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Red Rice Mela is back

Staff Reporter

Traditional varieties score over polished grains

The two-day mela at Gandhi Bhavan begins on May 14

The event is an effort by Sahaja Samrudha to reinstate red rice varieties in modern kitchens

— File photo



HEALTHY HANDFUL:Traditional red rice varieties, widely used in regional cuisines, have medicinal value also.

BANGALORE: Health-conscious consumers looking for unpolished rice, especially the traditional varieties, may check out the Red Rice Mela this weekend where more than 100 types of the nutrient-rich grains will be displayed.

Traditional red rice varieties, widely used in regional cuisines, also have medicinal value and the mela is an effort by the Sahaja Samrudha to reinstate them in modern kitchens.

Lost gene pool

Karnataka is also blessed with a rich culinary heritage that each variety of rice is characterised by its distinct textures, flavours, and tastes.

While India had about two lakh varieties of rice in the gene bank before Green Revolution, it now has only 30,000, a press release said.

Traditionally, many rice varieties have been used to cure various ailments such as kidney stones, heart diseases and diabetes. Some of the prominent medicinal rice varieties include Karibatha, Kalame, Karikalave, Doddabaira nellu, Kari Gajivili and Sannakki.

Healing properties

Karibatha, grown in Varada basin, is used to cure herpes while Karikalave, cultivated in Gulbarga and Bidar region, is usually served to lactating mothers due to its high calcium content. The coastal area variety Kalame is used to treat piles while Sannakki, grown in Uttara Kannada, is used to treat diarrhoea in children. Dodda Baira Nellu of Bangalore and Kolar district is also popular for its curative values for various diseases. Navara, a variety of Kerala, has anti-carcinogenic property, especially breast cancer, the press release added.

At Gandhi Bhavan

The two-day Red Rice Mela is being held in collaboration with NABARD and Pristine Organics at Gandhi Bhavan near the Shivananda Circle on May 14 and 15.

Government buys red gram for meal scheme through e-bidding

Special Correspondent

'The department will save Rs. 20 crore a year' 44 mills, including 35 from State, take part in bidding

Bangalore: The State Government, for the first time, has decided to purchase 20,000 tonnes of red gram (tur dal) for the school mid-day meal programme through e-bidding by utilising the National Commodities and Derivatives Exchange Ltd. (NCDEX) Spot Exchange (N-Spot) platform.

Minister for Energy, Food, Civil Supplies and Consumer Affairs Shobha Karandlaje has taken the decision to launch e-bidding initiative to procure red gram for the Akshara Dasoha, the mid-day meal scheme for students studying from standards 1 to 10 in government and aided schools in the State, which is being implemented by the Education Department.

Till last year, the Government was procuring red gram from mills and traders by inviting tenders, and quality was being assessed by "eyesight grading".

Addressing presspersons, Ms. Karandlaje said the department would save about Rs. 20 crore a year by purchasing red gram through the e-tendering process. As many as 44 red gram mills — 35 from the State, eight from Maharashtra, and one from New Delhi — participated in the bidding in the last few days. The purchase of commodity through e-bidding would not only ensure quality but also transparency in the trade, she said. Ms. Karandlaje said the department would purchase the commodity twice a year due to inadequate storage facility.

The Government has entered into an agreement with NCDEX Spot Exchange for e-tendering. Karnataka spends on an average Rs. 120 crore to Rs. 140 crore to procure 20,000 tonnes of

red gram. Officials said e-tendering would ensure that the mill owners and traders don't form a cartel to rig prices.

The department purchased 5,500 quintals of red gram through e-bidding in Bellary, Mandya, Chickballapur, Uttara Kannada and Chitradurga districts on May 5 at prices lesser than the price paid last year. For instance, the department has saved Rs. 1,137 per quintal of red gram by purchasing it at a price of Rs. 4,398 per quintal against Rs. 5,535 paid last year, she said.

The department purchased the commodity through e-bidding in Tumkur, Mysore, Kodagu, Belgaum, Haveri, Gadag, and Raichur districts on May 9, the Minister said.

The NCDEX has also planned to enter the market to enable farmers to sell red gram directly to wholesale traders. It has also helped in ending the exploitation of farmers by middlemen and agents. Farmers can directly sell their produce to traders all over the country with the help of NCDEX Spot Exchange (N-Spot) without depending on exploitative markets in Gulbarga district in Karnataka or in Solapur district in Maharashtra and Tandur in Andhra Pradesh. Officials said that the amount for mill owners for supply of the commodity would be paid after testing the quality of the produce.

Date:11/05/2011 **URL:** <http://www.thehindu.com/2011/05/11/stories/2011051151390300.htm>

Farmers protest demanding loan waiver

Correspondent

They submit a memorandum to the tahsildar

Farmers unable to repay loans being arrested Demand to do away with guarantor for farm loans

Karwar: The Bharateeya Kisan Sangh (BKS) Honnavar taluk unit took out a march here on Tuesday demanding loan waiver and not to arrest farmers who had become defaulters in the taluk.

The farmers staged a dharna in front of the office of the Tahsildar in Honnavar.

Farmers arrested

The farmers said that many farmers who were unable to repay the loan availed from different banks were arrested and sent to jail. It was a humiliation and if these farmers committed suicide then the respective banks and the authorities would be held responsible. The successive governments had neglected farmers and their problems. The farmers should launch a non-political agitation to awaken the government, they said.

M.R. Hegde, sangh's taluk president, said farmers should be made debt-free. The farmers and their guarantors for loans were being sent to jail in case of default. The system of having guarantor for agriculture loans should be immediately stopped, he said.

Forest-lands

Timmanna Hegde of Raitha Sangha said the encroached forestlands used for agriculture should be given to farmers. And the land reform cases which had been pending with the government should be resolved immediately, he said. Later, farmers submitted a memorandum to the government through the tahsildar. The list of demands included fodder and separate rate for the milk. The farmers demanded ban on cow slaughter and endosulfan.

Date:11/05/2011 **URL:** <http://www.thehindu.com/2011/05/11/stories/2011051159470300.htm>

Remunerative price for rabi paddy, says Minister

Staff Reporter

VIJAYAWADA: Minister for Secondary Education K. Parthasarathy has said that the Government will take steps to ensure remunerative price for paddy grown by farmers in the Rabi season.

Stringent action would be taken against those violating rules and guidelines for providing good price to farmers, he added.

The Minister said here on Tuesday that the Government was committed to the welfare of farmers. The Chief Minister came forward to provide all help to the farmers when they faced a crisis due to unfavourable weather conditions during last year's kharif season, he added. The crop compensation was increased to Rs. 2,400 per acre, which never happened in the past, he observed.

Stating that the farmers suffered heavy losses during December last year due to heavy rains, Mr. Parthasarathy pointed out that compensation to the tune of Rs.130 crore would be paid to those farmers in the next one month and all steps were being taken in this regard. He went on to say that compensation would be paid not just to the land owners but also the tenant farmers.

Mr. Parthasarathy said that so far 35,000 tenant farmers' associations were formed with 13,000 groups having already got crop loans without insisting for any securities. Steps were taken to see that banks would directly provide loans to the farmers so that they would fall into the trap of private money lenders, he added.

Date:11/05/2011 URL: <http://www.thehindu.com/2011/05/11/stories/2011051161750500.htm>

Ryots demand bonus for paddy produce

KARIMNAGAR: Speakers at an all-party farmers' convention have asked the government to provide a bonus of Rs.200 per quintal for paddy along with the minimum support price (MSP) of Rs.1,030 per quintal to the farmers on a par with the farmers of Karnataka, Kerala, and Chhattisgarh.

The BJP Kisan Morcha district unit organised an all-party farmers' convention with the leaders of various farmers' unions and associations at the agricultural marketyard in Karimnagar on Tuesday. BJP Kisan Morcha national secretary P. Sugunakar Rao, AP Rythu Sangham State president and former legislator K. Ramakrishna, TDP Telugu Rythu State general secretary N. Venkateshwar Rao, Rythu Sanghala Samaikya State president Nagendranath, Karimnagar market committee chairman A. Bhaskar Reddy, and others participated. The meeting also

passed a resolution urging the government to eliminate middlemen and deduction of one kg as sand particles and half kg as gunny bag weight was passed.

Date:11/05/2011 URL: <http://www.thehindu.com/2011/05/11/stories/2011051159410300.htm>

Pomegranate growers stage dharna in Koppal

Koppal: Members of the district unit of the Bharatiya Kisan Sangh staged a dharna here on Tuesday demanding that the Government take steps to address the problems of pomegranate growers in Raichur and Koppal districts.

Led by Amareshappa Mailar, president of the sangh's district unit, and Jagannath Rao Kulkarni, secretary, the members staged a dharna in front the Deputy Commissioner's office before submitting a memorandum to the district administration.

In the memorandum, they said that pomegranate was an important horticultural crop in north Karnataka region and was cultivated on a large scale in Raichur and Koppal districts. More number of farmers had turned to pomegranate cultivation after the Government announced several schemes to promote this crop. Since 1995-96, this fruit was being exported to several countries.

The number of farmers cultivating pomegranate had also increased in this region since the nationalised banks had come forward to extend loans. However, in recent years, the farmers suffered huge loss as the crop was affected by the vagaries of nature. The Government had failed to extend support to the affected farmers, they said. They urged the Government to waive the loans taken by pomegranate growers and to extend help to them to take up alternative crops. They sought special schemes for farmers who still wanted to continue pomegranate cultivation.

Date:11/05/2011 URL:

<http://www.thehindu.com/2011/05/11/stories/2011051159540300.htm>

Increase milk prices, demand dairy farmers

KALPETTA: The district committee of the Primary Milk Societies Association has called for the government's intervention in implementing a proposal of the Kerala Cooperative Milk Marketing Federation (Milma) to increase the price of milk by Rs.5 a litre.

O.V. Appachan, president of the organisation, and P.M. Devassia, secretary, told presspersons here on Tuesday that the stay order issued by the Director of the Dairy Development Department on the proposed hike was unfortunate and the government should intervene to revoke the order.

The leaders warned that they would launch agitations if the government failed to implement the proposed price increase. Mr. Appachan said dairy farmers in the district were faced by a severe crisis owing to an increase in the price of fodder and the low price of milk. There had been a 35 per cent decline in the number of farmers involved in dairy farming in the district this year. Milk production had also decreased considerably, Mr. Appachan said.

Mr. Appachan said farmers were at getting an average of Rs.18.5 for a litre of milk but this was not remunerative. Dairy Development Minister C. Divakaran had said that the Left Democratic Front government had increased the price of milk by Rs.8 in four instalments but the price of hay and cattle feed had also increased three or fourfold in five years, Mr. Appachan said.

The association did not want the government to burden the consumers. The government could solve the issue by providing incentives such as production bonus to the farmers, Mr. Devassia said.

Wayanad district is one of the biggest contributors of milk in the State.

Weather

Chennai - INDIA

Today's Weather



Clear

Wednesday, May 11

Max Min

40.8° | 26.8°

Rain: 00 mm in 24hrs

Humidity: 84%

Wind: Normal

Sunrise: 5:45

Sunset: 18:25

Barometer: 1005.0

Tomorrow's Forecast



Rainy

Thursday, May 12

Max Min

38° | 29°

Extended Forecast for a week

Friday May 13	Saturday May 14	Sunday May 15	Monday May 16	Tuesday May 17
38° 28°	39° 28°	39° 29°	38° 29°	36° 28°
Partly Cloudy	Partly Cloudy	Rainy	Rainy	Cloudy

11 May, 2011, 07.15AM IST,ET Bureau

Maharashtra say no to Bt cotton seed price hike

PUNE: The Bt cotton seed companies have got a major blow as Maharashtra, the largest cotton growing state, refused to increase the price of Bt cotton seeds. This is likely to create a severe shortage of seeds in north Maharashtra's irrigated cotton cultivation belt where sowing begins from Akshay Tritiya as the companies want to wait till they are able to convince the government on the price hike.

"We will again plead with the government to take cognizance of the increases in costs. Gujarat, the top seed producing state, has asked the seed companies to pay higher price to the farmers for seeds produced last year from this year's sales. We are still hopeful that we will get the government to review their decision in next few days," said Paresh Verma , chairman of National Seed Association of India .

Though the cotton prices have more than doubled in the last three years, state governments had kept Bt cotton seed prices fixed during the same period. The Maharashtra agriculture minister had recently announced that his government would increase Bt cotton seed prices if Gujarat and Andhra Pradesh, the two major cotton growing states, do so.

Gujarat government had announced that it would increase Bt cotton seed prices by Rs 180 per bag for both Bollgard (I) and Bollgard (II). But the cotton farmers are unhappy with the hike in seed prices. The Gujarat government suffered another blow when the Gujarat High Court struck down the Gujarat Cotton Seed Act, which controls the cotton seed prices.

The government had to announce a rebate of Rs 100 per packet of Bt cotton seeds sold at the

Kirshi Melas for maximum two packets per farmer. The Maharashtra government has kept its decision in abeyance, keeping a watch on the developments in Gujarat. This had led to a restlessness among seed companies and cotton farmers in Jalgaon, Dhule and Nandurbar. The seed companies have not made the seeds available in the market as they are waiting for the new prices to be print on the seed packets.

11 May, 2011, 07.10AM IST, PK KRISHNAKUMAR & JAYASHREE BHOSALE,ET Bureau

Pineapple prices fall on over supply

KOCHI/PUNE: Pineapple prices have crashed following a glut in the market. It could be the cheapest fruit available for the consumers now. In Pune and Mumbai, wholesale pineapple prices have declined to Rs 60-Rs 200 per dozen from Rs 100-Rs 350 per dozen.

Untimely rains in major production centres like Kerala have lifted the production at a time when there is a demand for other summer fruits like mangoes. "Instead of 5 loads (each load containing 9-10 tonne) around 15 loads are going to Mumbai daily from here. While raw fruit costs Rs 10 per kg, the ripe one sells around Rs 5 per kg," said a leading pineapple trader in Kerala, Alex Joseph . The peak season for pineapple is August-September.

This time, the fruit arrived at the market early as a result of which the demand has gone down. "For the retail consumers, there are many fruit options this summer. Mangoes, whose prices have started cooling off, water melons and musk melons are the preferred fruits over pineapples," said Sachin Ghule, wholesale fruit trader in Pune APMC .

Business Standard

Wednesday, May 11, 2011

Fall in cardamom prices upsets planters

George Joseph / Kochi May 11, 2011, 0:31 IST

A sudden and heavy fall in the prices of cardamom has upset planters, as the fresh harvesting season is on the anvil. In on Tuesday's auction, the price of average quality cardamom dropped to Rs 620 a kg from Rs 730 on May 2. The best quality cardamom on Tuesday fetched only Rs 720-800 a kg, compared to Rs 940 last Monday.

The change within a week has come as a serious blow to farmers, as they expected, decent price this time in line with the last season. Increased arrivals to various auction centres well before the fresh season have led to the decline in prices.

According to Idukki-based farmers, unseasonal rain during April caused ripening of cardamom well ahead the season and auction centres are now flooding with fresh and old stock of the spice.

The volume of arrivals at various auction centres has almost doubled within 10-15 days. On an average around 50,000 kg are coming to major auction centres daily.

The sudden steep rise in the supply has terribly upset the price pattern and hopes of growers. Reji Njallani, a leading Kattappana-based farmer said the supply increased due to arrival of old stock, thanks to the panic price change.

Due to propaganda by various agencies, farmers expected a much higher price tag this time and stocked a major chunk of last season's crop. The market expected a price tag of Rs 2,000 a kg this time. Hence, there was heavy stocking. But once prices began to fall, farmers are in a hurry to clear the old stock as the next season commences by July.

Growers face heavy losses this time on account of the sharp rise in supply, much before the season.

The average price increased to Rs 1,400 a kg last May and the best quality even fetched Rs 1,800. This time growers hitched their hopes on a heavy increase in prices and they expected the average price to even cross Rs 2,000 a kg. A section of traders said the price might even touch Rs 2,500.

But to the dismay of farmers, the market is now facing heavy price crash. A section of growers alleged this was a well orchestrated move by big traders to sabotage the market, with propaganda that prices would cross Rs 2,000.

Cardamom planters of Idukki district said the government should intervene to save the farmers. They urged the government to announce a floor price of Rs 1,500 a kg for cardamom. They convened a meeting in this regard on Tuesday at Kattappana in Idukki district.

A sharp increase in agricultural wages and lowering of working hours is also another shock to farmers. The average daily wage has increased to Rs 350-400 and the working hours have been reduced from eight hours to seven hours at various places.

The increase in the cost of production, coupled with the sudden drop in prices, have added to the woes of cardamom farmers and they now have sought government intervention.

Groundnut exports may touch 4 lakh tonnes

Vimukt Dave / Mumbai/ Rajkot May 11, 2011, 0:14 IST

India's groundnut exports during the current year is likely to touch around 4 lakh tonnes, up from 3.4 lakh tonne in 2009-10 season, on the back of growing international demand that is supported by the crop failure in China. Groundnut year is calculated on the basis of the crop season, which lasts between November to September.

According to Agricultural and Processed Food Products Export Development Authority (APEDA) India exported 3.4 lakh tonnes of groundnut during 2009-10. Traders and exporters estimate the net exports during the current year that will end in September to be around 4 lakh tonne.

As against 3.4 lakh tonne between November 2009 to September 2010, in the current year India has already exported 2.89 lakh tonnes of groundnut till December 2010, according to data provided by Indian Oilseed and Produce Export Promotion Council (IOPEPC).

“We are expecting 10 to 15 per cent higher exports compared to last year as the buyers who import from China turn to India. Even China is also buying from India at present. Moreover, the quality of our products will help us to attract international buyers”, said Rajesh Bheda, vice chairman of IOPEPC.

“Export of groundnut will increase from India as the crop failed in China due to flood. Good demand in the international market coupled with higher availability is likely to turn global importers to India”, said Vikram Duvani of Rachana Seeds Industries from Junagadh. Rachana Seeds has one of the largest peanuts processing plants in Saurashtra region of Gujarat. It is involved in shelling, processing grading and packing of peanuts and exports the commodity across the world.

India exports groundnut to more than 75 countries including Indonesia, Malaysia, UAE, Gulf, Philippines, Canada, USA and EU countries. India is the second largest groundnut producing country after China. Government estimated 71 lakh tonnes of groundnut production in India for the year 2010-11, which was 55 lakh tonnes in 2009-10. Gujarat is the largest groundnut producing state in the country with expected production of 22 lakh tonnes in 2010-11. Last year, Gujarat produced 16 lakh tonnes of groundnut.

THE HINDU Business Line

Is price control back on non-urea fertilisers?



CONTROL REGIME

- The new MRP for DAP will be roughly Rs 11,470 a tonne
- MRPs of Coromandel International, Iffco and Zuari Ind already declared at Rs 11,700
- DAP currently attracts a subsidy of Rs 19,673, much above the MRP component

New Delhi, May 10:

Has the Centre brought back price controls in 'decontrolled' non-urea fertilisers?

It would well seem so, going by a recent circular by the Department of Fertilisers asking firms to limit the increase in the maximum retail price (MRP) of di-ammonium phosphate (DAP) to Rs 600 a tonne for the kharif season ahead.

The circular, dated May 5, says that "companies have the freedom (sic) to increase the MRP of DAP by Rs 600 per tonne in addition to the MRP prevailing at present".

Since the MRP, prior to April 1, averaged Rs 10,750 a tonne, a Rs 600 rise works out to Rs 11,350 a tonne. To this, if the 1.03 per cent excise-cum-education cess imposed in the 2011-12 Union Budget is added — this is recoverable from farmers — the new admissible MRP would be roughly Rs 11,470.

Against this, companies like Coromandel International, Indian Farmers Fertiliser Cooperative and Zuari Industries have already declared MRPs of Rs 11,700 to Rs 12,000 a tonne, exclusive of State-level and local levies. It remains to be seen if they will now have to roll back their MRPs to the May 5 circular-prescribed levels.

The circular, moreover, has made it clear that even in the case of complex fertilisers — containing varying proportions of nitrogen (N), phosphorous (P), potash (P) and sulphur (S) — only "proportionate increase in MRPs (corresponding to that in DAP) would be admissible".

The Centre had, with effect from April 1, 2010, decontrolled prices of all fertilisers, barring urea, as part of the move to a nutrient-based subsidy (NBS) regime. Technically, it gave companies full freedom to fix MRPs, though there was an informal understanding to keep price hikes within 'acceptable' limits.

Thus, the MRP for DAP was raised from Rs 9,350 to Rs 9,950 a tonne during kharif 2010 and further to Rs 10,750 a tonne in the recent rabi season. "For this kharif, too, the Centre expected prices to go up by another Rs 600 or so. Instead, most companies increased their MRPs (net of excise) by around Rs 1,125 to Rs 11,875 a tonne, made worse by the excise levied in the Budget," sources said.

The May 5 circular “basically formalises the earlier informal arrangement by prescribing how much prices can be hiked,” they added. In other words, a return to MRP controls. But this, the sources pointed out, is inevitable because so long as subsidies are given, “the Centre will always demand its pound of flesh”.

Under the NBS, a fixed per-kg concession is granted on N, P, K and S, with the subsidy on individual fertilisers linked to their nutrient content. DAP currently attracts a subsidy of Rs 19,763 a tonne, which, even after so-called price decontrol, is way above the MRP component.

Demand holds groundnut oil steady

Rajkot, May 10:

On the back of sustainable demand, groundnut oil remained unchanged in Gujarat, while cotton oil increased by Rs 5 for a tin.

Groundnut oil ruled at Rs 1,385-1390 for the 15 kg new tin. “Loose” groundnut oil was traded at Rs 805-810 for 10 kg and price of label tin of 15 kg was Rs 1365-1370. On the other hand, cotton oil increased by Rs 5 to Rs 995-1,005 for 15-kg new tin. For 10 kg, it was Rs 925-930, with a gain of Rs 5. About 8-10 tankers of 10 tonnes were traded in groundnut oil and 50-55 tankers traded in cotton oil.

Demand in groundnut oil is normal. Retailers buy as per requirement, which keeps the prices stable, traders said.

Summer groundnut crop is ready to arrive in market. Arrival has started in some centres of the Saurashtra region. Traders estimated 2-2.5 lakh tonnes of groundnut production in Gujarat.

Mr Samir Shah of Rajkot-based Rajmoti Oil Industries said: “There will not be any major impact on the prices of the summer crop. Against it, prices will increase as the new crop will trade on a higher level.”

The price of groundnut is ruling at Rs 690-711 for 20 kg and the new crop price is quoted at Rs 595-600 for 20 kg. About 25,000 bags arrive in various APMC of Saurashtra.

World Spice Organisation launched in Kochi

Kochi, May 10:

The World Spice Organisation (WSO), a common platform for all stakeholders in the spice sector – the farmers, processors, researchers and end users – came into existence at Kochi on Monday. The need to educate farmers and the industry on healthy and responsible practices, and sustaining development in the sector brought about the organisation.

WSO also sought to identify areas of potential growth, ensure proper allocation of resources, interact with the research organisation, engage with the government on legislations and stand by and help the farmers increase production and productivity by implementing the universally accepted good agricultural practices. Moreover, the WSO was also expected to take care of the various road blocks in the development of global trade in spices.

At the launch press conference, the Chairman of WSO, Mr Phillip Kuruvilla, the Executive Director, Mr Ramkumar Menon, and the Treasurer, Mr Jojan Malayil, offered membership to Mr Periah, a chilli farmer from Andhra Pradesh. This was followed by the enrolment of Flavourit, the trading company launched by the Spices Board. The WSO will be assisting the field publicity programmes of the Spices Board to enhance its reach to the rural farming population, Mr Phillip Kuruvilla said.

To enable the spice industry in dealing with issues relating to “food safety and sustainability” the WSO planned to work with its members in undertaking social responsibility programmes so that they can benefit as a whole and enable them to meet the challenges that they faced. As a commitment to Corporate Social Responsibility, the WSO planned to launch several private-public-participation projects.

With backward linkages to the farming community, the WSO is committed to be a global organisation, become the nodal point for spice organisation across countries and enable them in meeting the global food safety and sustainability in herbs and spices. It would also strive to fulfil the CSR by connecting the global spice industry through unity of thought and harmonisation in standards.

WSO also planned to work with organisations such as UNCTAD, WTO, Codex, FAO and ITC and solicit their support in implementing programmes in food safety and sustainability. The organisation also pointed out that food safety and sustainability should start from the farm. It was deemed necessary to coordinate the role of various institutions with all the stakeholders and the industry in order to increase productivity and reduce the use of harmful agrochemicals.

The WSO has drawn up a strategy for 2011-12 whereby the organisation would work with national associations and governments to uplift the rural farmers through theirthe right programmes.

It also plans to inform the farmers and processors in the spice growing nations of the consuming nations' concerns and work towards setting realistic food safety standards. This would be assisted by harmonising of the testing standards and their methods for the spices industry.

Rubber bodies look to grow in non-traditional areas to meet demand



Kochi, May 10:

To bridge the gap between natural rubber production and consumption, the rubber consuming interests have called upon the Government to explore avenues for land acquisition outside the country for new plantation initiatives.

As the availability of land is limited in traditional rubber growing areas, the All India Rubber Industries Association (AIRIA) and the Automotive Tyre Manufacturers Association (ATMA)

stressed the need to evolve a new model, including PPP, to intensify rubber cultivation in non-traditional areas in the North-East.

Making a presentation to the Rubber Board for 12th Five Year Plan proposals on the sector, they stated that taking cue from China urgent policy interventions are imperative to ensure timely and competitively priced availability of natural rubber to user industries. India should take up integrated project on the lines of Rubber Valley project in China so as to replicate the concept of 'farm to fork' for rubber by covering the complete value chain from plantation stock to finished products.

Growing deficit

Later speaking at a press conference, Mr Vinod Simon, President, AIRIA, pointed out that there is growing deficit between domestic production and consumption of rubber in the country. Rubber import is therefore, inevitable or else import of finished products will take place denying the opportunity of value addition within the country. He said that domestic natural rubber deficit and expensive imports have been inhibiting the full blossoming of rubber industry.

Stressing the need for a twin-pronged strategy to bridge the growing deficit between domestic natural rubber production and consumption, Mr Rajiv Budhraj, Director-General, ATMA, said that the domestic production needs to be enhanced by taking up replanting as a top priority and undertaking major planting initiatives in non-traditional areas.

Reiterating the demand for duty-free import of 200,000 tonnes of natural rubber during the current financial year, Mr Budhraj said that the production has increased by only one per cent in the last four financial years, while the consumption has increased by more than 15 per cent.

In the current fiscal, the domestic production is likely to lag behind domestic consumption by 189,000 tonnes. This is in view of the fact that new capacities and major expansion undertaken by tyre companies to cater to booming automobile industry will lead to an increased consumption by 150,000 tonnes, he said.

Board's projection

The Rubber Board had projected increase in natural rubber consumption by 40,000 tonnes (from 8.62 lakh tonnes to 9.02 lakh tonnes) for 2011-12. Accordingly the gap between domestic production and consumption has been put at 75,000 tonnes by the Board which is at wide variance with industry estimates based on actual capacity expansion, he said.

Mr Simon also emphasised the need for setting up a development commissioner on the lines of development commissioners in jute and textile sectors to oversee the overall development of rubber sector, particularly SSI units, which have borne the brunt of unprecedented increase in rubber prices and are turning unviable.

Tyre units seek duty-free import of 2 L. tonnes NR



A file photo of a rubber tree.

Kochi, May 10:

Projecting a 1,89,000-tonne deficit in production of natural rubber during 2011-12, the tyre industry has asked the Government to bridge the gap by allowing duty-free import of 200,000 tonnes.

In the last four financial years, the production has increased by only 1 per cent, while consumption has increased by over 15 per cent, the All-India Tyre Manufacturers Association (ATMA) Director-General, Mr Rajiv Budhraj, told reporters here today.

During the current fiscal, domestic consumption is likely to lag behind production by 189,000 tonnes.

New capacities and major expansions undertaken by tyre companies to cater to the booming automobile industry will lead to an increase in consumption by 15,000 tonnes, he said.

The Rubber Board has projected an increase in consumption by only 40,000 tonnes during the current financial year and the gap between domestic production and consumption has been projected at 75,000 tonnes.

The “conservative consumption estimates by the board might impact the desired policy making for rubber sector”, he said.

AITMA and the All-India Rubber Industries Association (AIRIA) also made presentations before the Rubber Board at Kottayam, stating that taking a cue from China, urgent policy interventions are imperative to ensure timely and competitively priced availability of natural rubber to user industries.

In view of the widening gap between natural rubber supply and demand, coupled with growth in tyre demand, a rise in volume of imports of finished products is likely in light of the constraints to domestic production.

As a result, value addition of natural rubber to produce finished products, particularly tyres, will take place outside the country, especially in China, which has ensured adequate and timely availability of natural rubber to its industry through timely interventions, including acquisition of land outside the country, he said.

The AIRIA President, Mr Vinod Simon, said with the growing deficit between production and consumption, rubber imports were inevitable, failing which the import of finished products will take place, denying the opportunity of value addition within the country.

Domestic natural rubber deficit and expensive imports have been inhibiting the “full blossoming” of the industry in the country, he added.

Pepper futures remain up on tight supplies



New Delhi, May 10:

Pepper futures extended gains as its prices shot up further by Rs 274 to Rs 30,175 per quintal on Tuesday due to a squeeze in daily supplies amid rising spot demand. Also, diminishing stocks with other pepper producing countries supported the uptrend.

At the National Commodity and Derivatives Exchange, pepper for delivery in June rose by Rs 247, or 0.83 per cent to Rs 30,175 a quintal, with an open interest of 11,910 lots.

Similarly, the spice for delivery in May gained Rs 192, or 0.65 per cent to Rs 29,906 a quintal, with an open interest of 6,649 lots.

Market analysts said squeeze in daily supplies and lower stocks amid rising spot demand mainly attributed the rise in the pepper prices at futures trade.