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Food inflation eases further

Special Correspondent

Moderation in the prices of pulses, wheat and vegetables

NEW DELHI: In what the government on Thursday sought to describe as “a declining trend”, food inflation eased further to its 18-month low at 7.47 per cent for the week ended May 7 from 7.70 per cent in the previous week following a moderation in the prices of pulses, wheat and vegetables.

Considering that food inflation, as measured by the wholesale price index (WPI), around the like week last year was at a high of over 22 per cent, the government may have reason to derive some satisfaction. Economic analysts, however, warned against any complacency, especially as the price spiral in non-food items continues to rule at higher levels to provide no comfort to the Reserve Bank of India (RBI) to ease on its hawkish policy stance.

Commenting on the WPI data, Finance Minister Pranab Mukherjee said: “Both on food inflation and overall wholesale price index (WPI), there is a declining trend”. Pointing out that inflation had come down in all three segments — primary articles, food and non-food items — he was, however, quick to add: “I do not give much credibility to weekly fluctuations or monthly fluctuations. We shall have to take an overall view”. For a major part of 2010, food inflation had remained in double digits and signs of moderation were visible only from March this year. In

view of this statistical effect, prices of pulses eased by 8.87 per cent during the week on a year-on-year basis. Likewise, vegetables and wheat also turned cheaper by 3.61 per cent and 0.06 per cent, respectively. However, as pointed out by the RBI in its annual monetary policy review, it is the core (non-food) inflation that remains a matter of concern and which is why overall inflation is projected to remain at near 9 per cent during the first-half of the fiscal year before easing to around 6 per cent.

Date:20/05/2011 **URL:** <http://www.thehindu.com/2011/05/20/stories/2011052064990800.htm>

State releases relief of Rs. 546 cr. for farmers

Special Correspondent

HYDERABAD: The State Government has released Rs. 546.1 crore from Calamity Relief Fund/State Disaster Response Fund for distribution of input subsidy among farmers who suffered over 50 per cent damages to their crops due to untimely rains and depression in December last year.

The government had earlier released Rs. 762.7 crore of which Rs. 593.11 crore was sanctioned to the Agriculture Commission for payment of compensation to farmers. The additional amount was released following a report submitted by the Agriculture department over the damages inflicted by the depression in Bay of Bengal in several districts.

In its order (GO RT 136) issued on Thursday, the government directed the officials concerned to distribute the compensation among the small and marginal farmers who bore the brunt of the untimely rains resulting in more than 50 per cent damages to their crops.

Date:20/05/2011 **URL:** <http://www.thehindu.com/2011/05/20/stories/2011052052330500.htm>

Farmers told to adopt modern methods of agriculture

Staff Reporter

State committed to protecting farmers' interests: Deputy Speaker

Officials asked to encourage farmers in Tenali division to take up commercial crops

SC/ST farmers should utilise the subsidy being given for taking up drip irrigating, he says

TENALI: Deputy Speaker and MLA representing Tenali Nadendla Manohar has exhorted farmers to use modern methods of agriculture and acquaint themselves with latest techniques in order to achieve higher yield.

Teething problems

He has instructed officials of the Agriculture Department to encourage farmers in the Tenali division to take up cultivation of commercial crops on a larger scale instead of entirely depending on turmeric and plantains.

Addressing farmers during the Rythu Chaitanya Yatra at Pidaparthipalem village in Kollipara mandal on Thursday, Mr. Manohar said that the government was committed to protecting the interests of farmers who were facing teething problems. But, the government was not sitting idle. It would come to their rescue in all possible means, he said.

SC and ST farmers should utilise the cent per cent subsidy being given to them for taking up drip system of irrigating their lands, he said.

Responding to farmers' complaint that they had incurred heavy loss by using seed bought from Hindustan Seeds Private Limited last year, Mr. Manohar ordered the Joint Director of Agriculture Y. Pulla Reddy to take petitions from them and initiate proceedings for penal action against the company.

Stone laid

Earlier, Mr. Manohar laid the foundation stone for a community hall to be built at a cost of Rs. 10 lakh at Pidaparru village. Kollipara mandal president K. Rajani, MRO Yesuratnam, and MPDO Sreenivasulu were present on the occasion.

Date:20/05/2011 URL: <http://www.thehindu.com/2011/05/20/stories/2011052057500800.htm>

Zero-tillage cultivation method to be tried on dry land

Special Correspondent

The project area is 500 hectares of land in Afzalpur taluk in Gulbarga district



S.G. Patil

Gulbarga: For the first time in the world “zero-tillage cultivation” will be tried on 500 hectares of dry land in Afzalpur taluk in Gulbarga district.

The project is being funded by the United States Agency for International Development (USAID), Bill Gates Foundation, International Maize and Wheat Improvement Centre (popularly called CIMMYT, Mexico). The idea is to popularise zero-tillage cultivation among farmers so as to prevent the loss of fertility of land resulting in the reduction of productivity and loss of top soil due to excessive tilling of the land, particularly in the irrigated patches.

Director of the project S.G. Patil, who is also the director of education in the University of Agricultural Sciences, Raichur, said in Gulbarga on Thursday that the project was initially implemented in Mexico on irrigated land where maize and wheat were cultivated and later it was extended to other countries, including India where agricultural production plummeted in the past

decade. Mr. Patil said one reason for the present scenario in food grain and oilseeds production in the country is over-tilling of land which has led to loss of natural resources and top soil.

He said for the past few years the concept of the zero-tillage cultivation was being propagated among the farmers in irrigated belts in Dharwad and the project has been taken up in the command areas of the Upper Krishna Project in the past year. "Last year, we had taken up the propagation of the zero-tillage cultivation in the paddy cultivating land immediately after the harvest. Using the new cultivation method, maize was sown and the result was increased yield of maize. We will continue our experimentation on irrigated land this year also".

Mr. Patil said for the first time in the world, zero tillage cultivation will be tried on dry land in Gulbarga district. The zero-tillage cultivation is a simple process of not taking up the pre-sowing preparation of the land and sowing the seeds using the specially designed furrow-cum-sowing equipment which cuts into the farmland as per the requirement of the farmer and deposits the seed inside the land and allows it to germinate. The problem of the weeds can be overcome by spraying herbicide and sowing operations can be taken up immediately.

Mr. Patil said after the harvest, biomass of the previous crop can be used as a nutrient for the land and the presence of the biomass on the land will prevent the escape of the moisture content and increase the water holding capacity of the land. "We hope to reap rich in our experiments in dry land farming to give a new direction to the farming practices".

Date:20/05/2011 URL:

<http://www.thehindu.com/2011/05/20/stories/2011052061320400.htm>

KAU to develop crop-specific organic pesticides

Staff Reporter

Move to phase out hazardous ones

KAU has released a package on 'organic practices' Scientists asked to formulate project proposals

Thrissur: In the wake of a decision to ban many red and yellow category pesticides in the State, the Kerala Agricultural University (KAU) has expatiated development of safe alternative technologies for pest and disease control on major crops.

Earlier this month, the State government had authorised the KAU to propose alternative strategies for crop protection as part of implementing State's organic farming policy, which recommends phasing out of hazardous pesticides over ten years.

Meeting held

A meeting of scientists from the field of plant protection and crop production held at Vellanikkara on Thursday decided to formulate crop-specific research projects for development and use of bio-pesticides, nematode pests, and weedicides in different crops such as paddy, vegetables, coconut, banana, pineapple, ginger, cardamom, cashew, pepper, and mango.

T. R. Gopalakrishnan, Director of Research, said the scientists had been given the responsibility to formulate project proposals as stipulated in the government order. All the projects would be aimed at developing alternatives to the banned chemicals and pesticides.

Workshop

“The proposals will be evaluated and finalised in a second-level workshop to be held in the second week of June. The final project proposals will be then forwarded to the government,” he said. Addressing the meeting attended by 40 scientists, KAU Vice-Chancellor K.R. Viswambharan said the university had released a package on ‘Organic Practices’ and its budget envisaged an organic farming policy.

Eco-friendly measures

The problems faced by farmers should be taken in to account while recommending eco-friendly measures for pest and disease control, he said. P.V. Balachandran, Director of Extension, said there was a flurry of so-called bio-agents and bio-pesticides currently in


the market. "All the suggested alternatives should undergo trials and be recommended for use only after a certification from the KAU. "Testing and recommendation by the university should be made mandatory to avoid unhealthy practices."

Legislation

A legislation in tune with the Central Pesticide Act to prohibit production, distribution and use of untested items should be enacted, he said. As per the Central Pesticide Act 1968, all pesticides should be registered with the Central Pesticide Board and recommended by a competent body after necessary field trials. The KAU is the authorised body to conduct such trials in the State.

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 Fri, 20 May 2011

Weather

Chennai - INDIA

Today's Weather



Cloudy

Friday, May 20

Max Min

38.2° | 27°

Rain: 00 mm in 24hrs

Humidity: 84%

Wind: Normal

Sunrise: 5:42

Sunset: 18:28

Barometer: 1005.0

Tomorrow's Forecast



Cloudy

Saturday, May 21

Max Min

38° | 27°

Extended Forecast for a week

Sunday

Monday

Tuesday

Wednesday

Thursday

May 22



37° | 29°

Rainy

May 23



38° | 29°

Rainy

May 24



38° | 29°

Rainy

May 25



39° | 29°

Rainy

May 26



39° | 29°

Partly Cloudy

THE ECONOMIC TIMES

Fri, May 20, 2011 | Updated 09.24AM IST

20 May, 2011, 09.03AM IST, Bloomberg

India's palm oil import may fall

NEW DELHI: India, the world's biggest user of cooking oil after China, will assure higher oilseeds prices for farmers, helping them boost output of soyabeans and peanuts and potentially reducing imports of palm oil.

The government may help farmers make more money by ensuring a higher profit on monsoon-sown oilseeds compared with food grains, said Ashok Gulati, chairman of the Commission for Agricultural Costs and Prices .

India is the world's largest buyer of palm oil, which represents more than 80% of its edible-oil imports. A decline in the nation's import demand may pressure benchmark prices in Malaysia that have risen 35% in the past year on higher demand for noodles to fish sticks to candy bars. "The real deficit at present is in oilseeds," Gulati said. "So the question is do we want to pay more to the farmers of Indonesia and Malaysia or should we pay more to our own farmers? I would say oilseeds are main priority this year."

The cost of producing crops including rice, lentils, corn, oilseeds has increased about 20% in the past year, boosted by higher wages of farm workers and rising energy and fertiliser prices, Gulati said. "We try to assure them a 20% to 30% increase over the cost of production," said Gulati.

Assured prices are meant to protect farmers from distress sales in the open market. If rates drop below those levels, the government buys the crops. Oilseed output in India may jump 21% to 30.25 million tonne in the year ending June, the farm ministry said on April 6. Still, the country may import a record 9.37 million tonne vegetable oils in the 2010-2011 year, including 7.6 million tonne palm oil, also an all-time high, according to USDA estimates.

India meets more than half its edible-oil demand through imports, and buys palm oil from Indonesia and Malaysia and soyabean oils from Brazil and Argentina. The South Asian nation, the second-biggest producer of rice and wheat, raised the minimum paddy purchase price 79% since the 2004-2005 season, while the benchmark rate for soyabeans was increased 40%, according to the farm ministry. Lentil prices more than doubled in the same period.

"The government should give equal preference to oilseeds that it gave to cereals in the past," BV Mehta, executive director of Solvent Extractors' Association, said in a phone interview from Mumbai. "India is short of oilseeds and farmers should be encouraged to produce more." State reserves of rice and wheat were 44.2 million tonne on April 1, more than double the emergency stockpile requirement, according to FCI. "Currently the country has ample and comfortable grain stocks," Gulati said. "There is no compulsion or pressure on us at this stage to attract more land under cereals."

Palm oil futures in Malaysia advanced for a fourth day on Thursday, gaining as much as 1.3% to 3,340 ringgit (\$1,107) a tonne amid speculation that China and India, the largest cooking-oil consumers, may start to rebuild inventories. Exports from Malaysia, the second-biggest palm oil producer, increased 28% to 533,419 tonne in the first 15 days of May from the same period in April, independent surveyor Intertek said on May 16. Shipments rose 33% to 601,984 tonne, rival Societe Generale de Surveillance estimated.

Stockpiles of cooking oils in India, including those at ports, totalled 1.27 million tonne on May 1.

20 May, 2011, 08.55AM IST, Sutanuka Ghosal & Madhvi Sally,ET Bureau

Packet tea prices may surge by 5-10% in June

KOLKATA | AHMEDABAD: Packet tea prices are set to rise as tea prices at the auction are touching the roof.

Packeteers feel that there will be an upward revision in the packet tea prices by 5% to 10% in June-August period.

Harendra Shah, chairman of Federation of Indian Tea Traders Association , said: "Prices of tea at the auctions are seeing an upswing. This may impact packet tea prices, going ahead. We feel that there will be a 10% price rise per kg. For instance, the lower medium quality of tea, which is now priced at 180 per kg, may go up to 200 per kg. Similarly, teas priced at 200 per kg will cost 220 per kg."

Tea companies have quietly increased prices in the last quarter. CK Dhanuka, chairman of Dunseri Tea, said: "We have increased prices by Rs 4 per kg only 10 days ago. We will review the price scenario in June-August period and take a call." Dhunseri sells packet tea in Rajasthan under the brand name Lal Ghora and Kala Ghora.

"Tea prices are ruling high at 160 to 230 a kg in the Kolkata and Guwhati auction centres. As the second flush tea will arrive from third week of May and continue till June, any change in prices will happen after June," said Piyush Desai, chairman and managing director of 100-year-old Gujarat Tea Processors & Packers , which sells tea under the Wagh Bakri brand name.

Desai added that the company had revised prices in February this year by 12 a kg -- a 5% increase.

"If the raw material cost increases further, we have to pass it to the consumer," he said.

Kallol Datta, chairman and managing director of Andrew Yule, said the company will take a call on the price front after the second flush tea comes to the market. The company sells packet tea under the brand names Yule Tea-Gold for the premium segment and the Yule Tea-Red for the popular segment.

It has 15 tea estates within its fold. "We will not immediately tamper with price. Let us see how the market behaves," Datta added. At present, tea prices are ruling high at the auctions. Good quality teas are fetching 20 -25 higher per kilogramme compared to previous year's prices.

Similarly, the average teas are fetching 10 -15 higher per kg at the auctions.

19 May, 2011, 12.12PM IST,PTI

Cardamom futures remain weak on adequate supply

NEW DELHI: Cardamom prices fell further by Rs 10.30 to Rs 920 per kg in futures trade today on sluggish spot market demand against adequate stocks position.

Adequate stocks position following increased arrivals from producing regions also put pressure on the cardamom futures prices. At the Multi Commodity Exchange , cardamom for delivery in August fell by Rs 10.30, or 1.11 per cent to Rs 920 per kg, with a business turnover of 20 lots. Similarly, the spice for delivery in June shed Rs 3.80, or 0.42 per cent to Rs 904 per kg, with a business volume of 55 lots. Analysts said sluggish demand at existing higher levels against increased arrivals in the physical market mainly led to a fall in cardamom prices at futures trade.



Food inflation dips

May 20, 2011 10:38:49 AM

PNS | New Delhi

Food inflation dipped marginally to an 18-month low of 7.47 per cent for the week ended May 7, a development described as "declining trend" by the Government.

This was on account of falling prices of pulses, wheat and vegetables. Experts cautioned against any complacency and said rate of price rise of non-food items still remain high and could prompt the RBI to further raise interest rates.

The latest numbers are the lowest since food inflation data, as a separate index, began to be released since late 2009.

“Both on food inflation and overall Whole Price Index (WPI) there is a declining trend,” Finance Minister Pranab Mukherjee told reporters here.

Food inflation, as measured by WPI, was 7.70 per cent in the previous week. It was above 22 per cent in the first week of May 2010.

During the week under review, prices of pulses fell by 8.87 per cent year-on-year, while vegetables and wheat also became cheaper by 3.61 per cent and 0.06 per cent, respectively. Food inflation was in double-digits for most of 2010, before showing signs of moderation since March this year. Experts, however, cautioned that core (non-food) inflation still remained a matter of concern.

Streamlining of agriculture sector on the cards

May 20, 2011 10:40:21 AM

Santosh Narayan | Ranchi

Not only plan formulation, execution is key' were the buzzwords during the discussion organised by the Jharkhand Government just before the exercise of 12th Five Year Plan preparation. With agriculture supporting a major chunk of the State's population, a complete revamp of the sector is in offing. Figures suggest that only 23 lakh hectares of land is under agricultural production cycle out of 79 lakh hectares available with Jharkhand. Of that, only 10-12 per cent is irrigated and the rest depends on the poor natural rainfall.

Expressing his concerns about the sector, Chief Minister Arjun Munda said: "We have been concerned about agriculture as a majority of our population depends on it. The poor state of the

sector has led to crime and distress migration."

The CM also stressed on the proper execution of crop insurance schemes as the benefits, he said, had not been reached to the farmers due to faulty and sometimes manipulative data collection. He also stressed on promoting organic farming as the State has a big cattle population.

To increase arable land in Jharkhand stressed was laid on enhancing cropping intensity and providing good quality seeds. "Despite hilly and rocky land available we can do farming on 39 lakh hectares of land. We also have to improve cropping intensity in the State," said Agriculture Secretary AK Singh. Increasing credit availability to the farmers through spread of Kissan Credit Cards was also sought with better penetration of Cooperative Banks in the rural areas.

Besides agriculture, management of forest and minor forest produce was also discussed. At present, there are 10,903 Joint Forest Management Committees functioning here in the State and managing about two million hectare of forest land. It was also suggested to associate the Committees to newly elected Panchyat

Business Standard

Friday, May 20, 2011

Cardamom production to go up

Sharleen D`Souza / Mumbai May 20, 2011, 0:43 IST

The production of cardamom is expected to increase 10-12 per cent this year. It is expected to be 13,000-13,500 tonnes compared to 12,000 tonnes last year.

Last year, higher prices had prompted farmers to go for more crop.



While higher production might have had a dampening effect on prices, a major factor that can keep prices under pressure is the high carryover stock.

"This year, the total carryover stock for cardamom is around 2,000 tonnes," said Moolraj Ruparel, a Mumbai-based exporter. The total carryover stock last year was almost zero. This year, daily arrivals at the auction held by the Cardamom Planters' Association in Kochi was 25 to 26 tonnes, unusually higher for this time of the year.

The traders are expecting prices of new crop to be lower at Rs 650-700 a kg due to better crop condition when arrivals reach their peak. The spot price of old crop is currently at Rs 800-900 a kg and is exported at \$19-27 a kg. This has caused stockists to bring their old stocks to the spot market as prices are expected to fall further. Also, it is not possible to store cardamom for more than nine months which has also caused stockists to enter the spot market. In Mumbai, the price of average quality cardamom is Rs 920-940 a kg.

The arrival of the new cardamom crop is expected to start early this season. This was mainly due to forecasts of timely monsoon in the southern region along with some showers in the major producing areas during the capsule formation period (March To April).

Pulses, vegetables pull food inflation down to 7.47%



Business Line Pulses being displayed for sale at a shop in Kochi. (file photo)

New Delhi, May 19:

Continuing on its downward trajectory, food inflation slipped further to 7.47 per cent for the week ended May 7 on the back of cheaper pulses, vegetables and wheat.

This is the lowest rate of price rise in food items in the last 18 months, when separate data for food inflation first started coming in. It is also the third consecutive week in which food inflation has fallen.

Food inflation, as measured by the Wholesale Price Index (WPI), was 7.7 per cent in the previous week, while it was over 22 per cent in the corresponding week of 2010.

The latest numbers are likely to bring cheer to the government which has termed inflation control as one of the major items on its agenda.

Food inflation remained in double-digit for most of 2010, before showing signs of moderation since March this year.

During the week under review, pulses became cheaper by 8.87 per cent year-on-year, while the prices of vegetables were down by 3.61 per cent. Prices of wheat also fell by 0.06 per cent.

The Government's third estimate released recently said that the production of wheat would surpass all the previous records during the 2010-11 (July-June) crop year.

However, the prices of other food items continued to remain expensive. Fruits were dearer by over 30 per cent on an annual basis, while eggs, meat and fish were up by 5.67 per cent. Milk prices were also up 4.56 per cent. Cereals became 4.79 per cent more expensive, while onion prices were up 10.53 per cent.

Overall, primary articles reported 10.94 per cent inflation. Meanwhile, non-food primary articles were up 23.82 per cent during the week under review.

Fibres became dearer by almost 62 per cent, while minerals were up 11.95 per cent. Fuel and power became 12.11 per cent costlier year-on-year.

The Government and the RBI had said that in months to come, inflationary pressure would be more from core (non-food) items on account of high global prices of commodities, particularly crude.

Headline inflation in April had stood at 8.66 per cent. In its monetary policy for 2011-12, the RBI had said that overall inflation would remain high in the near future, averaging 9 per cent during the first half of the fiscal, before moderating to around 6 per cent by the year-end.

The central bank has hiked its key policy rates nine times since March 2010, and experts say more rate hikes are to come as the apex bank focuses on curbing the demand to tame inflationary pressure.

Coconut export blooms on lower Lankan output

Coconut across coast



- Number of export registration applications double to 20-25 a month against 10-15 earlier
- Tamil Nadu crop expected to supplement shortfall in Kerala's output this year
- Due to demand for tender coconut, domestic coconut prices soar

Kochi May 19:

Coconut prices in the domestic market have doubled in the last few months. Still, entrepreneurs are rushing to register with the Coconut Development Board (CDB) as exporters. This is in the backdrop of a huge shortfall in coconut production from neighbouring Sri Lanka, which traditionally has surplus to meet demand from countries such as Bangladesh, Pakistan and the Gulf region.

This year, India has emerged the sole source for coconuts in the vicinity. That has led to the volume of coconut and coconut product exports booming. Coconut and coconut product exports are expected to grow by over 30 per cent this year. Reinforcing this possibility, the number of new registration for exports with the CDB has almost doubled to 20-25 a month in the recent past. Earlier, 10-15 registration requests were received .

Urbanisation is narrowing areas under coconut and a recent typhoon has further set back coconut production in the Philippines, the biggest producer accounting for over 35 per cent of the global production. In the immediate neighbourhood, Coconut production in Sri Lanka has

plunged sharply, opening lucrative opportunities for exports from India, Mr Thomas Mathew, Chief Coconut Development Officer, CDB, said.

There has been a spurt in demand from the Gulf countries for all varieties. Besides exports of copra to Bangladesh, where export of coconut oil from India commands higher customs duties, have increased. There has been a marked growth in Indian coconut exports to Pakistan as well in the recent past. Sri Lanka, which used to be biggest exporter in South Asia, has turned a net importer from India this year.

While demand from overseas has spurted this year, the domestic production has not been as robust. Production from Kerala, the biggest producer in the country is expected to be a shade lower than last year. But this could be partly made up by a better crop from Tamil Nadu where the peak harvest season is on, Mr Thomas Mathew said. Production from States such as Andhra Pradesh and Karnataka are expected at around last year's levels.

The shortage in the global markets and not-so-alluring production trends within the country has resulted in a sharp run up in domestic prices.

With tender coconut commanding the status of a healthy natural drink, the demand has soared. As the mercury has started climbing rapidly over several north Indian cities, the demand for this healthy drink has just got better. City demand for tender coconuts is being increasingly met from the coastal States such as Karnataka, Andhra Pradesh, West Bengal, Orissa and Gujarat also.

Continuous sales drain spot rubber



Kottayam, May 19:

Spot rubber prices dropped further on Thursday. According to observers, prices slid slowly on continuous and steady selling from dealers and growers. The ongoing bear spell appears to be technically strong since the market declined absorbing the commodity that arrived in low quantities during the past few sessions, an analyst said.

Sheet rubber weakened to Rs 222 (224) a kg, according to traders. The grade dropped to Rs 222.50 (225) a kg both at Kottayam and Kochi, as quoted by the Rubber Board.

The June series improved to Rs 222.75 (221.40), July to Rs 227.15 (224.96), August to Rs 224.99 (222.78) and September to Rs 221.45 (220.33), while the October series slipped to Rs 219.50 (219.56) a kg for RSS 4 on the National Multi Commodity Exchange.

In the international market, the key Tokyo rubber futures gained 1.5 per cent on early trades as commodities rebounded from a two-week low, while dollar rose to a three-week high against Yen. RSS 3 (spot) improved to Rs 231.41 (230.63) a kg at Bangkok. The May futures for the grade firmed up to ¥ 404.1 (Rs 221.90) from ¥402.8 a kg during the day session but remained inactive in the night session on the Tokyo Commodity Exchange. Spot rates were (Rs/kg): RSS-4: 222 (224); RSS-5: 221 (222.50); ungraded: 218 (220); ISNR 20: 214 (215) and latex 60 per cent 133 (134).

Karnataka tobacco sales top authorised limit



Bangalore, May 19:

Tobacco auctions in Karnataka have ended with the board selling 127.45 million kg, 30 per cent more than the authorised crop size of 97.95 million kg.

In 2010-11, farmers received 15.89 per cent lower realisation at Rs 92.52 a kg against Rs 110 a kg in 2009-10.

According to senior tobacco board officials, realisations for farmers have dropped this year due to excess production and prolonged auction days.

“There was strong demand from foreign buyers this year. About 40 overseas companies took part in the Karnataka auctions against 20-25 last year,” he added.

At the end of the 180 days of auction (May 16), about 127.45 million kg (1.28 lakh bales) of FCV tobacco variety have been marketed in Karnataka at an average price of Rs 92.52 a kg.

Of the quantity marketed, bright grades comprised 24 million kg and were traded at an average price of Rs 120.38 a kg. Medium grades comprised 60 million kg, were traded at an average price of Rs 101.93 a kg. Low grades, comprised 43 million kg, were traded at an average price of Rs 64.05 a kg.

Following are platform-wise auction details: H.D.Kote: 1.44 lakh bales marketed (13.23 million kg), average price Rs 87.80 a kg. Hunsur-1: 78,444 bales (8.08 million kg), Rs 94.42 a kg. Hunsur-2: 1.07 lakh bales (10.94 million kg), Rs 92.50 a kg. Periyapatna-1: 1.30 lakh bales (13.09 million kg), Rs 94.47 a kg. Periyapatna-2: 1.27 lakh bales (12.97 million kg) Rs 98.26 a kg. Periyapatna-3: 1.17 lakh bales (12.03 million kg) Rs 94.18 a kg. Ramanathpura-1: 1.36 lakh bales (13.24 million kg) Rs 88.19 a kg. Kampalapura-1: 1.19 lakh bales (11.94 million kg) Rs 96.14 a kg. Kampalapura-2: 1.05 lakh bales (10.41 million kg) Rs 94.26 a kg. Ramanathpura-2: 1.34 lakh bales (13.55 million kg) Rs 86.63 a kg. Hunsur-3: 78,768 bales (7.91 million kg) Rs 92.89 a kg.

'TN top producer of bio-fertilisers'

New Delhi, May 19:

Tamil Nadu is the largest producer of bio-fertiliser, an organic manure that improves soil health, in the country followed by Karnataka, Kerala and Maharashtra in 2009-10.

"In 2009-10, Tamil Nadu produced 3,733 tonnes of bio-fertilisers, followed by Karnataka at 3,696 tonnes," an official statement said.

The other major producers of bio-fertilisers are Kerala (1,937 tonnes), Maharashtra (1,861 tonnes) and Madhya Pradesh (1,588 tonnes), it added.

According to studies, the agriculture production can increase by 10-20 per cent with its use.

Sugar firms get loan of Rs 37.87 cr

Hyderabad, May 19:

With payments to sugarcane farmers piling up, the Andhra Pradesh Government has announced a loan of Rs 37.87 crore to five co-operative sugar factories in the State.

"The open market rate for sugar fell down to Rs 2,550 a quintal this year as against Rs 3,800 in 2009-10. As a result of this, some sugar factories are not able to clear the dues. With farmers expecting payments to allow them invest for the ensuing kharif season, we have decided to extend loans to the factories that failed to pay out," Ms J. Geeta Reddy, Minister for Major Industries and Sugar, said here in a statement.

The factories are: Anakapalle Cooperative Sugar Factory (loan sanctioned Rs 6.10 crore); Thandava factory (Rs 3.73 crore); Kovur factory (Rs 7.82 crore); Chittoor factory (Rs 15.83 crore) and Sri Venkateswara factory (Rs 4.38 crore).

Farmers' conference on July 5

Coimbatore, May 19:

A meeting of two farmers' organisations here today decided to hold a conference at Vellakoil in Tirupur district of July five, celebrated as farmers day.

The Tamil Nadu Toddy Movement and Non-Political Tamil Nadu Farmers' Association also wanted the new AIADMK government to lift the ban on toddy tapping in the State. By this rural economy could be uplifted, without any budgetary allocations, the Association members claimed.

Mr S. Nallasami, Coordinator, Tamil Nadu Toddy Movement, and Mr N.S. Palanisamy, leading the Non-Political Tamil Nadu Farmers' Association, were present at a meeting of the representatives of the two organisations here.

'Mango mela' at Dharwad from May 28-30

Hubli, May 19:

The Karnataka Horticulture Department plans to hold 'Mango mela' at Dharwad from May 28-30. According to a Department release, it is for the third time the mela is being held here and it aims to showcase about 70 varieties of mango grown in the district.

The mela will help consumers get quality fruits and farmers the fair price. The mela is being held in the background that Dharwad region is witnessing sharp drop in mango production owing to erratic weather conditions. Due to this, total mango production in the region is expected to go down by 35-40 per cent.

India's 2011-12 coffee exports may slump by 16.7%: USDA

New Delhi, May 19:

India's coffee exports are expected to decline by 16.7 per cent to 2,40,000 tonnes in the 2011-12 crop year (October-September) due to lower production and tight carry-over stocks, a latest USDA report said.

India, Asia's biggest coffee exporter, is estimated to make an overseas shipment of 2,88,600 tonnes in the ongoing 2010-11 coffee year ending September, it said.

"Exports are expected to decline to 4.0 million 60 kg bags (2,40,000 tonnes) in 2011-12, given tight carry-in stocks and lower production," the US Department of Agriculture (USDA) said in the Coffee Annual Report.

The country's total coffee output may drop slightly to 2,88,600 tonnes in 2011-12, as against 3,05,000 tonnes in the last season. Even carryover stocks are forecast at just 1,080 tonnes, it said. Coffee pests such as the white stem borer and berry borer continue to affect coffee yields, it noted.

According to the USDA: coffee exports may dip from the current year's record level due to lower international coffee prices, that could reduce importers' demand for Indian coffee.

"However, if international demand remains strong, exports could increase at the expense of domestic consumption," it said.

While the spread of cafes is helping to introduce a new generation of Indians to premium coffee products, strong exports have resulted in reduced domestic consumption levels, it observed.

In the current season, strong global prices have prompted foreign buyers to increase their purchases of Indian coffee as they look for new supply options, the report said.

Indian Robusta has a good reputation among international buyers. Europe continues to be the major destination for Indian coffee, it added.