

TNAU-Cornell model needed to re-energise Indian agricultural education

Staff Reporter

COIMBATORE: While institutions of higher education in the United States and India are seeking out partnerships, Tamil Nadu Agricultural University and Cornell University, the U.S., can take pride in that while others are still conceiving the idea, we have made it possible and the partnership is already in the third year, C. Ramasamy, former Vice-Chancellor, Tamil Nadu Agricultural University (TNAU), said here on Friday.

He was speaking at the dual degree graduation of the first batch of 12 students who received their M.Tech. degree from TNAU and MPS (Master of Professional Studies) from Cornell University. The course was the first offered by any Land Grant University of U.S. origin in partnership with a State agricultural university in India.

Challenges ahead

“The kind of collaboration which TNAU and Cornell has, will promote innovation and partnerships, skill development, leadership and assurance. The challenges that Indian and American societies are facing are global in nature and solutions will have to be increasingly found by working together. The TNAU-Cornell model is delivering substantial benefits to students and will go a long way in re-energising the Indian agricultural education,” Mr. Ramasamy said.

Recollecting the initial days when the dual degree programme was initiated during his tenure, the former Vice-Chancellor said that the lukewarm response he got from students made him nervous. But, today, the fruits of the efforts were visible in that the dual degree holders were benefitted from the best of both worlds by having been exposed to international field learning.

Indian talents were increasingly recognised globally. American and European companies were setting up research, design and development centres in India because they believed they got the best intellectual capital per dollar here, Mr. Ramasamy said.

Acknowledging the fact that challenges in agriculture were now higher in number and more complex in nature, he asserted that agricultural education needed to become globally competitive.

“Despite bottlenecks, institutions such as TNAU and Cornell have major responsibilities in working for the betterment of the global society”.

Max J. Pfeffer, Senior Associate Dean, College of Agricultural and Life Sciences (CALs), Cornell University, said the convocation was the culmination of the common interests of both the universities.

“We strive to contribute to the development of knowledge that informs our understanding of global agricultural and food systems, and in advanced pedagogy. That is why the joint MPS programme has its emphasis on plant breeding and food science,” Mr. Pfeffer said.

He added that the interaction between Indian and American students could play a role in laying the groundwork for the proliferation of a global perspective on agriculture and food systems.

The joint programme was certain to contribute productively to the careers of the graduates in industry, Government and academia, Mr. Pfeffer said.

P. Murugesu Boopathi, Vice-Chancellor of TNAU, said that the university had taken a leap in collaborating with Cornell University in offering dual degree programme.

This, he believed, would significantly fill the unmet needs of life science professionals who could effectively combine science, technology and management to benefit industries characterised by high levels of global integration.

The university was also collaborating with Nova Scotia Agricultural College, and McGill University in Canada, for offering additional degree and a M.S. programme for students.

Terming the event 'historic', Ronnie Coffman, Director, International Programmes, CALS, Cornell University, acknowledged the initiative and hard work of all those concerned in both the countries that had culminated in the first convocation.

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From the U.S. to Indian farms

Amutha Kannan

— Photo: K.Ananthan



Getting the feel: Students of Cornell University's International Agriculture and Rural Development Course trying their hand at weeding on a sorghum field at Tamil Nadu Agricultural University campus in Coimbatore on Thursday.

COIMBATORE: They have come all the way from the United States to get a feel of Indian agricultural practices. As many as 36 students pursuing undergraduate, postgraduate and doctoral programmes in Cornell University started their two-week exploration of Indian agriculture at Tamil Nadu Agricultural University (TNAU) here on Thursday.

It is a component of the International Agricultural and Rural Development programme that is part of any agricultural course they pursue. The objective of the visit is to know the agricultural systems, rural infrastructure, and value-addition capabilities in developing countries.

The visits to various departments and trial fields at TNAU had them engrossed. They tried their hand with a shovel used by farm workers in weeding on a millet farm. It was all different and exciting for the foreigners.

James Keach, a Ph.D. scholar in plant breeding, says that the evident difference between the two countries is that in the U.S. there are large farms managed by a few people, mostly the family members, while in India it is the reverse.

He also points out that the variety in cropping pattern is high in India when compared to the limited crops that are cultivated in the U.S. Jessica Rutkoshi, a student, says that while farmers in the U.S. concentrated on food processing and cultivating for animal feed, Indians concentrated more on feeding humans and also on fresh food. The group will visit the R.S. Puram Uzhavar Sandhai on Friday to witness the farmers selling their produce. They will compare the market to the farmers' markets in the U.S. that mostly sell organic fruits and vegetables at 'expensive' prices. They will then form smaller groups. The group that is involved in rural infrastructure and agricultural systems will head towards Udhagamandalam, while the one involved in value-addition will travel to Kochi. Later, they will meet up in Hyderabad to visit ICRISAT, Pochampalli weaving units, and the dry land agriculture patterns there, before returning home. Some students have chosen to stay back and work with non-Governmental organisations (NGO), even though it is not part of the curriculum. Amy Joy Nichols, a master's student, is among those who will stay back. She says she will apply the knowledge she has gained in her course of study working for an NGO.

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Pranab Mukherjee eyes robust farm sector growth

Special Correspondent

Some of the strategies put in place earlier have started yielding results

NEW DELHI: Containing soaring food prices being the government's primary concern now, Finance Minister Pranab Mukherjee on Friday initiated his customary pre-budget consultation series with a meeting with various agricultural stakeholders and expressed the hope that the farm and allied sector would mark a significant recovery to grow by 6 per cent this fiscal.

Pre-budget discussions

Initiating the discussions with delegates at the meeting, which included farm sector economist and Asia Director of International Food Policy Research Institute (IFPRI) Ashok Gulati and farmers' leader Sharad Joshi, Mr. Mukherjee exuded optimism over sustained growth and said: "In the current year with normal monsoons, we are looking at a significant rebound in agriculture and allied sector growth at about 6 per cent."

Even as the agriculture and allied sector comprising forestry, fishery and poultry notched up a growth of 3.8 per cent during the first half of 2010-11 fiscal, up from a paltry one per cent a year ago, mainly owing to a good monsoon, the benefits did not percolate down to the consumer as food inflation exceeded 18 per cent for the week ended December 18 following a surge in the prices of vegetables, fruits, milk, fish and poultry products.

Mr. Mukherjee pointed out that the farm sector had a long agenda on what is required to be done even as some of the strategies put in place earlier have started yielding results. The sector has to achieve an annual growth of four per cent for attaining and sustaining double digit overall economic growth.

"There is much that needs to be done to accelerate the pace of growth in agricultural sector.

Already, some good results have been observed in respect of production of pulses in the current year," an official statement quoted Mr. Mukherjee as saying.

During the discussions, Mr. Gulati expressed the view that the Reserve Bank of India (RBI) should further tighten the monetary policy to tame food inflation. "There is excess liquidity in the system and that needs to be tightened," he said.

He felt that barring onions, there was adequate availability of fruits, milk and other vegetables. The problem was the huge wastage owing to lack of cold storage and other infrastructure which require attention.

For raising farm productivity, the IFPRI suggested higher allocation of funds for research and development and public-private partnership in seeds.

The Consortium of Indian Farmers Association (CIFA), on its part, urged the government to encourage farm mechanisation by waiving taxes on farm equipment such as harvesters and excise duty on tractor tyres. It also suggested foreign direct investment in seed, biotechnology and pesticides besides incentivising allied sectors like aquaculture, dairy, poultry and horticulture.

Farmer leader Sharad Joshi urged the Finance Minister to consider the grant of 80 per cent subsidy on light tractors and a hike in import duties on crude and refined edible oils.

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Paddy procurement starts as harvesting in full swing

Tiruchi Bureau

Samba raised in 1,21,222 hectares; 57,086 tonnes purchased

Photo:B.VelankanniRaj



high yield:Collector C.Munianathan inaugurating procurement of paddy at Thirumarugal in Nagapattinam on Friday.

THANJAVUR: Samba farmers in the district are brimming with optimism over reaping a rich harvest this year. According to Agriculture Department officials, harvest has been completed in 500 hectares in Orathanadu taluk and 300 hectares in Papanasam taluk with the process picking up in all the taluks by the end of January.

Samba was raised in 1,21,222 hectares and Thaladi was raised in 17,826 hectares. "Though there was inundation of fields in some areas, the water had receded and yield is likely to be good. Average yield will be known after crop cutting experiments are over," officials said.

The Tamil Nadu Civil Supplies Corporation has started procuring samba. Nearly 57,086 tonnes of paddy have been purchased through its 213 Direct Purchase Centres between December 15 and January 6. "We have increased the number of DPCs," said TNCSC officials.

Sowing of pulses has started. "Sowing of ADT5 black gram has been completed on nearly 300 hectares in Orathanadu and Thiruvonam blocks. Sowing for the Thai Pattam, which started on December 15, would continue till January 15," officials said.

Nagapattinam

The Tamil Nadu Civil Supplies Corporation (TNCSC) has fixed a procurement target of over three lakh metric tonnes this season in the district, said Collector C. Munianathan at the inauguration of full-fledged samba procurement work at Thirumarugal, here on Friday.

Samba has been cultivated in 1,32,693 hectares and procurement is being undertaken through 234 procurement centres. This includes 38 Direct Procurement Centres in Nagapattinam, 21 at Vedaranyam and Thirukuvalai, 30 at Keezhvelur, 24 at Mayiladuthurai, 30 at Kuthalam, 29 at Tharangambadi and 41 at Sirkazhi.

Collector C.Muninathan said a samba procurement of over 3.19 lakh metric tonnes has been undertaken against the target of three lakh metric tonnes last samba season.

Electric weighing machines, jute bags, moisture-gougers and funds are ready. Grade A variety of paddy would fetch Rs.1,100 and common variety Rs.1,050 for farmers through procurement centres.

V.Rajendran, District Revenue Officer and S. Vishwanathan, Senior Regional Manager, Tamil Nadu Civil Supplies Corporation, were present.

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Call to protect agricultural lands

Staff Reporter

TIRUCHI: The Hindu Dravida Marumalarchi Kazhagam has appealed to the State government to protect the agricultural lands which were rapidly getting converted real estate plots. The monthly meeting of the Kazhagam, here recently.

The meeting was presided over by its district organiser R.Rajesh. Another resolution sought operation of more town buses to places such as Inamkulathur and Thuvakudi on the outskirts.

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'Implement irrigation projects'

Staff Correspondent

Approval sought for Bokmandoddi lift irrigation scheme

'Rs. 14 crore sanctioned for development works' MLAs blamed for not utilising the funds

Raichur: The former MLA A. Papa Reddy has urged the Government to make sincere efforts for the early implementation of the second phase work on the Narayanapura Right Bank Canal (NRBC) of the Upper Krishna Project, and give its approval for the Bolmandoddi lift irrigation project.

Addressing presspersons here on Friday, he said that the proposed implementation of the second phase work on the NRBC would help bring arid land in Raichur taluk under irrigation. The work on the project which envisages the construction of canal from 95th mile stretch to the tail-end region (157th mile) should have commenced long back. But there has been delay because the Government was waiting for the allocation of Krishna river water.

According to Mr. Reddy, Congress MLAs Syed Yasin and Raja Rayappa Naik had failed to implement development works.

Although the Government had sanctioned Rs.14 crore for the development of Raichur taluk in the past two years, the MLAs had not utilised the funds.

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Demand sprouts for precision farming

Staff Reporter

Many take to vegetable cultivation; clusters formed for effective marketing

Pilot project implemented in Palakkad Capsicum produced there is in good demand

PALAKKAD: Precision farming, where soil conditions are analysed and seeds, fertilizers and water are used appropriately to lower production cost, is gaining popularity in the State. More farmers are taking up cultivation of vegetables, due to their high productivity and good profit.

Now, 400 farmers in the district have registered with the Vegetable and Fruit Promotion Council Keralam and other agencies in Chittur taluk to take up vegetable cultivation, in the next season starting February. Some farmers in Kollam and Alappuzha districts had also taken up precision farming, the Kerala Horticulture Mission officials here said.

Last year, more than 200 farmers had taken up precision farming covering around 25 hectares in the grama panchayats of Perumatty, Eruthiampathy, Vadakarapathy, Pattancherry, Muthalamada and Nalleppully of Chittur taluk, a major vegetable cultivating area of the district. They formed precision farmers' clusters to sell the produce within the State and outside. They are now exploring the possibility of exporting these vegetables.

New additions

The pilot project of precision farming in the State was implemented by Perumatty Service Co-operative Bank three years ago by cultivating banana, chilli, brinjal, capsicum etc. Capsicum is sent in special trays, by train, to Delhi daily. There is huge demand from Delhi throughout the year for the vegetable, president of Perumatty Service Co-operative Bank K. Krishnankutty said. This year, the farmers have added tomato and cucumber to their farms. They are also trying to produce these vegetables in off-season period.

Ramesh, the supervisor of the precision farm of the Co-operative Bank, said that last season from 52 cents the farmers got chilli worth more than Rs.86,000. The cost of cultivation was around Rs.20,000. In just five months, the crop could be harvested.

Fertigation's merits

The idea of precision farming is to get maximum possible production in the given land with water resources and environment conditions. The farmers get a subsidy of Rs.13,500 per acre from the State government. Fertigation, an improved method of supplying nutrients through drip system with water soluble fertilizers, is used in this method. Farmers say that by adopting this practice, they could save 25 per cent of fertilizers, apart from ensuring complete absorption of nutrients by plants. The nutrients were supplied in required quantities at critical phases of crop growth.

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Seeds sale begins at Uzhavar Santhai

To promote the concept of kitchen gardening among residents of Erode

PHOTO: M.GOVARTHAN



Promoting horticulture: Collector T. Soundiah (left) inaugurated a stall selling seeds at the Uzhavar Santhai in Sampath Nagar in Erode on Friday, to promote the concept of kitchen gardening. It will sell seeds, fertilizers and plant materials. -

ERODE: A new shop for selling seeds and other inputs to promote the concept of kitchen gardening among residents of Erode town was opened at the Farmers' Market (Uzhavar Santhai) at Sampath Nagar here on Friday.

Scheme

Collector T. Soundiah declared open the shop, which was established by the Department of Horticulture under the City Vegetables Development Scheme.

The shop sells all necessary inputs including seeds, fertilisers, micro nutrients and plant materials.

The Farmers Market was selected for the establishment of the shop as it was getting a large number of customers every day.

Personnel at the shop would explain the concept of kitchen gardening and encourage people to establish one in their backyards, officials said.

People in villages and semi-urban areas are used to cultivate at least a few vegetables in the backyards of their homes.

The increasing prices of vegetables have now prompted many people living in the urban areas also to look into the possibility of growing vegetables in their backyards.

“We have opened the shop to help the people seeking to create a kitchen garden,” a senior official said.

One more shop

The department had planned to establish one more shop to sell vegetable seeds under the scheme at the farmers' market in Periyar Nagar. People can approach the offices of the department to learn more on creating kitchen gardens.

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Supply of farm inputs begins



Farm inputs being supplied to farmers at Chinnarandody village in Shoolagiri Panchayat Union.

SHOOLAGIRI: The department of agriculture has started giving agriculture inputs at the doorsteps of farmers in Shoolagiri block in Krishnagiri district.

They included quality seeds, bio-fertilizers, zinc sulphate, DAP, gypsum, combined nutrient spray, micronutrients for various crops, coconut seedlings and plant protection equipment.

They are being supplied to farmers at a subsidised price.

They are being supplied under schemes such as Integrated Cereal Development Programme (ICDP), ISOPOM Maize, ISOPOM Oil seeds, National Food Security Mission, National Agricultural Development Programme, IAMWARM, ATMA and Seed Village Programme.

Beneficiaries were identified earlier and identity cards were given to them.

A detailed programme has been chalked out so as to cover maximum number of villages. This is the first time such a huge effort is being taken to distribute agriculture inputs at the village level.

This programme has enabled the fair and widespread distribution of inputs at subsidised cost to more number of farmers who are not aware of such schemes.

Contact

Farmers who need inputs are should contact J. Edgar Gonsalves, Assistant Director, Agriculture Department, Shoolagiri. For details contact phone: 8144596115.

Date:08/01/2011 URL: <http://www.thehindu.com/2011/01/08/stories/2011010852440300.htm>

Glut in market, but price of turmeric touches new peak

L. Renganathan

Handsome returns spur growers to go big for the cash crop

KARUR: Despite a surge in arrivals, the purchase price of turmeric has seen a spurt bringing on buoyancy among growers in the district.

Though Erode is the mainstay of turmeric growers, the neighbouring districts of Karur, Namakkal, Tirupur and Coimbatore have a sizeable number of farmers who have opted for the cash crop.

The area under turmeric in Karur has seen a steady rise over the past few years and the shandy in Erode has accelerated the spiralling numbers.

Adequate water, conducive climate, department support, fraternal assistance from peer growers, good advertisement as a viable cash crop and substantial returns have prompted the farmers in the Kongu region to go for large scale.

Many panchayats in the aycuts of Amaravathy, Lower Bhavani Project, Cauvery and Noyyal in Karur district have turmeric fields.

Turmeric is being raised in large numbers in the Kongu belt next to banana and sugar cane.

Large tracts of fertile lands in Karur, Aravakurichi and Thanthoni blocks have been brought under turmeric cultivation.

"Lot of us have reposed confidence on turmeric after seeing benefits. We have to spend Rs. 80,000 an acre in a season and the returns are commensurately high brightening our hopes to opt for turmeric," points out farmer C. Muthusamy of Muthusolipalayam.

The recent rain had helped stabilize the price even during a glut this season.

"That has been a blessing in disguise and price is hovering around Rs. 165 a kg," avers a trader adding that the price ranged about Rs. 175 a kg some days ago.

Arrivals are expected later this month and the price might fall, said another farmer K.

Thangavel of Mandagiriur, near here referring to the previous years' experience.

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India asks Pakistan to resume onion export

New Delhi: India has initiated talks with Pakistan seeking resumption of onion exports through the land route via the Wagah border. "We have initiated talks and we are hopeful that we will find solution to this..." External Affairs Minister S.M. Krishna told reporters here on Friday.

The Ministry has also requested Pakistan government to allow export of onions in bulk through rail and sea routes, sources said.

Commerce Secretary Rahul Khullar on Thursday said that a contract has been entered into for Pakistani onion supply at Mundra port at Gujarat. However, if the supplies have to be diverted from Wagah border for arrival through ship routes, it would take at least few more days to reach India. Pakistan imposed a ban on export of onions through the land route on Thursday after 300 truckloads of onion reached the Wagah border near Amritsar.

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Customs officials seize ornamental fish

Special Correspondent

Coimbatore: The customs officials seized hundreds of ornamental fishes from a passenger on Thursday when he arrived at the Coimbatore Airport from Singapore. Commissioner of Customs, Central Excise and Service Tax, C. Rajendiran said a team of officials led by M. Chandra Bose, Deputy Commissioner of Customs, found A. Sahubar Shathick moving about suspiciously at the airport. The scanning of two suitcases indicated that the contents were marked for closer scrutiny. The passenger after collecting the suitcases attempted to pass through the green channel.

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Government mismanaging food economy: CPI

NEW DELHI: Charging the Manmohan Singh government with mismanagement of the food economy, the Communist Party of India (CPI) on Friday deplored its inaction in containing inflation and controlling prices, especially of food items.

Reacting to the rise in food inflation by 18.32 per cent by the end of December 2010, the party said it continued to rise since then. "This is not merely a mismatch between demand and supply, but a mismanagement of food economy by the government," the CPI central secretariat said in a statement.

It said that during the monsoon session of Parliament, both Houses adopted a unanimous resolution on the adverse impact of inflation on the common people and asked the government to take adequate measures to contain it.

Despite the indictment of Parliament and a warning by the Food and Agriculture Organisation, the Congress-led UPA government had completely failed to maintain price stability.

The government, the CPI said, had failed to act upon the positive suggestions made by it and other Left parties, such as banning forward trading, cracking down on the hoarders, enhancing the public distribution system, stopping export of essential commodities for a reasonable period and withdrawal of hike in fuel prices.

"The ministerial committee, that is supposed to take action, instead expresses concern at the price rise. This is a cruel joke on the people. Merely expressing 'concern' is mocking the suffering of people. The Home Minister who was the former Finance Minister admits that inflation is worse than any tax and the government is clueless," the statement said. The CPI demanded Centre take urgent steps to control prices and called upon the people to protest against government's inaction.

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No large-scale destruction of forest land at Lavasa: team Amruta Byatnal

Pune: Chairman of the expert team of the Ministry of Environment and Forests (MoEF) Naresh Dayal said on Friday that prima facie there was no large-scale destruction of forest land for the controversial hill city project, Lavasa.

Speaking to journalists on the third and final day of inspection, Mr. Dayal said that contradictory to the allegations made by social activists Medha Patkar and Anna Hazare, Pune's water supply would not be affected by the dams built in the hill city for the needs of Lavasa. "There is no specific evidence of water supply reduction to Pune. It should not be of any concern," he said.

This statement has angered environmental activists protesting against the violations made by the Lavasa Corporation Limited. "The team should not have said anything before studying the situation carefully. Their mandate is to submit a report to the High Court," said Vishwambar Choudhari of the Oasis Environmental Foundation.

The eight-member team, which included MoEF Director Bharat Bhushan, conducted a detailed study of the environmental impact of the 25,000-acre project on the directions of the Bombay High Court. All construction work in the hill city has stopped after November 26 when the MoEF issued a stop-work order. Lavasa challenged the order in the Bombay High Court as a result of which the team was directed to conduct an inspection and give a report.

Mr. Dayal emphasised that none of the parties wanted degradation of environment. "Even in the case of Lavasa Corporation, it would not be in their interest to have an environmental disaster. Even the villagers want environmentally sustainable development. Everyone's concern is similar."

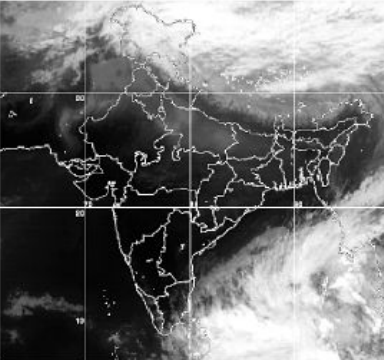
"We have gathered voluminous material in response to our queries from Lavasa. There are two environmental fact assessment reports, reports on the town planning, water supply, irrigation and forests. We will study these issues and give a factual report. The final decision will be with the Ministry and the High Court," Mr. Dayal said.

The team held meetings with Lavasa officials as well as activists and villagers associated with Ms. Medha Patkar-led National Alliance of People's Movements (NAPM). They also inspected various sites where environmental laws were allegedly violated according to Ms. Patkar. Ms. Patkar, along with Mr. Hazare, presented to the committee various concerns over the encroachment of reserved forest land.

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http://www.thehindu.com/2011/01/08/stories/2011010899961000.htm

Weather

WEATHER			
ANDHRA PRADESH			
Anantapur	29 15	0	tr
Aroyavaram	27 13	0	0
Bapatla	28 15	0	0
Calingapatnam	24 13	0	0
Gannavaram	29 15	0	0
Hyderabad AP	27 9	0	0
Kalinada	27 17	0	0
Khammam	29 12	0	0
Kavali	27 19	0	55
Kurnool	20 14	0	0
Mahabubnagar	31 14	0	0
Machilipatnam	29 17	0	0
Nandyal	30 16	0	0
Narasapur	29 17	0	0
Nellore	29 21	0	3
Nizamabad	27 9	0	1
Ongole	29 19	0	0
Ramagundam	26 9	0	0
Tirupathi AP	29 20	0	1
Turi	28 15	0	0
Vizag AP	29 15	0	0
Vizag	27 18	0	0
KARNATAKA			
Agumbe	29 13	0	0
Bangalore AP	27 14	0	0
Bangalore	27 16	0	0
Baalkote	27 10	0	0
Belgaum AP	26 9	0	0
Bellary	31 13	0	0
Bijapur	27 8	0	0
Chitradurga	27 14	0	0
Chickmagalur	26 15	0	0
Gadag	28 12	0	0
Gulbarga	29 9	0	tr
Honavar	33 22	0	0
Karwar	34 21	0	tr
Madikeri	24 15	0	tr
Mangalre AP	32 21	0	0
			
Mysore	28 17	0	0
Mandya	29 15	0	0
Panambur	32 22	0	0
Raichur	28 8	0	0
Shirali	34 23	0	0
puram AP	31 24	40	59
Thiruvanantha	31 23	0	29
puram City	31 23	0	29
Vellanikkara	32 24	0	0
TAMIL NADU			
Adiramapattinam	29 21	0	8
Coimbatore AP	30 20	0	tr
Coonoor	19 12	0	30
Cuddalore	29 21	0	117
Chennai AP	30 22	0	19
Chennai	29 22	0	11
Kanyakumari	32 24	0	17
Karaikal	29 21	0	26
KODAKANAL Kodakanal 15 9 0 2 Madurai AP 30 22 0 7 Nagapattinam 29 22 0 20 Pamban 28 25 0 32 Puducherry 29 21 0 23 Salem 29 20 0 0 Tiruchi AP 30 21 0 1 Tiruttani 29 19 2 7 Tondi 29 22 0 13 Tuticorin 31 23 0 tr Ooty 22 8 0 0 Valparai 28 12 0 0 Vedaranyam 29 22 0 11 Vellore 29 19 0 tr			
LAKSHADWEEP			
Amrini Chvi	31 23	0	0
Mintoz	31 25	2	20
Kavarathi	32 24	0	1
OTHER STATIONS			
Kolkata (Aipore)	23 12	0	0
Mumbai	33 19	0	0
New Delhi	15 4	0	0
The columns show maximum and minimum temperature in Celsius, rainfall during last 24 hours (trace) and total rainfall in mm since January 01, 2011.			
Rain likely in Tamil Nadu CHENNAI: Isolated rainfall occurred over Kerala. Mainly dry weather prevailed over Tamil Nadu and Lakshadweep. Dry weather prevailed over Andhra Pradesh and Karnataka. Cold wave conditions prevailed over most parts of Telangana and parts of north interior Karnataka.			
The minimum temperature fell largely at one or two places over north interior Karnataka, fell appreciably at one or two places over Kerala, fell at a few places over rest North interior Karnataka, rest Kerala, at one or two places over Coastal Tamil Nadu and changed little elsewhere over the region.			
They were appreciably below normal at a few places over Telangana, at one or two places over North interior Karnataka, appreciably below normal at one or two places over Coastal Andhra Pradesh, Rayalaseema, South interior Karnataka, rest North interior Karnataka, below normal at one or two places over Coastal Karnataka and were generally normal over the rest of the region.			
Adilabad recorded the lowest minimum temperature of 04 degree Celsius in the plains of the region.			
FORECAST (Valid till Sunday morning): Isolated rain or thunder showers may occur over Tamil Nadu, Puducherry, South Coastal Andhra Pradesh, Kerala and Lakshadweep. Mainly dry weather will prevail over North coastal Andhra Pradesh, Telangana, Rayalaseema and Karnataka.			



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

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... have requested the Chief Ministers to collectively keep prices in check," Mukherjee told reporters in Mumbai.

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.

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

On Friday, 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.

<http://www.hindustantimes.com/StoryPage/Print/647923.aspx>

New Delhi, January 08, 2011

First Published: 16:07 IST(8/1/2011)

Last Updated: 16:10 IST(8/1/2011)

Pranab reiterates Govt's committment to control inflation

Attributing rising inflation partly to stimulus and increasing global commodity prices, Finance Minister Pranab Mukherjee on Saturday said the government was committed to take all steps to

moderate price rise. "We have to take all the necessary steps to keep inflation at moderate levels", he said while speaking at the 9th Pravasi Bhartiya Divas.

Mukherjee said the stimulus provided by the government to boost the economy in the aftermath of the global financial meltdown, among other things, was also responsible for rising prices. "In economy, every action has reaction. We have to face a situation where fiscal expansion led to rise in fiscal deficit... that led to unstable price regime coupled with the global commodity price increase. (These) are the current challenges of the policy makers," he added.

Led by a spurt in prices of onions and other vegetables, food inflation jumped to a year's high level of 18.32% on December 25. The government had already taken tough action against hoarding to check rising prices, especially of onions.

To help the economy combat the impact of the global financial crisis in 2008, the Reserve Bank as well as the government had provided several stimulus packages. These measures mainly included increasing money supply, lowering tax rates and hiking public expenditure.

While asking the Indian diaspora to invest and contribute to the country's growth and prosperity, Mukherjee said the government was making efforts to achieve double digit growth rate. "The reform process has continued at times gradually, with new initiatives on the anvil," he said, adding the aim is to achieve 10% growth rate.

"These policy measures are directed towards two major objectives. The first is to grow the economic pie in a sustained manner and boost GDP growth to a long-term path of over ten per cent per annum. "The second is to take concrete steps in order to ensure equitable and inclusive distribution of the fruits from this growth process", he added.

<http://www.hindustantimes.com/StoryPage/Print/647794.aspx>

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8 Jan, 2011, 08.44PM IST,PTI

Onion remains expensive at Rs 60-65/kg; I-T raids to continue

NEW DELHI/MUMBAI: Retail prices of onion continue to rule high at Rs 60-65 a kg in metros across the country but are expected to ease in a couple of days as supplies have improved and traders remain under the scan of income tax authorities.

Finance Minister Pranab Mukherjee in Mumbai said onion prices have moderated by Rs 10-15 per kg after the government took steps to augment supply of the vegetable.

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

A day after writing to chief ministers asking them to crack down on hoarders and remove supply bottlenecks, Mukherjee said, "Prices cannot be checked by the central government alone ... PDS (Public Distribution System) to be revamped by the state government."

Retail prices of onion in Delhi and Mumbai remained unchanged at Rs 60/kg. In Chennai retail markets, prices increased to Rs 65/kg, while prices in Kolkata rose by Rs 10 to Rs 60/kg. In upmarket colonies in metros, retail prices were still ruling over Rs 70/kg.

"Retailers are selling onion at higher rates even though the wholesale prices have started cooling off in the last two days owing to increased supply from the key growing states," Delhi's Azadpur mandi-based Tomato and Onion Merchants' Association General Secretary Rajendra Sharma said.

Wholesale prices of onion today declined by Rs 3 to Rs 40 per kg in Delhi on account of increased arrivals from key growing states Maharashtra, Gujarat, Madhya Pradesh and Rajasthan, Sharma said.

Sharma said it would take 2-3 days for prices to soften in retail markets.

According to the National Horticultural and Research Development Foundation data, wholesale prices softened in Mumbai and Kolkata, by up to Rs 5 to Rs 45/kg and 50/kg, respectively. In Chennai, prices were little changed at Rs 50/kg, it said.

The fall in wholesale rates is greatly attributed to I-T raids on vegetable traders. Mukherjee said I-T raids in the premises of different traders have helped reducing prices. There has been a "dip in onion prices in some states after I-T search", he said.

Meanwhile, the Income Tax Department said it will carry out a series of raids on big onion traders across the country in the coming days to detect hoarding and illegal profiteering. Fresh raids will focus on major onion traders across the country. They also surveyed New Delhi business premises of some Uttar Pradesh traders.

Swooping down on onion traders, the income tax authorities yesterday raided vegetable merchants in Uttar Pradesh, Tamil Nadu, Punjab, Haryana and Jammu and Kashmir.

Meanwhile, Pakistan is yet to decide on India's request for resumption of onion exports through the Wagha land border crossing after it was banned earlier this week to stabilise prices in domestic markets.

Indian High Commissioner Sharat Sabharwal has taken up the matter with Pakistani authorities, who have not yet conveyed a formal response to the request to resume exports, officials of the

High Commission told media.

Efforts are also being made to get Pakistani authorities to clear consignments that had already been contracted for, the officials said. Pakistani authorities stopped onion exports via Wagha on Wednesday, much to the shock of India.

8 Jan, 2011, 01.23PM IST,PTI

Sugar closes lower on reduce offtake, ample supply

NEW DELHI: Sugar prices declined by Rs 40 per quintal today following ample supply amid reduced offtake.

Market analysts said, fall in demand, amid increased supply from mills, brought down the sugar prices.

Sugar ready medium and second grade prices fell from Rs 3,140-3,265 and Rs 3,115-3,240 to settle at Rs 3,125-3,225 and Rs 3,100-3,200 per quintal.

Mill delivery medium and second grade prices also fell from Rs 2,890-3,065 and Rs 2,880-3,055 to end at Rs 2,875- 3,040 and Rs 2,860-3,025 per quintal, respectively.

The following were today's quotation in Rs per quintal. Sugar ready M-30 3,125-3,225 and S-30 3,100-3,200. Mill delivery M-30 2,875-3,040 and S-30 2,860-3,025. Sugar mill gate prices (excluding duty): Kinonni 3,000, Asmoli 2,990, Mawana 2,965, Titabi 2,960, Thanabhavan 2,930, Budhana 2920 and Dorala 2,960.

8 Jan, 2011, 06.08AM IST,ET Bureau

Wheat prices may drop on higher acreage

NEW DELHI: Wheat prices this year could be relatively lower on the back of a higher 7.2 lakh ha acreage this year by January 7 compared to the same period last year, besides higher release of wheat into the open market.

Wheat acreage up to date, according to the multi- expert Crop Weather Watch Group, is 281 lakh ha or 28.1 m ha currently.

However, winter rice acreage is still low at only 5.50 lakh ha compared to 7.32 lakh ha last year same time. Total coarse cereal acreage is also noticeably low, at only 58.7 lakh ha compared to 62.7 lakh ha in the same period last year.

The acreage statistics have already pushed up maize prices in the futures market by about Rs 6/qtl for January. Maize and jowar are winter coarse cereals that hold the potential to boost up foodstuff using multi grains besides poultry feed, translating into higher poultry product prices.

There is some good news on the pulses front, though. Acreage is up to 141.58 lakh ha compared to only 133.13 lakh ha same time last year. The 7 lakh ha additional acreage is nowhere near enough to change the heavy import dependency of the country, but it could give the world's largest consumer some breathing space and peripheral insulation from high import prices. Despite the lower rice acreage, the total foodgrain acreage so far this winter has gone up to 487.05 lakh ha compared to 477.14 lakh ha same period last year.

There is also some peripheral good news on winter sown oilseeds mustard and rape with acreage up to at 88.84 lakh ha compared to 86.55 lakh ha same time last year. This too, however, is hardly anywhere near enough to change the high dependence on global imports of edible oil.

Prices in the international market have been firming up of late compared to a relatively cooler scenario at home. The food ministry this week ruled out, however, any question of hiking duty (zero on refined oils) now despite pressure from domestic bodies such as the Solvent Extractors Association.

8 Jan, 2011, 12.36AM IST,ET Bureau

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8 Jan, 2011, 01.34AM IST, M Padmakshan,ET Bureau

Tax officials survey premises of onion traders

MUMBAI: In a seemingly desperate attempt to bring down onion prices, tax officials on Thursday surveyed the premises of traders and wholesalers across the country.

The income-tax departments, acting on the government's direction, were trying to find out if traders had formed a cartel to push up onion prices which touched 100 a kg in some states last week.

Rising onion prices have contributed towards spiralling food inflation in recent weeks. "The purpose was to send a message that government could take strict action, if anybody was found guilty of forming cartels and pushing up the prices of essential items, "a I-T official told ET.

Historically, prices of onion - an essential food item in most parts of the country - have been a political issue.

In the last few months onion prices surged to unheard of levels after unseasonal rains ruined crops in many parts of the country.

According to sources in the tax department, I-T sleuths have visited the premises of traders in Maharashtra, Punjab and Uttar Pradesh. The department swung into action soon after it was directed by the finance ministry which wants a quick assessment on the onion trade, including cost of cultivation, price at which farmers supply onion to middlemen and wholesalers and profit margins at each level. There is also apprehension that at least in some cases wholesalers and middlemen are the same.

"Our job is to find out the reasons behind sharp rise in onion prices and who benefits from it. We will have to find out whether it is the middlemen who are looking for a quick profit or the big framers who supply at higher prices or a cartel that controls the onion trade in the country. Or is there a genuine shortage in supply? We are in the process of finding out," said another tax official

In Maharashtra the department's focus is on traders in Nashik , the hub for onion cultivation in the state. It has already examined the godowns of traders in several districts of Punjab, including Chandigarh.

Following the raids, onion prices eased by Rs 5-10 a kg to Rs 60 in the metros. Reports of beginning of fresh arrivals of crop from Gujarat may also have contributed to the decline. Meanwhile, India has initiated talks with Pakistan seeking resumption of onion imports through land route of Wagah border where 300 trucks were stopped on Thursday from crossing over to the Indian side. "We have initiated talks and we are hopeful that we will find a solution," external affairs minister S M Krishna 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

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Date:08/01/2011 URL:

<http://www.thehindubusinessline.com/2011/01/08/stories/2011010851641700.htm>

[Back](#) Cotton rules firm on buying by mills



Our Correspondent

Rajkot, Jan. 7

Raw cotton prices ruled firm as demand from ginning mills continued, while ginned cotton prices fell by Rs 1,000 a candy (356 kg) during the week.

In Gujarat, raw cotton traded at Rs 900-945 for 20 kg during the week and prices ruled firm as ginners bought heavily.

On the other hand, arrival of raw cotton has dropped compared with last week. In Rajkot, around 25,000-27,000 maunds (20 kg) of raw cotton arrived every day this week, lower than the 30,000 seen last week. The price of ginned Gujarat Sankar-6 variety cotton, however, came down by Rs 1,000 to Rs 41,500-42,000 a candy of 356 kg, during the week. Weak export demand pulled down prices.

According to market sources, cotton prices may drop further next week.

On Friday, about 70,000 bales arrived in Gujarat, and two lakh bales arrived in India. In Andhra Pradesh, raw cotton prices flared up despite higher arrivals. In Adilabad, over 1,055 tonnes arrived but still prices increased to Rs 4,300 on Friday from Rs 4,250 a quintal on Thursday.

In other markets, prices ruled around Rs 4,500 a quintal, though arrivals were higher.

In Khamman, quality cotton fetched Rs 4,900 a quintal while the rate at which most trades took place was Rs 4,300. Arrivals were over 500 tonnes.

Similarly at Madhira in Khamman district, prices were over Rs 4,300 a quintal with arrivals being about 500 tonnes.

Date:08/01/2011 URL:

<http://www.thehindubusinessline.com/2011/01/08/stories/2011010852921900.htm>

[Back](#) TN food production not impacted by floods

Our Bureau

Chennai, Jan 7

Food production in Tamil Nadu is set to increase in the current year despite flood damage in some of the districts. Higher acreage and yields have contributed to the increase.

The Governor, Mr Surjit Singh Barnala, addressing the Assembly, said that as compared to 2009-10, the area under cultivation has increased by 13.80 per cent and is at 60.19 lakh hectares. In 2009-10, the coverage was 84 lakh tonnes as against 71 lakh tonnes in the previous year. The area under pulses has gone up by 36.70 per cent over the previous year.

The State has received 1169 mm rainfall this year during the north-east monsoon against the normal average of 945 mm. Coastal districts were hit by floods and the State has sought Central assistance of Rs 1,832 crore. Paddy crops have been severely affected and compensation has been hiked to Rs 10,000 a hectare against Rs 8,000 announced earlier. Compensation for irrigated crops other than paddy has also been fixed at Rs 7,500 a hectare and for unirrigated dry crops Rs 4,000 a hectare against Rs 2,000 announced earlier.

Date:08/01/2011 URL:

<http://www.thehindubusinessline.com/2011/01/08/stories/2011010851651700.htm>

Back [Onion continues to rule firm](#)

What's happening at Lasalgaon*				
Date	Arrival	Price		
		Min	Max	Modal
Jan 3	1367	500	4,201	3,011
Jan 5	893.5	400	4,242	3,100
Jan 6	923	1,001	4,299	3,151
Jan 7	1300	500	4,300	3,000

* Arrivals in tonnes; prices in Rs/quintal
Source: NHRDF

M.R. Subramani

Chennai, Jan. 7

Onion prices ruled firm on Friday despite higher arrivals as quality issues continued to dog the trade.

In some markets such as Lasalgaon, prices tended to rise in the afternoon session in view of domestic demand and Pakistan's bar on onion exports to India over-land though the

Wagah border.

quality of arrivals

“Arrivals have been higher in the last couple of days. In Nashik, at least 500 tonnes of onions arrived in the markets. In Mumbai markets, arrivals were some 900 tonnes on Thursday. However, the quality of the arrivals was not good,” said Mr Rupesh Jaju, a trader in Nashik.

In Gujarat, prices ruled firm especially on Pakistan's move to curb onion exports.

In Gondal Agricultural Produce Marketing Committee yard, quality onion quoted at Rs 850 for a maund of 20 kg. Inferior quality fetched Rs 500 for a maund.

“Quality issues persist since farmers are bringing immature onions to market. Looks like they want to cash in on the high prices and therefore, they are plucking the bulb even before they are ready for the harvest,” said Mr Jaju.

Prices are expected to stabilise at lower levels with exports being banned.

But before that volatility could be seen in prices, traders said.

“It is likely that prices could drop to Rs 25 for quality onions in the next 15 days at terminal markets as arrivals are increasing. Demand, too, is stabilising in view of higher arrivals,” said Mr Jaju.

poor kharif

A section of the trade said prices could rule firm since arrivals of late kharif onion could be poor as at least 10 per cent of seedlings were affected in the unseasonal rain in November.

“Also, since farmers are plucking the crop on their field, it is unlikely that there will be ample arrivals when the late kharif harvest begins,” a trade source said, adding that volatility will continue in onion prices.

Date:08/01/2011 URL:

<http://www.thehindubusinessline.com/2011/01/08/stories/2011010852351800.htm>

Back Oilmeal exports rise 85% in Dec on higher demand

Our Bureau

Chennai, Jan. 7

A demand for oilmeals coupled with higher prices helped exports recover in the third quarter of this fiscal. The rebound in oilmeal exports in the third quarter was more pronounced in December when the shipments surged over 85 per cent to 6.11 lakh tonnes (3.28 lakh tonnes).

During the third quarter, exports were up 68 per cent at 17.71 lakh tonnes (lt) against 10.52 lt during the same period a year ago.

“Exports are up because first, the kharif oilseeds crop is good. Then, crushers are getting parity, and thirdly, there has been a rise in demand,” said Mr B.V. Mehta, Executive Director of the Solvent Extractors Association of India.

Crushers were able to get parity from the third quarter onwards since oilmeal prices in the global market have increased. For example, the price for soymeal increased to over \$400 a tonne from around \$350 seen in June-July. Soyabean prices have also stabilised around Rs 2,200 a quintal.

Kharif oilseeds production this year is projected at 262.85 lt against 235 lt last year.

Revival in shipments to West Asia also contributed to the rise in exports. During April-December, exports increased to 2.58 lt from 1.61 lt a year ago.

Among other nations, exports increased 19.95 per cent to 3.60 lt to South Korea. Jump in shipments was the highest to Japan (up 131 per cent to 8.49 lt), while Indonesia and China, too, bought more: up 37.15 per cent at 2.38 lt and 34.38 per cent to 2.32 lt.

Europe, too, re-opened its door to Indian soyameal, importing 1.15 lt during November and

December.

Meanwhile, the association plans to take a delegation to China, Cambodia and Laos, where it sees bright prospects to increase oilmeals export.

Date:08/01/2011 URL:

<http://www.thehindubusinessline.com/2011/01/08/stories/2011010851661700.htm>

Back Higher offtake boosts uptrend in pulses



Our Correspondent

Indore, Jan. 7

Pulses continued to witness an uptrend with spurt in demand from millers and retailers and a steep decline in arrivals.

With lower arrival of tur from Maharashtra and Karnataka on account of continuing cold wave, tur dal prices perked up by Rs 200 in Indore mandis on Friday. Tur dal (Indore marka) on the spot quoted at Rs 6,200 which only few days ago quoted as low as Rs 5,800 a quintal. Similarly tur dal (Indore full) quoted at Rs 5,900, tur dal (Maharashtra) quoted at Rs 5700, while tur dal (sawa no.) quoted at Rs 4,500-Rs 4,600 a quintal. Masoor dal saw a gain of Rs 100 on high demand and reasonably weak arrival. On the spot, masoor dal (average) quoted at Rs 3,800-Rs 3,850 a quintal, masoor dal (medium) quoted at Rs 3,900- Rs 3,950 a quintal, while masoor dal (bold) quoted at Rs 4,150 a quintal.

Chana dal gained Rs 50 on rise in chana spot prices which quoted about Rs 25 up at Rs

2,370-Rs 2,375 a quintal. On the spot, chana dal (average) quoted at Rs 2,775-Rs 2,800 a quintal, chana dal (medium) - Rs 2,900 -Rs 2,925 a quintal, while chana dal (bold) quoted at Rs 3000-Rs 30250 a quintal.

On the other hand, moong and urad dal remained steady. Moong dal (chilka) quoted at Rs 4,600-Rs 4,700, while moong dal (bold) - Rs 5500-Rs 5700 and moong mongar quoted at Rs 6,700-Rs 7,000 a quintal. Similarly urad dal (chilka) quoted at Rs 5000-Rs 5100, urad dal (bold) quoted at Rs 5200-Rs 5400 a quintal, while urad dal (mongar) quoted at Rs 5800-Rs 7400 a quintal.

At the Indore mandis tur gained Rs 100 at Rs 3,800-Rs 3,850 a quintal, masoor gained Rs 50 at Rs 3400 a quintal. Chana also perked up by Rs 25 at Rs 2370-Rs 2375.

Date:08/01/2011 URL:

<http://www.thehindubusinessline.com/2011/01/08/stories/2011010851631700.htm>

Back Rice loses steam on sluggish offtake



Our Correspondent

Karnal, Jan. 7

The rice market witnessed a downtrend on Friday, after ruling firm since last weekend. Prices of aromatic and non- basmati rice dropped Rs 20-50 a quintal.

Mr Praveen Kumar, a rice trader, told Business Line that sluggish domestic demand dragged the market down. On Friday, Pusa-1121 steam (new) ruled at Rs 5,150-5,180 a

quintal, while the old variety was quoted at around Rs 5,200-5,250.

Pusa-1121 sela (new) was at Rs 4,100-4,150; old variety was at Rs 4,250. Pusa-1121 raw (new) ruled around Rs 5,080, while the old variety was quoted at around Rs 5,200. Pusa (sela) ruled at Rs 3,150-3,200 and Pusa (raw) around Rs 4,200. Basmati sela quoted at Rs 5,950-6,000, and basmati raw at Rs 6,950-7,000.

Brokens such as Tibar was at Rs 3,100, Dubar at Rs 2,300, and Mongra at Rs 2,000. Permal sela ruled at Rs 2,000-2,150, while Permal steam ruled at Rs 2,170 a quintal. Sharbati sela sold around Rs 2,700 and Sharbati steam at Rs 2,970-3,000 a quintal.

Around 5,000 bags of PR were sold between Rs 1,000 and Rs 1,040. About 2,500 bags of Sharbati ruled at Rs 1,600-1,650. Sugandha-999 arrived in about 2,500 bags, and was quoted at Rs 1,650-1,680.

Around 2,000 bags of Pusa (duplicate basmati) were quoted at Rs 2,000-2,250. Around 9,000 bags of Pusa-1121 ruled at Rs 1,900-2,300. About 2,500 bags of pure basmati quoted at Rs 2,300-2,550.

Date:08/01/2011 URL:

<http://www.thehindubusinessline.com/2011/01/08/stories/2011010851671900.htm>

Back Pepper futures volatile

G.K. Nair

Kochi, Jan. 7

Pepper futures on Friday witnessed high volatility as both the bull and bear operators were on their usual “tug of war” based on their assumptions, presumptions and speculations about the availability of pepper on maturity of January delivery and so on.

The market shot up and then declined and closed nearly steady at the end of the trading.

Some 40 bags of 60 kg of new pepper that arrived in the morning at the terminal market

were traded at Rs 210 a kg.

Everybody was moving on speculations about the crop size and arrivals in the coming days and accordingly the market is being driven, trade sources told Business Line.

Offers of lower grade pepper by Vietnam were also keeping the market volatile, they said.

January contract on the NCDEX was down by just Rs 7 to close at Rs 22,816 a quintal. Total turnover dropped 3,553 tonnes to close at 7,202 tonnes.

Total open interest moved up 34 tonnes to 13,463 tonnes.

Date:08/01/2011 URL:

<http://www.thehindubusinessline.com/2011/01/08/stories/2011010852361800.htm>

[Back](#) OGL sugar exports suspended?

As part of its fire-fighting measures against run away food inflation, the Centre is understood to have also decided to put on hold export of 5 lakh tonnes of sugar permitted earlier under open general licence (OGL).

The decision was taken at a high-level meeting here on Friday evening, according to reliable sources, though Business Line was unable to get official confirmation in this regard.

Currently, sugar prices are not a real problem for the Centre as much as vegetables, milk and animal products. But at the same time, it is worried about inflationary expectations spreading to more commodities, leading to further problems.

Only last month, the Union Food and Agriculture Minister, Mr Sharad Pawar, had announced the Centre's decision to permit five lakh tonnes of sugar export under OGL over and above the 12-13 lakh tonnes already allowed as re-export commitments against past advance licences issued to mills.

Date:08/01/2011 URL:

<http://www.thehindubusinessline.com/2011/01/08/stories/2011010852341800.htm>

Back Hike in ration grain prices for above poverty line deferred

Worries over soaring inflation force Centre to hold back decision.

Harish Damodaran

New Delhi, Jan. 7

Food inflation worries have apparently forced the Centre to defer a decision to hike the issue prices of rice and wheat supplied to above poverty line (APL) households through the public distribution system (PDS).

According to sources, the Union Cabinet had, last week, approved a proposal to raise the APL rate from Rs 8.30 to Rs 11.85 a kg for rice and from Rs 6.10 to Rs 8.45 a kg in the case of wheat.

But with food inflation touching 18.3 per cent and prices of virtually every foodstuff going through the roof, the increase in APL rates has not been notified. "A final decision has not been taken as of now," a Food Ministry official told Business Line.

Interestingly, on December 29, an Empowered Group of Ministers headed by Mr Pranab Mukherjee had decided to allocate an additional 2.5 million tonnes (mt) of grains to the State Government towards APL families.

For this quantum – which was over and above the normal APL quota – the issue prices were fixed at Rs 8.45 a kg for wheat and Rs 11.85 a kg for rice. These happened to be the rates that were proposed to be the new APL prices as well.

PDS prices – both for APL as well as below poverty line (BPL) consumers – were last revised on July 1, 2002.

The issue prices for BPL households are currently fixed at Rs 4.15 a kg for wheat and Rs 5.65 a kg for rice.

Earlier this week, fears of political backlash against spiralling food inflation forced the Centre to also put off decisions to hike diesel prices and bring urea under the ambit of the

nutrient-based subsidy (which would have led to an increase in its rates as well).

For now, it appears any move at rationalising prices of PDS grain, diesel or urea will not happen before the new fiscal.

By then, the Centre hopes that food prices would somewhat ease, with a bumper rabi crop in the offing.

The Agriculture Ministry's latest rabi crop acreage data shows an increase in area sown under wheat (281.25 lakh hectares versus last year's 274.08 lakh hectares), chana (91.73 lakh hectares versus 84.29 lakh hectares) and rapeseed-mustard (71.04 lakh hectares versus 64.03 lakh hectares).

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Back Bearish trend continues in sugar

Mumbai, Jan. 7

Sugar prices on the Vashi wholesale market continued to decline for the fifth consecutive day on Friday, in the absence of local and upcountry demand.

Spot rates fell by Rs 10 taking total loss of Rs 35-40 in five days. Naka and Mill tender rates cooled down by Rs 10-20 a quintal. Arrivals and dispatches were at usual levels, said traders.

Mr Mukesh Kuwadia, Secretary of Bombay Sugar Merchants Association, said: "Selling pressure from resellers in the market and higher free sale quota for this month forced producers to reduce the rates. Mills continue to offer tender at higher rates despite poor response from buyers. The sentiment was weak. Freight rates were steady at higher level. Lower local demand and poor dispatches have increased the market inventory in recent time."

He further said: "Regular and normal sugar distribution in ration shops is also affecting demand in the open market. Cold weather condition arrested the demand from Madhya Pradesh, Rajasthan, Gujarat, Delhi and other northern States. Bulk consumers are inactive. Sugar futures' downward trend on expectation of higher supply position in coming months weighed on sentiment. International market is also eased from multi-years high. Brazil's new crop is expected from next month. So, overall scenario is now gloomy."

arrivals

On Friday, arrivals in the market were about 48-50 truckloads (each 100 bags) and dispatch was about 43/44 truckloads.

According to Bombay Sugar Merchants Association, spot sugar rates were: S-grade Rs 2,935-2,981 (Rs 2,951-2,991) and M-grade Rs 2,966-3,041 (Rs 2,975-3,051). Naka delivery rates were: S-grade Rs 2,890-2,920 (Rs 2,900-2,930) and M-grade Rs 2,930-2,980 (Rs 2,940-2,980).

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Back Poor upcountry demand pulls down turmeric



Our Correspondent

Erode, Jan. 7

Spot turmeric witnessed further setback in price with a Rs 150/quintal decrease on Friday.

“There is no demand for the yellow spice in the upcountry market and so no bulk buyer prefers to buy the commodity. We are expecting further decrease next week,” said Mr R.V. Ravishankar, President, Erode Turmeric Merchants Association.

He said: “Very little quantity of about 25 bags of Mysore and Chennampatty varieties arrived at the market on Friday and fetched a reasonable price of Rs 14,300 a quintal. Demand was limited.”

Sales were also poor, out of 3,100 bags that arrived for sale only 50 per cent were sold.

In the Erode Turmeric Merchants Association sales yard, the finger variety fetched Rs 9,396-16,109 a quintal, the root variety Rs 9,306-16,901. Out of 1,369 bags kept for sale, 634 were sold. In Gobichettipalayam Agricultural Cooperative Marketing Society, the finger variety was sold at Rs 15,027-16,187, the root variety at Rs 15,027 -16,027 a quintal. Out of 228 bags that arrived, 183 were sold.

In the Erode Cooperative Marketing Society, the finger variety was sold at Rs 15,639-16,240, the root variety Rs 14,640-16,090 a quintal. All the 230 bags arrived for sale were sold.

In the Regulated Marketing Society, the finger variety was sold at Rs 15,769-16,107, the root variety at Rs 15,739-16,149. Out of arrival of 1,256 bags, 1,008 were sold.