

Date:18/03/2011 URL: <http://www.thehindu.com/2011/03/18/stories/2011031854980300.htm>

Tamil Nadu Agricultural University bags Best Agri-business Incubator award

Staff Reporter

The unit supports 22 entrepreneurs



Excellence recognition: P. Murugesu Boopathi, TNAU Vice-Chancellor (left), receiving the Best Agri-business Incubator award from N. Raghuveera Reddy, Andhra Pradesh Minister for Revenue (third from left), in Hyderabad.

COIMBATORE: The Business Planning and Development Unit of Tamil Nadu Agricultural University has received the Best Agri-Business Incubator award from the Network of Indian Agri-Business Incubators.

In recognition

of excellence

The Network at International Crops Research Institute for Semi Arid Tropics (ICRISAT) selected the University's unit in recognition of the excellence and contribution in fostering the spirit of agri-entrepreneurship by nurturing agri-business start-ups.

Under the National Agricultural Innovation Project of the Indian Council of Agricultural Research (ICAR), 10 Business Planning and Development Units were established in five ICAR research institutes and as many State agricultural universities for promoting entrepreneurship in agriculture, horticulture, animal husbandry, fisheries, agri-biotech, farm machinery, food processing and other allied sectors.

Out of the 10, TNAU's unit has been selected as the best.

P. Murugesu Boopathi, Vice-Chancellor of TNAU, received the award from N. Raghuveera Reddy, Minister for Revenue, Relief, Rehabilitation, Urban Land Ceiling, Government of Andhra Pradesh, at a function held at ICRISAT recently.

Accepting the award, Mr. Boopathi said the unit was supporting 22 entrepreneurs. It had so far commercialised five technologies.

Date:18/03/2011 **URL:** <http://www.thehindu.com/2011/03/18/stories/2011031866041900.htm>

Food inflation eases to 9.42 %

Special Correspondent

NEW DELHI: Food inflation eased marginally to 9.42 per cent for the week ended March 5 from 9.52 per cent in the previous week owing to a downtrend in prices of potatoes and pulses even as other edibles such as fruits, milk and protein-rich items continued to remain expensive.

For the common man, however, there is likely to be hardly any respite from the price spiral.

For, even as prices of food articles are expected to moderate over the weeks ahead, there appears to be a shift in inflationary pressure to non-food items such as fuel.

For the government also, the focus is shifting from containing food prices to tackling the spike and volatility in international crude oil prices. In fact, stability in oil prices is currently the major concern in terms of economic and fiscal management.

According to the WPI (wholesale price index) data, while the marginal moderation in food inflation was owing to a 9 per cent decline in potato prices and 3.05 per cent in pulses on a yearly basis, other items which continued to rule dearer were cereals by 3.88 per cent, rice by 2.75 per cent and wheat by 0.69 per cent, fruits prices by 19.39 per cent, milk by 7.16 per cent and eggs, meat and fish by 13.10 per cent.

Alongside, prices of non-food articles went up by 23.03 per cent year-on-year. While fuel and power were costlier by 12.79 per cent, petrol turned more expensive by 23.14 per cent.

Date:18/03/2011 **URL:** <http://www.thehindu.com/2011/03/18/stories/2011031860701100.htm>

Onion export price cut yet again

Special Correspondent

NEW DELHI: The Centre on Thursday slashed the minimum export price (MEP) of onion, for the third time within a month, from \$350 to \$275 a tonne.

“The MEP of onions other than Bangalore Rose Onions and Krishnapuram onions will be \$275 FOB [freight-on-board],” the Directorate-General of Foreign Trade said in a notification here.

On March 1, the MEP was lowered to \$450 from \$600 and on March 8, to \$350.

Last month, the government lifted the ban on onion exports after farmers' protests over crashing domestic prices. However, it capped the MEP at a higher level of \$600 a tonne as a precautionary measure to control retail prices, which had shot up to Rs. 70-80 a kg in December last. Onion production in the country is likely to be around 10.5 million tonnes in 2010-11.

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Wholesalers stop supply of vegetables to PASIC outlets

Staff Reporter

PUDUCHERRY: The financial crisis affecting Puducherry Agro Services Industrial Corporation Limited (PASIC) came to the fore on Thursday with the wholesalers refusing to supply vegetables to its retail outlets owing to non-payment of bills.

Sale of vegetables was hit in all four depots of PASIC, including the depot at Lawspet. Official sources said that the corporation was going through a “deep financial crisis,” which had led to difficulty in payment of even daily bills. The amount outstanding to the wholesalers was about Rs. 15 lakh.

It might be recalled that the corporation also faced a crisis in supply of fertilizers for sales in its outlets. Out of the total demand of 17,000 tonnes of fertilizers, it had procured 5,700 tonnes as on February, forcing farmers to buy fertilizers from private dealers. This failure to procure enough fertilizers was attributed to lack of funds.

Managing Director of PASIC Balagandhi said the issue has been sorted out with the vegetable wholesalers and the supply would be restored on Friday. A senior official at the School Education Department told The Hindu that the supply of eggs by PASIC for the noon meal scheme in government schools was hit. “We were not able to provide eggs for the children on Thursday,” he said.

Date:18/03/2011 **URL:** <http://www.thehindu.com/2011/03/18/stories/2011031862590300.htm>

Farmers await completion of lift irrigation schemes

Staff Reporter

MADHAVARAM (Krishna district): Several farmers, mostly tribal people, of this area and its surrounding villages of A. Kondur mandal have been waiting for more than a decade for water to be lifted from Nagarjuna Sagar Project (NSP) left canal passing through their villages.

Pathya Naik, who owns two acres of land in Kummakunta village, is one of the tribal farmers who are waiting for pending lift irrigation schemes to be completed. Naik says he is ready to raise mango orchards if water is provided.

“Now I am solely dependent on crops like cotton. As these crops yield meagre income, I am working as a watchman to make both ends meet,” he says.

The State government took up Madhavaram-I and Madhavaram-II lift irrigation schemes to provide water to more than 1,900 acres in four villages -- Madhavaram West and Madhavaram East, Kummarkuntla, A. Kondur, and Repudi.

The villagers feel that Madhavaram LI-I and LI-II will become lifeline for their agriculture.

They recall that the foundation stone for Madhavaram LI was laid way back in 2001, and a survey was taken up. The actual works, however, were commenced in 2008. The State government issued an order giving approval for the LIs in 2007.

While the estimates were prepared by June 2008, the works were commenced in December 2008.

The Andhra Pradesh State Irrigation Development Corporation (APSIDC) completed the LI-I recently, but did not commission it.

Different problems

The LI-II is faced with different problems. The government has announced that the LI-II will irrigate 1,267 acres in A. Kondur mandal. The construction works were inordinately delayed due to heavy rain last year.

The officials are unable lay a pipeline in a small stretch as a farmer raised objection on the grounds that it runs through his mango plantation. After a series of negotiations, “the farmer agreed to allow the pipeline to be laid after mango season.”

Both the schemes were supposed to be completed by August last, but the APSIDC could complete the LI-I only late February this year, and LI-II is expected to be completed by August.

When contacted, APSIDC Executive Engineer K. Venkateswarlu has said that the LI-I is ready for commissioning. As water will be available in the canal between November and March, it will be released by November.

Date:18/03/2011 URL: <http://www.thehindu.com/2011/03/18/stories/2011031859430200.htm>

Grow brinjal without soil

Special Correspondent

Also try strawberries in pots on your terrace

— FILE PHOTO: BHAGYA PRAKASH K.



SOMETHING TO BITE INTO:One of the thrust areas of the National Horticulture Mission is to encourage vegetable cultivation of this kind in urban and

Bangalore: How about growing brinjal without soil, and strawberries in pots on your terrace? Given the spiralling price of vegetables and fruits and the fast disappearance of any space for kitchen gardens, it is well worth giving it a shot.

One of the thrust areas of the National Horticulture Mission is encouraging vegetable cultivation of this kind in urban and peri-urban areas, according to H.P. Singh, Deputy Director-General (Horticulture), Indian Council of Agriculture Research.

Aeroponic cultivation

While this could mean bringing more cultivation under greenhouse technology in large-scale terms, it also means encouraging more urbanites to take to aeroponic cultivation (growing plants without using soil) and pot cultivation.

“If urban landscaping methods can meet at least 1 to 2 per cent demand, it is an achievement,” said Mr. Singh, speaking on the sidelines of a national meet of innovative farmers organised at the Indian Institute of Horticulture Research campus at Hesaraghatta here on Thursday.

He said that a brainstorming session on the issue of encouraging innovative ideas of this kind in a context where water and land were scarce and climate change was a serious concern would be held in Delhi on March 22.

Scientific validation

Mr. Singh said that technological innovation by farmers specific to their agro-climatic situation, with scientists providing scientific validation and evaluation, should be the thrust of agricultural research in the coming years. “Scientists should evaluate and upscale innovations by farmers,” he said, and added that institutions like Krishi Vijnana Kendras should concentrate on this effort.

Over 100 farmers are participating in the two-day event, which has an exhibition related to agro-technology as well as paper presentations on new innovations in horticulture farming.

A range of technical innovations — from implements that decrease input and labour costs to improved seed and plant varieties — are on display at the campus.

Date:18/03/2011 **URL:** <http://www.thehindu.com/2011/03/18/stories/2011031864660900.htm>

Arecanut growers stage dharna

Staff Correspondent

Hassan: Arecanut growers staged a dharna here on Thursday protesting against the Supreme Court decision to ban sale of gutka in plastic sachets.

The protesters asked the Government to lift the ban it would prove detrimental to the interests of arecanut growers. Shankarappa, an arecanut grower, said that the Government had allowed the sale of other products in plastic sachets.

“If the Government is concerned about banning the use of plastic, it should impose a similar ban on all the commodities sold in sachets,” he said. The protesters also submitted a memorandum to Deputy Commissioner Naveen Raj Singh.

Date:18/03/2011 **URL:** <http://www.thehindu.com/2011/03/18/stories/2011031864680900.htm>

Store black gram till May to get better price, farmers told

Staff Correspondent

HUBLI: Experts have advised farmers to store black gram, grown during rabi season, till May in the wake of reports that the price of the crop is likely to go up in the next two months.

According to the officials of the Domestic and Export Market Intelligence Cell, which functions under the Department of Agri-business Management, University of Agricultural Sciences, Dharwad, if farmers store the crop till May 2011, they might get a margin of Rs. 400 to Rs. 500 per quintal as compared to the current price.

The scientists said they had collected the monthly prices of black gram in five leading markets, including Basavakalyan, Bidar and Gulbarga. They also sought the opinion of traders, agricultural scientists and progressive farmers and also checked the prices in other major markets and government policies with regard to marketing. Thus, according to DEMIC officials, the price of black gram will be around Rs. 3,900 to Rs. 4,100 per quintal in May in Basavakalyan, Bidar and Gulbarga markets.

The minimum support price announced by the Government was only Rs. 2,900 per quintal and if the farmers stored black gram up to May 2011, they would get a margin of around Rs. 400 to Rs. 500 per quintal, a press release said.

Ban on aerial spraying of pesticides mooted

K.A. Martin

Draft State policy expresses concern at excessive use of pesticides

Draft says indiscriminate use of synthetic pesticides and fungicides will poison the soil

Facilities to test pesticide residue in food items like fruits and vegetables sought

KOCHI: The draft proposals for a pesticide policy for the State have suggested a total ban on aerial spraying of pesticides and the use of red and yellow category pesticides.

The draft, prepared by a team of experts constituted by the government, was recently submitted to the government, sources said.

The draft recommended that some fungicides in the green category too should be removed from the package of practices prepared by the Kerala Agricultural University (KAU), paving the way for strict control on their sale and use.

Suggestions

The draft suggested restrictions on several widely used weedicides.

The draft, sources said, expressed concern at the fact that excessive use of pesticides, fungicides and weedicides continued in Kerala, a State which had declared an organic policy for agricultural practices.

The draft said that indiscriminate use of synthetic pesticides and fungicides would poison the soil and plunge generations into diseases.

The major reason for the continued use of pesticides like Endosulfan or those even more poisonous was that the KAU had included them in the package of agricultural practices, the draft said.

Organic farming

However, through discussions it had emerged that a pesticide policy should focus on organic agriculture, a declared policy stand of the State.

Facilities to test pesticide residue in food items like fruits and vegetables should be established in Thiruvananthapuram, Idukki, Thrissur, Kozhikode and Kasaragod, the draft said.

It said that samples of fruits and vegetables collected from the market should be periodically tested at these centres and the public should be given access to information on the test results.

Suitable action

The test of food items should be followed up with suitable action, the draft said.

Pesticide dealers should be made aware of the properties of the products they sell and workers engaged in spraying of pesticides should be put through periodic and free medical examinations to determine their health status.

The draft said that workers engaged in spraying of pesticides should compulsorily be given protective masks, gloves and footwear.

They should be trained to do their job, and only trained hands should be engaged in the application of pesticides.

Date:18/03/2011 **URL:** <http://www.thehindu.com/2011/03/18/stories/2011031863360500.htm>

Training in fish farming

Staff Correspondent

Mangalore: Eating fish is healthy. It reduces the chances of heart attack and heart ailments, according to Shivananda Murthy, professor, College of Fisheries, Mangalore.

Inaugurating a four-day training programme in "Fish and freshwater prawn farming" at Bellare in Sullia taluk on Wednesday, Prof. Murthy said there was scope for culture of Indian major carps, freshwater prawn, catfish and ornamental fish.

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Weather

Chennai - INDIA

Today's Weather



Sunny

Friday, Mar 18

Max Min
32.8° | 23.5°

Rain: 00 mm in 24hrs

Humidity: 49%

Wind: Normal

Sunrise: 6:15

Sunset: 18:19

Barometer: 1008.0

Tomorrow's Forecast



Cloudy

Saturday, Mar 19

Max Min
33° | 23°

Extended Forecast for a week

| Sunday | Monday | Tuesday | Wednesday | Thursday |
|--------|--------|---------|-----------|----------|
| Mar 20 | Mar 21 | Mar 22 | Mar 23 | Mar 24 |



30° | 22°

Cloudy

30° | 24°

Rainy

33° | 24°

Rainy

33° | 24°

Partly Cloudy

32° | 24°

Partly Cloudy

THE ECONOMIC TIMES

Fri, Mar 18, 2011 | Updated 08.05AM IST

18 Mar, 2011, 12.58AM IST, Madhvi Sally,ET Bureau

Cotton industry seeks rollback of excise duty

AHMEDABAD: Cotton traders, textile industries and garment manufacturers expect the Dravida Munnetra Kazhagam (DMK), which is ruling Tamil Nadu, to pressure the Centre for a rollback of excise duty imposed on branded garments along with an increase in the quota on yarn export as a step to woo the vote bank. Assembly elections in Tamil Nadu, which is one of the major consumers of cotton in the country, will be held on April 13.

With Union minister for textiles Dayanidhi Maran being a DMK leader, industry sources feel it should not be a difficult task. "We are keenly watching the Tamil Nadu elections, where we expect the DMK to compel the Centre to allow yarn export. As over 60% of the cotton consumption in the country is from this state, the party should give in to the demands," said Saurashtra Ginners Association president Bharat Vala.

According to rough estimates, the `50,000-crore Tamil Nadu textile industry directly and indirectly employ close to 15 lakh people across major centres of Tirupur, Coimbatore, Salem and Madurai. K Selvaraju, secretary general, Southern India Mills Association, said 50% of the Indian cotton yarn was being manufactured in the state alone with the industry consuming over 160 lakh cotton bales a year. India has 44 million spindles and the state's share is 20 million spindles.

The spinning industry is demanding an increase in the export of the cotton yarn quota from 720 million kg during the fiscal year 2010-11 to 1,500 million kg in 2011-12, citing a 10-15% increase in production in the year ahead. "This year too, we could have exported 200 million kg more than what we have done," said Selvaraju.

But garment manufacturers have different expectations. Over one-fourth of India's garment exports takes place from Tamil Nadu. Apparel Export Promotion Council chairman Premal Udani said: "With elections in Tamil Nadu and West Bengal, which is another huge apparel base, some political considerations might take place. We have told the finance minister and the textile minister that a partial rollback will not help the industry and a full rollback of excise is needed."

18 Mar, 2011, 01.02AM IST, Jayashree Bhosale,ET Bureau

Unseasonal rains destroy fig fruits

PUNE: Last year's unseasonal rains have destroyed 60% of fig production in Maharashtra, doubling the wholesale price from Rs 50/kg to Rs 100/kg ahead of the marriage season.

Delhi-based traders are calling the fig growers from Maharashtra, the largest producer, to supply the fruit, which is much sought after in north Indian weddings. In retail markets, prices are in the range of Rs 100/kg and Rs 150/kg. Ravindra Navlakha, president, Maharashtra Fig Growers' Association, said, "Fig farmers have suffered huge losses this year as they are getting hardly 30% crop and the fruits are not of good quality."

Added Vikas Khaire, head of the Fig Research Station, Purandar in Pune district, "The prolonged winter resulted in leaves and fruits dropping down heavily."

Arun Ghule, a farmer, has fig trees on eight acres in Loni Kalbhor near Pune. He supplies the

fruits to Reliance Fresh and ITC at Rs 90/kg. "Traders in Delhi are calling me everyday to send figs for the marriage season. But the figs I am getting from my orchard have no quality due to the adverse weather conditions," he said. January to May is the main season of figs.

The area under figs is about 1000 hectares in Maharashtra. It is grown in the dry tracks of Pune, Latur, Osmanabad, Beed and Solapur. Regions around Bangalore also grow figs in considerable quantity.

THE HINDU Business Line

Minimum export price of onion slashed by \$75/t



New Delhi, March 17:

The Government has slashed the minimum export price (MEP) of onion for the third time this month to \$275 a tonne from the earlier price of \$350 a tonne.

“MEP of onions other than Bangalore Rose Onions and Krishnapuram onions will be \$275 a tonne F.O.B (freight-on-board),” the Directorate-General of Foreign Trade said in a notification.

On March 1, the MEP was lowered to \$450 per tonne from \$600 a tonne and again on March 8, it was reduced to \$350 a tonne.

Last month, the Government had lifted a ban on onion exports after farmers' protests on crashing of domestic prices. It, however, capped the MEP at a higher level of \$600 a tonne as a precautionary measure to control retail prices, which had shot up to Rs 70-80 per kg in December last year.

However, the Agriculture Minister, Mr Sharad Pawar had subsequently indicated that the MEP of \$600 a tonne was almost double the prevailing rate in international markets, rendering the onion exports uncompetitive.

The MEP for Bangalore Rose and Krishnapuram onions was \$1,400 a tonne.

The Government had imposed a ban on export of the kitchen staple after its prices rocketed and touched as high as Rs 80-85 a kg.

'Make rubber latex export regular'



Business Line Latex
Kottayam, March 17:

Latex producers should make long-term arrangements to export their produce on a regular and steady basis, said Ms Sheela Thomas, Chairman, Rubber Board while speaking at a meeting of the latex producers convened by the Board. The meeting observed that the prevailing market situation is favourable for exports especially with the international latex price ruling above domestic prices. Participants also felt that it would be advantageous for Rubber Producers' Societies, which market their produce as latex, to divert to sheet making considering the price differential. The President, Latex Producers' Association, representatives of the Plantation Corporation of Kerala; State Farming Corporation; Rehabilitation Plantations; Harrisons Malayalam Ltd, and Periyar Latex Ltd participated in the meeting.

Cottonseed firms press for price hike



Business Line

Hyderabad, March 17:

With seed prices stagnating for the last four years, cottonseed companies have stepped up pressure on the cotton-growing States and the Union Government to increase the prices at least for the ensuing kharif season keeping in view a sharp increase in production costs.

As they prepare sale schedules across the country ahead of the season which generally begins in June with the onset of monsoon, companies through national and local associations have

represented to the Government and requested it to fix the price at Rs 850 a seed packet with Bollgard-I (BG-I) technology and Rs 1,050 for BG-II seeds.

Sources said the Andhra Pradesh Government might allow a raise in prices. They, however, declined to comment on the quantum of hike.

“The prices have not been revised for the last four years. Cost of production has gone significantly during the period and we have approached all the Governments, asking them to increase prices,” Mr Harish Reddy, Secretary of National Seeds Association of India (NSAI) and Managing Director of Ganga Kaveri, told *Business Line*.

In a four-page letter to the Commissioner and Director of Agriculture of Andhra Pradesh, Dr P Sateesh Kumar, President of Seedsmen Association, said the Government had put a cap of Rs 750 on BG cotton (at that time there was no BG-II) seeds by invoking the provisions of Andhra Pradesh Cotton Seeds Regulation of Supply, Distribution, Sale and Fixation of Sale Price Act.

Two years later in 2008, when BG-II made its mark, the Government directed the companies to sell the second generation seed at Rs 750, while reducing BG-I seed price to Rs 650 a packet. In 2010, it reduced trait value (the amount paid by seed companies to the technology provider Mahyco-Monsanto), creating a furore in the seed industry. A top executive of a seed company said on condition of anonymity that this move had not helped. “We had to pay the difference later as were bound by contractual agreements with the technology provider,” he said.

“We have received their plea. The Commissioner has convened a meeting on Friday of all stakeholders, in Andhra Pradesh to discuss the issue,” Mr V Nagi Reddy, Principal Secretary (Agriculture), said.

The Government wrote a letter to seed companies and growers, asking them to attend the meeting. Cottonseed prices in the State act as a bellwether for the rest of the country ever since the State engaged in an animated battle with technology provider Mahyco-Monsanto over the maximum retail price (MRP) on BG seeds.

Golden Leaf's winning teas in gift boxes



Coonoor, March 17:

Visitors to the Nilgiris, the largest tea producing district in the South, can now procure as gift boxes or speciality possession, teas which have won the Golden Leaf India Award, a joint initiative of Tea Board and the United Planters Association of Southern India (UPASI).

“Titled ‘Homewood Nilgiri choice teas,’ these are available in a single container of four-in-one at the Tea Museum and Tea Factory, South India's highest tea factory, located near Doddabetta peak, 8,640 feet above MSL, three km off Udthagamandalam,” the Museum's Managing Director and former member of Tea Board, Mr N. K. Krishnamoorthy, told *Business Line*.

“Four tins containing 70 gm each of Havukal, Glendale, Glenmorgan and Adderly are in the container. This is priced Rs 400 a set,” he said.

As the Nilgiris has almost every variety of the popular speciality teas, visitors also get an opportunity to buy an assortment of choice teas.

Futures lift spot soyabean



Indore, March 17:

Soyabean and soy oil gained on improved foreign support and the rise in futures.

Improved buying in the domestic market also lent strength to soy seeds and oil in the physical market. Soy refined gained Rs 3-4 at Rs 572-Rs 575 for 10 kg on improved domestic demand and Malasiyan palm oil futures.

Improved demand also perked up soy solvent, with its prices in the spot on Thursday quoting Rs 8 up at Rs 540 (spot) and Rs 543 (delivery). According to trade sources, about 1,000 tonnes of soy solvent was bought by Ruchi Industries alone. Soy oil futures also gained on improved buying. At NBOT, soy refined April contract closed Rs 3.80 higher at Rs 609.

Similarly, soy oil April and May contracts on the National Commodity and Derivatives Exchange (NCEDX) also closed Rs 4 and Rs 2 higher at Rs 607 and Rs 610 for 10 kg. The investors who had made deals for longer periods in soyabean and soy oil want to sell now, leading to sluggishness in both soyabean and soy oil.

On the other hand, soy seeds on Thursday traded higher on weak arrivals and improved rates on the Chicago Board of Trade. Soyabeans were quoted about Rs 20 up at Rs 2,170-2,230 a quintal in *mandis* across Madhya Pradesh, except in Indore *mandis*, where it was quoted at Rs 2,170-2,220 a quintal.

Arrivals of soyabean in State *mandis* continues to be on the wane with merely 25,000 bags arriving, especially in Indore *mandis* where arrivals declined to 500-600 bags on Thursday.

Plant deliveries of soyabean were also quoted Rs 20-Rs 30 up at Rs 2,270-2,350 a quintal.

On the NCEDX, soybean April contract closed Rs 5 lower at Rs 2,287 a quintal.

Food inflation eases to three-and-half month low



New Delhi, March 17:

Food Inflation slowed down for the second successive week and remained in single digit figures.

For the week ended March 5, food inflation touched a three and a half month low of 9.42 per cent, slightly lower than 9.52 per cent in the previous week.

The latest WPI figures show that inflationary pressures are currently coming mainly from fruits.

Inflation in milk, eggs, meat and fish also continues to be high despite softening as compared to the previous week. On the other hand, the price situation of cereals, pulses and potato is under control. Vegetable prices continued to soften.

For the week ended March 5, prices of fruits went up by 19.39 per cent year-on-year while egg, meat and fish prices went up by 13.10 per cent during the period.

But compared to the previous week, inflation in egg, meat and fish went down by two percentage points while it increased by a percentage point for fruits. Inflation in vegetable prices stood at 8.71 per cent, six percentage points lower than 14.27 per cent last year. Cereal prices were only marginally higher by 3.88 per cent.

In the corresponding week last year, food inflation stood at 20.59 per cent. Potato and pulses prices were lower during the week by 9.27 per cent and 3.05 per cent respectively. Wheat prices were slightly higher by 0.69 per cent.

Meanwhile, Prof Kaushik Basu, Chief Economic Advisor, said that headline inflation was on the downward trajectory and was expected to fall below 7 per cent in April, as monetary and fiscal measures were expected to further dampen inflationary expectations.

Non-food articles

Inflation in non-food articles for the week ended March 5 stood at 23.03 per cent, close to six percentage points lower than 29.85 per cent in the previous week.

This was due to lower prices of raw silk (18 per cent), castor seeds (9 per cent), copra (3 per cent), hides (raw), sunflower, gingelly seed and coir fibre (2 per cent each) and raw rubber and groundnut seeds (1 per cent each). But the prices of gaur seeds (7%), fodder (3%), rape and mustard seeds and flowers (1% each) moved up.

The inflation in minerals stood at 12.35 per cent. But fuel and power inflation came back into double digit figures at 12.79 per cent.

Primary articles

Inflation for the combined primary articles group, comprising food, non-food articles and minerals, increased by 12.31 per cent on an annual basis, and about one percentage point lower than the previous week.

Wheat tumbles further on poor offtake



Karnal, March 17:

Wheat prices continued to tumble on account of low buying. Prices of Dara wheat dropped by Rs 5 to Rs 1,220-1,230 a quintal, against the levels of Rs 1,225-1,235 a quintal quoted at the beginning of this week. For the finer quality, it was around Rs 1,235 a quintal. Mill delivery was at Rs 1,220-1,230, while it traded at Rs 1,240 a quintal in the retail market on Thursday.

Just around 200 quintals of Dara variety arrived from Uttar Pradesh, and about 150 quintals was offloaded by the local stockists. On the other hand, prices of *desi* wheat varieties continued to rule flat. Around 200 quintals of *desi* wheat arrived at the Karnal grain market terminal. *Tohfa* variety ruled at Rs 2,400 a quintal, *Doodh Malai* at Rs 2,350 and *Aaj Tak* at Rs 2,400 a quintal.

Sluggish domestic demand has brought the prices of Dara variety down by Rs 15-25 a quintal in this week, said Mr Sewa Ram, a wheat trader. Stock meant for those below the poverty line is also coming for sale, which is also pressing the local market, he added.

Following the drop in wheat prices, flour prices decreased by Rs 10-20 to Rs 1,200-1,210 for a 90-kg bag. Poor domestic demand against ample stocks led the prices down, said Mr Mohan Lal, G.G. Agro foods. Among branded flours, Lal Quila was at Rs 150, Ashirwad at Rs 210 and Rajdhani at Rs 190 for a 10 kg bag. *Chokar* prices managed to maintain their previous levels, and quoted Rs 550 for a 49-kg bag.

Jeera rises on better buying



Rajkot, March 17:

Demand from local stockists pulled up jeera in spot and futures on Thursday. Expectation of demand from overseas buyers has been supporting prices for a few days now.

In Rajkot, jeera increased by Rs 40-50 for 20 kg. Best quality jeera traded at Rs 3,200-3,500, Europe quality at Rs 2,500-2,700 and lower quality at Rs 2,000-2,500 for 20 kg. About 1000 bags of jeera arrived in Rajkot.

In Unjha, jeera traded Rs 50-60 higher at Rs 1,600-3,550 for 20 kg. About 18,000-20,000 bags arrived in Unjha.

On the National Commodity and Derivatives Exchange, the March contract gained Rs 370 to Rs 16,160 a quintal, with an open interest of 2,649 lots. Jeera for April delivery increased by Rs 136 to Rs 16,440, with an open interest of 18,231 lots.

A Rajkot-based broker said, "Arrivals have decreased in the past few days, and demand is increasing, so prices is going up. It is likely to remain so in the coming days."

There is a shortage of quality jeera, said traders. Few bags of good quality have arrived.

Production of jeera in Gujarat and Rajasthan in 2011 is expected to be around 21 lakh bags (of 55 kg each) and 3-4 lakh bags, as compared to 25 lakh bags and 7-8 lakh bags in 2010.

However, the figures are likely to be revised on account of bad weather in Rajasthan and Gujarat in January and February.

North East People's Alliance plea to stop mega dams

Itanagar, March 17:

The North East People's Alliance (NEPA) has urged all the Chief Ministers of north-eastern states to immediately put a halt to all mega dams in the region keeping in view the recent massive earthquake in Japan.

Expressing concern over the recent earthquake, the organisation urges the respective State Governments to think clear before heading with the mega dam projects being planned in the region.

“The earthquake comes as nature's reminder to all of us in the north-east as we sit on the highest earth quake zone V,” NEPA said in a statement today.

Despite heavy supply, turmeric prices up by Rs 400 per quintal



Erode, March 17:

Though more than 25,000 bags of turmeric arrived at the Erode market for the first time in a day on Thursday, the prices of both varieties of turmeric have improved by Rs 400 per quintal.

“For the current season such a heavy stock of 25,000 bags arriving in a day is a remarkable one. The prices of both varieties have improved by Rs 400 per quintal, due to the three-day holiday from March 18-20 for Erode turmeric markets. The farmers brought heavy stocks and the buyers also purchased for increased price to fulfill their orders”, said Mr R. K.V. Ravishankar, President, Erode Turmeric Merchants Association, on Thursday.

“The bulk buyers have received good orders and knowing this the grower farmers brought very heavy stocks of more than 25,000 bags in a day. But the buyers, quoting ‘reasonable price’, purchased the required quantity of turmeric”, he added. He added March 22 will be a holiday for the markets on the eve of the Bannariamman Festival so buyers have purchased the product now, to fulfill orders from other States. **Heavier arrivals ahead**

The traders are expecting that arrivals will go up to 30,000 bags from next week and the price of turmeric will go down further. On Thursday, 70 per cent of the arrived stocks were sold.

On Thursday, in the Erode Turmeric Merchants Association Sales Yard, finger variety fetched Rs 7,809 to Rs 10,799 per quintal, root variety Rs 7,499 to Rs 10,129 per quintal.

Salem Crop: Finger variety was sold at Rs 10,399 to Rs 12,629 per quintal, root variety Rs 9,891 to Rs 10,259 per quintal. Totally 7,587 bags of turmeric arrived for sale, 826 bags were sold.

In Erode Cooperative Marketing Society, finger variety was sold at Rs 10,019 to Rs 11,288 per quintal, root variety Rs 9,219 to Rs 10,242 per quintal. Out of the arrival of 1,640 bags 1,586 bags were sold.

In Gobichettipalayam Agricultural Cooperative Marketing Society, finger variety was sold at Rs 7,759 to Rs 10,809 per quintal, root variety Rs 7,066 to Rs 10,051 per quintal. Out of arrival of 158 bags 116 bags were sold.

In the Regulated Marketing Committee, finger variety was sold at Rs 9,555 to Rs 10,839 per quintal, root variety Rs 9,389 to Rs 10,169 per quintal. Out of 1,800 bags that arrived for sale, 1466 bags were sold.

Farmers submit memorandum to Modi against Nirma plant

Gandhinagar, March 17:

Over 5,000 farmers today submitted a memorandum to the Gujarat Chief Minister, Mr Narendra Modi, demanding cancellation of permission given to Nirma Ltd for setting up a cement plant in Bhavnagar district.

Nirma Ltd is building up a cement plant with capacity of 1.91 million tonnes per annum, along with its captive power and coke oven plant, near Padhiarka village in Mahuva taluka of Bhavnagar district.

Farmers, from the villages in vicinity of the upcoming project, took out a rally on March 3 that reached Ahmedabad on Wednesday, in protest against the Nirma plant.

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Go for value addition in maize, say experts

Hyderabad, March 16:

Experts from the agriculture sector, industry and Government have called for promotion of value addition in maize whose area is expanding, particularly in rabi, in the last few years.

Addressing a conference organised by FAPCCI (Federation of Andhra Pradesh Chambers of Commerce and Industry (FAPCCI) here on Wednesday, Mr V. Nagi Reddy, Principal Secretary (Agriculture, Government of Andhra Pradesh), has asked the industry to look into adding value.

“For one, one can manufacture corn flakes. We have access to raw material available at a very cheap rate. The industry should tap opportunities like these,” he said.

“Earlier, maize used to be mainly kharif crop in the State, with rabi contributing in a small way. Over a period of time, this has changed as farmers could get far higher yields in the rabi season. At present, it is evenly sown three lakh hectares each,” he said.

He released the report ‘Maize and maize based industries – opportunities in Andhra Pradesh’ prepared by FAPCCI.

Dr B. Venkateswarlu, Director of Central Research Institute for Dryland Agriculture (CRIDA), said now that farmers were preferring to sow maize in rabi season, the challenge was to improve productivity in the rain-fed areas.

“The new challenge in the form of climate challenge too needed to be tackled immediately,” he said.

Govt cuts onion MEP to \$275/tonne



New Delhi, March 17:

The Government has slashed the minimum export price (MEP) of onions for the third time this month to \$275 per tonne from the earlier price of \$350 per tonne.

“MEP of onions other than Bangalore Rose onions and Krishnapuram onions will be \$275 per tonne FOB (freight-on-board),” the Directorate General of Foreign Trade said in a notification.

On March 1, the MEP was lowered to \$450 per tonne from \$600 a tonne and again on March 8, it was reduced to \$350 a tonne.

Last month, the Government lifted the ban on onion exports after farmers’ protests due to crashing of domestic prices. It, however, capped the MEP at a higher level of \$600 per tonne as a precautionary measure to control retail prices, which had shot up to Rs 70-80 per kg in December last year.

However, the Agriculture Minister, Mr Sharad Pawar, had subsequently indicated that the MEP of \$600 per tonne was almost double the prevailing rate in international markets, rendering the onion exports uncompetitive.

MEP for Bangalore Rose and Krishnapuram onions was \$1,400 per tonne.

The Government had imposed a ban on export after onion prices rocketed and touched as high as Rs 80-85 per kg.

Onion production in the country is likely to be around 10.5 million tonnes in 2010-11 down from 12 mt last year.

Business Standard

Friday, Mar 18, 2011

Fall in global sugar prices discourages exports

Sanjay Jog / Mumbai March 18, 2011, 0:46 IST

Falling sugar prices in the recent weeks in international markets have made exports an unviable proposition. Sugar prices have come down to nearly \$675 per tonne in international market from over \$850 per tonne in January. In India, at present sugar prices are in the range of Rs 2550 to 2,700 per quintal which leaves hardly any margin for exporters at the current international prices. Similarly wheat prices are quoted at Rs 1300 per quintal in Delhi market and in other markets it is ranging between Rs 1100 and 1200 per quintal.

Sugar industry believes that Brazil has started offloading sugar from the global market heavily affecting the price on exchanges and now it appears to be a missed opportunity for Indian sugar mills and exporters. Due to the delays in the government decision on allowing 500,000 tonnes of sugar for exports and the drastic fall in sugar prices in the global markets, industry sources believe that exports are now non lucrative.

Rajendra Girme, Indian Sugar Mills Association board member and the managing director of Saswad Mali Sugar Mill (a private sugar mill in operation since 1932 in Maharashtra), opined that the government should have taken decision on sugar exports quite a long back when the prices have soared in the global markets. "Ironically, due to successive deferment of decision the sugar farmers and mills are at a severe loss. Sugar prices have come down sharply in last three months but there is a hope that they will further increase. The government should not further waste time but quickly take a decision on sugar exports."

"World markets have not considered India's sugar supply as of now and if government allows exports of sugar, prices in international market could fall further losing charm in sugar exports," said an executive with a multi national trading company.

Wheat harvest begins to arrive

Komal Amit Gera & Rajesh Bhayani / Chandigarh/ Mumbai March 18, 2011, 0:32 IST

Bumper crop, price fall expected; agencies gear for procurement.

With the wheat crop having begun arriving in states like Gujarat and expectations of a bumper crop through the country, market players see possibilities of prices falling 10 per cent in April-May.

Harvesting of the crop has commenced in central and eastern India. Punjab and Haryana should start harvesting by April 10, said S S Singh, Director of the Wheat Research Institute (WRI), Karnal.

Wheat prices are Rs 1,285-1,300 per quintal in Delhi and may fall to Rs 1,175 in the next one or two months. Prices have already come below the Minimum Support Price (MSP) of Rs 1,120 per quintal in some of the mandis in Gujarat.

Trends in the futures market indicate likewise. May futures were quoted at Rs 1,185 on Thursday, against a spot price of Rs 1,300 for Delhi delivery. "This time, government agencies will also be vigilant for averting an onion-like crisis in any agri commodity. In wheat, the private trade is not interested in buying, with arrivals indicating prices won't remain high," said Manish Monga, a trader in the Bhatinda Mandi.

While announcing its second advance estimate for the current year, the Union agriculture ministry had said last month that the wheat crop could be the largest ever, at 81.5 million tonnes, against 80.7 mt last year. S S Singh of the WRI, Karnal, says with the excellent weather conditions this year, the crop may touch 84 mt.

A higher crop will result in prices coming down, as exports are not allowed and even if allowed, current international prices will make exports viable only from the Gujarat ports.

Devendra Vora of Navi Mumbai-based Friendship Traders said: "Gujarat wheat, considered better in quality, had started coming in the market and prices in mandis in the Saurashtra region have fallen to Rs 1,025 to 1,100 for mill-quality wheat, now below the MSP." Gujarat is expected to produce 3.25 mt against 1.9 mt last year.

According to prices on the National Commodities and Derivatives Exchange (NCDEX), wheat is quoted at around Rs 1,300 a qtl in the Delhi market, while in Indore it is only Rs 1,229, slightly higher than the MSP plus Rs 100 bonus paid by the state government.



If the temperature remains favourable till March 25, Punjab and Haryana are expected to procure approximately 18 mt (11 mt by Punjab and 7 mt by Haryana). This would be about 70 per cent of the Union government's total procurement target of 25 mt of wheat for the

current year, for the ration shop system.

The highest procurement earlier done in Punjab was 10.9 mt in 2008-9. It dipped to 10.2 mt in 2009-10 due to scanty rain in the region but the projections for this year are bright.

The storage capacity, according to sources in the Food Corporation of India, is 9.6 mt of covered space and 10.5 mt of open space in Punjab and 4.3 mt of covered and 5.7 mt of open plinth in Haryana. The opening stock of wheat with all agencies on April 1 is projected to be five mt in Punjab and three mt in Haryana.

State procurement agencies expect smooth sailing on storage, having planned to hire additional space if the need arises. Besides higher rent, additional staff is being hired in the procuring states.

Maize offers big opportunities

BS Reporter / Chennai/ Hyderabad March 18, 2011, 0:10 IST

Maize growers can expect good returns with the crop seeing rising demand from sectors like pharmaceuticals, agri-products, poultry and cattle feed, apart from food products.

According to V Nagi Reddy, principal secretary (agriculture), AP government, maize output in the state showed rapid growth, after farmers started growing it in both kharif as well as rabi seasons. The crop covers 600,000 hectares in the state, while the total harvest is around 200,000 tonnes in kharif and another 700,000 tonnes in rabi.

Addressing a conference on maize and maize-based industrial opportunities in the state, organised by Fapcci, Reddy said there is scope for export of maize, and offered assistance to agri entrepreneurs. He said banks were also offering financial assistance for the crop.

Industrialists as well as farmers growing the crop can approach any of its 40 research centres for consultation and technical assistance, said B Venkateshwarlu, director, Central Research Institute for Dryland Agriculture (CRIDA).

Chengal Reddy, chairman of the Forum for Farmer Associations, said agri-scientists and farmers should work together to develop new varieties.

Govt slashes onion MEP to \$275/tonne

BS Reporter / New Delhi March 18, 2011, 0:36 IST

The government slashed the minimum export price (MEP) of onions for the third time this month to \$275 a tonne from the earlier price of \$350 a tonne as retail prices declined.

“MEP of onions other than Bangalore Rose onions and Krishnapuram onions would be \$275 a tonne FoB (freight-on-board),” the Directorate General of Foreign Trade said in a notification.

On March 1, the MEP was lowered to \$450 a tonne from \$600 a tonne and again on March 8, it was reduced to \$350 a tonne from \$450. The wholesale price of onion in major cities across the country has dropped by more than 50 per cent in the last one month because of bumper rabi harvest. Last month, the government had lifted ban on onion exports after farmers’ protests on crashing domestic prices. It, however, capped MEP at a higher level of \$600 a tonne as a precautionary measure to control retail prices, which had shot up to Rs 70-80 a kg in December last year.

However, agriculture minister Sharad Pawar had subsequently indicated that the MEP of \$600 a tonne was almost double the prevailing rate in international markets, rendering the onion exports uncompetitive.

MEP for Bangalore Rose and Krishnapuram onions was \$1,400 a tonne.

The government had imposed a ban on export of the kitchen staple after its prices rocketed and touched as high as Rs 80-85 a kg.

Onion production in the country is likely to be around 10.5 million tonnes in 2010-11, down from 12 million tonnes last year. In 2010, India exported around 1.1 million tonnes of onions.