

Published: July 15, 2011 00:00 IST | Updated: July 15, 2011 04:13 IST NEW DELHI, July 15, 2011

Inflation rises to 9.44% in June

In keeping with the rising trend, headline inflation inched up further to 9.44 per cent in June from 9.06 per cent in May, driven mainly by higher prices of fuel and manufactured goods, to give a clear indication that there may not be any respite from another round of key policy rate hike by the Reserve Bank of India later this month.

With this, overall inflation, as measured by the Wholesale Price Index (WPI), has remained above the 9 per cent mark since December last year as the April, 2011, figure also stands revised up to 9.74 per cent from the provisional estimate of 8.66 per cent.

The WPI data showed that following the upward revision in prices of diesel, LPG (domestic cooking gas) and kerosene effected on May 24, the index for the 'fuel and power' segment went up to 12.85 per cent year-on-year in June from 12.32 per cent in the previous month.

Alongside, the inflation index for manufactured goods also rose to 7.43 per cent year-on-year in June from 7.27 per cent in May.

Concerned over the unabated price rise, Finance Minister Pranab Mukherjee said in a statement that the government was working in tandem with the apex bank to contain inflation at a 'more comfortable' level. "[The] government is working together with [the] RBI to take appropriate steps to reduce inflation to [a] more comfortable level," he said but stopped short in quantifying the comfort zone which, according to the RBI, should be ideally about 4-5 per cent.

RBI may hike key rate

The inflation numbers for June, Mr. Mukherjee said, "continue to be matter of concern" while asserting that the government was "monitoring the price situation closely". He said the reasons for the rise in WPI inflation included the increase in administered fuel prices, seasonal effects, and an upward movement in mineral and manufactured prices and, in part, imported inflation.

Be that as it may, it is evident that inflationary pressures persist and economic analysts view that the RBI may not have any other option but to hike its key policy rates by at least 25 basis points on July 26.

According to Citi India economist Rohini Malkani, the spill-over of the increase in diesel, cooking gas and kerosene prices will impact July inflation numbers as well.

“With the WPI likely to remain elevated at above 9 per cent levels in the coming months and the RBI reiterating that inflation is likely to get priority over growth, we maintain our view of the RBI hiking rates by a further 50 basis points by December. Odds, thus, favour a 25 basis point hike on July 26,” she said.

In its annual credit and monetary policy for the current fiscal, the RBI had cautioned that escalating prices of global commodities, particularly oil, would continue to fuel inflation at an average high of 9 per cent during the first six months of 2011-12 and later moderate to about 6 per cent by March 2012.

Holding the same view, Chief Economic Advisor Kaushik Basu said that inflationary pressures would ease in future and fall to around 6 per cent by March next year. Also optimistic about a moderation in prices during the months ahead, Planning Commission Deputy Chairman Montek Singh Ahluwalia said: “When you raise fuel prices it will show a little spike... I don't expect a continuing high inflation because of the fuel prices.”

However, the weekly official data showed that in line with the overall inflationary trend, food inflation also rose to 8.31 per cent for the week ended July 2 from 7.61 per cent in the previous week. The month-on-month food inflation in June, however, remained flat at 8.38 per cent.

Published: July 15, 2011 00:00 IST | Updated: July 15, 2011 04:08 IST THENI, July 15, 2011

Theni Collector stresses on rainwater harvesting in district

People should identify sites for construction of check dams

Rainwater harvesting structures should be created in all places in the district and existing structures should be renovated and made it fully functional, advised Collector K.S. Palanisamy.

He was presiding over a special meeting on rain water harvesting at the Collectorate near here on Thursday.

Rainwater harvesting structures in all government buildings should be renovated within a week. The officials should inform present condition of rain water harvesting structures in all government buildings immediately to the Collector to chalk out an action plan for renovation.

All rural and irrigation tanks at villages and panchayat unions, should also be desilted immediately to enable rural people to store rain water. Moreover, check dams should be constructed in all possible areas. Officials should conduct survey and identify suitable places quickly.

Watersheds should be developed and trees should be planted on the bunds of water sheds not only store and save water but also improve ground water table of every village, he added.

Plantation of trees should be started now as flow of rain water in the channels and in the water bodies during rainy season will help them grow fast. Such measure will keep watershed area clean and green and scale down atmospheric temperature, he stated.

Creation of water bodies should not only be useful to store rain water but also be beneficial to meet irrigation and drinking water needs of that area.

Moreover, people too may identify suitable sites for construction of new check dams. Community participation was very essential in protecting rain water harvesting structures. All encroachments in and around water bodies and on supply channels should be removed. Public should extend full cooperation in protecting these structures. Combined efforts of officials and public were imminent in implementing rainwater harvesting scheme fully.

Published: July 15, 2011 00:00 IST | Updated: July 15, 2011 04:13 IST TIRUVARUR, July 15, 2011

Stress on cultivation of bamboo in plains

Bamboo products worth Rs. 6,505 crore were being produced in the country in a year, said Collector C. Munianathan here on Thursday.

Inaugurating a seminar on bamboo cultivation organised by the National Bamboo Mission, he said that various handicrafts could be produced using bamboo. Taking into consideration the economic importance of bamboo, Government was advocating cultivation of bamboo in the plains. It could be raised as an alternative crop wherever there was water scarcity. Farmers of Tiruvarur district could exploit the marketing potential of bamboo. They could raise the crop in their gardens and fields. Bamboo was widely cultivated in the north-eastern States such as Assam and many handicrafts were being produced with it. Bamboo belonged to a grass family and once cultivated could give yield for 50 years. In olden days, during famine, people used to eat bamboo rice.

Bamboo shoots were also used for cooking. Cloth was also produced using bamboo. Speakers at the seminar said that there were 1,400 species of bamboo in the world. Out of them, 136 species were in India. Thorn-less bamboo was popular.

The species popularised by the forest department in Tamil Nadu are *Bamboosa vulgaris*, *Bamboosa neuton* and *Bamboosa doldo*. When properly cultivated, bamboo could give a yield of 40 tonnes per acre.

Published: July 15, 2011 00:00 IST | Updated: July 15, 2011 04:10 IST PATHANAMTHITTA,
July 15, 2011

Organic waste treatment project launched

The Young Men's Christian Association (YMCA), in association with the Thiruvalla municipality and the Cheriyashram Well Being Centre in Kottayam, launched an organic solid waste treatment project in Thiruvalla town on Thursday.

Lynda Thomas, municipal chairperson, inaugurated the project at a function held at the waste dumping yard at the municipal stadium in Thiruvalla.

According to Joy John, YMCA secretary, the project involved converting the waste into organic manure using a liquid containing micro-organisms, utilising Japanese technology. The Well Being Centre will provide the technical guidance for the project.

Published: July 15, 2011 00:00 IST | Updated: July 15, 2011 04:13 IST Coimbatore, July 15, 2011

Kharif small onion to fetch better prices

Tamil Nadu Agricultural University (TNAU) has forecast that prices of kharif small onion would be between Rs.15 and Rs.20 a kg in September and

October during harvest and increase by Rs.5 to Rs. 7 from November to January, 2012.

Considering this, farmers should go in for small onion cultivation in this kharif season, the Domestic Export and Market Intelligence Cell (DEMIC) in TNAU said in its market analysis. The DEMIC suggested that it would be better to sow small onion bulbs, instead of raising nursery through seeds when storage is resorted after harvest. In February this year, the Cell forecast good quality small onion would fetch around Rs.19 to Rs. 24 for the three-month period from March to May, which was 100 per cent true, it said.

The Cell carried out analysis of prices in the past 13 years in Dindigul in Tamil Nadu and conducted market survey to arrive at this conclusion. Tamil Nadu produced 3.40 lakh tonnes of onion in 0.35 lakh hectares in 2009-10, of which small onions constituted 75 per cent.

Small onion supply from the State was decreasing and now it was availing from stocks. At present, the farm gate price of small onion a kg ranges from Rs. 24 to Rs. 27, the DEMIC said.

Published: July 15, 2011 00:00 IST | Updated: July 15, 2011 04:13 IST GUDIVADA, July 15, 2011

'Loans to tenant farmers by July-end'

District Collector S.A.M. Rizvi on Thursday said banks would provide crop loans to all eligible tenant farmers by the end of July and there would be many more advantages to these farmers if they get the identity cards.

Addressing as chief guest at the identity cards distribution function at ANR College auditorium here, Mr. Rizvi said tenant farmers were facing a lot of problems because of taking loans from

private moneylenders and the Andhra Pradesh Land Licensed Cultivators Ordinance would provide relief to the farmer in this connection.

Mr. Rizvi said the banks had a norm that pattadar passbook was necessary to get a loan but the identity cards were being issued now to provide relief to the farmers. He said based on the cards, subsidy fertilizer, pesticides, and seed would be supplied to the tenant farmers. Pamarru MLA D.Y. Das, DCCB president Vasanth Nageswara Rao, and Gudivada RDO Ranjit Bhasha were present.

Published: July 15, 2011 00:00 IST | Updated: July 15, 2011 04:13 IST ELURU, July 15, 2011

Mulberry helpful in fighting diabetes, says scientist



Ch. Satyanarayana Raju, a senior scientist from the Regional Sericultural Research Station, Anantapur, with Correspondent of St. Theresa's College for Women S. Arsala at a programme in Eluru on Thursday. — Photo AVG Prasad

Ch. Satyanarayana Raju, a senior scientist from the Regional Sericultural Research Station, Anantapur, on Thursday said mulberry could be used for control of diabetes. Speaking at a workshop at St. Theresa's College here, Mr. Raju asserted that the recent studies suggested that mulberry leaf could significantly help in reducing the fasting blood glucose levels in diabetics. "Mulberry leaf therapy seems to be capable of even enhancing glycemic control in patients with type-2 diabetes. In addition, the compound like fagomine present in mulberry induces insulin secretion", Mr. Satyanarayana Raju observed in his power point presentation on value additions in sericulture. He said China and South Korea took the lead in harnessing value addition in mulberry leaf and even silk worm. South Korea made strides in making a wide range of by products such as green tea, soup, wafers and even wine with mulberry leaf and tablets

with silkworms. In china, the silkworm was being used as weapon to fight cancer. China was even exporting oxalic acid extracted from silkworm excreta to Japan as it was widely used in textile printing and dyeing, he said while highlighting the need for similar initiatives within the country. He suggested that the jobless rural women could be engaged in extracting the by-products from the mulberry plants such as greeting cards, bouquets, flowerpots etc as an initiative for their economic progress.

T. Venkatakrishnan, District Development Manager, National Bank for Agriculture and Rural Development (NABARD), said the NABARD had taken up a project for improvement of the livelihood of women at Vegivada in the district by harnessing the value addition in sericulture. Similar projects were initiated in Polavaram and Buttayagudem where mango plantations were raised in an acre plot each on a pilot basis in collaboration with the NGOs for the economic development of the tribal women. W. Damodar Naidu, a Scientist from the Regional Sericultural Research Station, Central Silk Board, Eluru, N. Monoharan, Deputy Director, department of Sericulture, spoke while Sr. Mercy, Principal of the college was in the chair.

Published: July 15, 2011 00:00 IST | Updated: July 15, 2011 04:13 IST GUNTUR, July 15, 2011

Tobacco farmers refuse to regulate crop size

Sivaji urges board not to be influenced by diktats of traders



Tobacco Board Executive Director Ch.V Subba Rao speaks at the meeting held with Tobacco growers in Guntur on Thursday. — Photo: T. Vijaya Kumar

Tobacco farmers have unanimously rejected the Tobacco Board's plea to regulate authorised crop size in the State at a time when the prices of Flu cured Virginia tobacco have been plummeting.

Even at a time of year when auctions are supposed to come to an end, just 45 per cent of stocks have been sold. The average prices of bright grade tobacco stand about at Rs.104- Rs.110 per k.g. At a meeting convened by the Tobacco Board, former MP and honorary president of the Virginia Tobacco Growers Welfare Association Y. Sivajai called upon the board not to be influenced by the diktat of traders.

The Indian Tobacco Association has already resolved to reduce the crop size from the present 170 million k.g. to 120 million k.g for the year 2012-2013.

Dr. Sivaji also made a forceful case for increasing the remunerative price by the board. He said the concept of Minimum Support Price (MSP) for tobacco has not been in practice for the last three years and said the onus of deciding the prices of tobacco sold on auction platforms rests solely with the Tobacco Board.

He said the Tobacco Board had already recommended Commission for Agricultural Costs and Practices (CACP) about the need to increase remunerative prices. Cost of tobacco cultivation has gone up the roof, while farmers have been left in the lurch with plummeting prices.

Executive director of the Tobacco Board Ch.V. Subba Rao urged the farmers to take into consideration the present realities of global surpluses of tobacco and steep rise in tobacco production in countries like Zimbabwe and Brazil.

He said the demand for Indian tobacco has been on the wane and farmers should take into consideration all these facts.

Published: July 15, 2011 00:00 IST | Updated: July 15, 2011 04:13 IST ONGOLE, July 15, 2011

Troubled times ahead for tobacco growers

ITA cuts indent by about 60 million kg for 2011-12 in State

The Indian Tobacco Association has decided to give an indent for only 121.55 million kg, about 60 million kg less than last season in view of sluggish demand for Indian tobacco in the global market.

Ahead of the Tobacco Board meeting on July 22 to fix crop size for 2011-12 cropping season in Andhra Pradesh, ITA president Bellam Kotaiah said "the global players are looking at India as an opportunity market and not as a definite market now. They are encouraging contract farming in African countries to meet their demand on regular basis."

"In this situation, we have no option but to give an indent for only 121.55 million kg with a minimum guaranteed price of Rs. 60 to Rs. 70 per kg," he explained at a press conference here.

"The buyers will be saddled with 30 to 40 million kg of carryover stock this year," he added.

The major player, Indian Tobacco company had ensured that the average price realised by farmers was Rs 104.37 per kg this year as against only Rs 80 per kg last year. So far 91.26 million kg had been bought from farmers so far as against 98.64 kg last year, he said.

The ITA was going to give indent for purchase of about 30 million kg in case of southern black soils, 45 million kg for southern light soils and 45 million kg in case of northern light soils and 1.55 million kg in case of northern black soils and central black soils put together, he added.

While domestic manufacturers would require 58.9 million kg of tobacco in the next season, the exporters had sought 62.65 million kg in the coming year.

Published: July 15, 2011 00:00 IST | Updated: July 15, 2011 04:11 IST Rajahmundry, July 15, 2011

Farm works in full swing

Rain revives ryots hopes

Rain during the last two days brought relief to the people of city. However, the low-lying areas of Tummalava, Sessaiahmetta, and a few parts of Aryapuram and Quarry area became water-logged for more than six hours on Thursday. The rain speeded up farm works which are in full swing in Seethanagaram, Rajanagaram, Torredu, Korukonda, Gokavaram, and other rural

villages in Rajahmundry revenue division. The rainfall recorded in these places was below 1 cm and 60 per cent less than the normal rainfall this season.

In Ramachandrapuram, Mandapeta, Tuni, Pithapuram and other mandals also the agriculture works picked up.

“Though the rain did not fill any of the tanks in these areas, wet conditions help farmers continue their work,” says Agriculture Officer A. Kishore.

Crop holiday

On the other hand, the agriculture works in 14 mandals of Konaseema were affected due to crop holiday announced by some farmers. “I am sure that production will come down by 25 to 30 per cent this year because of crop holiday,” says CPI (M) leader D. Subba Rao.

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Reuters

New Delhi, July 14, 2011

First Published: 12:37 IST(14/7/2011)

Last Updated: 12:39 IST(14/7/2011)

Food inflation at 8.31% y/y as at July 2

India's food price index rose 8.31% and the fuel price index climbed 11.89% in the year to July 2, government data on Thursday showed.

In the previous week, annual food and fuel inflation stood at 7.61% and 12.67%, respectively.

The primary articles price index was up 11.58%, compared with an annual rise of 11.56% a week earlier.

The Reserve Bank of India (RBI) is expected to raise rates for the 11th time since March 2010 at its monetary policy review on July 26, to combat sticky inflation which stood above 9% in May.

The market expects the RBI, which last month signalled more increases to come even as growth in Asia's third-largest economy is slowing down, to raise key rates by 25 basis points at the review.

<http://www.hindustantimes.com/StoryPage/Print/720971.aspx>

First Published: 15:46 IST(14/7/2011)

Last Updated: 15:48 IST(14/7/2011)

Pranab expresses concern as inflation rises to 9.44%

India's annual inflation rose to 9.44% in June from 9.06% in the previous month, prompting finance minister Pranab Mukherjee to say that it "continues to be a matter of concern" and that the government and the Reserve Bank would take appropriate measures to bring it down to a comfortable level.

"Government is working together with the RBI (Reserve Bank of India) to take appropriate steps to reduce inflation to more comfortable level," Mukherjee said while reacting to the monthly inflation data released on Thursday.

According to figures released by the ministry of commerce and industry, the headline inflation based on wholesale price index rose to 9.44% in June from 9.06% in the previous month.

"Inflation figures reported for the month of June continue to be matter of concern. We are monitoring the price situation closely," the finance minister said in a statement.

Mukherjee said inflation rose in June mainly because of increase in administered fuel prices, seasonal effects, an upward movement in mineral and manufactured prices and in part reflecting imported inflation.

Rise in inflation may prompt the RBI to hike policy rates further. In its latest mid-quarter review of the monetary policy in June, the RBI had hiked the key policy rates by 25 basis points. This

was the 10th increase in rates in 15 months. Meanwhile, after two weeks of moderation, food inflation rose to 8.31% for the week ended July 2 as against 7.61% in the previous week due to a sharp jump in the prices of onions, fruits and milk.

<http://www.hindustantimes.com/StoryPage/Print/721036.aspx>

Weather

Chennai - INDIA

Today's Weather



Partly Cloudy

Friday, Jul 15

Max Min
33.9° | 27.9°

Rain: 00 mm in 24hrs

Humidity: 42%

Wind: Normal

Sunrise: 5:49

Sunset: 18:39

Barometer: 1000

Tomorrow's Forecast



Rainy

Saturday, Jul 16

Max Min
35° | 26°

Extended Forecast for a week

Sunday
Jul 17



33° | 27°
Rainy

Monday
Jul 18



31° | 25°
Cloudy

Tuesday
Jul 19



29° | 25°
Rainy

Wednesday
Jul 20



32° | 27°
Rainy

Thursday
Jul 21



32° | 27°
Rainy

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Weather-based insurance cover for paddy growers

CHANDIGARH: Paddy growers in Kurukshetra of Haryana could get their crop insured against the vagaries of weather, with Agriculture Insurance Company of India Limited (AIC) deciding to provide the insurance coverage during sowing and maturity period of the crop.

Babain block of Kurukshetra district has now become the fourth block in the state where weather-based crop insurance coverage would be provided to paddy growers.

"Haryana government has given its approval for implementing weather-based crop insurance scheme in Babain block of Kurukshetra district for paddy crop, while we will be the implementing agency for the same," AIC Regional Head Rajesh D said.

Under this scheme, insurance protection would be provided for both deficit and excess rainfall. The maximum compensation under this policy would be Rs 12,000 per acre. Claims under this scheme would be based on weather data recorded at reference weather station installed in these blocks, he said.

Out of total premium of Rs 1,200, farmers will have to pay only Rs 300 per acre and balance amount will be borne by the Haryana government and the Centre on 50:50 basis, he said.

Haryana is already providing weather-based insurance cover to paddy growers in Panipat, Tohana, and Ambala.

Paddy crop is a major Kharif crop in Haryana with over 12 lakh hectares of area under cultivation and 55 lakh tonne of output.

It is compulsory for paddy growers, who take loans from banks, to get insurance coverage for their crop.

Notably, wheat growers in the same block got claims to the tune of Rs 4.54 crore for their crop damaged at 18,108 acres of land because of high temperature during maturity of crop in last Rabi season. The claims were given to over 3,000 affected wheat growers.

Pranab expresses concern as inflation rises to 9.44 per cent



Union Finance Minister Pranab Mukherjee at a meeting of Chief Executive Officers of the Public Sector Banks and Financial Institutions, regarding an annual review of their performance in different sectors, in New Delhi

India's annual inflation rose to 9.44 per cent in June from 9.06 per cent in the previous month, prompting Finance Minister Pranab Mukherjee to say that it 'continues to be a matter of concern' and that the government and the Reserve Bank would take appropriate measures to bring it down to a comfortable level. "Government is working together with the RBI (Reserve Bank of India) to take appropriate steps to reduce inflation to more comfortable level," Mukherjee said while reacting to the monthly inflation data released on Thursday. According to figures released by the ministry of commerce and industry, the headline inflation based on wholesale price index rose to 9.44 per cent in June from 9.06 per cent in the previous month. "Inflation figures reported for the month of June continue to be matter of concern. We are monitoring the price

situation closely," the finance minister said in a statement. Mukherjee said inflation rose in June mainly because of increase in administered fuel prices, seasonal effects, an upward movement in mineral and manufactured prices and in part reflecting imported inflation. Rise in inflation may prompt the RBI to hike policy rates further. In its latest mid-quarter review of the monetary policy in June, the RBI had hiked the key policy rates by 25 basis points. This was the 10th increase in rates in 15 months. Meanwhile, after two weeks of moderation, food inflation rose to 8.31 per cent for the week ended July 2 as against 7.61 per cent in the previous week due to a sharp jump in the prices of onions, fruits and milk.

Source URL: <http://www.deccanchronicle.com/channels/business/news/pranab-expresses-concern-inflation-rises-944-cent-722>

THE ECONOMIC TIMES

Fri, Jul 15, 2011 | Updated 09.31AM IST

15 Jul, 2011, 03.35AM IST, Reuters

Raw sugar retreats from contract highs

LONDON: Raw sugar futures on ICE eased in early trade on Thursday as the market retreated further from the prior session's contract highs while cocoa edged up aided partly by supportive second quarter European grind data.

ICE raw sugar futures were lower with the market finally suffering a modest setback following a prolonged advance, which culminated with contract highs being established on Wednesday.

The market remained, however, underpinned by diminishing crop prospects in top producer Brazil. Sugar cane output in Brazil, the world's top producer and exporter, will post its first annual decline in a decade as industry group Unica on Wednesday slashed its forecast for the centersouth crop in 2011-12 by 6.2%. October raw sugar on ICE was off 0.12 cent or 0.4% at 30.12 cents a lb at 0809 GMT.

The front month set a contract high of 31.33 cents on Wednesday. ICE October sugar is expected to retrace to 29.10 cents per lb, based on its wave pattern and Fibonacci retracement analysis, according to a Reuters market analyst. August white sugar on Liffe fell \$8.60 or 1.0% to \$867.70 per tonne. The contract peaked at \$890.10 a tonne on Wednesday, a record high for the front month.

Indian sugar traders are signing deals at \$775 per tonne free on board (FOB) to take advantage of recordhigh international prices to sell 500,000 tonne of exports approved three weeks ago, three dealers and one analyst told Reuters. Cocoa futures on ICE were higher in early trade with the market supported by a weaker dollar.



FJCCI to protest VAT on branded foodgrains

July 14, 2011 11:10:47 PM

PNS | Ranchi

The Federation of Jharkhand Chamber of Commerce and Industries (FJCCI) and Ranchi Chamber of Commerce will launch a seven-day protest programme against imposition of VAT on branded food grains from July 12 by Jharkhand Government. A committee has been formed in this regard.

FJCCI vice-president Suresh Chandra Aggarwal said in a Press conference, "The total need of food grains in the State is 70 lakh tonnes whereas the total production of the State is just 20 lakh tonnes. Naturally, 50 lakh tonnes are bought from different States," he added, "If VAT of 5 per cent will be imposed on the branded food grains that are procured from other States, the prices are bound to rise."

Aggarwal stated, "Even the 20 lakh tonne production of food grains in Jharkhand depends on the rains. During two years of consecutive drought in the State, the production was as low as 5 lakh tonne."

The members of FJCCI and Ranchi Chamber of Commerce demanded that food grains should be tax free in a State like Jharkhand which is only rich in minerals. They also raised the issue of problems that will be faced by the non-registered small scale businessmen due to this decision of the Government.

General Secretary of FJCCI, R D Singh said, "The imposition of tax on branded food grains will affect the non-registered businessmen of the State. The small scale business men whose turnover is up to Rs 5 lakh are not bound to be registered and so they are also not entitled for a road permit. These self-employed will face a problem now as they would not be able to transport taxable items without the permits."

Singh further said, "There are only 50 thousand registered businessmen, the rest unregistered constitute 9 lakh. Government's decision has put the earning and livelihood of the small scale businessmen at stake. This will promote illegal trade in the State." With a view of these issues the Committee formed under the initiative of FJCCI and Ranchi Chamber of Commerce, has announced a programme of protest from July 15 to July 20 against the Government. If the Government does not respond to the protest a State level meeting will be held thereafter to decide on the further course of action.

Singh stated, "If the Government does not pay heed to our demands, we will stop procuring food grains from other States."

State has huge scope to boost SHG activities: NABARD

July 14, 2011 11:14:09 PM

Chief General Manager (CGM) of Odisha Region of NABARD KK Gupta said on Tuesday that Odisha has tremendous potential for further expansion in self-help group (SHG) activities.

Gupta said that the State stands as one of the front runners in SHG formation and linkage programme in the country. "As many as 5.03 lakh SHGs in the State have been linked with banking system with outstanding bank loan of Rs 1, 405 crore which has also evoked tremendous potential for further expansion in the State," said Gupta. Gupta was speaking on the occasion of 30th foundation day of the national bank here. He said that NABARD has brought forth the financial support to the State Government under Rural Infrastructure Development Fund (RIDF) to supplement public investment in building rural assets. So far 1, 17, 141 projects have been sanctioned in the State with a financial outlay of Rs 5,631 crore, Gupta informed.

The completed projects under RIDF have provided irrigation to 4.01 lakh hectares of cultivated land and connectivity to 897 villages through 2, 650 km length of roads and 358 bridges. NABARD has supported the Kisan Credit Card (KCC) programme under which 47 lakh farmers are now having credit access in the State. It has also facilitated the formation of 5, 200 Farmers Clubs.

Over 24,400 tribal families have developed orchards in 14 districts of the State under Wadi Scheme and NABARD has provided Rs 88.59 crore for the purpose of creating a dedicated fund, Tribal Development Fund (TDF), Gupta disclosed.

State Agriculture Minister demands 14 hour electricity supply to rural areas

July 14, 2011 9:00:23 PM

Pioneer News Service | Lucknow

Buoyed by UP being nominated for best performing state award in grain production during year 2010-11, state Agriculture Minister, Chaudhary Lacchmi Narayan has demanded for 14 hour electricity supply to rural areas.

Following the grain production of 475 lakh metric ton (LMT) in last year the central government have nominated Uttar Pradesh for best performing award which would be given in New Delhi. Reacting to nomination, Agriculture Minister Lacchmi Narayan on Thursday congratulated

farmers and officials of Agriculture department and said, now he was concerned about maintaining the status of top producing state for UP in current year also.

Taking a step in this direction, he demanded UP Power Corporation Limited (UPPCL) to ensure at least 14 hour power supply for Agricultural purposes on a regular basis so that farmers could ensure sowing of crops in more area than before.

Ensuring 14 hour power supply to rural areas was a policy decision taken by the state government. I do not see there could be any problem in its implementation, he said.

Reviewing Kharif campaign-2011, Narayan, instructed senior Agriculture department officials to appoint employees in soil testing laboratories at districts on contractual basis as farmers could be benefited by the soil testing in all areas. He also instructed to ensure hundred percent distribution of available kharif seeds to farmers.

Business Standard

Friday, Jul 15, 2011

Kharif sowing of rain-fed crops to pick up in Andhra

B Ramakrishna / Hyderabad July 15, 2011, 0:15 IST

Sowing operations are expected to pick up in Andhra Pradesh with 12.9 mm of rain yesterday, that continued till this morning.

For most of the current season, the state witnessed subdued rainfall, with a 39 per cent of deficit in June. The monsoon revived only in the second week of July with 78.4 mm of rain, compared to the normal level of 69.7 mm for the period.

With this, the total rainfall recorded in the state stands at 144.5mm, 19 per cent below the normal level of 178.1mm. For the week ending July 6, total rainfall was 17 per cent below the normal.

Officially, up to 19 per cent of variation from the long-period average is considered 'normal'. It is only Krishna district that received excess rain, while 12 were in the normal range and the other nine fell under the deficit category (i.e, 20 to 59 per cent below long-period average).

"With this week's rain, kharif sowing of rain-fed crops will pick up and maximum area will be covered in an another week," said Chandra Prakash, joint director, commissionerate of agriculture. Earlier, the sowing of crops such as jowar, maize, pulses, sesamum, sunflower and cotton was reported to have been 'paralysed' due to insufficient rain.

With Wednesday's rain adding to last week's, sowing is expected to pick up in Telangana as well, he said, adding the operations would go on till the end of August. He mentioned it will be too early to talk about a possible drought-like situation.

Raising of paddy nurseries is in progress in the districts that come under borewells and canals. Prakash said it would pick up pace with the ongoing rain. Transplantation takes place in the first week of July and continues till the end of August.

ACE plans to add two more agriculture commodities

BS Reporter / Mumbai/ Ahmedabad July 15, 2011, 0:00 IST



After the launch of futures contracts in guar gum and guar seed, ACE Derivatives and Commodity Exchange is now actively considering to add two more agricultural commodities to its product portfolio, a top exchange official informed here.

"With a view to expand our agri product portfolio, we are planning to add two more agri commodities. For this, we are actively considering agri commodities like cotton, jeera, yellow peas and pepper," said Dilip Bhatia, chief executive officer of the exchange.

"Our product development team is doing research for these commodities and two of them will be added to our agri commodities portfolio in the due course of time," added Bhatia.

The exchange currently offers eight agri commodities including rape mustard seed, soybean, castor seed, refined soy oil, chana, sugar, guar gum and guar seed. The futures contracts for

guargum and guarseed were launched earlier this month. The exchange expects to generate a daily turnover of Rs 150-200 crore from guargum and guarseed trading.

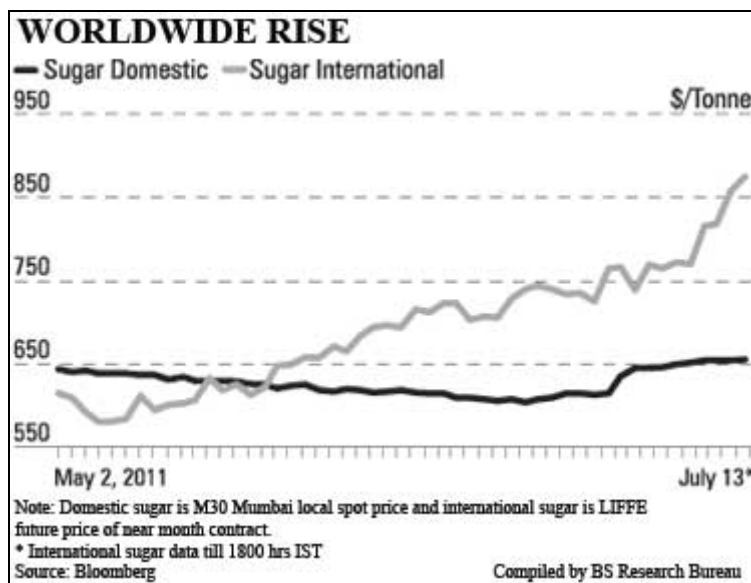
The exchange currently has a daily turnover of around Rs 600 crore. "We are hopeful to to increase our daily turnover to Rs 1000 crore by the end of the current financial year. Meanwhile, we may also launch contracts in base metals and energy products," said Bhatia. Kotak group promoted ACE Derivatives and Commodities Exchange started its operations in October 2010.

The exchange has over 300 members located across country, while it has plans to increase the membership to 450 members by the end of March 2012.

Global sugar price at new high of \$874 a tonne

Sanjay Jog / Mumbai July 14, 2011, 0:59 IST

Sugar prices have zoomed to a new high at \$874.5 per tonne in the global market (LIFFE near month futures) compared to \$860 a tonne reported in January. The rise in global prices is attributed to uncertainty about sugar production in Brazil, the largest producer and exporter. The Brazilian sugar industry is expected to crush 536 million tonnes of cane to produce 33.7 million tonnes sugar, against the earlier projections of 573 million tonnes and 35.9 million tonnes, respectively. High prices have brightened the scope for higher realisation from exports. India's prices work out at \$ 655.96 a tonne, which shows that international prices are higher by 33 per cent.



Industry sources believe this has led to a volatility in global prices, that jumped by \$100 to \$112 per tonne in the last two weeks when the price was between \$750 to \$762 a tonne. According to the sources, sugar mills are going to benefit from the surge in global sugar prices.

In India, sugar prices are Rs 2,600-2,800 per quintal (ex- mill) in Maharashtra and Uttar Pradesh. Millers, however, are expecting Rs 3,200-3,300 per quintal, especially after the the Centre recently announced an additional 500,000 of sugar under open general license exports.

Yogesh Pande, founder-president of Maharashtra Sugar Brokers Association told Business Standard, "The increase in global sugar price will help domestic sugar industry and an additional 10 lakh tonnes can be allowed for exports. This is necessary as the production in the ensuing sugar year 2011-12 will be around 26 million tonnes. This is in addition to the carryforward stock of four million tonnes."

Manik Borkar, managing director Anuraj Sugar Mill said, "The increase in global sugar price will certainly bring cheer for mill owners in the country and particularly in Maharashtra, as the production has risen by three million tonnes by the end of the crushing season of 2010-2011.

This will help mills to earn more due to rise in domestic prices and in turn they will be able to give more price for sugarcane to the farmers".

A commodity analyst with Barclays Capital said, "In the short term, we are expecting sugar prices to gain further, as while the market is still expecting a return to a surplus, recent concerns over the Brazilian crop on ageing cane and low sucrose content has seen continued mark-downs in supply estimates."

Sugar rules steady in rain-hit market



Mumbai, July 14:

Spot sugar prices on the Vashi wholesale market ruled steady on Thursday. Continuous rain from early morning affected routine activities of the market, as most of the retail brokers avoided going to the market and preferred to book orders over the telephone. Due to rain, arrivals and dispatches were lower. Spot price ruled unchanged. Naka and mill tender rates declined by Rs 5-10 a quintal in quality sugar. Smooth supply position at the mill level kept business hand-to-mouth. The market's movement now depends on demand support, said traders.

Retail demand

Due to continuous rain, the retail demand was very thin. The bomb blasts at three places in Mumbai, high alert in the city and security checking by agencies put the city under caution and business activities were dull. With the producers not very keen to sell at lower rates, chances of increase inventory pressure at mill level is possible. Mills have to exhaust current month's free

sale quota. The Government has announced lower normal free sale quota of 12.60 lakh tonnes for July, compared to 16.50 lakh tonnes for June-11.

On Wednesday, about 20-22 mills offered tenders and sold about 35,000-37,000 bags (100 kg each) in the range of Rs 2,700-2,730 (Rs 2,700-2,735) for S-grade and Rs 2,750-2,830 (Rs 2,780-2,835) for M-grade to the local stockist. Arrival in the market was lower at 40-42 truckloads (each 100 bags) and local dispatches were about 42-43 truckloads due to rain.

The Bombay Sugar Merchants Association sugar rates were: Spot: S-grade Rs 2,800-2,851 (Rs 2,800-2,851) and M-grade Rs 2,851-2,991 (Rs 2,851-2,991).

Naka delivery rates: S-grade Rs 2,770-2,800 (Rs 2,780-2,800) and M-grade was Rs 2,830-2,930 (Rs 2,830-2,950).

Heavy arrivals continue to pound turmeric



Erode, July 14:

Spot turmeric prices declined Rs 200 a quintal on Thursday as heavy arrivals continued.

“As prices tended to increase earlier this week, growers brought more produce to the market, but sales were lower and also prices decreased. Still, demand for the hybrid fine varieties are high in the market. The hybrid varieties fetched higher prices,” said R.K.V. Ravishankar, President of Erode Turmeric Merchants Association. In the futures market, there was a drop of Rs 200 a quintal in prices and on Thursday, it was quoted as Rs 7,700, reflecting in the local

market. The present contract for futures ends on July 20. After that fresh contract rate would be fixed. Till then, prices will remain unchanged. If the contract amount increases, spot turmeric price will go up, said Mr Ravishankar.

He said 11,000-odd bags of turmeric arrived for sale, but only fifty per cent of them were sold. Farmers, looking for higher more price, refused sell at the current price. At the Erode Turmeric Merchants Association Sales yard, the finger variety was sold at Rs 5,938-7,809 a quintal, the root variety Rs 5,210-7,278.

Salem Crop: The finger variety was sold at Rs 7,190-8,269, the root variety Rs 6,338-7,938. Of the 2,489 bags that arrived, 580 were sold. At the Gobichettipalayam Agricultural Cooperative Marketing Society, the finger variety was sold at Rs 6,246-7,819, the root variety Rs 6,010-7,169. All the 167 bags kept for sales were sold. At the Erode Cooperative Marketing Society, the finger variety was sold at Rs 6,239-7,889, the root variety Rs 6,070-7,240. Of the 1,272 bags kept for sale, 1,177 were sold. At the Regulated Marketing Committee, the finger variety fetched Rs 7,404-7,919, the root variety Rs 6,569-7,112. Of the 779 bags brought for sales, 671 were sold.

Trade lacklustre in wheat market



Karnal, July 14:

With trading being slack in the wheat market, Dara variety ruled flat while desi wheat decreased by Rs 10-25 a quintal on Thursday.

There were some inquiries for the *Dara* variety and buyers were willing to purchase around the levels of Rs 1,145-1,147 a quintal. Traders, however, were not ready to sell their stocks below Rs 1,150, said Mr Subhash Chander, a wheat trader. Buyers are not showing much interest on the levels of Rs 1,150 and its unlikely that market may trade over Rs 1,150 in near future, he said. Uncertain weather is also a reason behind low trading, said Mr Subhash.

After witnessing a decline at the beginning of this week, the *Dara* variety remained unchanged and was quoted at Rs 1,150 a quintal. Only 16 tonnes of *Dara* variety arrived from Uttar Pradesh, and the stocks were directly offloaded at the mills. Mill delivery was at Rs 1,150 while it traded at Rs 1,155 a quintal in the retail market. In *desi* wheat, sluggish demand pulled prices down. The Tohfa variety dropped by Rs 25 and quoted at 2,175 a quintal, Maruti and Lal Quila decreased by Rs 10 and were sold at Rs 1,800 and Rs 1,900, respectively, while A-1 variety quoted at Rs 2,040 a quintal, Rs 20 down from previous level.

Flour Prices

With a steady trend in wheat, flour prices remained unchanged and quoted at Rs 1,150 for a 90 kg bag. Similarly, *chokar* prices ruled flat and quoted at Rs 490 for a 49-kg bag.

Castorseed futures gain on demand



Rajkot, July 14:

Demand by traders lifted castorseed futures, even as spot prices remained unchanged.

Market analysts said increased buying by consuming industries in physical markets and firm global sentiments encouraged traders to increase positions in futures.

August contract for castor on the National Commodity and Derivatives Exchange increased by Rs 37 to Rs 4,743 a quintal, with an open interest of 6,650 lots.

September contract went up Rs 46.50 to Rs 4,780, with an open interest of 8,470 lots.

While the September contract for castorseed rose by Rs 46 to Rs 4,715 a quintal on Rajkot Commodity Exchange, spot castor remain stable at Rs 4,465 a quintal.

Castor gained Rs 24.50 at Rs 4,735 a quintal on Ahmedabad Commodity Exchange, with an open interest of 104 lots.

prices to rise further

While 30,000-32,000 bags arrived and fetched Rs 880-900 for 20 kg in Gujarat, 1,400-1,500 arrived and sold at Rs 860-890 for 20 kg in Saurashtra.

Traders expect demand for castor to further push up prices.

Insurance cover for paddy crop

Chandigarh, July 14:

Paddy growers in Kurukshetra in Haryana can get their crop insured against the vagaries of weather, with Agriculture Insurance Company of India Ltd (AIC) deciding to provide the coverage during sowing and maturity period of the crop.

Under the scheme, insurance cover would be provided for both deficit and excess rainfall. The maximum compensation would be Rs 12,000 per acre. Claims would be based on weather data recorded at reference weather station installed in these blocks.

Babain block of Kurukshetra district has now become the fourth block in the State where weather-based crop insurance coverage would be provided to paddy growers.

UP eases norms for farm electricity

Lucknow, July 14:

Uttar Pradesh Power Corporation Ltd (UPPCL) has decided to simplify the procedure for providing power connections to farmers in the State.

An announcement in this regard was made by UPPCL Chairman, Mr Navneet Sehgal, while meeting a group of farmers led by Bharatiya Kisan Union leader, Mr Rakesh Tikait.

The corporation has also decided to provide relief to farmers that have been caught on charges of power pilferage and would come up with a scheme in this regard, a release issued here said.

Besides this, the power connections of farmers for tube wells will also be regularised, it said.

Futures, Malaysian cues lift edible oils



Business Line An official checks various grades of oil palm fresh fruit bunch. (file photo): M.R. Subramani

Mumbai, July 14:

A sudden spurt in domestic futures market and rising crude palm oil (CPO) futures in Malaysia pushed up edible oils by Rs 5-10 for 10 kg on Thursday.

Few traders were present as heavy rains obstructed the market routine. Local refineries, following higher Malaysian palm oil futures and Chicago soya market, increased prices of

palmolein and soya oil. Resellers sold 300-400 tonnes of palmolein at Rs 541-542 in the physical market. Liberty sold palmolein at Rs 545-547. Ruchi sold palmolein at Rs 543, soya refined oil at Rs 638 and sunflower oil at Rs 692. Allana's palmolein was at Rs 545. In Rajkot and Saurashtra, a groundnut-oil *telia* tin fetched Rs 1,520 (Rs 1,505) loose (10 kg) Rs 985 (Rs 975). August contract for CPO on Bursa Malaysia Derivatives closed at MYR3,145 (MYR3,092), September at MYR3,144 (MYR3,082) and October MYR3,141 (MYR3,091) a tonne. July contract for soya oil on National Board of Trade in Indore shot up to Rs 652 (Rs 650) and August to Rs 658.20 (Rs 651.50).

Mumbai commodity exchange spot rate (Rs/10 kg): Groundnut oil 965 (960), soya refined oil 638 (632), sunflower exp. ref. 660 (650), sunflower ref. 700 (695), rapeseed ref. oil 667 (662), rapeseed expeller ref. 637 (632), cotton ref. oil 655 (648) and palmolein 544 (537).

10-member Indian delegation to attend FAO meet on tea in Kenya

Kolkata, July 15:

India is sending a 10-member delegation to Mombasa, Kenya, which is hosting a two-day conference of the Food & Agriculture Organisation's Inter-Governmental Group on Tea on July 18 and 19.

The delegation, to be led by Mr Mangatram Sarma, Director (Plantations), Ministry of Commerce, will comprise Ms Roshni Sen, Deputy Chairman of Tea Board, Mr C.S. Bedi, Chairman, Indian Tea Association, Mr D.P. Maheswari, Chairman, Tea Research Association and Mr Ulhas Menon, Secretary General of UPASI.

Agenda of conference

The agenda of the conference, according to Ms Sen, will include how to step up the quality of tea and the need for complying with the relevant ISO specifications, the future of tea, the issue of maximum residual limit, organic tea and the impact of climate change on tea. The progress in respect of the resolutions adopted at the last conference held in New Delhi in May 2010 would be reviewed. "Also, for the first time, an interactive electronic forum will be flagged off at the Mombasa conference," she said.

Although India fully adopted the ISO 3720 specifications to ensure quality of tea, several other producing countries, particularly those producing not-so-quality tea, were yet to adopt the specifications. “The need for stepping up the availability of quality tea in the world market, therefore, will be the focus of the conference,” she said.

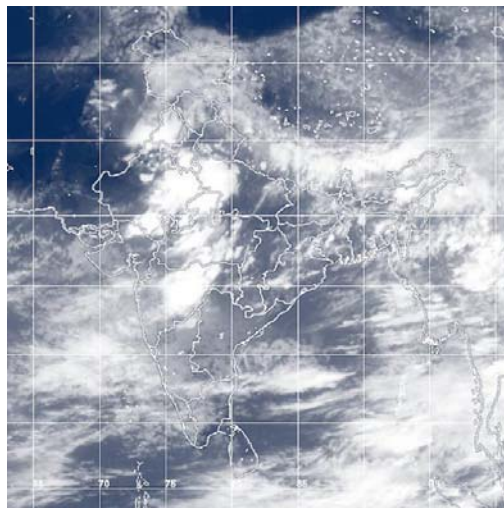
India, she pointed, would take a leading role in the conference, as always, as many tea producing countries looked to India for advice and directions.

Meanwhile, for the first time, East Africa Tea Trade Association (EATTA) will hold the African Tea Convention & Exhibition at Mombasa between July 20 and 22 to showcase before the delegates from 22 tea producing and consuming countries, who will be there attend the FAO IGG conference, the tea industry in East Africa covering technology, best practices, recent research findings and studies, innovations, crop husbandry and outstanding tea clones and blends.

Value-added tea

Although EATTA sees prospects of stepping up the value-added tea from the region very high, the pace of shifting to such exports has been slow. High taxation and lack of industry support services such as packaging paper and machinery are believed to be some of the biggest impediments to value addition of tea exported from Kenya.

Typhoon threatens Japan as flows aid monsoon



Thiruvananthapuram, July 14:

Japan is watching with bated breath as an intensifying typhoon 'Ma-On' closes in from the south, barely four months after the island nation was ravaged by a massive quake-drive tsunami.

Currently tracking west over the vast open waters of the north Pacific and already elevated to typhoon (regional nomenclature for a cyclone) status, the rapidly intensifying storm is forecast to take a sharp re-curve towards southern Japan.

WEEKEND LANDFALL

Ma-On could go on to become a super typhoon, global models said. The landfall could take place by the weekend. The southern prefectures of Kagoshima, Nagasaki, Saga, Kumamoto and Miyazaki could be at risk of direct impact.

Far to the west, the evolution of Ma-On has been concurrently driving the monsoon flows over India. Central India and adjoining peninsular regions and west coast are witnessing a strong wet spell. The 'tele-connection' (being linked thousands of miles across) in weather becomes complete as the same western disturbance/westerly trough drifting towards north India extends to the far-east to scoop up Ma-On and hurl it over south Japan.

WEATHER WARNING

A weather warning said that isolated heavy to very heavy rainfall would occur over Uttarakhand, Haryana, West Uttar Pradesh, the North-eastern States, Konkan, Goa, coastal and north interior Karnataka, Kerala and Madhya Maharashtra during the next two days. Isolated heavy rainfall would occur over the Jammu division of Jammu and Kashmir, Himachal Pradesh, Marathawada, west Madhya Pradesh and east Gujarat on Friday. Meanwhile on Thursday, the 'low' over west-central Bay of Bengal washed over land and lay over south Chhattisgarh as a weakened system. The offshore trough was traced running down from Karnataka coast to Kerala coast. Scattered rain or thundershowers has been forecast over the remaining parts of the country outside west Rajasthan, Tamil Nadu and Rayalaseema.