

THE HINDU

Online edition of India's National Newspaper

Thursday, January 27, 2011

Date:27/01/2011 URL:

<http://www.thehindu.com/thehindu/seta/2011/01/27/stories/2011012757341700.htm>

FARMER'S NOTEBOOK

Sprinkler irrigation using tubes, old razor blade, and a kerosene lamp

M.J. PRABU

Many experts do not seem to know the ground realities that affect a farmer

— Photo: special arrangement



Effective system:Avaran inspecting his irrigation sprinkler.

Personal experience remains the best teacher.

“Today several book experts claim to know the answer for solving agriculture crises. Many officials are interested in pushing their projects in the government than for farmers' welfare. Some are foreign educated and do not seem to know the ground realities,” says Mr. Avaran, from Malappuram, Kerala, who developed a low cost new micro sprinkler, from micro tubes, a kerosene lamp, and an old razor blade.

Cost effective

He developed the cost-effective sprinkler by fusing one end of a 3 cm long micro tube and making an incision just below the fused end. The half circle jets of water produced can be used for any crops, according to him.

“International talks on improving production in the country hold no significance when there are practically no fields left for cultivation. You cannot compare India with any western countries in terms of crop yield or farmers' income. There are many things lacking for a farmer here,” he says.

“The low yield and income from my two-acre field due to acute water shortage and the high cost of available irrigation products in the market made me think of a cost-effective alternative,” says the farmer.

The biggest obstacle in using drip or sprinkler irrigation by small farmers is the high cost involved in setting them up in the fields, according to him.

Though the government promotes irrigation technologies by encouraging private manufacturers, spreading awareness through the Departments of Horticulture and Agriculture by introducing subsidy schemes, they are not popular among the small farmers, according to Mr. Avaran.

Require certain skill

Farmers need a certain degree of skill to operate and maintain an irrigation system. The dealers, after installing the system, must follow up with the farmer, but this rarely happens.

“Often after setting up the unit, dealers don't care to even come back to attend to any complaints. The common excuse is that the villages are often remote and inaccessible.

“But how is it the villages become accessible when a payment for installing the system needs to be collected?” asks the farmer.

Today, many of the irrigation devices are sophisticated and investments are high for installing them. Big farmers (5-10 acres) can afford to install them but for poor illiterate small farmers such an investment is out of question.

A conventional irrigation system requires an expert to install it, leaving most illiterate farmers out of the process, seems to be his view. "Whether it is a sprinkler or drip system it should be simple to use and easily operable. It works better if a farmer can set it up and manage it himself." "The government must understand that irrigation does not mean a routine task of watering crops. In India and other developing countries, it is a social activity motivating human involvement," stresses Mr. Avaran.

Fails to use

"The government does not make use of the creative mind of a farmer," he alleges. "The most glaring flaw is the public distribution system that blindly encourages farmers to take up rice cultivation even in areas where water is scarce." "Our policy makers and experts must be willing to learn practical lessons from grassroots farmers instead of following textbook theories," he stresses. Although the government of India promotes drip irrigation, the present system only encourages large-scale operations, leaving small farmers out of the picture.

Proper awareness

Much of India's cultivable area is fed on rainwater, which leaves farmers vulnerable to drought. Proper irrigation techniques can effectively enable a farmer in dry areas to profit, according to him. For more details readers can contact Mr. M. Avaran, Mannackkara House, Athavanad, Malappuram-676310, mobile: 09446840750.

Date:27/01/2011 **URL:**

<http://www.thehindu.com/thehindu/seta/2011/01/27/stories/2011012757271700.htm>

FARM QUERY

Artificial pollination

Is there any method to artificially pollinate vegetables such as gourds?

B. Chinmayi

Maharashtra

Mr. Ajay Mandali from Orissa developed a technique for artificial pollination in pointed-gourd by plucking male flowers, removing petals, collecting pollens by hammering with a wooden stick in a glass, diluting with water, sieving using a net and pollinating female flowers by putting a drop of solution using dropper. Yield was found to be 2.5 times higher when artificial pollination is practised and the farmer got a gross return is Rs 100,000 per acre. For more details contact Mr. Ajay Mandali, MV-8, District Malkangiri, Orissa, mobile : 09438022045.

Date:27/01/2011 URL:

<http://www.thehindu.com/thehindu/seta/2011/01/27/stories/2011012757331700.htm>

Management of charcoal rot in rabi sorghum

Rabi sorghum occupies significance importance as a staple cereal food crop for many poor families.

Apart from moisture stress, diseases and pests also pose additional threat during the crop's growth period.

Most destructive

Among the diseases, charcoal rot is the most destructive one.

The disease is prevalent in both red and black soils and causes grain yield losses from 30 per cent to 90 per cent.

The infestation is caused by a fungus. Infected plants fall on the ground due to weakened stalk.

Outward symptom

Characteristic outward symptom in the field is lodging, premature drying of stalks, root rot and reduction in filling up of grains. This often occurs in the driest part of the field.

The fungus has a very wide host range like maize, soybean and several other crops and survives during off-season in the form of sclerotia

Sclerotia germinate under high soil temperature conditions of 30 degree Celsius and lower soil moisture.

High soil moisture stress and high temperature is conducive for development of the disease.

Disease management

— Avoid soil moisture stress by mulching, adjusting dates of sowing.

— Early sowing, long crop rotation, soil solarisation, use of bio-control agents, balanced fertilizers, deep sowing, wider spacing, optimum plant population reduces the incidence.

— Apply minimum dosage of nitrogen fertilizers. Adopt intercropping than sole cropping

— Grow drought tolerant, lodging resistant, and non-senescent types of sorghum like CSV 17, SPV 462 etc.

— Soil fumigation with methyl bromide reduces the pathogen load.

— Seed treatment with *Trichoderma harizianum* or *T. viride* at 4gm/kg seed were effective in reducing percent incidence.

— Application of neem cake, safflower cake and mulching with wheat straw reduces the disease.

Mallikarjun Kenganal Byadgi, A. S. & Benagi, V. I

Department of Plant Pathology, University of Agricultural Sciences Dharwad

Date:27/01/2011 URL: <http://www.thehindu.com/2011/01/27/stories/2011012762370600.htm>

Chamber to host Agri Expo in Pollachi from January 28

Pollachi: The Pollachi Chamber of Commerce and Industry (PCCI) is organising a Pollachi Agri Expo 2011 at M C Velusamy Kalyana Mandapam on Palakkad Road in Pollachi from January 28 to 30.

In a release PCCI said that Agriculture is the mainstay of Pollachi and coconut is the major cash crop of the region.

PCCI was organising an annual consumer fair, one of the most expected trade shows for the locals. Coir products worth Rs. 250 crore are being exported from Pollachi every year.

If the present trend of export continues, region is expected to export at least Rs. 500 crore worth of coir products in less than a decade.

The expo will have the presence of Chairman of Coir Board, District Collector, member of the State Planning Commission and Vice-Chancellor of TNAU.

A cross section of agricultural scientists and pioneers in farming would share their wisdom with participants at the expo.

Date:27/01/2011 URL: <http://www.thehindu.com/2011/01/27/stories/2011012762500600.htm>

Farmers' grievance day tomorrow

Coimbatore: Collector P. Umanath has announced that the agricultural production committee and farmers grievance day meeting will be held on Friday (January 28) at the District Collectorate at 10 a.m. and would be presided by the Collector.

Date:27/01/2011 URL: <http://www.thehindu.com/2011/01/27/stories/2011012751770300.htm>

Differently abled ride to create awareness on global warming

— Photo: M. Govarthan



We care: Differently abled persons took out a rally to create awareness among people on global warming in Erode on Wednesday.

ERODE: A group of differently abled persons took out a rally to create awareness among people on the negative effects of global warming in Erode town on Wednesday.

Collector T. Soundiah flagged off the rally on the Collectorate premises in the presence of District Revenue Officer Kumaravel Pandian, PA to Collector (General) Maheshwaran and senior officials.

The rally, jointly organised by the National Differently Abled Persons Welfare Organisation and Nandha Manitham Trust, passed through important thoroughfares in the town before culminating near Erode GH. Participants of the rally carried placards and raised slogans urging the people to put in more efforts to protect the environment. People should work together to increase the forest cover and promote the use of energy efficient equipment both at home and workplace. Concerted efforts were needed to increase the usage of renewable energy sources. The continuous use of conventional energy sources would contribute to global warming, they pointed out.

Date:27/01/2011 URL: <http://www.thehindu.com/2011/01/27/stories/2011012761080300.htm>

Sugarcane farmers arrested

Staff Reporter

SANGAREDDY: The 68 day agitation of the sugarcane famers in Zaheerabad Assembly constituency came to an end with their arrest on Tuesday. The management of the Trident Sugar Factory withstood the pressure built up by the farmers, the administration and Major Industries Minister J. Geeta Reddy, who was representing the constituency.

Surprisingly the farmers started supplying sugarcane without fixing the price when the crushing was formally inaugurated by Ms. Geeta Reddy. The farmers were of the opinion that they would get the price that was paid last year, i.e. Rs. 2,250 per tonne. But the management did not heed

to their demand stating that price of sugar was not remunerative for the factory in the market. Their hopes were dashed and they were forced to accept whatever the management paid.

Ms. Geeta Reddy, Collector S. Suresh Kumar, Joint Collector T. Vijaya Kumar held several rounds of meeting with the representatives of farmers and factory management which yielded a result of hiking the price from the offer of Rs. 1,950 to Rs. 2,100. But all of them failed to get the price as demanded by farmers.

The division among the farmers into two groups – one group fighting the issue and the other being in the fold of the ruling Congress party -- diluted the tussle making it easy for the management to stick to its stand. Meanwhile farmers held novel protests in the constituency, including trying to lodge a complaint against the Minister, exhibiting posters stating that they need a public representative and so on. The police, who allowed the agitators to hold protests for all these days, had suddenly decided to end the drama once for all. They removed the camp on Sunday night and arrested farmer leaders Dilli Vasant and M.G. Ramulu on the ground that the tent was erected without permission.

Date:27/01/2011 URL: <http://www.thehindu.com/2011/01/27/stories/2011012751750300.htm>

Compensation to be given to farmers

Special Correspondent

SALEM: Collector J.Chandrakumar has asked the farmers who suffered crop losses during the North East Monsoon this year to approach the Primary Agricultural Co-operative Societies of their respective blocks and receive the compensation.

Sanctioned

A press release says that the State has sanctioned a sum of Rs.300 crore for the affected farmers in all districts barring Chennai, Krishnagiri and Nilgiris and the same has been sent to the societies through District Co-operative Bank.

The money will be deposited in the accounts of the farmers, the release further adds.

538-crore scheme for farm reforms sanctioned

Special Correspondent

JAIPUR: The Union Government has sanctioned a scheme worth Rs.538 crore for reforms in agricultural fields situated in the Gang Canal Project region in northern Rajasthan. The five-year scheme is likely to cover an area measuring 1.83 lakh hectares by 2014-15.

Benefit

According to an official release here on Wednesday, the scheme — for which the Irrigated Area Development and Water Utilisation Department would shortly launch the work — will benefit farmers in the five tehsils of Sriganganagar district by ensuring sufficient water supply to their fields.

The Gang Canal gets the Sutlej river waters from the Harike Barrage in the neighbouring Punjab.

The release stated that the irrigation capacity in Padampur, Karanpur, Anupgarh, Raisinghnagar and Sriganganagar tehsils was likely to improve by 62 per cent following the scheme's implementation.

The works to be undertaken as part of the scheme would ensure optimum utilisation of water available in the limited quantity by plugging the loopholes in the supply system and checking the waste of water by constructing durable distributaries.

A productive year for farmers, says Collector

Staff Reporter

NIZAMABAD: Collector D. Varaprasad said this year the district had received six per cent more rainfall than normal and all the important reservoirs such as Sriramsagar, Nizamsagar, Koulasnaala, Ramadugu, Pocharam and Alisagar were filled to their brims.

Farmers cultivated paddy, maize, soyabean and turmeric in 3.21 lakh hectares and got remunerative prices to their produce, he said while addressing the gathering at the Police Parade grounds after unfurling the national flag on Republic Day, here on Wednesday.

The Collector said the government released an amount of Rs.50 crore last year towards compensation to farmers who lost crop due to drought conditions and paid Rs.16 crore this year to flood-hit farmers.

Workshop for farmers

Staff Correspondent

MANGALORE: Krishi Vignana Kendra, Kankanady, on the premises of Fisheries College of Mangalore will conduct a five-day workshop on agriculture technology for farmers from February 1. Free food and accommodation will be provided for participating farmers. They will get a chance to interact with experts and field visits. For registration, call 2431872, a release said.

Byreddy denies claiming crop compensation

Special Correspondent

KURNOOL: TDP leader Byreddy Rajasekhar Reddy denied the charge that neither him nor his family members had ever claimed crop compensation illegally from the government.

Talking to reporters here on Wednesday, he said a section of the press reported that his family members claimed Rs 1.38 lakh compensation for the loss of crops during floods.

'Unaware'

He explained that the Agriculture Department might have prepared the list of beneficiaries as per the revenue records but they did not claim the money. Of it, the share of Mr. Byreddy Rajasekhar Reddy was claimed to be Rs. 14,300.

Mr. Rajasekhar Reddy said the allegations he had made earlier against former MP Y.S. Jaganmohan Reddy proved to be correct as the High Court has accepted a petition by a Cabinet Minister against him.

He said because of poor management by the Congress government headed by Y.S. Rajasekhara Reddy the State had lost the case before the Krishna Water Disputes Tribunal.

Cashew nut manufacturers' plea dismissed

"No case has been made out to interfere with the impugned order"

CHENNAI: The Madurai Bench of the Madras High Court has imposed costs of Rs.10,000 on a cashew nut manufacturers' association, even as it dismissed the association's petition challenging a government order of April last year fixing minimum wages for employees of the cashew nut industry.

In his order delivered here, Justice K. Chandru said that as noted in an earlier G.O. of February 2009, the minimum wages paid in the State was far below the rates paid in Kerala.

The South India Cashew Nut Manufacturers' Association, Kollam, Kerala, said the impugned notification of the Tamil Nadu Labour and Employment Department dated April 22, 2010 fixed the minimum rates of wages. A variable dearness allowance at the rate of 20 paise per point over and above 645 points on the basis of consumer price index had been stipulated. The DA is to be paid on the basis of minimum output in respect of each work to be done.

The petitioner contended that as the 2010 notification referred to a 2004 notification and not the one in 2007, it was invalid. It showed non-application of mind.

Increasing the DA from 11 paise to 20 paise was unwarranted. In Andhra Pradesh, Karnataka and north Indian States, wages were very low. It gave them a competitive edge over the Tamil Nadu industry.

Mr. Justice Chandru said the petitioner's alternative contention that DA should be delinked from the fixation of minimum wages could be neither acceptable nor realistic. Section 4(1)(1) of Minimum Wages Act provided fixation of minimum wages linked with the cost of living index. Cashew nut industries had paid such minimum wages from 1996 till the impugned notification. Therefore, the clock could not be put back. Without paying DA if wages were paid it would make labourers suffer even to purchase regular day-to-day household necessities.

The court did not accept the petitioner's contention insofar as fixing minimum wages was concerned. Citing Supreme Court decisions, the Judge said no case was made out to interfere with the impugned order. He directed the petitioner to pay costs of Rs. 5,000 each to the Labour Progressive Federation and Tamil Nadu Munthiri Paruppu Thozhilalar Sangam (CITU), Kanyakumari district.

Call to raise dwarf varieties of coconut palms

Special Correspondent

High cost of labour for harvesting the crop has been a handicap to coconut farmers

KOCHI: Director of State Horticulture Mission K. Prathapan has highlighted the need for growing dwarf varieties of coconut palms in Kerala.

High cost of labour for harvesting the crop has been a handicap to coconut farmers. The situation may turn acute in future, he said.

He was addressing a workshop organised by the All India Coconut Growers' Federation here recently.

High yield

Mr. Prathapan urged the federation to initiate a project for raising high-yielding dwarf varieties in Kerala. He said the scheme for cutting off senile trees and undertaking replanting operations be undertaken extensively. He said farmers should form clusters and take up activities of value addition.

Scientific approach

Earlier, inaugurating the workshop, Charles Dias, MP, said coconut farming needed a scientific approach. More research into methods of farming and appropriate marketing efforts would be required to make the cultivation viable, he said.



Reuters

Davos, January 26, 2011

First Published: 20:47 IST(26/1/2011)

Last Updated: 20:48 IST(26/1/2011)

Inflation threatens global recovery, CEOs say

Rising inflation and its impact on the fast-growing developing world are major risks to the economic recovery this year, CEOs gathering for the annual Davos meeting said on Wednesday.

Business leaders said rising food prices could spark fresh social unrest and pointed to worries over tensions between North and South Korea and Iran and Israel.

“Interest rates are zero today but they can only go up and higher interest rates will drive financing costs up as well,” said John Krenicki, chairman and chief executive of GE Energy and vice chairman of GE. “It’s not just inflation in energy but steel, copper and general commodities.”

A PricewaterhouseCoopers survey on the eve of the World Economic Forum showed optimism among chief executives has bounced back to almost the same level as before the financial crisis. But CEOs at the event struck a more cautious tone, pointing to the numerous risks which could yet derail the fragile global recovery.

The four-day Forum in the Swiss Alps brings together at least 35 national leaders and over 1,400 business chiefs.

<http://www.hindustantimes.com/StoryPage/Print/655006.aspx>

Weather

Chennai - INDIA

Today's Weather



Clear

Thursday, Jan 27

Max Min

31° | 20.9°

Rain: 00 mm in 24hrs

Humidity: 74%

Wind: Normal

Sunrise: 6:36

Sunset: 18:07

Barometer: 1014.0

Tomorrow's Forecast



Cloudy

Friday, Jan 28

Max Min

30° | 21°

Extended Forecast for a week

Saturday

Jan 29



27° | 20°

Cloudy

Sunday

Jan 30



27° | 20°

Cloudy

Monday

Jan 31



26° | 21°

Cloudy

Tuesday

Feb 1



28° | 22°

Cloudy

Wednesday

Feb 2



26° | 22°

Cloudy

Price rise DMK poll headache

Jan 27 2011

Jan. 26: The DMK may have the backing of the Congress and VCK and goodwill from a host of welfare schemes for the ensuing Assembly elections, but the ruling party faces the burden of countering an Opposition assault on three major counts — price rise, power cuts, and family interference in politics and the film world — even as it seeks to exorcise the spectrum ghost.

The Opposition parties have kick-started their campaign with street- corner meetings highlighting the failures of the DMK. Normally, rising prices would only affect the poorest sections but the skyrocketing prices of vegetables, dhal and petrol have not spared even the middle class.

“Everyone is facing the brunt of price rise and people are angry with the government. Of course, we are also outraged by the corruption in the 2G spectrum sale,” said poet Vaigai Selvan, secretary of AIADMK’s literary wing.

Chief minister M. Karunanidhi reacted by slashing the price of urad and toor dhal by `10 by a kg in PDS shops two days ago. Nearly 2 crore cardholders can avail of the subsidised dhal. He also ordered that palmoline price be reduced by `5 a litre. South Chennai district DMK secretary J. Anbazhagan argued that price rise would not affect ruling party’s prospects.

“It’s an all-India phenomenon and the Kalaingar government has taken steps to insulate the poor. Wages too have increased,” Mr Anbazhagan said.

Source URL:

<http://www.deccanchronicle.com/chennai/price-rise-dmk-poll-headache-856>

27 Jan, 2011, 05.19AM IST, ET Bureau

Rising rubber prices hitting Punjab Inc

CHANDIGARH: Turbulent rubber prices are giving jitters to industry. For the last two years, prices of rubber have shown undue turbulence. The prices have gone up from under Rs 100 per kg to over Rs 245 per kg. The prices of rubber have gone up by 63% in 2010. Punjab has wider use of rubber for industrial production. India is the fourth largest producer of natural rubber and second largest consumer in the world after China.

Rough estimates suggest that Punjab's industry uses more than 12% of the total rubber in the country. Jalandhar being the hub of rubber footwear production and with unexpected upsurge in the rubber prices, this vital industry is almost on the verge of extinction. As of now, only 100 odd units in Punjab are struggling for survival. Cheap products from China have further contributed to this catastrophe.

"Undue restrictions are responsible for unbridled rise in the prices. Natural rubber is erroneously being taken as agricultural commodity, whereas, it is an industrial raw material," says APEX chamber of Commerce president P D Sharma.

Industry mavens feel that cess of Rs 1.5 per kg needs to be removed and natural rubber should be freely allowed to be imported to the country with a certificate from approved laboratory along with the consignment to certify the quality of natural rubber imported.

27 Jan, 2011, 05.12AM IST, Prabha Jagannathan,ET Bureau

Onion forces govt to rethink farm liberalisation

NEW DELHI: The heat generated by the high food inflation may force the government to go slow, or even drop, some of its key proposals to open up the country's food and fertiliser sectors, experts say.

Decontrolling sugar and urea and freeing up some farm exports are some of the proposals the government may not touch in the coming days, they say. The proposal on foreign direct investment in multi-brand retail may also be put in the cold storage unless the proposed policy mandates investment in rural supply chains.

"Political compulsions rather than constructive long-term concern on food security and prices or economic rationale are likely to decide the pace and shape of these proposals for some time now," said an agricultural expert who served as both food and agriculture secretary some years ago.

Last week, agriculture minister Sharad Pawar said the government may not decontrol sugar as some sugar producing states have opposed the idea. Pawar had pushed for the decontrol of the sweetener until recently.

The minister also estimated the farm sector to grow at a low 3.5% in 2010-11.

The forthcoming assembly elections in West Bengal and Tamil Nadu may also make the government jittery about taking any hard economic decisions.

But experts argue that the time has run out for soft options as food inflation has now become a structural issue that cannot be addressed by short-term, cliched and uni-dimensional responses, such as anti-hoarding drives and export bans.

According to eminent agricultural economists, M S Swaminathan and Jayati Ghosh, speculative hoarding is possible only if crop shortage allows it play.

Experts say there seems to be no urgency in the government to implement the suggestions made by the Farmers Commission . The commission had some months ago suggested identification of agro climatic zones, their monitoring and nurturing to boost production to meet the increasing consumption. It had also suggested that impact of climate change on food production be factored in.

But far from coming up with viable longer term solutions, including cold storage infrastructure, the last meeting of the empowered group of ministers on food prices did not even consider soaring prices of onions, milk, eggs, vegetables and fruits.

When it came under intense pressure over rising vegetable prices a week later, the government banned sugar exports while extending the ban on the export of non-basmati rice.

"We have to meet export commitments already made but internal food price concerns are highly sensitive politically, and these compulsions bar all parties in our country from allowing cheap exports and expensive imports of food and agri commodities," said Madan Diwan, a commodity sector analyst who was on the Sharad Joshi panel on agriculture sector reforms.

Analysts say high price volatility caused by climate change can only be tackled sensibly by building sound buffer and adopting cold storage policies.

For instance, India is sitting on a bumper 82 million tonne of wheat production. It has no place to store the grain but a decision on exports is unlikely anytime soon.

27 Jan, 2011, 02.47AM IST, Bikash Singh & Sutanuka Ghosal,ET Bureau

Small tea growers spurt in Assam

GUWAHATI/KOLKATA: The days of large plantations seem to be finally over. Assam now has a record number of small tea growers. A recent survey by the state government has put the number at around 68,465 in 14 districts. Assam produces nearly 55% of India's total tea production of 980 million kg.

The survey has been funded by the state government and Tea Board. Interestingly, insurgency-infested areas of upper Assam are propelling the growth. Major concentration of the small growers is in five upper Assam districts, which accounts for 94% of small growers in 14 districts of the Brahmaputra valley. The small growers now produce nearly 100 million kg of tea annually, which is largely of CTC variety.

The big producers are, however, not worried about the proliferation of small growers in Assam. CS Bedi, chairman of Indian Tea Association, said: "We do not see small growers as a threat. They have grown alongside with the large producers. They will stay there.

They are in a more advantageous position vis-a-vis the large producers as they do not have to bear the social cost of their employees. The only concern is the quality of leaves they produce. The small growers should adopt techniques to upgrade the leaf quality. This survey will be helpful for us to gauge the present status of the small tea growers." In fact, companies like McLeod Russel and Jay Shree Tea & Industries buy green leaves from the small growers.

The peak growth of small growers, according to the Assam government, came in 1995-2005. The most insurgency-infested districts of Tinsukia and Dibrugarh have witnessed the highest number of small growers. Presently, around 117,000 acres of land are under unorganised sector of small growers in the Brahmaputra Valley, the traditional tea growing area.

The survey has revealed that around 5 lakh families are involved in this sector where 87% of the holdings are less than 3 acres and only 0.4% holdings are above 15 acres. Around 67% of the bushes are over 10 years of age and only 8% of tea bushes are over 15 years of age.

While average productivity of the state is 2,379 kg per acre, Dibrugarh's small growers produce 4,609 kg per acre and Tinsukia's 3,947 kg per acre. Only 1,297 small growers are registered with Tea Board and only 1,055 small growers availed incentives from the board. A senior Tea Board official said that efforts are on to register all the small growers and implement schemes to facilitate them.

27 Jan, 2011, 02.34AM IST, REUTERS

High food prices may be necessary evil

Violent protests in Tunisia and Algeria this month announced that food inflation has reared its ugly head again. But, while rising food prices may be universally unwelcome, especially in low-income regions, they may be a necessary evil if global food production is to rise to the sustainably high levels required to feed the planet's growing population.

Those who vilify speculators for inflating the cost of wheat, cattle and sugar risk opening the door to a far worse fate — a world in which food is so cheap that more farmers can't afford to produce it. When adjusted for inflation, agricultural markets are just barely coming back to their relative cost in the 1980s, and are less than half their 1970s peaks.

In contrast, markets like copper and oil have recently traded at their highest ever on an inflation-adjusted basis. Even with increased efficiency, that suggests prices should be moving higher — not lower — if the world is to improve the security of its food supply.

For most developed world consumers, food represents only a small fraction of total household expenditures, so price changes in grocery cart staples tend to go largely unnoticed. (This is

especially so when retailers pull sneaky tricks such as reducing carton sizes as a way to pass on rising costs without increasing sticker prices.) Hefty government subsidies to producers also help shield consumers from food price increases in many advanced economies.

But in developing nations, where food can account for upwards of 50% of a household's purchases, food price volatility can prove to be both glaringly obvious and panic-inducing. Indeed, the recent riots in North Africa and the subsequent flurry of comments from western policy makers about fighting food inflation are testament to how sensitive an issue food prices from a consumer's perspective have become.

Despite this heightened awareness of the rising price of food, little focus has been placed on the equally important issue of the cost of producing food, even though the burden of feeding the planet lies squarely at the feet of the world's farmers and food processors over the coming decades.

This distinction between the price of food faced by consumers and the cost of producing it goes to the heart of the food security story set to unfold over the rest of this century, which will be defined by how well governments can keep food prices in check for the consumer while at the same time ensuring producers remain motivated to continually escalate food output.

The recent chatter about food price increases was sparked in part by news this year that an index of global food prices tracked by the United Nations had hit an all-time high in December. This revelation reignited policymaker debate over the plight of low income nations, and sparked comparisons with the crop price surges of 2008, when riots over food shortages plagued many emerging market economies.

The recent debates also unleashed a wave of government-initiated studies into what measures may be taken to roll back the prevailing high food prices in order to avoid a repeat of the 2008

food crisis. But such moves, however welcomed by consumers over the short term, may prove to be detrimental over the longer term, if global food output is not incentivized to the maximum degree.

This issue is complicated further by the fact that rising material and input costs have eaten into farmer profitability even as improved technology and heightened efficiencies have lowered overall production costs.

This theme of producers not being able to fully realize the “benefits” of higher overall retail food prices is best captured by stripping out the effects of inflation on current crop prices. Once crop prices have been adjusted for inflation, it is clear that current values — although well above the low prices seen during most of the past decade — remain well below their inflation-adjusted highs seen during the mid-1970’s.

While consumers may be faced with nominal crop prices that may be at or close to their highest levels ever, producers are to a large degree presented with real prices that remain well below such elevated levels.

This situation for crop producers contrasts strongly with the economic environment facing the producers of industrial commodities, such as crude oil, copper and gold, where inflation-adjusted prices have coincided with the ascent in nominal prices to multi-decade high levels in recent years.

These contrasting producer landscapes mean that, while copper miners and oil refiners may be faced with one of the most economically attractive environments on record — and therefore should be fully incented to boost output wherever possible — crop growers have theoretically seen much better days in terms of economic returns, and so may not be receiving the same signals to expand output aggressively.

What's more, these same producers are faced with rising fuel, fertilizer and seed prices, as well as increasingly expensive land and labour costs, which have served to squeeze profit margins and promote a more cautious outlook with regard to crop output expansion. Expansion opportunities will be pursued, if the crop economics make sense, but it may require a sustained period of high prices before meaningful commitments to output increases take effect.

26 Jan, 2011, 11.43AM IST,PTI

Crashing wholesale onion prices yet to fully benefit consumers

NEW DELHI: Onion wholesale prices that since last month have plummeted 69 per cent in Delhi and by upto 80 per cent in Lasalgaon, the country's largest onion market, are yet to be fully passed on to consumers.

Vegetable traders bought the staple commodity in range of Rs 5-20/kg on January 25, against the ruling price of Rs 65 a kg around December 21.

This contrasts with onion being sold at retail outlets in Delhi at Rs 40 a kg on January 25 against Rs 85/kg around December 21, a fall of 52 per cent, traders said.

Nonetheless, the kitchen staple has become more affordable since the peak of the crisis when escalating costs of this bulb along with vegetables like tomato and garlic pushed up food inflation for the week ending Christmas, to the year's high of 18.32 per cent.

The slide in onion prices in the wholesale markets give wing to the hopes that the crisis would end soon. New Food Minister K V Thomas said recently that onion prices will improve from end-January.

Wholesale price of good quality onions are expected to fall to Rs 15/kg by the end of January

and Rs 10/kg in February, said Rajendra Sharma, General Secretary of the Onion Merchants Association in the Azadpur market.

Traders tell it will take a few days before the decline in wholesale prices is fully transferred to consumers.

The drop in wholesale price is significant in prominent onion markets of Lasalgaon and Pimpalgaon in Nashik, one of the major onion producing region in Maharashtra.

In Lasalgaon, onion was yesterday being sold at Rs 13 per kg from Rs 67/kg on December 21, a drop of 80 per cent, according to the National Horticultural Research Development Foundation, set up by agri-cooperative Nafed, that publishes daily wholesale rates of the vegetable in prominent cities.

Similarly, onion prices softened at Pimpalgaon by 78 per cent during the period, NHRDF added. Wholesale onion price was recorded at Rs 14 per kg on January 25 as compared to Rs 65/kg on December 21.

26 Jan, 2011, 01.21AM IST,ET Bureau

Spice exports register 16% rise in Apr-Dec period

Kochu: The exports of spices and spice products from India stood at Rs 4,880.56 crore during the April-December period, registering a 16% increase over the same period previous year.

The exports saw a 3% rise in volume to touch 391,560 tonne during the same period. In dollar terms, the exports saw a 21% rise to touch \$1,070.10 million during the period under review.

The export of chilli, ginger, fennel and garlic have shown an increase during the period both in volume and value compared to the same period previous year (2009). The exports of value-

added spice oils and oleoresin are on the upswing compared to the same period in 2009.

But exports of pepper, cardamom (large), turmeric, mint products and other spices like tamarind and asafoetida could register an increase only in value terms. Spices like cardamom (small), coriander, cumin, celery, fenugreek, and other seed spices like mustard, aniseed, ajwanseed, nutmeg & mace have declined both in terms of volume and value as compared to the corresponding period last year.

During the period, exports of spice oils and oleoresins have increased to 5,275 tonne, valued at ` 641.40 crore, in the April-December period of 2010 from 5,200 tonne (valued at ` 546.77 crore) of last year's. Compared to the export target of 465,000 tonne (valued at ` 5,100 crore) fixed for the financial year 2010-11, the achievement of 391,560 tonne (valued at ` 4,880.56 crore) is 84% of the target in terms of quantity and 96% in rupee value and 95% in dollar terms.

THE HINDU Business Line

Business Daily from THE HINDU group of publications

Thursday, January 27, 2011

Date:27/01/2011 **URL:**

<http://www.thehindubusinessline.com/2011/01/27/stories/2011012751241000.htm>

Back [FAO blames knee-jerk policy moves for food situation](#)

Export curbs during 2008 crisis 'exacerbated' situation.

Our Bureau

Chennai, Jan 26

The Food and Agriculture Organisation on Wednesday said short-term policy actions, especially curbs on exports, could have harmful effects in the longer term and even aggravate the situation.

In statement put on its website, the organisation, a body of the United Nations, pointed out at the 2007-08 crisis in the global food market as an example of how such decision can exacerbate the situation rather than mitigate it.

In the background of the FAO Food Index hitting a record in December, the UN body came up with an updated guide for policy makers in developing countries to address impacts of high food prices.

“The experience of the 2007-2008 food crisis shows that in some cases, hastily taken decisions by governments to mitigate the impact of the crisis, have actually contributed to or exacerbated the crisis and aggravated its impact on food insecurity,” said Mr Richard China, Director of FAO's Policy and Programme Development Support Division.

“Export restrictions, for example, applied by some surplus food-producing countries, exacerbated the global food market situation during the 2007-2008 crisis. FAO strongly advises against such measures, as they often provoke more uncertainty and disruption on world markets and drive prices up further globally, while depressing prices domestically and hence curtailing incentives to produce more food,” he said.

In a way, this could be seen as a criticism of policies of India and Russia. In 2008, India banned rice exports on lower procurement by the Food Corporation of India. In 2006, it barred sugar exports as prices began to surge in the domestic market. Last year, cotton exports were suspended for a few months before a cap of 55 lakh bales (170 kg) was fixed for the current season ending September. On the other hand, the Government banned onion exports after prices surged at retail outlets to nearly Rs 100 a kg.

Russia, on the other hand, banned wheat exports after its production dropped 5 million tonnes owing to the worst drought in five decades.

Referring to the current inflationary trend in food prices, Mr China said: "With this new price shock only two years after the crisis in 2007-08 there is a serious concern now about implications for food markets in vulnerable countries."

The statement said that low income food deficit countries were have been hit hard by high food prices in recent years and many of them had to pay larger food import bills.

People affected by higher food prices are net food buyers such as urban residents and small farmers besides agricultural labourers who do not produce enough food to cover their needs. The poorest amongst them spend over 70-75 per cent of their income on buying food, the statement said.

Net food exporters should benefit from high food prices but the 2007-08 experience showed that a variety of supply side constraints limited supply response to higher prices in most developing countries.

Guideline released

A guideline released by the organisation says that there is no "one size fits all" solution that can be applied with the same chance of success in every country. A mix of policy actions has to be taken that could be specifically adapted to local conditions.

In any case, care should be taken not to adopt measures that could undermine the existing market, it said. "Attempts should be made to get the full cooperation of market operators to address the situation. In cases where markets are malfunctioning or absent, it may be necessary to take extreme measures that shortcut market mechanisms. In this situation, interventions could also be used to help private sector operators emerge," it said.

In the medium and longer term only investment in developing countries' agricultural sectors will result in sustainable increases in productivity, healthy markets, increased resilience to international price spikes and improved food security, Mr China said.

The guideline favours community seed production, farmer groups or cooperatives to enhance access to both traditional and improved seed varieties at the community level. It urges countries

to apply integrated pest management, based on a thorough understanding of agro-ecosystems that will allow farmers to reduce the use of pesticides.

Date:27/01/2011 URL:

<http://www.thehindubusinessline.com/2011/01/27/stories/2011012750550600.htm>

Back Case for generic farm policies

SHASHANKA BHIDE

The diversity of production conditions needs to be recognised and the potential for increased productivity across regions tapped better.



Generic support to raising overall production potential of agriculture is as important as specific programmes.

Indian agriculture is marked by huge variety in output and production conditions. There have been gradual changes in production patterns in response to policies, incentives, technology and production conditions. The coarse cereals gave way to rice and wheat, pulses to cereals and oilseeds, and oilseeds to some other crops.

The great diversity in farming conditions is both strength and vulnerability for the farmers, especially as they are faced with policies that seek to re-orient agriculture and the production patterns. The choice of what to produce is increasingly matter of public policy rather than merely

the choice by farmers. Re-allocation of resources is not costless. Policies also do not get reversed easily once made.

Diversity does not necessarily imply wide range of choices for an individual farmer but wide range of situations in which farming is carried out.

Although it is hard to deny that at the core of agricultural development efforts, the objective is the overall development of agriculture, the policy approach is often driven by crises of specific nature. In this sense, the attention is on specific crops, regions or types of farmers.

Policy responses

Such an approach may be successful in meeting a specific crisis but may not address the diversity of farming conditions. What are the policy choices? Policies that address broad-based objectives, or those that address specific concerns of the day? When the crisis is one of excess demand or supply failures, leading to high prices, the policy objective is to facilitate production to meet demand for specific products. Such policy measures often override the concerns of the other producers.

When the crisis is in terms of low income levels of the farmers, the policy response may be generic, but will affect certain crops, regions or types of farms more than the others.

Investments in irrigation combined with price incentives may promote production of specific crops such as sugarcane. Fertiliser subsidies, when they imply lower input prices, may help a wider range of producers.

Although there are, perhaps, hundreds of schemes and initiatives that address local issues relating to agriculture, significant policy attention at this level is likely only when there is sufficient political interest, depending on whether the number of farmers affected by these local issues is large enough. The diversity of farming conditions limits the choices open to the policy makers in reaching all the producers.

The current phase of food inflation would certainly lead to, quite justifiably, new initiatives to augment supplies of food. The policies will seek to promote production of food crops and discourage allocation of output for non-food uses such as biofuels.

There will be policies that will promote technologies for production of pulses and vegetables, for livestock products. However, it is important to recognise that many of these policies will imply that there will be simply re-allocation of resources and the excess demand will show up in some other areas. Cases of supplementary output without taking away resources from elsewhere would be few.

Prices and productivity

In this sense, generic support to raising overall production potential of agriculture is as important as specific programmes that seek to raise food production. Raising minimum support prices for specific crops shifts incentives where production of these crops is feasible. But if MSPs are raised for all crops, the impact of higher MSPs would be more in the nature of increasing farm incomes to some extent rather than increasing production. On the other hand, new high-yielding variety seeds for specific crops would impact production of these crops significantly. Better fertilisers or better application of fertilisers will lead to higher production for several more producers and crops.

Rural infrastructure

In this sense, the policies that help improve land quality, market infrastructure, credit, power and roads for the rural economy will have wider impact across the diversity of farming conditions, allowing farmers to respond to changing demand conditions. It will also allow the suppliers of inputs to reach wider range of producers.

The strategy for raising agricultural growth rate should be based on widely-shared growth with focus on widely-shared assets. This will help in raising the overall agricultural production potential than just some crops. The investments in rural infrastructure meet these conditions. However, building infrastructure in less developed and remote areas, should get greater attention as such areas face greater disadvantages in market access.

The rising income and demand will draw resources away from agriculture more quickly than they are likely to be brought back. Policies that augment these resources are necessary to sustain production capacity. It is hard to argue in favour of one set of policies to the exclusion of the other. But it is necessary to recognise the diversity of production conditions and ensure that potential for increased production is created more widely.

(The author is Senior Research Counsellor, NCAER. The views are personal.

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Date:27/01/2011 URL:

<http://www.thehindubusinessline.com/2011/01/27/stories/2011012750540600.htm>

Back Come clean on futures market tools

Sharad Joshi



Putting in the public domain details of the search-and-match software will instil confidence in the price discovery process of the futures market.

On January 19, Dr. Saumitra Chaudhari, Member, Planning Commission and Prime Minister's Economic Advisory Committee, is reported to have made a statement to the effect that the inflation in commodity prices, particularly of vegetables, is not a natural market phenomenon, but one caused by artificial manipulations.

Mr Sharad Pawar, Minister for Agriculture, has maintained that the skyrocketing of onion and tomato prices is caused by crop loss on account of unseasonal rains. Dr Chaudhari seems to pooh-pooh this assertion. He argues that the variation in supply and demand, of the order of 2-4 per cent, cannot be the prime cause of high food inflation.

PRICE ELASTICITIES

Dr Chaudhari would have done well to cite some data on price elasticities of supply and demand for vegetables before making such a bold statement.

Vegetables, as a category, are extremely sensitive to even the slightest changes in both supply and demand. Prices of vegetables are highly sensitive to variations in supply as they are highly perishable, and are affected by climate as also the passage of time. These characteristics hardly lend themselves to artificial manipulation by profit-seeking traders, or recourse to stock-piling or hoarding. It is common knowledge that the destruction of the crop was of the order of 70-80 per cent and not 2-4 per cent.

SERIOUS ALLEGATIONS

What Dr Chaudhari intended to say came out more clearly in the keynote speech he gave three days later, at the "Future of Financial Markets (FOFM) Summit" in Mumbai .

In his speech, Dr Chaudhari virtually threw a gauntlet at all proponents of futures markets gathered there. He questioned the basic claim that futures markets perform the function of price discovery. "If one claims to make price discovery, one is claiming the ownership of prices," he said. He appeared to insinuate that the prices established on the futures commodity exchanges are susceptible to manipulation by platform owners and inside traders.

Unfortunately, it is not customary to question a keynote speaker; certainly not at the leadership summit of the FOFM that claims to be the "Davos" of financial markets.

The question that Dr Chaudhari has raised is not new. All opponents of markets, and futures markets in particular, in their own way question the price discovery function of markets. Biased Leftist economists have called futures markets a gamblers' den. Their mental apparatus can grasp the possibility of a Commissar in the Planning Commission deciding on allocation of resources and on fixing indicative prices.

Coming from an economist of Dr Chaudhari's eminence, the challenge cannot be allowed to pass. Market economists must come forth and establish the transparency of the futures markets and their price discovery function.

WORKING OF MARKETS

How do markets function? This is a question that has troubled economists since Adam Smith. With his pastoral upbringing, Smith got away with no better explanation than attributing the miracle of the markets to the working of an 'invisible hand'.

The less religiously inclined economists have tried to explain the metaphysics of markets through more or less sophisticated mathematics. The key to the mystery was provided possibly by an author who least claimed to being an economist.

P.G. Wodehouse, in one of his hilarious Lord Emsworth novels, marvels at how a young couple engaged to be married communicate to each other the possibility, the convenient place and the time of a rendezvous by a slight movement of an eyelid, an eyebrow or a lip.

That explains how thousands of semi-literate or illiterate operators in the market take a hundred decisions every day on prices and allocations that the Commissars in Planning Commissions, buried deep in piles of documents and reports, simply fail to do. In fact, the planning commissions of the world made the wrong decisions most of the time. This everyday miracle can be attributed to the distinctive capacity of individuals to perceive, analyse and store data.

ROLE OF TECHNOLOGY

How does the miracle work when there is no physical contiguity between sellers and buyers and all the data is put through keyboards and perforated cards? How software platforms search and match the best offers is abracadabra to the common public.

The champions of futures markets have only themselves to blame for the criticism. They have, for some reason, not made this software transparent to the public at large. The vital innards of futures markets platforms are a closely guarded secret.

Dr Chaudhari's challenge can be met by putting in the public domain full details of the software used by different platforms for searching and matching the offers by buyers and sellers. This alone will lend credence to the claim that futures markets perform the important function of price discovery and are not vulnerable to shady manipulation. (The author is Founder, Shetkari Sanghatana and a Rajya Sabha MP.)

Date:27/01/2011 URL:

<http://www.thehindubusinessline.com/2011/01/27/stories/2011012751181000.htm>

Back Onion farmers could still be making profits

PRICES CRASH.

Kripa Raman

Mumbai, Jan. 26

That farmers are losing money on their onion crop - now that its prices have crashed - is not quite true. Nor is it possible for traders to hoard the current season's crop for a very long time to manipulate the market, said Dr R.P. Gupta Director at the Nashik-based, National Horticultural Research and Development Foundation (NHRDF).

NHRDF is the country's nodal agency for production and post-harvest technology, as well as for data pertaining to area, production, export, market arrivals and prices of onion, garlic and potato.

Prices of onion crashed by almost half when the wholesale market in Lasalgaon (the largest onion market in the country) opened on Monday after a three-day gap. The bulb which was traded at Rs 2,700 a quintal on January 21, crashed to 1,400 on January 24.

A day later on January 25 the modal price (the price at which most trades are done) fell further to Rs 1,250 a quintal.

"Prices are likely to fall even more, may be down to Rs 800 a quintal, as we expect more arrivals from the late kharif crop ," said Mr Gupta.

He said farmers would still be making profits at that price. Of course, their profits would be much less than what it was till January 24 when prices crashed. "But one cannot say they have made losses," he said.

The price fall will take some time to be reflected at the retail level, he said.

When the fall will show at the retail level depends on traders, he said. According to him, nobody and no agency in the country has any real control over the vegetables market, whether at the wholesale or retail level. However, onion arrivals from the kharif and late kharif crops cannot be hoarded for more than three or four days as the produce is damp and will sprout or rot after that.

“It is not possible during this season to hoard onions. The rabi onion which is harvested from March to June can be stored for a longer time as the hot weather at that time will dry out the vegetable and improve its shelf life.” There are three onion crops in the country. For the kharif crop, sowing is done around June and harvesting happens in November-December. The late kharif sowing months are October-November; harvesting happens from January to March. The rabi crop which accounts for 60 per cent of the onion production in the country, is sown towards the end of the year, and is harvested in the March-June period. Unseasonal rain destroyed a large quantity of the first kharif crop, resulting in a phenomenal price rise in the recent months. The expected production from the three harvests of the current crop year, which will end in June this year, is 13 million tonnes from 8.9 lakh hectares, said Dr Gupta.

Date:27/01/2011 **URL:**

<http://www.thehindubusinessline.com/2011/01/27/stories/2011012751301000.htm>

Back Juicy and exotic

— P.V. Sivakumar



Water apples: A farmer stands beside a bunch of water apples (*Syzygium samarangense*) or "Pumarosa" at the "Horti-Expo" in Hyderabad on Wednesday. Once a J&K speciality, the fruit is now grown in Andhra Pradesh's Medak district through drip irrigation and in-situ water harvesting. Also called wax apple for its smoothness, it's priced at Rs 20-25 a piece.

Date:27/01/2011 **URL:**

<http://www.thehindubusinessline.com/2011/01/27/stories/2011012751221000.htm>

Back Rice softens on sluggish demand

Our Correspondent

Karnal, Jan. 26

Sluggish demand is making it hard for rice traders to get good margins at current levels. After ruling flat for almost 10 days, rice prices dropped marginally from upper levels. The price of aromatic and non-basmati rice dropped by Rs 50-70 a quintal on Wednesday.

"There is not much buying in the market currently and prices are unlikely to see an uptrend this week," said Mr Amit Chandna, Proprietor of Hanuman Rice Trading Company.

Though some overseas contracts have been signed, they are not supporting the market at any level, he added.

Pusa-1121 steam ruled at Rs 5,250 a quintal, Pusa-1121 sela at Rs 4,300-4,450 and Pusa-1121 at Rs 5,200.

Pusa (sela) ruled around Rs 3,200 and Pusa (raw) around Rs 4,200. Basmati sela quoted at Rs 5,700-5,750 and basmati raw at Rs 6,750.

The prices of brokens of 1121 variety were: Tibar was quoted at Rs 3,300-3,350, Dubar at Rs 2,330 and Mongra at Rs 1,620.

For the brokens of Sharbati variety, Tibar quoted at Rs 2,500, Dubar at 2,050 and Mongra, Rs 1,430.

Permal sela sold at Rs 1,800-2,100, while Permal steam sold at Rs 2,100-2,160 a quintal.

Sharbati sela sold at around Rs 2,650-2,680 and Sharbati steam around Rs 3,050 a quintal. Around 2,500 bags of PR sold between Rs 1,050 and Rs 1,070. About 3,000 bags of Sharbati ruled at Rs 1,600. About 4,000 bags of Sugandha-999 that arrived were quoted at Rs 1,500-1,580.

Around 1,500 bags of Pusa (duplicate basmati) quoted at Rs 2,000-2,250, around 12,000 bags of Pusa-1121 at Rs 2,000-2,480 and about 2,500 bags of pure basmati, Rs 2,200-2,600.

Date:27/01/2011 URL:

<http://www.thehindubusinessline.com/2011/01/27/stories/2011012751231000.htm>

Back Year-low tea volume on offer at Coonoor sales

P.S. Sundar

Coonoor, Jan. 26

A volume of 8.21 lakh kg will be offered for January's last auctions of Coonoor Tea Trade Association (CTTA), to be conducted on Thursday and Friday, reveals an analysis of the listing by brokers.

This is the lowest volume in more than a year. It is 1.33 lakh kg less than the offer of last auctions and as much as 5.23 lakh kg less than the offer this time last year.

Of the 8.21 lakh kg on offer, 5.85 lakh kg belong to the leaf grades and 2.36 lakh kg belong to the dust grades.

As much as 7.56 lakh kg belong to CTC variety and only 0.65 lakh kg, orthodox variety.

The proportion of orthodox teas continues to be low in both the leaf and dust grades.

In the leaf counter, only 0.39 lakh kg belong to orthodox while 5.46 lakh kg, CTC.

Among the dusts, only 0.26 lakh kg belong to orthodox while 2.10 lakh kg, CTC.

In the 8.21 lakh kg, fresh tea accounts for 7.60 lakh kg and 51,000 kg comprise remaining unsold teas in previous auctions.

“Following low supplies, absorption has been at higher rates in the recent weeks. With winter remaining harsh in most countries, export purchase is also strong. This has been keeping the market buoyant”, an auctioneer told Business Line.

This week, quotations held by brokers indicated bids ranging Rs 50-53 a kg for plain leaf grades and Rs 80-138 for brighter liquoring sorts. They ranged Rs 61-66 for plain dusts and Rs 90-140 for brighter liquoring dusts.

Date:27/01/2011 URL:

<http://www.thehindubusinessline.com/2011/01/27/stories/2011012751211000.htm>

Back Groundnut oil rules stable

Rajkot, Jan. 26

With demand at normal levels, groundnut oil price in Gujarat has been stable so far this week, while cottonseed oil ruled high on the back of high cotton prices . At Rajkot, groundnut oil traded at Rs 1,305-1,310 for a 15-kg tin, and loose groundnut at Rs 740-745 for 10 kg on Tuesday. Cottonseed oil wash quoted at Rs 582-585 for 10 kg, gaining Rs 5, and cottonseed oil ruled at Rs 950-955 for a 15-kg tin. Traders said that demand for groundnut oil is normal at present and is unlikely to increase in the near term. Whereas cottonseed oil prices, they said, may increase in the coming days as cotton prices are rising. Millers said that the raw material for groundnut oil is easily available and with the supply sufficient to meet demand, the price will remain stable this week. According to market sources, branded companies are not buying heavily in groundnut oil. Retail buying is also limited and in the near term there is no possibility for big increases in demand. During January, groundnut oil price has come down by Rs 15 from Rs 1,320-1,325 to Rs 1,305-1,310 for a 15-kg tin. For 10 kg, it has decreased by Rs 30-35 from 780-785 to Rs 740-745. — Our Correspondent