

# THE HINDU

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## Conference on natural product research

Staff Reporter

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*For details log onto [www.ncnpr2011.com](http://www.ncnpr2011.com)*

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COIMBATORE: The Department of Biotechnology of Kumaraguru College of Technology will organise a national conference on “Natural Product Research for Health and Biopharma Industry” on March 25 and 26.

The conference aims to bring together researchers and students, working in academic institutes, university research laboratories and industries, on a common platform, where they can interact, present their results and exchange information on recent developments in the field of natural product research.

The main focus area of the conference includes natural products, pharmacology and toxicology, fermentation technology, nutraceutical technology, bioengineering, nanotechnology, drug discovery informatics, and biodiversity.

Scientists from premier educational institutions of India and other delegates from across the country are expected to participate in the conference.

Details

For details contact organising secretaries, K. Kumaresan or R. Baskar on 98413-50474 or 98947-09273.Or log onto [www.ncnpr2011.com](http://www.ncnpr2011.com).

Date:12/03/2011 URL: <http://www.thehindu.com/2011/03/12/stories/2011031263010500.htm>

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## **Farmers seek steps to ward off animal threat**

Staff Reporter

Kozhikode: Farmers belonging to Chaliyar panchayat in Malappuram district and Koodaranhi panchayat in Kozhikode district have said that if the State government did not take necessary steps to check crop destruction from wild animals, they will be forced to get rid of the animals by any means to save the crops.

Antony Kozhuvanal, representing the farmers, told presspersons here on Friday that animals like wild elephants, wild boars, deer, monkeys and porcupines which came out of the nearby forests posed grave threat to crops as well as lives. The damage they caused was irreparable and no amount of compensation from the government could solve the crisis. Saji Mangarayil, another activist, said there were provisions in the Wild Life Protection Act to curb the population of animals categorised under Schedule 4 if they posed danger to human life.

Accordingly, many States in India had permitted the same since these animals were never in the endangered list.

However, Kerala was yet to make a move in that direction, he said. K.D. Joseph, farmer, said though wild elephants destroyed around 500 plantains belonging to a single farmer last week, no official had visited the spot so far.

Date:12/03/2011 URL: <http://www.thehindu.com/2011/03/12/stories/2011031265721100.htm>

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### **'Agri-business approach a new step'**

HYDERABAD: Revenue Minister N. Raghuvveera Reddy on Thursday underscored the importance of the agri-business approach as a new step in promoting agriculture.

At the valedictory of a global agri-business incubation conference held at ICRISAT here, he said though India is self-sustainable in agriculture now, it may again have to face the challenge of food security due to shrinking land holdings and climate change, as well as people moving out of agriculture. "Agri-business can be a solution to this situation," he said. ICRISAT Director-General William Dar said there is an urgent need to address major challenges currently facing agriculture. At the inaugural of a global agri-business incubation meet here, he said rising production costs and political turmoil in oil-producing countries are converging to create a 'perfect storm'.

Date:12/03/2011 URL: <http://www.thehindu.com/2011/03/12/stories/2011031261580200.htm>

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### **'Climate change affects the poor most'**

Staff Reporter

- Photo: M. Periasamy



**Expert views:Rajendra K. Pachauri, Chief of Intergovernmental Panel on Climate Change, speaking at a conference on 'Youth and Environment' organised by the BV Academy at PSG College of Arts and Science in the city on Friday.**

COIMBATORE: A disproportionate share of the climate change burden will fall on the poor regions and populations of the world. This will be in contrast to their low contribution to climate change. What is brought about by the rich and developed will fall on the poor and deprived, Rajendra K. Pachauri, Chief, Intergovernmental Panel on Climate Change, and co-winner of Nobel Peace Prize 2007, said here on Friday.

He was speaking on "Youth as Recipients of the Legacy of Environmental Crisis" at 'Enviro 2011', the First Conference on Youth and the Environment, organised by the Bhaktivedanta Academy, at PSG College of Arts and Science.

Elaborating on the difficulties that the economically weak would have to face, he said the poor who lived in lower latitudes and less developed areas were generally at the greatest risk due to both higher sensitivity and lower adaptive capacity.

Touching upon the social implications of climate change, he said there would be a serious threat to global security.

The impact of climate change would lead to increased ethnic conflict over scarce natural resources thereby leading to increase in environmental refugees. Extreme events, floods and famines would force hundreds of millions of people to get displaced from their native lands.

"Viewing the development of country only in terms of GDP is not right. The actual meaning of GDP has become Greed Driven Plunder of the country because only this has become the driving force for the country's development," Mr. Pachauri said.

On the food security impact, he said without appropriate measures, the yield reduction would be up to 50 per cent in 2020 in African countries and 30 per cent in Central and South Asian countries by 2050. The yield was also expected to decrease by five to 10 per cent for every one degree rise in temperature. Other impacts were decrease in freshwater availability, endemic morbidity and mortality.

Mr. Pachauri called for adaptation to address impacts resulting from warning. However, this alone was not enough to cope with projected impacts.

There was a need for a mix of strategies including adaptation, mitigation of Green House Gas emissions and change in lifestyles.

“The co-benefits of mitigation will be increase in good health, energy security, employment, agricultural production and reduction of environmental pressure. The implications of climate change for coming generations are very high. As representatives of the future and fountains of hope the youth have to be the primary promoters of alternative methods of development,” he said.

N. Krishna Kumar, Director, Institute of Forest Genetics and Tree Breeding, Shankar Vanavarayar, National Chairman, CII-Young Indians, and Bhakti Vinoda Swami, Director of Bhaktivedanta Academy, spoke.

Students made presentations on climate change. Documentaries and short films were screened. The Hindu is the media partner for the event.

Date:12/03/2011 URL: <http://www.thehindu.com/2011/03/12/stories/2011031263430500.htm>

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## **Profit margins of private players in sericulture hit farmers hard**

Special Correspondent

*Till early 1990s, government chawki centres used to sell eggs*

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*The eggs were sold at a highly subsidised price Withdrawal of duty has resulted in a new crisis*

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BANGALORE: Sericulture farmers, who used to procure silkworms from the State-run grainages and chawki rearing centres at a reasonable price till two decades ago, are now left almost entirely at the mercy of private players, who are charging an exorbitant rate.

Till the early 1990s, the grainages and chawki rearing centres run by the Sericulture Department used to provide eggs and silkworms to sericulture farmers at a highly subsidised rate. But, in the wake of the implementation of World Bank-aided sericulture programmes in the State, all the government chawki rearing centres were privatised.

Though a handful few State-run grainages are still functioning, they are unable to meet even 10 per cent of the demand. Sericulture Department officials now admit that private players meet more than 90 per cent of the demand for silkworms.

The price for every 100 eggs at government grainages ranges between Rs. 200 and Rs. 300, and an additional Rs. 100 is charged for incubating them and supplying silkworms that are a week-old. But, the private chawki rearing centres are charging anywhere between Rs. 1,200 to Rs. 1,800 for every 100 silkworms.

There are more than 320 such private chawki rearing centres in the State, most of them concentrated in the districts, where sericulture is practiced.

Mallesh, a farmer from Kuntanahalli in Mandya district's Maddur taluk, told The Hindu that he and most fellow farmers, who practice sericulture, prefer to purchase silkworms from chawki rearing centres instead of eggs. "There is no guarantee about the eggs hatching properly. There is a certain level of assurance of yield if we buy silkworms, which are about a week old. But, the cost is prohibitive. We did not mind paying so much when the price of cocoon was Rs. 350 a kg. Now, we are not even assured of Rs. 200 per kg," he said.

However, Sericulture Department officials pointed out that chawki rearing centres, some of which are also run by retired department officials, ensure that the incubation of eggs is carried out under ideal temperature and humidity, which is crucial for a good yield. "Handling silkworms during the first week is very crucial. An ideal temperature of 25 degrees Celsius and humidity of 75 to 80 per cent should be maintained to keep diseases at bay," they said.

But, the crisis in the sericulture industry, precipitated by the withdrawal of duty on imported silk, has forced many sericulture farmers to question the profit margins of private chawki rearing centres. "Why do farmers, who save only on mulberry leaves during the first week after the eggs hatch, have to pay so much more?" asks Mallesh.

A senior official in the Sericulture Department, who recalled that the price of 100 disease-free layings supplied to farmers before the privatisation of chawki rearing centre was a mere Rs. 20 in the early 1990s, too agreed that there was a need for regulating the price quoted by private chawki rearing centres.

Date:12/03/2011 URL: <http://www.thehindu.com/2011/03/12/stories/2011031250970200.htm>

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## ICRISAT to launch agri foundation

Staff Reporter

SANGAREDDY: The Indian Council for Agricultural Research (ICAR) would establish an agri-innovation foundation to create a platform by the end of this year.

This would enable faster spread of innovations and connectivity to the market.

Announcing this at a two day Global Agri-Business Incubation Conference held at International Crops Research Institute for the Semi-Arid Tropics (ICRISAT) – Patancheru recently, ICAR Director General Dr. S. Ayyappan stressed the need of bringing 'profit-prestige partnership' model to farming through innovation and entrepreneurship in the country.

Global participation

The conference was attended by 170 participants from across the globe.

ICRISAT Director General William Dar said that major challenges currently being faced by agriculture has to be addressed on an urgent basis. Climate change, shrinking farm holdings, rising production costs and increase of food prices were some of the issues mentioned by Mr. Dar.

Promotion

Revenue Minister N. Raghuveera Reddy stressed the importance of the agribusiness approach as a new step in promoting agriculture.

He expressed concern over shrinking land holdings stating that it may throw the challenge of food security.

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### **“Accord 50 per cent reservation to export chillies to Lanka”**

Praveen Paul Joseph

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*There is a huge demand for dry chillies in Lanka*

*Requirement is there throughout the year*

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Tuticorin: Since there is a huge demand for dry chillies in Sri Lanka, authorities concerned may accord 50 per cent reservation for exporting it from Tuticorin to Colombo through mechanised sail vessel, S. Princeton Fernando, president, Coastal Mechanized Sail Vessel said.

Previously, the export of dry chillies had been confined to this mode of shipping but after the suspension of this service from Tuticorin to Colombo, this commodity was being shipped in container vessels. Felician Messier, a Shipping Agent in Colombo, Sri Lanka told The Hindu over phone on Friday that consumers in Sri Lanka required dry chillies throughout the year. Since the productivity of dry chillies was lesser than other countries, seasonal production of this commodity could not suit the demands of consumers.

As many as 600 tonnes of dry chillies on average a week was being imported from the ports in Tuticorin and Chennai to Colombo. Apart from chillies, onions, potatoes, turmeric and other edible items were also being imported from Tuticorin regularly.



While duty of Rs.30 was reduced for one kilogram of chillies, Rs.20 was reduced for potatoes. As for a kilogram of onions, duty of Rs.10 was reduced. Cargoes could also be shipped from Colombo to Tuticorin while the vessel would return. Due to lack of warehousing facilities at Old Port of Tuticorin, it could not be made operational, Mr. Messier said. Unlike those days, the cooling hours for the mechanised sail vessels had been minimised to the least of two hours at outer anchorage, where the liaison agencies would be involved in according clearance before berthing at the port. The exporters were also happy since the shipped quantities would reach the importers on time, S. Kishore, a Tuticorin-based Shipping Agent, said.

“Though the capacity of stocking goods on a vessel is 350 tonnes, we will not wait for attaining the fullest. The vessel operations are being made on a charter basis. Since the exporters trust our service, we don't want to cause delay in reaching the importers,” Mr. Kishore added.

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## Import duty cut threatens sericulture livelihoods

Deepa Kurup

*First suicide by a Karnataka silk farmer couple was reported this week in Mandya*

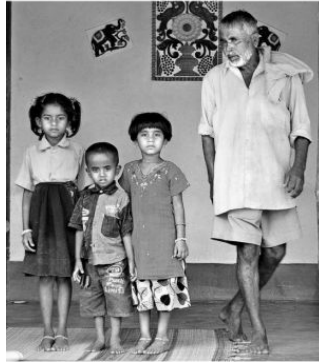
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*Suicide apparently triggered by plunge in price of silk cocoons*

*Government support for sericulture has weakened too*

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— Photo: Deepa Kurup



**While Chandrika (6) knows that her parents are no more, Sharath (3) and Keertana (5) are too young to realise the loss.**

BANGALORE: When a silk reeler informed Swami that his cocoons would fetch him only Rs 120 a kg — and not the promised Rs. 320 — the 35-year-old sericulture farmer was devastated.

At midnight on March 5, relatives heard him quarrel with his wife. Nothing, however, could have prepared them for what they saw the next morning. Swami was found hanging from a tree on his field, while his wife Vasantha had hung herself from the ceiling.

The couple, residents of Valagere Doddi, around 60 km from Bangalore in Mandya district, leave behind three children: Sharath (3), Keertana (5) and Chandrika (6).

Poignant story

This is the first suicide by a sericulture farmer reported in Karnataka. This poignant story, however, is much more than just a case of one family's inability to cope with adversity.

The suicides appear to have been triggered by the plunge in the price of silk cocoons, following the announcement in the Union budget that the import duty on raw silk would be cut from 30 to a mere five per cent. Anticipating this, reelers pulled out of the market by late-February, and cocoon prices plummeted from Rs. 380 a kg in January to Rs 120.

Swami's grieving father, Boregowda, 65, himself a sericulture farmer, says his son owed Rs.1.2 lakh to debtors. Two of his six crops in 2010 had failed, and the land lease (at Rs.10 per plant a year) was outstanding. “ Now how will a man of my age fend for three children?” he asks. While

he hopes the government will offer compensation and make provisions for the children's future, he points out that no district official has visited them.

It is not just the matter of the crash in cocoon prices that are driving farmers to distress. Government support for sericulture has weakened. For example, the Government Model Grainage, a few yards from Swami's home, barely functions, forcing them to buy from private agents at Rs.1,200-Rs.1,800 a kg of eggs (compared with the government rate of Rs. 300). The inputs cost ranges from Rs.80 to Rs. 120 a kg of cocoon.

“Many of us buy water for this labour-intensive crop. If we aren't assured at least Rs. 250 per crop, how will we survive?” asks Jayaramegowda. In the absence of any institutional credit, silk farmers often borrow from private lenders at high rates of interest.

## Risk

Karnataka produces more than 60 per cent of the country's silk. In Mandya district, an estimated 92 per cent are small and marginal farmers. Here, the area under mulberry came down from 16,416 hectares in March 2010 to 12,398 hectares in January 2011. In that period, cocoon prices increased from an average of Rs.192 to Rs. 229 a kg. When it touched Rs. 380 in December, farmers were tempted to take investment risks, says Krishna Gowda, sericulturist and district convenor of the Karnataka Prantha Raithara Samiti (KPRS).

The Samiti demands that the government fix a minimum price of Rs. 400 a kg for cocoons. More importantly, it wants the import duty reverted to 30 per cent. “In January, global tenders for importing 2,500 tonnes of duty-free silk were finalised. Chinese silk is already cheaper than Indian silk. These duty cuts will drive us out of business,” he says. Though the trigger is a flawed policy of the Central government, the State, too, has failed in responding to the crisis, he says.

### **Farmer ends life due to crop failure**

Staff Reporter

ADILABAD: G. Poshetti, 35, a cotton farmer from Edbid in Mudhole mandal, committed suicide on Friday owing to failure of crop in his four acres of land and mounting debts. He consumed pesticide at his residence, but died while undergoing treatment at Bhainsa hospital.

### **Help farmers clear their crop loan: Peeyush Kumar**

Special Correspondent

VIJAYAWADA: District Collector Peeyush Kumar on Friday said bankers and officials of Agriculture Department must work in unison to help farmers across the district clear their crop loans and avail themselves of fresh loans by the end of the current month. Mr. Peeyush Kumar was addressing a review meeting attended by officials of the Agriculture Department and representatives of various banks at the sub-collector's office. He said farmers could also have their loans rescheduled for a year-long moratorium and opt for fresh loans.

However, such farmers would have to clear their old loans within three to five years.



Press Trust Of India

New Delhi, March 11, 2011

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## Current level of food inflation 'unacceptable': Pranab

Terming the current level of food inflation of 9.5% as "unacceptable", finance minister Pranab Mukherjee on Friday said the government has taken several steps to bring it down further especially through enhancing supply of essential commodities.

"At the beginning of last year, food inflation was 20.2%, and now it is 9.5%. However, this figure is equally unacceptable," Mukherjee said while replying to the discussion on the General Budget 2011-12 in Lok Sabha.

Mukherjee said the high inflationary pressure, specially in food and some non-food articles, existed in other emerging economies also.

"I am not making any plea. This is not an excuse that because there is inflation in other areas there should be inflation in India also. It is not. But the fact of the matter is inflationary pressure is visible all over the world. It is not merely in our country," he said.

Linking food inflation to global developments, the minister pointed out that the surplus liquidity is being converted into commodity. "There are apprehensions It appears to be the ground reality that surplus liquidity has been converted into commodity such as oil and foodgrain", he said.

Mukherjee said such a trend was also noticed in other essential commodities.

"These are the economic factors. We may try to wish them away but we cannot because the global linkage is here..", he said.

Food inflation has been in the double-digits for most of this fiscal.

According to latest figures, it has, however, dipped to 9.52% for the week ended February 26.

The overall inflation continues to be above 8% mark since February 2010. The government is expecting that it would fall to 7% by March end.

But, political unrest in Middle East and North Africa resulting in high crude oil prices, have raised doubts on the projections, experts said.

The government has taken various steps in the Budget like special initiative for agriculture, supply chain management, promotion of coal chains among others, Mukherjee said.

"These are intended to address issues of demand and supply constraints", he said.

He also expressed concern over the state of distribution network in the country including the PDS (Public Distribution System) for Below poverty line (BPL) families saying it was not up to the mark.

He said the government has received a number of suggestions from the expert group headed by Gujarat Chief Minister Narendra Modi on revamping the PDS and added "there are some suggestions which could be implemented."

<http://www.hindustantimes.com/StoryPage/Print/672082.aspx>

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## Business Standard

Monday, Mar 14, 2011

**Salt output in state may go down sharply**

**BS Reporter / Kolkata/ Berhampur March 12, 2011, 0:58 IST**

Salt production in south Orissa's Ganjam district appears to be losing its charm among the farmers. The hectic activity, usually associated with this operation in the month of March along the Ganjam coast, is missing this time.

Most of the salt farmers in Ganjam block in the district did not participate in production of salt this year and have switched over to other businesses which fetched them more earnings. As a result, the officials fear that the salt production in the state is likely to go down drastically. Ganjam district is the major production centre of salt. Around 10,000 people of four gram panchayats; Palibandha, Ramagada, Humma and Kainchapur were engaged in salt production in the district.

“Several acres of salt lands are lying without any salt cultivation as the salt workers did not participate in the production work”, said the sarpanch of Palibandh gram panchayat and leader of the salt workers, Dillip Chhotray.

“The salt workers are demanding higher wages. Neither the labour department officials, nor the leaseholders of the land are coming forward to negotiate with them to solve their problem. Most of them have switched over to other business or are migrating to other states to eke out their livelihood”, he said.

Most of the leaseholders are non-Oriya entrepreneurs and they appoint the local persons to look after the production activities in the area. The salt workers in the area were getting only Rs 15 per bag (100 kg) of salt as wage.

The amount was too little compared to their work spanning a production period of 3 to 4 months. So they have demanded higher wages, he added.

Around 30,000 tonnes of salt were produced in the district in the previous year, while the salt cultivation was done in about 3035 acres, official sources said.

The target, however, is unlikely to be achieved this year as several acres of salt lands remained without operation.

The exact area covered under the salt operation would be known by the end of this month, said the office of the state superintendent at Humma.

## **Rubber futures on NMCE take a hit**

**BS Reporter / Ahmedabad March 12, 2011, 0:27 IST**

The devastating earthquake in Japan generated a wave of panic not only among rubber investors in Japan, but also in India. Indian investors rushed to square-off their positions in rubber, bringing down the price by three per cent in intraday trades on the National Multi-Commodity Exchange (NMCE) today.

Taking a cue from weakness in Japanese commodity markets, Indian rubber prices dipped Rs 890 a kg in intraday trade on NMCE. The Indian rubber market, which takes price guidance from rubber trades in Japan-based Tokyo Commodity Exchange (TOCOM), saw heavy selling after prices started sliding on the Japanese exchange.

The April contract on TOCOM, the second largest commodity exchange for rubber trading in the world, fell from Yen 410 a kg in early trades to Yen 396 a kg, a fall of Yen 14 in the afternoon trades, indicating one of the steepest falls in the recent past. On NMCE, the last traded price of the April rubber contract stood at Rs 21,409 a kg today, as against the previous closing of Rs 22,301 a kg.

Anil Mishra, managing director, NMCE, said, "Since the Indian rubber markets get price signals from TOCOM, prices in India have collapsed three per cent in the afternoon today. This situation may not be limited to a specific commodity, but the panic may also be seen in other markets."

Adding: "A crisis like an earthquake affect more on the financial liquidity of the system.

Therefore, people run for financial safety and start exiting from the financial markets, like the commodity market. The earthquake, thereafter, generated panic among investors, which pulled down the prices of rubber significantly," Mishra added.

According to the data provided by the director general of foreign trade, India imported rubber and rubber articles worth Rs 777.32 crore in 2009-10 compared to Rs 499.11 crore in 2008-09, an increase of 55.74 per cent. On the other hand, export of rubber and rubber articles to Japan was marginal at Rs 25.61 crore in 2009-10.



# THE HINDU Business Line

## Mali, TNAU ink pact for transfer of farm tech



New vision: The Ambassador of the Republic of Mali, Mr Ousmane Tandia, and the Vice-Chancellor of Tamil Nadu Agricultural University, Dr P Murugesu Boopathy, addressing newsmen in Coimbatore on Friday.

Coimbatore, March 11:

It was his second visit in two months to the farm varsity here, but the Ambassador of Mali Republic (in Western Africa), Mr Ousmane Tandia, seemed convinced that with the technical support from University experts here, agricultural production and productivity could be enhanced in his country.

“I am quite impressed by what I saw here and am convinced that both the countries have lot of social and cultural similarities. What we need is a new kind of cooperation to see how we can grow together,” he said, after inking an agreement with the Tamil Nadu Agricultural University for transfer and dissemination of innovative farming technologies, input and capacity building.

The agreement is for a period of three years.

Stating that Mali is basically an agricultural country with 73 per cent of the working population engaged in subsistence farming, he said “the holdings are small and farming practices, rain-fed. There is no dearth of natural resources; River Niger and Senegal is flooded with water; farm

productivity levels are low for want of suitable production technologies and quality inputs,” he said.

The TNAU Vice-Chancellor, Dr Murugesu Boopathy, said the University would be sending a team to Mali to study the soil, climate and type of agricultural farm practices there. Based on the team's report, the University would draw a plan to help the Republic of Mali in capacity building efforts. “We will also be inviting a team of scientists from there to study our farming practices. We will facilitate technical support only, without any financial commitment arising out of this agreement for both parties,” he added.

According to the agreement, the Embassy of the Republic of Mali would organise the visit of the officials of both parties and look after all the formalities related to government policies for receiving the technical and material support from the TNAU.

On the reason for tying up with the TNAU, Mr Tandia, said: “Productivity levels are slipping. For instance, Mali's cotton production has slipped from 6 lakh tonnes some time back to 2 lakh tonnes now. Farmers are moving out of cotton cultivation as they no longer find it remunerative. Since cotton has been the largest export crop, we want to step up production.”

In addition to cotton, Mali produces rice, millet, corn, vegetables, tobacco and tree crops.

### **Poppy seeds price seen rising on lower output**

Weather affects output in other producing nations too

Kochi, March 11:

A drop in poppy seeds production in the country and other origins this year is likely to squeeze supply, pushing up prices in the domestic and international markets, trade sources said.

Production in the country has dropped to below one-third of the requirement, giving rise to imports which are costly following decline in output in other origins due to unfavourable weather, the sources told *Business Line*.

Annual Indian requirement of poppy seeds ranges from 34,000 tonnes to 38,000 tonnes against the indigenous production of around 15,000 tonnes. Its cultivation is strictly controlled by the

Narcotics Control Board under license issued by it. In 2011, licenses were issued for its cultivation in 25,350 hectares. But of this, 17,240 hectares were used for its growing, official sources said. Total output was estimated at 13,800 tonnes at an average yield of 800 kg a hectare, they said.

Actual marketable quantity of white poppy seeds available from the total production, after removing damaged and discoloured and so on, was at around 11,990 tonnes, they said. Whereas, it was at 15,135 tonnes in 2010, they said.

The daily requirement is estimated at 95-100 tonnes (1,900-2,000 bags of 50 kg each) and as such the annual demand is estimated at 34,000-37,000 tonnes, they said. Against this, the availability is around 13,503 tonnes when the carryforward stock of 2010 of 1,513 tonnes is added to the domestic production of 11,990 tonnes, they said. According to them, 13,840 tonnes of white poppy seeds were imported from Turkey as on February 28, and thus, the total quantity available for 2011, at present, is 27,443 tonnes leaving a shortage of about 6,319 tonnes, they said. "Thus, there is a shortage of 20 per cent in availability and demand for white poppy seeds," they said.

Import of white poppy seeds and yellow poppy seeds are allowed from Turkey and China. Permission is granted by the NCB after thorough verification that the poppy seeds grown in these countries are 100 per cent legal and each import is also certified by the government authorities, they said.

### **Fixed tariff value**

The Centre in order to arrest fraudulent trade practices and monopoly business fixed tariff value for poppy seeds every 15 days and based on the international prices the Customs authorities fix uniform value adding the import duty of 21 per cent, they said. Now, imports of white and yellow poppy seeds are taking place, but the duty tariff fixed by the Central Board of Excise Customs (CBEC) every 15 days is for turkey white poppy seeds only and the present tariff is at \$2917 a tonne. But, the price for yellow poppy seeds is at \$1,400 a tonne, they said.

The trade alleged that they were being made to pay duty at the tariff fixed for white poppy seeds for the cheap yellow poppy seeds also. "So we are paying higher tariff duty, we have been

requesting the CBEC to fix separate tariff for white and yellow poppy seeds,” they said. “This will help traders to get imports and pass on the benefit to consumers,” they added.

In India, poppy seeds are grown in Uttar Pradesh, M.P., Rajasthan, and its cultivation is controlled by the NCB, Gwalior, which grants yearly *patta* (title deeds) to the growers. They must surrender the yield to the Narcotic department, official sources said. This year the crop has substantially dropped due to rains and severe frost, they said. “The colour of the Indian poppy seeds is not as good as that of Turkey and China,” trade sources claimed. Prices vacillated between Rs 180 and Rs 300 a kg, while average good cargo is sold at Rs 220-230 a kg, they said.

Its demand increases in the summer months from April and then the prices would also shoot up and this year it is expected to cross Rs 250 a kg, they said. Turkey is the major supplier with an annual output of around 22,000 tonnes to 28,000 tonnes and this year it is estimated to be somewhere between 18,000 tonnes and 22,000 tonnes, according to reports.

### **Orthodox tea offerings rise at Kolkata sale**

Kolkata, March 11:

This week at Sale 10, the total offerings (packages) at three North Indian India auction centres at Kolkata, Guwahati and Siliguri were 1,55,306 compared with 1,53,300 in the corresponding sale of last year, according to J. Thomas & Company Pvt Ltd, the tea auctioneers. At Kolkata auction, the CTC/Dust offerings were lower at 63,619 (84,175) but offerings of orthodox at 11,815 (2,647) and Darjeeling at 224 (56) were substantially higher.

The total offerings at Kolkata thus were lower at 75,658 (84,878). The offerings at Guwahati were higher at 64,139 (46,081) but at Siliguri lower at 15,509 (20,341).

The CTC offerings were irregularly lower in line with decline in quality.

Dooars were irregularly lower. There was good support from Tata Global while Hindustan Unilever was quiet. Western India operated on the better liquoring teas on offer. Local dealers and other internal sections were active.

Earlier, orthodox invoices on offer sold readily at dearer rates. The remainder were irregularly lower with quality. Stalky varieties were discounted. Exporters were active. Hindustan Unilever operated. Good support came from North India. Fair enquiries were from local dealers.

The small weight of Darjeeling teas on offer sold readily at firm to dearer rates following strong internal enquiry.

### **Panic selling saps spot rubber**

Kottayam, March 11:

Rubber prices crashed on Friday. On the spot, the market moved down sharply in tune with domestic futures that retreated on panic selling. There were no buyers even at lower levels and it was difficult to get an actual closing price in certain counters. According to observers, the market is expected to seek further lows in short term.

In fact the commodity remained under pressure globally reacting to the news and reports of the tsunami and earthquake in Japan. Meanwhile, the National Multi Commodity Exchange rubber futures hit the lower circuit shedding the daily trading limit of 4 per cent in all contracts.

Sheet rubber nosedived to Rs 207.50 (219) a kg, according to dealers. The grade slid to Rs 212 (218) a kg both at Kottayam and Kochi, according to the Rubber Board.

The March series fell sharply to Rs 206.93 (215.55), April to Rs 214.09 (223.01), May to Rs 218.50 (227.60), June to Rs 223.12 (232.41) and July to Rs 225.12 (234.50) a kg for RSS 4 on the NMCE.

The volumes totalled 12636 lots and open interest 9989 lots. The turnover was Rs 274.90 crores.

RSS 3 (spot) moved down to Rs 241.26 (244.92) a kg at Bangkok. The March futures for the grade declined to ¥430 (Rs 236.64) from ¥446.9 a kg during the day session and then to ¥427.4 (Rs 235.20) in the night session on the Tokyo Commodity Exchange (TOCOM).

Spot rates were (Rs/kg): RSS-4: 207.50 (219); RSS-5: 205 (216); ungraded: 203 (213); ISNR 20: 209 (218) and latex 60 per cent: 123 (130).

## Slack demand drags chana; tur gains



Indore, March 11:

After ruling high for the past two-three days, both masoor and chana witnessed a decline on sluggish demand. Chana declined to Rs 2,400, while chana (desi) dipped to Rs 2,325 on lack of buying interest. Chana (mausmi), however, ruled steady at Rs 2,600-2,700 a quintal. In the last two days, chana has declined by Rs 50.

Urad ruled at Rs 4,000-4,100 a quintal, while urad mongar quoted at Rs 6,500-6,900, urad dal (bold) quoted at Rs 5,700-5,750 and urad dal (chilka) at Rs 4,700-4,750 a quintal.

On the other hand, tur gained Rs 50 on improved buying support in tur (white/Maharashtra quality).

Tur (white) quoted Rs 50 up at Rs 3,900, while tur (red) quoted at Rs 3,600-3,700 and tur (Nimari) quoted at Rs 3,400-3,500 a quintal. Tur dal, however, remained firm with prices of tur dal (marka) in the spot quoted at Rs 6,300, tur dal (full) quoted at Rs 5,600-5,700, while tur dal (sawa no.) quoted at Rs 5,100-5,200 a quintal, respectively.

Local *mandis* on Friday saw a rise in arrivals with about 3,000 bags of new chana being offloaded against 2,000 bags on Thursday. On the other hand, chana dal ruled firm with chana dal (bold) in the spot being quoted at Rs 3,075-3,100 a quintal, chana dal (medium) quoted at Rs 2,950-2,975, while chana dal (average) quoted at Rs 2,800-2,825 a quintal.

Rise in arrivals and poor inquiries also pulled down masoor in the spot by Rs 50. Masoor (bold), which had been quoted at Rs 3,350 a quintal in the morning, plunged to Rs 3,325 as demand dropped on higher rate. Similarly, masoor (medium) which opened at Rs 3,150 a quintal in the morning, declined to Rs 3,100 in the evening on poor buying interest.

Though arrival of new masoor in local *mandis* jumped to 2,500-3,000 bags on Friday compared with about 1,400 bags on Thursday, according to local traders, the arrivals in chana and masoor are still low.

### Onion tumbles on heavy inflow

WHAT'S HAPPENING AT LASALGAON*				
Date	Arrival*	Price*		
		Min	Max	Modal
March 7	1862.5	151	560	425
March 8	1611.5	129	546	425
March 9	1547	101	540	425
March 10	1662.5	101	531	375
March 11	2364	151	500	375

\*Arrival in tonnes; prices in Rs/Quintal  
Source: NHRDF

Chennai, March 11:

Onion prices continued their southward journey as heavy arrivals offset the Centre's decision to lower the minimum price for export to \$350 a tonne on Thursday.

“There is pickup in demand and regular movement of cargo. But heavy arrivals are pinning prices down,” said Mr Madan Prakash, Director of Chennai-based Rajathi Group that exports onions.

On Friday, the modal price or rates at which most trades took place dropped to Rs 375 a quintal from Rs 570 last week at Lasalgaon, Asia's biggest market for the bulb. Prices fetched by quality onions, too, dropped to Rs 500 from Rs 650.

Arrivals continued to flood the markets with 2,364 tonnes hitting Lasalgaon on Friday. Inflow into Lasalgaon throughout this week was over 1,500 tonnes. In nearby Pimpalgaon, arrivals topped 3,000 tonnes on Monday, while in Pune inflows were above 2,000 tonnes this week.

“The prices trend is likely continue at these levels in view of heavy arrivals,” said Mr Prakash.

Export enquiries are coming in from Malaysia, Sri Lanka and Indonesia. “Some exports are taking place to Indonesia and Colombo. We also expect the Philippines to come to the market sometime after May,” said Mr Prakash.

### **detering factor**

However, one deterring factor is the difference between the price in the domestic market and minimum export price. “Exporters are pointing out at the lower domestic price and seeking lower price,” a trading source said.

“We could find better export movement if the minimum export price is lowered to around \$275-300,” said Mr Prakash.

### **Cotton wilts as mills cut offtake**



Rajkot, March 11:

Cotton price declined Rs 300 a candy (of 356 kg), as demand from mills dropped.

Raw cotton price also came down, as most of the ginning units in Gujarat were closed.

In Gujarat, *Sankar-6* cotton traded at Rs 58,000-59,000 a candy — in Manavadar cotton sold at Rs 57,900-58,300 a candy.

Raw cotton ruled at Rs 1,300-1,335 for 20 kg. About 28,000 bales (of 170 kg) of cotton arrived in Gujarat.



In Maharashtra, cotton traded at Rs 56,000-58,000 a candy, and 30,000 bales arrived.

Raw cotton quoted at Rs 1,200-1,250 for 20 kg.

According to brokers, mills are buying according to requirement.

Cotton prices have dropped in absence of any big demand.

Four-fifths of ginning units in Gujarat have shut down since last month, as rising prices of raw cotton have pushed up production costs.

Even the ones still operating are working part-time.

The Saurashtra Ginners Association President, Mr Bharat Vala, said: "Farmers are not willing to sell raw cotton at a lower price. On the other hand, mills' demand has reduced because of high cotton prices."

According to Mr Vala, about 15-17 lakh bales of unsold raw cotton are available with farmers in Gujarat.

#### **Trade enquiries keep non-basmati steady**



Karnal, March 11:

The rice market witnessed a steady trend amid sluggish trading. Prices of aromatic and non-basmati rice ruled firm with little movement on Friday.

Despite fresh arrivals and sluggish domestic demand, rice prices managed to rule firm as trade inquires supported the market, said Mr Amit Chandna, proprietor of Hanuman Rice Trading Company.

Prices of Pusa 1121 rice (steam) ruled at Rs 5,180-5,230 a quintal, Pusa-1121(sela) ruled at Rs 4,200-4,325, and Pusa-1121(raw) at Rs 5,100-5,125. Basmati (sela) was sold at Rs 6,200-6,240 and basmati (raw) at Rs 7,300-7,330. Prices of duplicate basmati ruled at Rs 3,960-4,040 a quintal.

Brokens such as Tibar was quoted at Rs 3,000-3,500, Dubar at Rs 2,200-2,600 and Mongra was at Rs 1,900-2,100. Sharbati (sela) quoted at around Rs 2,600-2,705 while the Sharbati (steam) at Rs 3,000-3,155.

Permal (sela) ruled at Rs 1,900-2,110 and Permal (steam) was at Rs 2,100-2,190 a quintal.

#### Paddy Trading

About 120 bags of Pusa (duplicate basmati) arrived and were sold at Rs 2,150-2,300 a quintal and around 85 bags of Pusa-1121 at Rs 2,170-2,350 a quintal. Around 135 bags of pure basmati arrived and were sold at Rs 2,240-2,600 a quintal.

#### **Sugar plunges on selling by mills**



Mumbai, March 11:

Sugar prices on the Vashi wholesale market continued to decline for the fifth consecutive day on absence of fresh demand and mills started selling at lower rates.

Desperate selling by mills on Friday in Maharashtra, Karnataka and Uttar Pradesh resulted in price decline of Rs 10-15 a quintal at the mill level.

In Mumbai, because of less-than-expected retail demand rates came down by Rs 8-10 on the spot and at naka level. Stockists were under pressure to sell in resale at lower rates.

Arrivals were higher than dispatch. With the deadline for selling the carryover stock of February nearing, there is pressure and a bearish mood in the market. Mr Harakhchand Vora, Vice-President of the Bombay Sugar Merchants Association, told *Business Line*: "After waiting for a long time for some positive steps from the Government, mills have now started desperate selling to avoid piling up of inventories and it affected the market sentiment heavily. At trade / stockists level, no one wants to have strike a deal. All are doing fresh trade according to the need and demand. Selling and lifting pressure for contracts due on March 15 kept market players away from fresh buying. Pipeline is almost hand to mouth."

Meanwhile, with the easy supply position traders are expecting some support of retail demand for Holi festival next week. Price may witness range-bound movement.

Arrival in the markets was at usual level about 42-43 truckloads (each of 100 bags) and local dispatches were at 35-36 truckloads. About 14-15 mills made tender offer, out of that only 2-3 mills sold very little quantity in the range of Rs 2,660-2,700 for S-grade and Rs 2,710-2,750 for M-grade. Most mills kept tender offer open with holding the rates.

**Bombay Sugar Merchants Association spot rates:** S-grade Rs 2,800-2,851 (Rs 2,811-2,851) and M-grade Rs 2,831-2,901 (Rs 2,846-2,916).

**Naka delivery rates:** S-grade Rs 2,750-2,790 (Rs 2,760-2,780) and M-grade Rs 2,800-2,850 (Rs 2,800-2,860).

## Bumper arrivals, limited buying grind turmeric



Erode, March 11:

Turmeric prices plunged Rs 1,000 a quintal on arrivals of over 20,000 bags on Friday.

“Heavy arrivals for the second straight day pulled down turmeric prices on Friday,” said Mr R.V. Ravishankar, President, Erode Turmeric Merchants Association.

“Arrivals in Sangli and Nizamabad are also higher. We expect over 15,000 bags to arrive in North India and 20,000-odd bags in Erode from next week,” he said.

Buying by traders was limited. On Friday, only 45 per cent of the 20,600 bags that arrived were sold. Traders had bought last week at higher prices, but nobody would buy that in North India. So they quoted lower prices. At the Erode Turmeric Merchants Association, the finger variety sold at Rs 8,116-Rs 11,419 a quintal and the root variety at Rs 8,000-10,417.

**Salem Crop:** The finger variety fetched Rs 11,509-12,086 and the root variety Rs 10,104-10,929. Out of the 7,619 bags that arrived, 625 were sold. At the Gobichettipalayam Agricultural Cooperative Marketing Society, the finger variety fetched Rs 10,000-11,566 and the root variety Rs 7,050-10,869. Out of the 133 bags that arrived, 102 were sold.

At the Erode Cooperative Marketing Society, the finger variety sold at Rs 9,239-11,1596 and the root variety Rs 9,191-10,519. Out of the 916 bags that arrived, 714 were sold. At the Regulated Marketing Committee, the finger variety sold at Rs 10,390-11,389 and the root variety Rs 7,889-10,417. Out of the 1,849 that arrived, 1,375 were sold.