USD 92 per barrel, naturally there will be an impact on OMCs (oil marketing companies)... At the same time there is inflationary trend...Cannot allow PSU OMCs to suffer due to under recovery," Mukherjee said.

International crude oil prices have hardened to over USD 90 per barrel and an increase in prices of petroleum products will further spike inflation. Petroleum products along with electricity and other energy items contribute over 14 per cent to inflation.

The state-owned oil firms are likely to incur a revenue loss of Rs 72,812 crore this fiscal on selling diesel, LPG and kerosene below cost.

## THE HINDU Business Line

Business Daily from THE HINDU group of publications

Monday, January 10, 2011

**Date:**10/01/2011 **URL:**

<http://www.thehindubusinessline.com/2011/01/10/stories/2011011051581200.htm>

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[Back](#) **Rajkot Commodity Exchange, a factor in castor seed trade**

— M.R. Subramani



Relaxed: Each transaction has to be reported every 15 minutes through transaction slips, said Mr P.B. Pathak, Executive Director of RCX.

M.R. Subramani

Recently in Rajkot

On some 500 sq ft area in the busy but narrow area of Danapith in Rajkot, Gujarat, a dozen traders assemble everyday from Monday to Saturday at 11 am to trade futures contracts in castorseed.

The 'Navlakha' building that houses the Commercial Chamber from where these traders shout out their bids cost the builders less than Rs 9 lakh when it was constructed in 1952. It is from here that the Rajkot Commodity Exchange (RCX), a single commodity bourse, functions.

The trade may be leisurely and unhurried. The traders may look relaxed. But make no mistake, in the last three years the turnover at the exchange has been nothing less than Rs 5,000 crore annually.

open outcry system

“Trading here is based on open outcry system. Clients or customers book orders through brokers who make the bids. Each transaction has to be reported every 15 minutes through transaction slips,” said Mr P.B. Pathak, Executive Director of RCX.

RCX is one of the two single commodity exchanges in Gujarat with the Surendranagar that

trades in cotton being the other.

#### All-time high turnover

In 2008-09, the RCX registered a record turnover of Rs 6,664.19 crore but it dropped to Rs 5,206.16 crore last fiscal with corresponding fall in volume from 25.03 lakh tonnes to 19.25 lakh tonnes.

“Investors shifted to gold and silver last fiscal and that showed in the drop in turnover,” said Mr Pathak.

In 2010, gold gained 30 per cent and silver 83 per cent.

Though castorseed gained 40 per cent (from Rs 2,700 a quintal to Rs 3,800), most of the gains were seen towards the year-end after unseasonal rain in November affected arrivals. In September, it ruled at Rs 3,558 and Rs 3,471 in November. In contrast, gold and silver rise was more or less secular last year. The RCX had tried to increase in portfolio by dabbling in soyabean oil. “We got permission for six months and tried it for 2-3 months. We found the people a little uninterested in it. We have stopped trading in soyabean oil now,” said Mr Pathak. With multi-commodity exchanges going electronic, isn't the RCX interested in starting electronic trading of contracts? “No,” said Mr Pathak, adding “we lack necessary funds to go electronic.” One of the reasons for lack of funds is that the exchange charges a meagre Re 1 for a unit of five tonnes as levy for trading from its members. This results in an earning of Rs 7-8 lakh a year from trading. Though the exchange has got 101 members, at a given point of time only some 15 trade. “We have got a couple of corporate members too,” the exchange official said. Surprisingly, delivery of contracts at this exchange is also “very rare”. “Delivery could be some 0.01 per cent,” said Mr Pathak. In case of volatility in prices, the exchange steps in curb it. In December, when castorseed prices began to surge, the RCX sought to impose a special margin of Rs 40,000 for a unit of five tonnes. “This was to apply for all open positions,” Mr Pathak said.

The RCX could be a small exchange compared with other multi commodity exchanges. Its turnover could be nowhere compared with the over Rs 76 lakh crore on all commodity exchanges put together in 2009-10.

Still, the regional exchange matters a lot when it comes to castor seed futures.

Traders look to it for direction, particularly when India is the leader in castor production and also it enjoys over 70 per cent share in export market.

**Date:**10/01/2011 **URL:**

**<http://www.thehindubusinessline.com/2011/01/10/stories/2011011051591200.htm>**

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[Back](#) **Pepper declines on bearish activities**

G.K. Nair

Kochi, Jan 9

Pepper world over seems to be in a dilemma. Nobody is in a position to tell what is going to be the size of new crop in Vietnam, which is expected in late Feb or early March.

The size of the new crop in India is also still not known, as its arrival at the market in normal cases used to be in late Nov/early Dec but during the current season, the first lots landed at the terminal market only a couple of days ago. The quantity was just 40 bags of 60 kg each.

The stock position in Indonesia also remains uncertain. The growers said to have sold out much of their crop while some of the dealers are holding some stocks.

Harvesting in Brazil is said to be almost over and the growers are reportedly on a selling spree as Vietnam had started offering lower grade pepper cheap.

Anyway all the recent projections were pointing towards a squeeze in supply in 2011 also with demand outweighing supply.

The market is, therefore, predicted to be volatile in the coming days. The unfavourable weather conditions prevailed in most of the growing regions reported to have negatively

affected several food and spices crops world over squeezing the availability.

Consequently, the prices have been rising, with some even has hit the roof.

Pepper is also, therefore, likely to be negatively affected along with other commodities in the world market, market observers told Business Line.

An overseas report on Saturday said some of the Indonesian sellers were not making offers yet after the break, so the opportunities to book heavy pepper were restricted to just a few sellers.

Meanwhile, many buyers are continuing to sit on the fence, awaiting the Vietnamese developments.

“We are hearing conflicting reports; some have said that Vietnam will make earlier offers this year as some of the crop should be coming in soon – while others are telling us that it will be on the late side. In sum, we continue largely in a wait-and-see mode.

If buyers grow impatient before Vietnam starts to offer freely, they could be “surprised” at the current limited possibilities... significant demand should make for a near term surge”.

Indonesia reports very little remaining stock of white and so is offering well above the current quotes from Vietnam.

Indian prices have been ruling above other origins during the week and, hence, no demand was forthcoming.

However, the domestic demand is also expected to emanate because of the favourable weather conditions for the grinding industry and depleted inventory.

Bearish activities during the week pulled the market down.

All the contracts declined at the weekend. January, February and March contracts fell by Rs 134, Rs 111 and Rs 106 respectively to close on Saturday at Rs 22,798, Rs 23,087 and Rs 23,334.



Total turn over increased by 5,239 tonnes to 62,302 tonnes.

Total open interest also increased by 472 tonnes to close at 13,294 tonnes and indicated additional purchases.

Spot prices remained unchanged at previous levels of Rs 21,500 (un-garbled) and Rs 22,000 (MG 1) a quintal on matching demand and supply during the week.

Indian parity in the international market was at \$5,250 a tonne (c&f) and remained out priced, they said.

According to the International Pepper Community (IPC), in 2010, pepper market was considered to be very dynamic and prices demonstrated a sharp increasing trend.

In December the market was calm due to limited stocks and also compounded by Christmas and New Year holidays.

Commencement of 2011 the market showed some improvement. Players have started entering the market after long vacation. In India, pepper harvest is in upswing and new material is expected to arrive into market soon.

Trading was more active locally as indicated by the increase in volume traded in the Commodity Exchange.

Prices in India, according to IPC, increased by 2 per cent, while in Vietnam dropped marginally.

In Lampung, the market was quiet due to limited material traded in the market and the local price was unchanged. In Sarawak, local prices increased, while f.o.b. prices were stable. A slight increase was also recorded in Sri Lanka. It was reported that Brazil was offered at \$5,000 a tonne (asta) fob Belem for January shipment.

## WHITE PEPPER

The market for white pepper was more dynamic. In Bangka, local prices increased two per cent while in other sources increased one per cent. In Bangka and Hainan, f.o.b. prices

increased, while in Sarawak and Vietnam, it was stable.

**Date:**10/01/2011 **URL:**

<http://www.thehindubusinessline.com/2011/01/10/stories/2011011051601200.htm>

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**Back Rise in Coonoor tea sale, prices**

P.S. Sundar

Coonoor, Jan. 9

The auctions of Coonoor Tea Trade Association for the year 2011 have opened with as much as 93 per cent of the offer of 12.45 lakh kg in the first sale being bought and prices rising Rs 3-5 a kg over the last sale of 2010. The market opened after a fortnight closure for the Christmas-New year celebrations

Darmona Estate topped CTC market at Rs 151 a kg. "Our pekoe dust (PD) fetched this price. Our super red dust (SRD) fetched the second highest price of Rs 146. In all, our seven grades got Rs 103 and more", Mr Dinesh Raju, Darmona Managing Partner, told Business Line.

Vigneshwar Estate got Rs 146, Homedale Estate Rs 144, Professor Rs 132 and Deepika Supreme Rs 130. In all, 74 marks fetched Rs 100 and more. Among orthodox teas from corporate sector, Chamraj and Curzon got Rs 190 each, Kairbetta Rs 168, Havukal Rs 157, Quinshola clonal Rs 156, Prammas Rs 155 and Highfield Estate Rs 151. In all, 36 marks got Rs 100 and more.

"Generally less demand prevailed in the orthodox leaf sale and the market eased Rs 2-5 a kg. But, high-priced CTC leaf gained Rs 2-3, cleaner blacker medium grades up to Rs 5 and plainers Rs 1-3. Orthodox dusts lost Rs 1-2. High-priced CTC dusts gained sharply up to Rs 15 and cleaner blacker mediums and plainers Rs 2-5", an auctioneer said.

On the export front, Pakistan bought selectively in a wide range of Rs 44-74 a kg, the CIS Rs 43-75 and Egypt Rs 65-70.

**Date:**10/01/2011 **URL:**

Back Salem and Pollachi to supply yarn to Kerala

Our Bureau

Kochi, Jan. 9

Kerala's coir industry has reason to heave a sigh of relief with the neighbouring districts of Salem and Pollachi offering to enhance its yarn supply to the State.

Mechanisation

This has been made possible following the speedy mechanisation of the Salem and Pollachi coir sectors, taking advantage of the Coir Board's REMOT scheme that extended 40 per cent Government subsidy to the coir spinning and tiny sectors.

Coir Board Chairman Mr V. S. Vijayaraghavan who led a delegation of coir exporters from Kerala to the Salem household coir yarn production centres early this week, decided to constitute a committee comprising representatives of the Tamil Nadu Government, the Coir Board and the trade and industry to speed up matters in this regard, including the setting up of a coir yarn procurement centre at Salem.

Production

Production of the nearly 2,000 strong household Salem coir spinning sector has now reached 150 tonnes a day and the bulk of the production was hitherto being sent to the North Indian market for household and agricultural purposes.

The Coir Board has disbursed nearly Rs 16 crore to the coir sector in Tamil Nadu during the last four years under the REMOT scheme, the Chairman said.

He also held discussions with representatives of the trade and industry from Pollachi and Salem.

The Coir Board members, Mr C. M. Kamaraj and Mr Syamsundar; Secretary, Mr M.

Kumara Raja; Director (Marketing) Mr M. Kumaraswamy Pillai; and Kerala Special Secretary, Coir, Ms Rani George, also participated in the meetings.

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## Back Cotton export ceiling likely to be raised

Our Bureau

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The Government could raise the cotton export ceiling from the 55 lakh bales (170 kg each) it had fixed in September, going by indications from the Commerce Secretary, Dr Rahul Khullar.

According to him, the Cotton Advisory Board's revised estimate of 32.9 million bales (170 kg each) this week against the 32.5 million bales projection made in August could still be on the lower side "because their (advisory board) interest lies in not exporting cotton".

Therefore, "they tend to underestimate production". "(Cotton production) could be anywhere between 34-35 million bales," he said.

If production turns out to be 34-35 million bales, "why should you restrict yourself to the export of only 5.5 million bales?" Dr Khullar asked. A decision on whether the Government will allow more exports will be taken on January 14, he said.

The CAB, comprising representatives of the Government, trade, farmers and textile industry, also upped consumption projections to 275 lakh bales from the earlier 266 lakh bales while raising output estimates. Cotton prices are ruling firm around Rs 42,000 for a candy of 356 kg currently.