

# THE HINDU

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Date:20/06/2011 URL: <http://www.thehindu.com/2011/06/20/stories/2011062051340300.htm>

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## Strong winds damage banana plantations

Special Correspondent



**nature's fury:**The trees which were damaged in the wind at West Ramavaram.

CUDDALORE: Strong winds across the Ramavaram area near here on Saturday caused extensive damage to banana trees on over 15 acres. As most of the trees were in the fruit-bearing stage, farmers have suffered heavy losses.

V. Seshapathi, a native of the area, said that raising banana crop was a gamble. For raising the crop in one acre, a farmer would incur an expenditure of Rs. 40,000, including application of fertilizer and pesticides.

At the fruit-bearing stage, the trees would tilt on one side and if not adequately supported, they would fall down.

Therefore, farmers would have to prop up the trees using wooden poles.

Mr. Seshapathi said that a 15-foot tall pole would be needed to keep a fully grown tree erect and each pole of that height would cost Rs. 29. In an acre, there would be 700 to 800 trees and, therefore, the total expenditure on this count alone would work out to Rs. 20,000 to Rs. 23,000.

He also said that certain farmers use nylon ropes to tie all trees within the farm so that the trees could withstand strong wind. But, the ropes tied around the trees would hamper watering and weeding operations.

If no natural calamity occurs, the farmers would earn Rs. 1 lakh to Rs. 1.3 lakh from the yield obtained from an acre. Whatever profit they manage to earn in one season would be neutralised in successive season if adverse and unanticipated weather condition prevails.

**Date:**20/06/2011 **URL:** <http://www.thehindu.com/2011/06/20/stories/2011062050840300.htm>

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### **Irrigation facility for Sirumalai farmers**

Staff Reporter

*Rs. 6 crore allotted for development projects*

PHOTO: G. KARTHIKEYAN.



**FACILITY:**Collector K. Nagarajan, right, inspecting a sketch to lay a road under integrated watershed management scheme on Sirumalai hill near Dindigul on Saturday. —

**DINDIGUL:** Farmers in Sirumalai will soon get permanent irrigation sources to protect standing horticulture crops and tribals sustainable income generation activities, thanks to entry level activities and other development programmes being implemented under Integrated Water Shed

Management Programme by the Department of Agriculture Engineering. A sum of Rs. 6 crore will be pumped for next seven years to execute various development projects.

The department has massive plans to implement 10 water shed programmes on the hill and spend at least Rs.52 lakh this year.

To begin with, a sick trichoderma culture unit that has equipment worth Rs.3 lakh and production capacity of 20 kg a day, at Pazhaiyur will be revived utilising SHGs. Two groups – one comprising 12 men and other by 12 women, mostly belonged to SC community - have been formed to produce the fungi, that will cure root rot disease in banana and other horticulture crops. The department will also take care of marketing, eliminating biggest bottle neck in running the unit. Initially, it will use them for water shed development project and also sell to farmers in other areas.

It had chosen 45 tribal families to introduce apiculture as income generation activity.

Training and technology on honey processing will be imparted to them. Sirumalai will be made a honey production centre.

Already, entry level activities had fulfilled long pending demands. First, people at Kdamankulam have got a 3.5 metre asphalt road up to Pallakadu with stone pavement reducing travel distance sizably. (With no roads, they had travelled six km through private patta land to transport agriculture produces on horse back.)

Three storage rooms were constructed at Agasthiyarpuram, Thenmalai Ooradi and Thandorakuttu to stock agriculture produces.

Inspecting entry-level work and other development activities on Sirumalai on Saturday, Collector K. Nagarajan said that Kadamankulam road will be converted in to cement road. Stone bunding and soil conservation woks will be taken up in all watersheds. At present, Sirumalai hill has just two tanks for storing water, covering 11,500 hectares of agriculture lands. A total of 220 baby ponds, each 6,500 litre capacity, will be created in every survey number on the hill. Cost of each pond will be Rs.40,000. Such measure will be useful for coffee, broad beans and chow chow growers to protect plants at flowering stage, he added.

## Natural farming stressed

Staff Reporter

Dindigul: Abandoning natural farming method was the main reason for all the problems faced by farmers. Natural farming was the only solution to solve all problems of farmers.

Shrink in agriculture area, shortage of water for irrigation and excessive use of fertilisers have seriously hit agriculture production. These were highlighted at a training programme meant for members of Thuraiyur watershed held at Gandhigram Rural Institute at Gandhigram in Dindigul recently.

Experts from Agriculture Department stated that agriculture production was just above the total requirement of the country.

If the present chemical fertilizer-based agriculture practices continued, the country would face acute food shortage in future, they warned. Protection of surface soil was need of the hour.

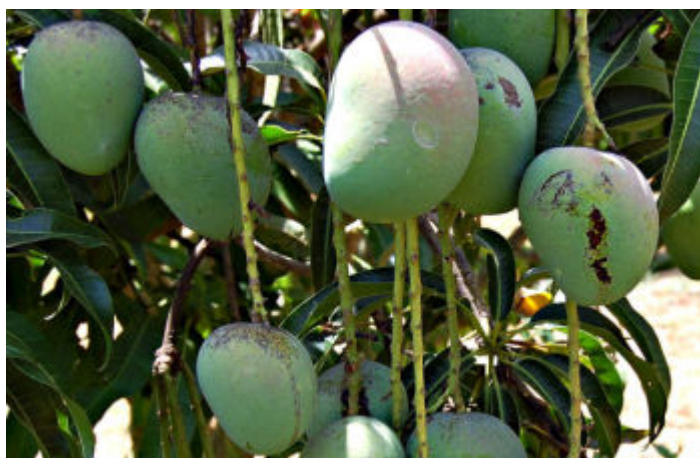
Date:20/06/2011 URL: <http://www.thehindu.com/2011/06/20/stories/2011062059600200.htm>

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## Growers demand minimum support price for mango

*Fall in price puts Kolar farmers in distress 25 per cent of their mangoes were lost when they fell from trees following unseasonal rain*

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**Gone SOUR?:Mango is cultivated on 45,000 acres of land in Kolar district.**

KOLAR: The crash in the price of mango has put growers in distress in Kolar district, the mango barn of Karnataka.

Besides, rain has wreaked havoc on the crop.

The farmers have suffered a loss due to unseasonal rain and hailstorms a couple of months ago, followed by diseases that hit the crop. Also, they have had to endure a loss as tender mangoes have dropped from trees. About 25 per cent of the crop has been lost in this manner in the district where mango is cultivated on 45,000 acres of land.

Srinivaspur taluk in the district has the distinction of growing mango on a single stretch of 22,325 hectares, which is the largest in Asia.

The farmers who took up mango cultivation after availing themselves of loans from banks and private moneylenders are finding it difficult to repay loans due to adverse climate and the fall in price, according to G. Somashekhar, a farmer from Srinivaspur.

While the Thotapuri variety fetches Rs. 2,000 to Rs. 2,500 a tonne, the Rajgir variety is being sold at Rs. 2,500 to Rs. 3,000 a tonne. Local varieties get the farmer Rs. 1,000 to Rs. 1,500 a tonne.

The refusal by juice factories to purchase infected and under-grown Thotapuri mangoes is also a reason for the farmers' woes. The factories have turned to Bangalore district and some border districts in Andhra Pradesh to procure mango for their produces.

The mango farmers are now demanding that the Government announce minimum support price for mango. "The Government provides minimum support price for paddy, sugarcane, red gram and other crops. Why shouldn't mango growers also be benefitted by the facility?" asked Ramappa, a farmer.

Date:20/06/2011 URL: <http://www.thehindu.com/2011/06/20/stories/2011062056400300.htm>

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### **Award for organic farming**

KOZHICODE: The Jaiva Karshakasree awards instituted by the Wayanad Gandhi Gramam for the best organic farmer and best school organic farm in Kozhikode district will be presented during the Karkidaka health seminar to be held at Town Hall on July 20. Farmers and schools should send details of their farms and biodata to Devadas Gandhigramam, Gandhigramam, EMS Stadium Building, Kozhikode, before July 10. For details, call 9544409444 or 9037319971.

Date:20/06/2011 URL: <http://www.thehindu.com/2011/06/20/stories/2011062053101100.htm>

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### **30 per cent increase in food prices predicted by 2021**

Rupert Neate

*Soaring food prices 'will be devastating for the world's poor.'*

PHOTO: AKHILESH KUMAR



**ISSUE:**The FAO/OECD joint report says that global harvest is in a 'critical' condition.

Food prices will soar by as much as 30 per cent over the next 10 years, the United Nations and Organisation for Economic Co-operation and Development have predicted.

Angel Gurría, Secretary-General of the OECD, said that any further increase in global food prices, which have risen by 40 per cent over the past year, will have a “devastating” impact on the world's poor and is likely to lead to political unrest, famine and starvation. “People are going to be forced either to eat less or find other sources of income.” The joint UN Food and Agriculture Organisation (FAO) and OECD report predicted that the cost of cereals is likely to increase by 20 per cent and the price of meat, particularly chicken, may soar by up to 30 per cent .

World food prices are already at a near-record high as droughts and floods threaten to seriously damage this year's harvest. The report said the global harvest is in a “critical” condition and warned that prices will continue to rise until depleted stocks are rebuilt.

Global food prices hit a record high in February, prompting demonstrations across the world. The last extreme food price rise in 2008 led to riots in 20 countries across three continents.

Gurria called on world leaders to ban speculators from pushing up food prices. The G20 will meet in Paris this week to thrash out a deal aimed at imposing strict rules on trading in food commodities and policies that distort global food market.

French President Nicolas Sarkozy has repeatedly attacked hedge funds and specialised financial institutions for pushing up food prices. "Speculation, panic and lack of transparency have seen prices soaring," he said. "Is that the world we want? France is saying quite clearly it is not." He compared the lack of regulation on food price speculators to lax regulation that drove financial markets to the "edge of the abyss" during the 2008 financial crisis. The report predicted global agricultural production would grow at an annual rate of 1.7 per cent a year over the next decade, compared with 2.6 per cent the past 10 years. "Slower growth is expected for most crops, especially oilseeds and coarse grains," it said. "The global slowdown in projected yield improvements of important crops will continue to exert pressure on international prices." The slowdown in production comes as new forecasts predict the global population will climb to 9.2 billion by 2050, compared with previous estimates of 6.9 billion. The FAO said agricultural production would have to increase by 70 per cent to match the expected increase.

Meat exports are expected to rise by only 1.7 per cent by 2010, compared with a 4.4 per cent increase over the previous decade. In contrast, fish production is expected to increase by 14.7 per cent over the same period. Most of this will come from fish farms, which are due to overtake open sea fishing by 2015.

Date:20/06/2011 URL: <http://www.thehindu.com/2011/06/20/stories/2011062056930300.htm>

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## **Erode district gets ready for agricultural operations**

Staff Reporter

*Water to be released in Kalingarayan Canal for 10 months*



Photo: M.Govarthan



**For irrigation: Public Works Minister K.V.Ramalingam showering flower petals after releasing water into the Kalingarayan Canal in Erode on Sunday. -**

ERODE: The sluices of the Kalingarayan Canal near Bhavani were opened on Sunday morning to let out water that would help irrigate more than 15,743 acres of lands in Erode district.

Public Works Minister K.V. Ramalingam lifted the sluice gates in the presence of Collector R. Anandakumar, District Revenue Officer Kumaravel Pandian and senior officials from various departments and showered flower petals on the flowing water. The Minister, talking to media persons, said that water would be released in the canal for about 10 months. A parapet wall had already been constructed for a length of six kilometres along the canal to prevent the flow of untreated effluents from the textile processing and tannery units dotting the area.

Mr. Ramalingam asked the officials to prepare a proposal for the construction of a parapet wall for another 14 kilometres and submit it to the department. He also asked the officials to prepare a proposal for promoting the Kalingarayan ayacut as a tourism spot.

Discharge

The PWD had initially let out 100 cusecs of water in the Kalingarayan canal. The discharge of water would be increased gradually up to 600 cusecs based on the demand from the farmers in the ayacut, officials said.

The release of water would help thousands of farmers in the district to take up cultivation of turmeric, paddy, sugarcane, banana and a few other crops. A number of farmers in the ayacut

had already started sowing turmeric seeds. Officials said the farmers at the tail end area of the canal would be able to get adequate water this year as the department had carried out maintenance and repair works in the canal. A sum of Rs. 60 lakh was spent for the strengthening of bunds, construction of retaining walls, removal of weeds and desilting, they added.

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Mon, 20 Jun 2011

## Weather

Chennai - INDIA

### Today's Weather



Partly Cloudy

**Monday, Jun 20**

Max Min  
38.8° | 28.1°

Rain: 0.4 mm in 24hrs      Sunrise: 5:43  
Humidity: 41%              Sunset: 18:37  
Wind: Normal              Barometer: 1000.0

### Tomorrow's Forecast



Rainy

**Tuesday, Jun 21**

Max Min  
39° | 28°

### Extended Forecast for a week

Wednesday Jun 22	Thursday Jun 23	Friday Jun 24	Saturday Jun 25	Sunday Jun 26
36°   29° Rainy	36°   29° Rainy	35°   29° Rainy	35°   29° Rainy	35°   29° Rainy

20 Jun, 2011, 09.16AM IST, Reuters

## Gold barely moves after gains, euro zone crisis lingers

SINGAPORE: Gold hardly changed on Monday but was supported by debt crisis woes in Europe after euro zone ministers delayed a decision on Greece emergency loans, while investors awaited the outcome of a Federal Reserve meeting that could put pressure on the dollar.

Euro zone finance ministers postponed to July a final decision on extending a further 12 billion euros (\$17 billion) in emergency loans to Greece, saying Athens would first have to introduce harsh austerity measures.

Spot gold hardly moved, standing at \$1,537.71 an ounce by 0319 GMT after rising above \$1,541 on Friday -- its biggest one-day gain since May. Gold is still below a lifetime high around \$1,575 touched in early May.

Investors await the Fed's Open Market Committee's announcement on interest rates on June 22.

"Investors will be trying to see how far or how high the bar for the next round of quantitative easing will be. If this bar is actually lowered, then I think it will be beneficial for gold," said Ong Yi Ling, investment analyst at Phillip Futures.

"If it is high, then I think gold will still remain in its current range bounds that we are seeing. I don't think they will do QE3 now."

Financial markets are bracing for the conclusion at the end of June of the Fed's quantitative easing, a cheap-money policy credited with boosting stocks but blamed for sky-high commodities prices and a weak dollar.

Gold priced in sterling extended gains to hit a record at 953.41 pounds on Monday, tracking gains in spot gold.

The euro gave up some of the gains it made late last week after euro zone finance ministers said they expected to pay the further 12 billion euros in emergency loans to Greece by next month.

But euro zone finance ministers also agreed that they would seek a voluntary rollover of Greek debt by private bondholders to finance a substantial part of Greek funding needs in coming years.

Recent gains in gold were driven by debt problems in Europe, inflation fears in China following strong economic data and worries about a U.S. economic slowdown.

"I think to some extent it was expected they won't be able to finalise it so soon because it was a pre-condition that Athens has to introduce all these austerity measures and show a plan of that sustainability before they get their bailout," said Ong of Phillip Futures.

"I think for gold, I would still look at resistance at about the \$1,550 to \$1,555 level."

Silver was steady at \$35.92 an ounce, below a record at \$49.51 an ounce in April. Platinum and palladium gained on firm equities. Stocks in Asia's developed markets rose following a higher close on Wall Street. The MSCI index of shares outside Japan was a shade higher after falling to its lowest level on Friday since late March.

"I think the U.S. will maintain the interest rates at low levels for a little while after the quantitative easing finishes. I can't tell you whether it's going to be bullish or not for gold," said a physical dealer in Hong Kong.

"But I guess gold will be stable until the problem in Greece is solved. There are so many problems to be solved."

Money managers cut their bullish bets in COMEX gold futures and options after raising them in

the past three weeks, as bullion prices fell during the period, futures regulator Commodity Futures Trading Commission data showed Friday.

19 Jun, 2011, 12.36PM IST,PTI

### **Prices of major spices drop on narrowing overseas demand**

MUMBAI: India's major spices are seeing their prices move southwards since April with the narrowing of demand from overseas buyers coupled with good arrivals in the domestic markets.

The April to June period is the traditional slack season for nearly all the spices.

Among the most actively traded spices, pepper is the only spice witnessing a marginal fall in prices - 1.04 per cent on a month-on-month comparison, while turmeric has been witnessing the most significant price drop at over 13 per cent in less than a month, despite shining for most part of 2010, Angel Commodities Broking Senior Research Analyst Nalini Rao said in a report here.

The king of spices, black pepper, has been seeing a shift in demand from Indian markets to cheaper destinations such as Vietnam and Indonesia , depressing prices in the domestic markets.

Although pepper prices in the country have declined, the fall has been marginal with the spot prices easing by a mere 1.04 per cent and futures by 0.50 per cent in the last one month, with farmers withholding stocks from entering the markets at lower price.

Moreover, according to various market sources the domestic pepper production this season would be much lower at 42,000 tonnes than the Spices Board projected 48,000 tonnes, Rao said.

19 Jun, 2011, 11.09AM IST,PTI

### **India's coffee production in 2011-12 season to decline by 10 pc**

NEW DELHI: India's coffee production may decline by about 10 per cent in 2011-12 season beginning October due to sporadic rains early this year, industry experts have said.

According to the latest Coffee Board data, production of the brew in the 2010-11 period is estimated at 2.99 lakh tonnes.

"A combination of untimely, insufficient, patchy and localised rain that was not uniformly distributed has resulted in an arabica blossom well below the potential," Karnataka Planters Association Chairman Sahadeva Balakrishna told PTI.

Similarly in the case of robusta with a severe constraint on water resources and availability of power, several plantations could not cover their normal irrigation schedules, which will affect the productivity, he said.

"Also as robusta is more sensitive to drought, delay in rainfall beyond the last week of March has affected the fruit setting. All this has led to multiple and sporadic blossoms and would result in a yield well below the harvested crop," he pointed out.

In the 2010-11 coffee year, India had a low arabica crop and this year there are expectations of a better harvest of around 90,000 tonnes, Balakrishna added.

However, with patchy blossom rain now the crop forecast is estimated at 80,000-90,000 tonnes, he said.

Robusta crop in the 2010-11 period was good and this year the output of the brew will be lower, but with insufficient blossom rains and irrigation problems it could be around 1,80,000 tonnes, he added.

"A concrete estimate of the total production can only be ascertained after the monsoons," Balakrishna said.

While monsoon is important for the size and taste of the berries (coffee), a key reason for reduction in output is the normal berry dropping during the monsoon.

Coffee Board officials also have a similar view on the output figures, according to them, the

production in 2011-12 can go down by more than 10 per cent.

Arabica crop is expected to be normal, but the robusta crop this time will be less, they said.

Sharing similar concerns, All-India Coffee Exporter's Association President Ramesh Raja said that already the carry over stocks are low and with a lower output the exports could go down further.

"Export will be lean in the next six months of 2011 as well as the remaining nine months of the 2011-12 fiscal due to low carry over stocks," Raja said.

However, with an expected 10 per cent decline in output, the outbound shipments of the brew could go down further to around 10 per cent, he said.

"In the April-June quarter, we had good exports as the traders off-loaded their stocks due to the anticipated closing of the tax incentive scheme for exporters, the Duty Entitlement Pass Book scheme (DEPB)," he added. PTI RNK MJH

## Business Standard

Monday, Jun 20, 2011

**Global conference on mango in Lucknow from June 21**

**Virendra Singh Rawat / New Delhi/ Lucknow June 20, 2011, 0:30 IST**

Lucknow is hosting a global conference on mango and the challenges facing the crop and its growers in backdrop of changing climatic conditions.

India, being the world's second largest producer of fruits, is endowed with rich genetic diversity of over 1,000 mango varieties. Although India is the leading mango producer, the per hectare yield is much lower compared to several other countries.

The international event 'Augmenting Production and Utilization of Mango: Biotic and Abiotic Stresses' is being organised from June 21 by Lucknow-based Central Institute for Subtropical Horticulture (CISH), a constituent of Indian Council of Agricultural Research (ICAR).

The event would witness presentations on the theme and lead speakers from potential mango growing countries namely USA, South Africa, Australia, Spain, Indonesia, Thailand, etc.

Union Minister of State for Agriculture and Food Processing Industries Harish Rawat will be present for the All India Mango Show. The event will also feature 'Mango Expo-2011' to showcase mango varieties from different regions of India, technological innovations and stalls from input supplying firms, agencies and institutions.

CISH Director and Organizing Secretary for the conference H Ravishankar said India topped the list in mango production and acreage at 15.02 million tonnes and 2.51 million hectares respectively.

However, India's productivity at about 6.80 tonnes per hectare was much behind countries, such as, Brazil (16.8), Indonesia (10.9), Pakistan (10.6), Mexico (10.5), Bangladesh (9.5) and China (8.8).

He said mango provided plenty of opportunities, but posed number of challenges of production, post harvest management, processing into value added products and utilisation of mango wastes.

With the changing climate scenario across the globe, many new biotic and abiotic stresses were emerging as challenges. Besides, new scientific and technological innovations had also been developed leading to better understanding of genes, genomics, physiology, production systems and utilisation, which required to be harmonised to ensure profitability and sustainability in mango production, he noted.



In this background, the conference aims to provide an interactive platform for deliberation on issues confronting the global mango industry and develop a roadmap for sustainable production and utilisation of mango through networking.

The four-day conference will have four workshops on conservation technologies, genes and genomics, production of quality planting materials and eco-friendly technologies.

### **DGFT invites applications for additional cotton exports**

**Dilip Kumar Jha / Mumbai June 19, 2011, 0:18 IST**

The Directorate General of Foreign Trade (DGFT), under the aegis of the commerce ministry, has invited applications for cotton exports for the one-million bales (1 bale = 170 kgs) additional quantity that the textile ministry has allowed for shipment during the current season (October 2010-September 2011).

Cotton exporters who were struggling with the stockpile will submit their applications for registration for exports to DGFT for a week beginning Monday.

Although DGFT is set to accept applications from reputed exporters, the agency has tightened regulations to control entry of errant and opportunistic traders.

During its initial effort for 5.5 million bales of cotton exports, DGFT invited criticism from every quarter, as many small and opportunistic traders got hold of quota and later sold these to perennial shippers. The allocation will be done on a pro-rata basis.

DGFT has tightened the noose by putting a ceiling on the application quantity of a maximum 25,000 bales or 4,250 tonnes.

Over and above, only those exporters who successfully shipped cotton in 2008-09 and 2009-10 are eligible for exports this time. Apparently, DGFT has not incorporated last year's exporters to submit an application this time, assuming only genuine exporters should be registered and allowed for exports.

Further, DGFT has also made a letter of credit (LC) issued by banks in favour of exporters irrevocable. This means, LC opened in the name of a particular firm, cannot be transferred or amended in the name of other firm.

## THE HINDU Business Line

**Granaries are full as stocks touch record level**



**Bumper crop, remunerative procurement prices lead to stockpile**

New Delhi/Chennai, June 19:

Foodgrain stocks in the Central pool have scaled to an all-time-high of 65.60 million tonnes (mt), bringing back memories of the early-2000s. Then, some 34 mt of rice and wheat in government godowns were exported at throwaway prices.

The 65.60 mt stocks as on June 1 – comprising 37.83 mt wheat and 27.64 mt rice – surpasses the previous record of 64.83 mt that was reached on the same day of 2002.

The current level of inventories is more than the combined grain storage capacity of 63.36 mt available with the Food Corporation of India (FCI), Central Warehousing Corporation and the various State Warehousing Corporations.

The fact that the 63.36 mt also includes around 5.9 mt of crude CAP (covered and plinth) structures created to store grains in the open only makes matters worse. The overflowing granaries now are a result of a bumper crop, especially of wheat, and remunerative procurement prices paid by Government agencies.

Wheat today sells at Rs 1,150-1,200 a quintal in most northern mandis and below Rs 1,100 in Gujarat, against Rs 1,230-1,250 at the same time a year ago. Prices in Gujarat are lower since most arrivals are over and only inferior quality wheat is brought to the market by farmers.

Private trade and flour mills, especially from the South, this time bought most of their requirement from Gujarat. A little above 79,000 tonnes wheat have been procured by Central and State Agencies against total arrivals of 6.89 lakh tonnes.

In Madhya Pradesh, the procurement has been 4.8 lakh tonnes against total arrivals of 6.1 lakh tonnes. In Punjab and Haryana, the wheat granaries of the country, procurement has been nearly 98 per cent of the total arrivals of over 17.5 lakh tonnes.

Currently, wheat from Gujarat at the gate of a flour mill in South costs Rs 1,350-1,400 a quintal.

During the peak arrival period in April-May, open market prices ruled well below the official price of Rs 1,180 a quintal, leading to the FCI and State agencies buying nearly 27.5 mt or a third of this year's total estimated production of 84.27 mt.

Last time round, the then National Democratic Alliance Government addressed the 'problem of plenty' mainly by resorting to exports.

Between 2000-01 and 2003-04, 33.6 mt of grain from Government stocks were issued to exporters at prices as low as Rs 396 a quintal for wheat – less than the corresponding rate of Rs 415 for below poverty line consumers. The irony then was that Indian wheat was used as cattle feed abroad.

The present Congress-led United Progressive Alliance regime is yet to take a call on allowing export of grain even from the open market, leave alone from FCI warehouses.

The Union Food and Consumer Affairs Minister, Prof K.V. Thomas, has ruled out any exports till a final shape is given to the proposed National Food Security Bill, which could generate an

annual offtake demand of up to 62-63 mt. In the interim, the options for liquidating surplus stocks are not too many.

Efforts by the Centre to offload wheat through the open market sale scheme have not met with success because the private trade finds it cheaper to buy from the open market rather than from the Government's warehouses.

“The Government may have to resort to exports soon. But when is a question that no one can answer,” said a miller in South.

Wheat on Chicago Board of Trade ended at \$6.72 a bushel or Rs 11,800 a tonne. Wheat prices dropped 11 per cent last week after growing areas in Europe received rains.

“Like sugar, we have lost an opportunity to cash in on the export market,” said an industry source.

#### **Fear of beach erosion grips fishermen in coastal Orissa**



Wiped out: A file picture along the Orissa coast affected due to sea erosion

Berhampur, June 19:

With the South-West monsoon advancing in Orissa, fear of beach erosion has gripped many fishermen living in coastal villages in Ganjam district.

Several villages in the coastal belt in the district have been identified as vulnerable to erosion. Fear is clear among villagers of Sana Arjeepalli, Bada Arjeepalli, Katuru, Kandara Arjeepalli, Gokharakuda and Podampeta when high tidal waves come close to their villages.

“We are living in constant fear as sea water is approaching our villages,” said Mr K Alleya, Sarapanch of Arjeepalli gram panchayat. “The sea is coming close to our villages because of the construction of Gopalpur Port and no remedial measures are taken by the government,” he said.

“The worries of the residents of the coastal area had gone up as there were no remedial measures taken up neither by the port authorities or by the State Government, even though a technical team visited the area to suggest the remedial measures,” the Sarapanch said.

As many as 28 villages are located in the 60-km long coastal belt in Ganjam district and at least seven villages of them are facing the threat from the Bay of Bengal due to the rapid beach erosion.

Gopalpur Port authorities, however, denied the allegation on the beach erosion was taking place due to the construction of the port inside the sea.

### Registration for extra cotton exports to begin today



**■ Rules stipulate that those seeking permission should have exported in the 2009-10 and 2010-11 seasons (October-September)**

**■ Upper limit of export quantity fixed at 25,000 bales (170 kg each)**

**■ An exporter failing to ship allocated quantity faces debarment from further allocation**

DGFT comes up with stringent norms; section of exporters unhappy

Chennai, June 19:

Registration for additional cotton exports quota will begin on Monday. The Directorate-General of Foreign Trade (DGFT) will receive applications for registration of export contracts until June 25.

Applications for registrations will be processed till July 5 and allocation of quota will be announced on July 6.

Exporters will be given time to submit their documents between July 7 and July 15, while shipments will have to be completed by September 15, according to the schedule drawn by the DGFT.

However, a public notice issued by the DGFT on the conditions and modalities for registration has irked a section of exporters.

According to the DGFT, those seeking to export should have exported during 2009-10 and 2010-11 seasons (October-September).

Allocation will be made on a pro-rata basis but an exporter will not get to export more than 25,000 bales (170 kg each). Applicants could seek to export a quantity that is higher than the previous year subject to the 25,000 bales limit.

Trade sources said exporters may be allocated the higher quantity they would have shipped in the last two seasons, not exceeding the cap fixed by the DGFT.

According to an exporter, who did not wish to be identified, the stipulations seem to be loaded in favour of established and big players.

“What about someone who would have exported this season? Going by the rules, an exporter who has shipped cotton this season cannot apply for the additional quota,” he said.

The DGFT, on its part, has come up with a few other conditions too. The notice said failure to export the allocated quantity within the stipulated time could invite penal action.

The exporter could be debarred from further allocation, while a fine that could be over Rs 10,000 and up to four times the value of goods could be levied.

The Centre had on June 9 notified exports of 10 lakh bales of cotton in addition to the 55 lakh bales that got exhausted by January 15.

The export quota was fixed based on projections that cotton production this season could be a record 329 lakh bales. However, the Cotton Advisory Board had in February cut the estimated to 312 lakh bales, still a record. The Textiles Ministry sees the production still lower around 310 lakh bales but the Agriculture Ministry has projected 329 lakh bales output.

Cotton exports were allowed after the fibre's prices have dropped about 35 per cent since April first week to Rs 40,000-41,000 for a candy (356 kg) of Shankar-6 variety.

Though cotton prices increased 10 per cent after the additional export quota was announced, they have dropped to the previous levels again on lack of demand.

Prices are on a downswing as spinning mills have yarn inventories as the textile sector is going through a rough patch now. Though unlimited yarn exports were permitted from April 1, shipments have been meagre due to lack of buyers in the global market.

### **Demand for Assam CTC teas at N. India sale**

Kolkata, June 19:

This week, at Sale 24, total offerings (packages) at three North Indian tea auction centres at Kolkata, Guwahati and Siliguri were 275,314 against 242,752 in the corresponding sale of the last year, according to J Thomas & Company Pvt Ltd., the tea auctioneer.

The total offerings at Kolkata auction were 126,540 (CTC/dust 91,025, orthodox 31,732 and Darjeeling 3783) compared with 105,095 (CTC/Dust 71,004, orthodox 30,865 and Darjeeling 3226) in the corresponding sale of the previous year.

The corresponding figures for Guwahati and Siliguri were 85,207 (73,921) and 63,567 (63,736) respectively.

Assam CTC teas, showing seasonal improvement in quality, met with strong demand and appreciated in value. The remainder tended irregularly easier following quality. Dooars sold irregularly around last levels. Tata Global operated actively while Hindustan Unilever was selective. Western India dealers were active for the improved sorts. There was good support from local and other internal sections. There were selective export enquiries on bolder broken and grainy fannings.

Improved orthodox offerings continued to meet with good demand and sold at dearer rates. The remainder were irregular around last levels. CIS and West Asia shippers were active. Continental buyers operated on the tippy sorts. Local dealers operated on the fannings and smaller broken. North India were active on the bolder whole leaf. Hindustan Unilever operated selectively on the fannings.

Darjeeling whole leaf grades sold in line with quality following traditional export enquiries.

Tata Global operated for medium whole leaf varieties which moved well following competition.

Broken sold irregularly around last, while fannings declined following limited export enquiry.

### **Vegetable oil imports seen dropping on higher output**

New Delhi, June 17:

India's import of vegetable oil is expected to drop this year due to increase in domestic production of the oilseeds, an industry body said. The country requires to import 8.5- 8.6 million tonnes of vegetable oil in the current oil year to meet its domestic demands, Solvent Extractors Association said.

It had imported 9.2 million tonnes of vegetable oil in the 2009-10 oil year (November-October). "The total import in the current year will be lower compared to the previous year by about 6-7 lakh tonnes. We would be importing about 8.5-8.6 million tonnes of vegetable oils this time," the SEA Executive Director, Mr B V Mehta, told PTI. India imported 4.2 million tonnes of vegetable oil in the first seven months of 2010-11 oil year compared to 4.8 million tonnes in the year-ago period.



## **UPASI suggests earmarking funds for coffee promotion**

Coimbatore, June 19:

The United Planters' Association of Southern India has said that although coffee consumption in India has started showing increase in the last five years, the Centre should earmark enough funds for generic promotion of coffee consumption for its sustenance and improvement.

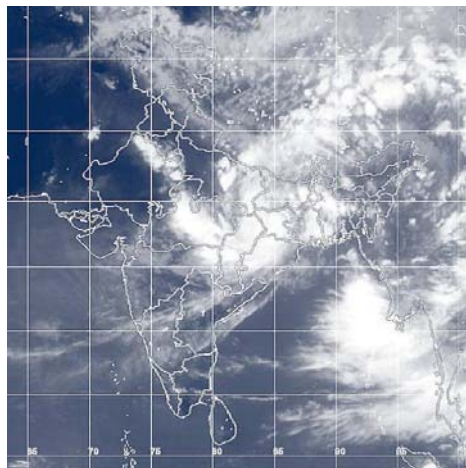
UPASI said one of the main reasons for slow growth rate was a cumbersome process of making a good cup of coffee.

In its 12th Plan proposal to the government, it urged extension of subsidy for coffee filters, home espresso machines, roasters and grinders, to help make coffee easier, increasing coffee consumption.

It requested the Government to implement recommendations of an inter-ministerial committee long back, to share the social cost incurred by the Plantation Industry, by allocating necessary funds to reimburse 50 per cent of the social cost.

Expressing apprehension over the rapid pace of Arabica being converted to Robusta, UPASI suggested that the Government help undertake a focused research to control white stem borer, the main reason for the shift. UPASI also suggested a five per cent interest subsidy scheme on crop loan in the 12th plan, making available to all coffee growers, without any distinction on size of holding or by class of ownership.

## **Deep depression weakens, veers slightly off track**



Thiruvananthapuram, June 19:

After two days of having stormed into land, the deep depression has let up steam only by a notch and was located as a rain-spewing depression 25 km east-northeast of Ranchi on Sunday.

This represented a northward-than-anticipated track, and India Meteorological Department (IMD) expected the system to curl slightly west-northwest off Ranchi before weakening.

The northern limit of monsoon passed through Porbandar, Veraval, Dahanu, Nasik, Adilabad, Gondia, Umari, Allahabad and Bahraich.

It has advanced into more parts of Uttar Pradesh ahead of time while getting further delayed over large parts of Maharashtra, entire Madhya Pradesh and east Gujarat.

The depression will have to take a detour of the northern and northeastern flanks before guiding itself into Madhya Pradesh. Parts of west-central Maharashtra (including Marathwada) would need to sit out for now.

Global models indicated that the depression might break up into two, with one heading slightly west-southwest to enter northern parts of Madhya Pradesh and the other lying briefly anchored over east Uttar Pradesh.

The splinter component is later shown as merging with the sibling over Madhya Pradesh to sustain, even managing to attract some flows into itself from the Arabian Sea to further south-southwest.

Further propagation of rains in the region is shown as being slightly compromised by the development of a weather system over northwest Pacific.

Forming part of the same monsoon system but separated by thousands of km apart, the two would need to share available flows and moisture.

Global models are of the view that this would last only for a brief period, before the Pacific system blinks first and the southwesterly flows pick in strength over both Arabian Sea and the Bay of Bengal from June 26.

## WESTERLY TROUGH

A westerly trough dipping into the region will throw up a larger trough straddling most of upcountry and adjoining Southeast Asia. In the bargain, some models even find the possibility of a 'low' forming in the Bay of Bengal.

An IMD/ISRO satellite pictures on Sunday evening showed the presence of convective clouds over parts of north Rajasthan, east and adjoining central and northeast India, east Bay of Bengal and Andaman Sea.

An IMD weather warning said that heavy to very heavy rainfall would occur at a few places over Chhattisgarh, Jharkhand and east Madhya Pradesh during the next two days.

Heavy rainfall would occur at isolated places over north Orissa, east Uttar Pradesh, Bihar and Gangetic West Bengal on Monday.

Isolated thunder squalls would occur over Punjab, Haryana, Rajasthan and Uttar Pradesh on Monday.

### **89% teas sold at Coonoor**

Coonoor, June 19:

For the second consecutive week, jubilant mood prevailed at Coonoor Tea Trade Association auction with 89 per cent of the year's second highest offer of 16.04 lakh kg at Sale No: 24 being sold at Rs 3 a kg more than previous week on the average.

Overall, 92.23 per cent of the leaf and 85.54 per cent of the dust offer were sold.

“Orthodox leaf enjoyed fair demand and gained Rs 1-3 a kg. CTC leaf gained up to Rs 3. Cleaner, blacker fannings received impressive demand. Better liquoring CTC dusts fetched Rs 2-4 more and others, Rs 1-2. But, orthodox dusts lost up to Rs 10 a kg,” an auctioneer told *Business Line*.

Homedale Estate tea, auctioned by Global Tea Brokers, topped CTC market when Raj Traders bought it for Rs 151 a kg.

Vigneshwar Estate got Rs 149, Professor Rs 131, Hittakkal Estate and Wavertree Rs 130 each.

In all, 97 marks got Rs 100 and more.

Among orthodox teas from corporate sector, Chamraj got Rs 197, Kairbetta Rs 159, Havukal Rs 153, Sutton Rs 145, Tiger Hill clonal Rs 138 and Curzon Rs 135. In all, 27 marks got Rs 100 and more.

Among green tea, Wood Bridge Estate's 'Hyson grade', auctioned by Paramount Tea Marketing, fetched Rs 227 and 'super fine and fine grades',

Rs 225 each.

Forceful export competition continued. Pakistan gave strong support in wide range – Rs 38-64 a kg, the CIS Rs 41-84 a kg and European markets Rs 47-60.

Quotations held by brokers indicated bids ranging Rs 36-39 a kg for plain leaf grades and Rs 80-135 for brighter liquoring sorts. They ranged Rs 43-47 for plain dusts and Rs 85-135 for brighter liquoring dusts.

### **KVG Bank targets Rs 1,300 cr lending for agriculture**

Hubli, June 19:

Dharwad-based regional rural bank (RRB), Karnataka Vikas Grameena Bank (KVG Bank), has set a target to disburse Rs 1,300 crore as agriculture credit for for FY 2011-12.

According to Mr C. Sambasiva Reddy, Chairman KVG Bank, "In FY 2010-11, bank issued 1.10 lakh Kissan Credit Cards against a target of 1 lakh cards and disbursed Rs 849.16 crore through the cards."

The bank, to give a push for agriculture credit this khariff and rabi season, has launched the Kissan Vikas Varsha campaign.

## **Kissan Vikas Varsha**

Explaining the features of the campaign, Mr Reddy said, "It aims to bring all farm households in the banking fold and also provides easy access of credit to farming section in its area of operation."

Mr Reddy speaking after launching the campaign said nearly 60 per cent of the farmers in the country lack access to basic financial services. So being a leading RRB in the country, the bank has taken step to reach farming section through this campaign, he said.

According to Mr Reddy, the campaign will be for four months. During the campaign period, farmers will get concession in the service charges ranging from 25 per cent to 33 per cent.

The campaign aims at bringing one lakh fresh farmers into the bank's fold by providing more than Rs 250 crore as farm assistance in four months.

The Chairman also said, at present, KVG Bank charges 7 per cent simple interest up to 3 lakh for crop loan and would extend 2 per cent each interest concession of Central Government (2 per cent) and State Government (2 per cent up to Rs 50,000) separately for prompt re-payers.

## **K. V. Thomas for separate fisheries ministry**

Thiruvananthapuram, June 19:

A separate ministry for fisheries is needed to deal with the varied issues being faced by the coastal communities, according to the Union Minister for Food and Agriculture, Prof K. V. Thomas.

The coastline of over 7,500 km was among the country's most backward and under-developed habitation, the Minister said while inaugurating a seminar here on 'Integrated development of the Kerala coast.'

## **PRIORITY SECTOR**

The seminar was organised by the Thiruvananthapuram Social service Society to commemorate its golden jubilee celebrations.

The Union Minister promised to take up the issue of a separate Ministry of Fisheries with the Prime Minister, Dr Manmohan Singh, and the Chairperson of the United Progressive Alliance, Ms Sonia Gandhi.

Prof Thomas said the Centre was working on a proposal to bring the fisherfolk under the umbrella of the priority sector with individual financial status not having any direct bearing on his or her eligibility.

## **NEW PARADIGM**

Later in the day, the State Minister for Transport and Devaswom, Mr V. S. Sivakumar, said the State Government was committed to the development and well-being of the coastal communities.

Inaugurating the valedictory function, the Minister said there was need to evolve a new developmental paradigm for the coastal areas of the State.

### **A rejuvenating fishing holiday for Kerala**

June 19, 2011:

The annual ban on trawling during the monsoon season is a fisheries management technique pioneered by Kerala, and now used by many coastal States.

As the rains that come with the southwest monsoon continue to pour down on Kerala, one large section of the State's working class will remain relatively idle — fishermen and fishworkes in the trawl sector of Kerala's fisheries. The annual 45-day ban on trawling in the State's waters, 12 nautical miles from the shoreline along the 590 km of its coastline, came into force on June 15.

As a fisheries management tool, a forced holiday for relatively destructive fishing techniques like trawling makes sense for the long-term conservation of marine resources. Bottom-trawling is a particularly destructive fishing technique, in which large nets, armed with steel weights or heavy rollers, are dragged across the seafloor by powerful mechanised boats to catch fish species in an indiscriminate manner. Though technically very effective, bottom-trawling also destroys everything in its path, including corals and sponges from the sea-floor, and demolishes the habitats on which fish and other diverse organisms depend.

## **Bottom trawls**

That is why around the world there has been a growing movement against the use of bottom trawls, especially in tropical, multispecies waters. Kerala's annual monsoon trawl ban thus follows international trends in fisheries resource management, where fishing closures are used to revive nearly collapsed fisheries or sustain potentially over-fished fisheries. Honduras, Peru and Indonesia are some of the countries that use such annual fishing bans to manage their fisheries.

Kerala, with a coastline of 590 km and an adjoining continental shelf area of 39,139 sq. km., reported landings of 5.7 lakh tonnes of marine fish during 2009-10, which included over 300 different species, among which the commercially important ones number around 40.

## **Fisheries sector**

Clearly, the fisheries sector is important for Kerala's economy. It contributes to about 8 per cent of the Gross State Domestic Product from the agriculture sector. There are around 11.43 lakhs people living in the State's fishing communities, and around 1.75 lakh fishermen in the traditional small-scale artisanal sector. It is also estimated that about 63,000 people are engaged in fishery-related activities.

Not surprisingly, the State government enacted the Kerala Marine Fisheries Regulation Act to enforce measures to regulate the number of fishing crafts in the State's waters and the resultant pressures on coastal and marine resources. According to this Act, the inshore area up to a depth of 50 meters has been demarcated for fishing by traditional fishermen using country crafts and the area beyond, for motorized boats and large mechanised vessels. The lacunae in the implementation of the Act — and campaigns by fishworkers' organisations like the Kerala Independent Fishworkers Federation — forced the Government to implement the annual monsoon trawl ban.

The principal motive of the ban is to conserve fast-dwindling fish stocks by ensuring the right conditions for resource and habitat rejuvenation. A United Nations report revealed the immense damage done by trawling to the ecosystems around seamounts, or underwater mountains, especially in regions that harbour particularly sensitive corals. The monsoon period is the spawning season for many varieties of fish, including shrimp, especially the highly valued

karikadi variety. Apart from the ban's resource conservation value, the annual fishing holiday has another welcome spin-off — the potential to prevent violent physical conflicts between the artisanal small-scale sector, operating traditional craft such as the catamaran, and the mechanised sector, which comprises inboard-powered vessels.

### **Fish stocks**

Most of the world's estimated 29 million fishermen are economically vulnerable to any decline in fish stocks, which directly affect their livelihoods, local economies and diet. According to the WorldFish Centre, a non-profit research body, fish stocks in Asia have declined by 70 per cent in the past 25 years.

Considering that nearly three-fourths of the world's fisher population are in the artisanal and small-scale sub-sector, which accounts for nearly half the global capture fisheries production, any measure to conserve fisheries resource should be welcome. Kerala's annual trawl ban set the trend in the late 1980s for a proactive, precautionary technique of fisheries management. It has now become a de rigueur annual event in the fisheries sector of most of India's coastal States.

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