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Cotton farmers urged to take up cultivation of ELS varieties

Special Correspondent

'Farmers can secure higher income through its cultivation'



Ideation: Farmers at the demonstration-cum-orientation programme on ELS cotton varieties organised at the Cotton Research Station at Veppanthattai in Perambalur district

With Perambalur being one of the leading cotton cultivating districts, farmers should go in for extra long staple (ELS) cotton varieties and hybrid varieties which are in much demand among industries.

This was the crux of presentations made by scientists at demonstration-cum-orientation programme organised for farmers at the Cotton Research Station, Veppanthattai, recently.

Collector Darez Ahmed, who inaugurated the programme, suggested that farmers cultivate ELS cotton at least in a portion of their fields during the ensuing season and assess the yield. Based on the performance, farmers can cultivate ELS cotton to improve their standard of living by way of getting higher income.

Scientist from Central Cotton Research Institute–Regional Station, Coimbatore, Department of Cotton, Tamil Nadu Agricultural University, Coimbatore, Indian Institute of Crop Processing Technology (IICPT), Thanjavur, Cotton Research Station, Veppanthattai, Subject Matter

Specialist from Hans Roever Krishi Vigyan Kendra, Valikandapuram of Perambalur interacted with the cotton growers on the occasion.

The scientists explained to farmers that cotton is classified as five major groups, depending on the fibre length, into short staple, medium, medium-long, long and extra long staple.

Self sufficiency in ELS cotton would increase the income of the farming community and also the handloom sector. ELS cotton is used for producing fine and superfine quality yarn.

Officials from Department of Agriculture were also present during that discussion, arranged under the auspices of the Agricultural Technology Management Agency. Demonstrations on foliar application of Cotton Plus and operation of cotton picker were also organised. Explaining the importance of application of Cotton Plus, R.Kavimani, Professor and Head, Cotton Research Station, Veppanthattai, told farmers that Cotton Plus was a new product from Tamil Nadu Agricultural University and it is a combination of nutrients and growth promoters to be applied to the crop as foliar application. Cotton Plus will reduce the square and flower shedding, full opening of bolls, make the crop withstand stress condition and enhance yield up to 18 per cent. Farmers can also use machineries such as cotton picker for saving the labour and time during the harvest period, especially in the wake of the labour shortage.

More than 500 farmers from different blocks of Perambalur district participated in the interaction.

Share

GULBARGA, February 17, 2012

Price of red gram shoots up to Rs. 3,800 a quintal

State Government's decision brings cheer to farmers



Ready to go:Red gram brought by farmers being weighed and packed at the procurement centre in Gulbarga city.— Photo: Arun Kulkarni

The State Government's decision to intervene to arrest the falling prices of red gram in the wholesale market had an impact the very next day, even before the procurement centres set up by the Red Gram Development Board (RGDB) could start purchasing the produce.

The price of red gram which was around Rs. 3,600 a quintal on Wednesday when the RGDB established the procurement centres shot up to Rs. 3,800 a quintal on Thursday when the market opened.

Sources in the Agricultural Produce Marketing Committee (APMC) told *The Hindu* that the price for a quintal was likely to cross Rs. 4,000 in a day or two.

In an extraordinary decision, the State Government asked the RGDB to purchase red gram from farmers at Rs. 4,000 a quintal, although market intervention is ordered only when the price of the produce drops below the minimum support price (MSP). The Union Government had fixed the MSP for red gram at Rs. 3,200 a quintal and announced a bonus of Rs. 500 a quintal for the produce which was sold in the market within two months after the harvest.

The RGDB established the procurement centres with the assistance of the National Produce and Derivatives Exchange (NCDEX) Ltd. to ensure the quality of the produce purchased from farmers.

To prevent wholesalers and middlemen who purchased the produce from farmers from reselling it at the procurement centres, the Government said that farmers should produce documents pertaining to their land.

The quantity of the produce the centres could purchase was also limited to 5 or 6 quintals a hectare.

Tremendous response

When contacted, senior official of NCDEX Bharvi Mishra said there had been a tremendous response to the procurement centres.

Hundreds of farmers had brought samples for tests. Mr. Mishra said that procurement centres had been established in Gulbarga, Jewargi and Sedam taluks in Gulbarga district and Bhalki taluk in Bidar district. NCDEX personnel were in the process of establishing centres in Shahpur, Yadgir and Gurmitkal in Yadgir district.

Managing Director of RGDB Aman Shakaib said that material and weighing machines had been sent to Aurad, Basavakalyan, Bidar and Humnabad taluks in Bidar district and Chitapur, Chincholi, Afzalpur and Aland taluks in Gulbarga district, and that centres were being set up in these taluks.

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- *Government directed red gram board to purchase produce from farmers at Rs. 4,000 a quintal*
 - *'Price in the wholesale market is likely to cross Rs. 4,000 a quintal in a day or two'*
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GUWAHATI, February 17, 2012

Assam tea output crosses 500 m kg



The Monabari Tea estate in Sonitpur district of Assam— FILE PHOTO

After three years, production of Assam tea has once again crossed the 500-million kg mark. The State has recorded a total production of 508.74 million kg for the year 2011. The figures for last three years were: 480.28 million kg in 2010, 499.99 million kg in 2009 and 487.49 million kg in 2008.

This is for the third time production of Assam tea has crossed the 500-million kg mark over the past 11 years. Total tea production in the country for 2011 is 988.32 million kg, which is the highest over the past 11 years.

North Eastern Tea Association (NETA) Chairman Bidyananda Barkakoty told *The Hindu* that the credit for the increase in Assam tea production goes to small growers. Production from small growers accounted for about 30 per cent of total production in the State, he said.

The jump in production of Assam tea was despite decrease of two million kg in the Brahmaputra Valley and a drop of three million kg in the Barak Valley in December, 2011, as compared to the corresponding month of 2010. "The decrease in tea production in December was due to less rainfall than required in October. If we had sufficient rainfall in October than we would have got a good pluck in November-December and the final production figure for 2011 would have touched about 513 million kg in Assam and India's total production too would have touched 1,000 million kg," he said.

The NETA Chairman said that due to drop in November-December production, three weekly sales at the Guwahati Tea Auction Centre (GTAC) had to be dropped in March. "We hope that this year we will have a good demand as there is no tea in the pipeline and there is no chance for carry forward."

Mr. Barkakoty said the Tea Board statistics showed that Darjeeling recorded 9.7 million kg in 2011 as compared to 8.86 million kg in 2010, Dooars 143.23 million kg (144.56 million kg) and Terai 73.33 million kg (76.35 million kg) while total production in West Bengal 226.36 million kg in 2011 as against 229.78 million kg in 2010.

In 2011, Tamil Nadu recorded a total production of 167.22 million kg, Kerala 68.34 million kg and Karnataka 5.30 million kg.

The Brahmaputra Valley is the single largest tea growing area in the world. Out of the total area under tea in the Brahmaputra Valley, 31 per cent are owned by small growers. According to a survey by the Assam Government, there are 68,465 small tea gardens in 14 districts of the Brahmaputra Valley. Tea is grown in almost all the 27 districts of the State. There are 825 large tea gardens in the State. There are about 1.58 lakh small tea gardens (size below 10.12 hectares) in India, cultivating tea on around 1.62 lakh hectares and producing nearly 260 million

kg annually at 440 bought leaf factories. which account for about 26 per cent of the total tea produced in India (according to Tea Board statistics), Mr. Barkakoty said.

Tea was declared as the 'State Drink' of Assam by Chief Minister Tarun Gogoi on November 22 at the World Tea Science Congress held in upper Assam's Jorhat town on the occasion of 100 years celebration of Tocklai Experimental Station of the Tea Research Association.

Small growers contribute about 30 % of total production in the State

KARAIKAL, February 17, 2012

Karaikal farmers dump kuruvai produce in protest

They seek direct procurement centres and a support price

Farmers from across five constituencies here marched with their kuruvai produce and dumped it in front of the Collectorate here on Wednesday.

Their ire was directed at the government's inability to set up direct procurement centres (DPCs) and provide them with a support price.

According to the farmers, the government apathy aggravated the plight of agriculture in the district. Even as farmers here struggle to market their produce in the absence of DPCs, the neighbouring Nagapattinam district has over 272 direct procurement centres for the current season. Additionally, procurement norms have been made stringent in the neighbouring Tamil Nadu in a bid to wean out middlemen and brokers.

Procurement is carried out only through authorised tokens issued to farmers in order to dissuade imposters. This has dried up an alternative market for the farmers here, aggravating their plight. According to the farmers, they have lost out on marketability for their produce without the government's support price. The protesters also alleged that bartering of farm lands for infrastructural projects and government apathy was driving farmers away from agriculture at the tail-end of the delta.

The district has over 5,400 ha of farm lands. But, the Agriculture department does not have targeted harvest earmarked for the current season. When contacted by *The Hindu*, the

Assistant Director of Agriculture said he was unaware of the targeted harvest as there were no records in Karaikal and that agricultural officers were currently on strike in Puducherry.

“According to the government, since the entire area has been declared cyclone-affected, procurement would undermine the quality of grains,” says a department official. However, farmers were neither provided with relief for crop damage nor supported through procurement of salvaged paddy.

On Wednesday, 60 bags of paddy were dumped on the stretch leading to the Collectorate and a crowd of 1,000 people expressed their solidarity for the farmers. Cutting across political affiliations, farmers associations and MLAs extended their support to the agitators. Later, the abandoned paddy sacks were cleared by police personnel.

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hindustantimes

Fri, 17 Feb 2012

weather

Chennai - INDIA

Today's Weather



Partly Cloudy

Friday, Feb 17

Max Min

31.6° | 21.9°

Rain: 00 mm in 24hrs

Sunrise: 6:35

Humidity: 84%

Sunset: 18:03

Wind: Normal

Barometer: 1012

Tomorrow's Forecast



Cloudy






Saturday, Feb 18

Max Min

28° | 20°

Extended Forecast for a week

Sunday	Monday	Tuesday	Wednesday	Thursday
Feb 19	Feb 20	Feb 21	Feb 22	Feb 23

				
27° 19°	28° 20°	28° 20°	28° 20°	28° 19°
Cloudy	Cloudy	Cloudy	Cloudy	Partly Cloudy

THE ECONOMIC TIMES

Commodities

Sugar production till Feb 15, up by 15%: ISMA

PUNE: According to the Indian Sugar Mills Association, the country has produced 161.3 lakh tonne sugar till February 15 this year as compared to 140 lakh tonne during the same period of the previous year, an increase of 15%.

As against 502 mills which were operational in 2010-11, 524 mills are operational as on 15th February 2012. Top producer Maharashtra has produced 56.60 lakh tonnes of sugar till 15th February 2012, 14% higher than last year.

The recovery rate is 11.20%, which is higher by 0.36 point than last year. Second largest producer, Uttar Pradesh has produced 45.18 lakh tonnes of sugar which is about 13% higher than last year on account of 16% increase in cane crushing as compared to last year. The recovery reported is 8.75% which is less than last year of 8.96%.

The southern states of Karnataka & Tamil Nadu have also reported higher production of 25.3 & 7.10 lakh tonnes respectively.

Andhra Pradesh has reported 23% more production with a higher recovery of 0.7 point than last year. The state has produced about 7.30 lakh tonnes of sugar so far. "ISMA still maintains that the sugar production will be 260 lakh tonnes in the current season 2011-12," stated a ISMA release.

However, Maharashtra has officially confirmed that despite a gain in recovery, the sugar production in the current season is likely to decline to 88 lakh tonne from the previous estimate of 90 lakh tonnes.

Business Standard

Friday, Feb 17, 2012

Iran trade sanctions worry India's tea exporters

BS Reporter / Ahmedabad Feb 17, 2012, 00:36

For, Iran is a major consumer of India's orthodox quality tea. It directly imports about 15 million kg every year from India, while another 50 million kg is exported through other routes, such as Dubai, industry insiders say. This is a high proportion of India's total tea exports in 2011, which was 187 million kg. India produced 988 million kg in 2011, of which about 80 million kg was orthodox tea, considered a more complex variety than the CTC tea. "The current situation in Iran is a major concern for exporters and producers. A decline in exports to Iran may prompt curtailing of orthodox tea production by 15-20 per cent and increase that of CTC," said Arun Singh, vice-chairman, Indian Tea Association (ITA), on the sidelines of an industry roadshow here on Thursday. "Such a situation would affect both the sides: We would lose precious foreign exchange earned from export of orthodox tea. And, with increased supply of CTC (largely consumed domestically), prices in the domestic market would start falling," he added.

In recent days, issues relating to payments from Iran have also cropped up. Earlier, the Reserve Bank of India (RBI) had scrapped the Asian Clearing Union currency swap system for these payments. In December last year, the American government had announced sanctions on all financial institutions dealing with Iran's central bank. "Many Indian tea exporters haven't received money, due to the lack of clarity on policy as well as on political developments in Iran. In the current situation, the industry requests the government not to follow the US-imposed sanctions on Iran, but to follow the trade protocol set by the United Nations," said Singh, who is also the managing director of Goodricke Group Ltd, a leading tea producer.

Meanwhile, sector experts also hinted at Pakistan emerging as an important destination for exports. "Pakistan's annual tea requirement is 228 million kg. In 2011, India exported about 24 million kg, more than India's targeted 20 million kg. We see further growth in exports to

Pakistan, but we need to be given most-favoured nation status (meaning no discriminatory tariffs),” said Azam Monem, chairman of the export promotion & marketing sub-committee of ITA.

He said Pakistan imposes 35 per cent duty on goods imported from India. “Imports from Bangladesh attract only seven per cent duty. We need such rates to increase the exports to Pakistan,” said Monem, director at McLeod Russel India.

India’s yearly per capita consumption of tea is 700 million kg, much less than Pakistan.

Zero anti-dumping duty on shrimp exports to US

George Joseph / Kochi Feb 17, 2012, 00:33

Giving relief to India’s seafood exports sector, the US Department of Commerce (DoC) has cut anti-dumping duty on frozen shrimp exports to nil. The decision will be effective from next year, when the seventh administrative review on anti-dumping duty completes in March 2013.

DoC is modifying its method of calculating the weighted-average dumping margins and anti-dumping duty assessment rate. Currently, it compares the transaction-specific export prices and average normal values to arrive at the value of dumping. However, DoC does not offset the amount of dumping.

Several World Trade Organisation (WTO) dispute settlement reports have found that the application of these methods by the US has been inconsistent with the world trade body’s obligations. Now, DoC has decided to calculate the weighted-average margins of dumping and anti-dumping duty assessment rates in a manner that offsets non-dumped comparisons while using monthly average-to-average comparisons in reviews. This may lead to de-minimum duty (below 0.5 per cent), which in effect carries zero anti-dumping duty on exports to the US.

The department is also modifying its five-year (sunset) reviews so that they not rely on weighted-average dumping margins that were calculated using the inconsistent methods. The Indian government had not taken the issue seriously earlier. In fact, it could have been implemented three years back if India had lodged a complaint before with WTO.

In its judgment, WTO said the US was violating global trade rules by using its controversial 'zeroing' method to impose anti-dumping tariffs on shrimps from Vietnam. In effect, the duties on shrimp imports from Vietnam were removed in August 2004. Earlier, countries like Argentina, Brazil, Canada, Ecuador, EU, Japan, Mexico, South Korea and Thailand had also won their zeroing cases at WTO.

In the first week of March 2011, DoC announced the preliminary results of the fifth administrative review (AR) of anti-dumping duty. The average duty for India had been reduced to 1.69 per cent from 2.67 per cent. The anti-dumping duty on frozen shrimp imports from India into the US was imposed with effect from August 4, 2004 and the levy was confirmed through the anti-dumping duty order dated February 1, 2005.

Castorseed declines 1% on weak spot market

Press Trust of India / New Delhi Feb 16, 2012, 15:40

Castorseed prices looked down by Rs 39 to Rs 3,826 per quintal in future trading today following increased selling by traders following weak spot markets sentiment.



Marketmen said heavy selling by traders, sparked by rising inventories and reduced offtake at prevailing higher levels in physical markets, mainly pulled down castorseed prices.

At the National Commodity and Derivatives Exchange, castorseed for delivery in March slipped by Rs 39, or 1.01% to Rs 3,826 per quintal, with an open interest of 11,880 lots.

The February contract shed Rs 23, or 0.57% to Rs 3,990 per quintal, clocking an open interest of 5,390 lots.

Turmeric falls over 3% on profit-booking

Press Trust of India / New Delhi Feb 16, 2012, 15:36



Turmeric prices fell by Rs 166 to Rs 4,958 per quintal in futures market today as speculators indulged in profit-booking following subdued demand in the spot market.

At the National Commodity and Derivatives Exchange, turmeric for delivery in April fell by Rs 166, or 3.24% to Rs 4,958 per quintal with an open interest of 14,040 lots.

The May contract moved down by Rs 144, or 2.88%, to Rs 4,966 per quintal in 6,260 lots.

Analysts attributed to fall in turmeric futures to profit-bookings by speculators, sluggish demand in the spot market mainly pulled down turmeric prices at futures trade.

They said estimates of higher output also dampened trading sentiment.

UP sugar output rises 13%, exceeds 4.5 mn tonnes

Virendra Singh Rawat / New Delhi/ Lucknow Feb 17, 2012, 00:24

The sugar production in Uttar Pradesh has exceeded 4.5 million tonnes (MT), which is 13 per cent higher compared to similar period last year. The state is targeting sugar output of 6.5 MT for this season against 5.9 MT during 2010-11.

Meanwhile, sugarcane farmers had so far been paid Rs 8,115 crore out of total dues of Rs 10,195 crore, which puts the payment percentage under 80 per cent.

Sugar mills get 14 days time for cane payments. Some weeks back, private mills had been making advance payments to farmers to get more cane. Currently, the cane dues payment percentage stands at under 80 per cent.

A sugarcane department official told Business Standard on Thursday that the government was contemplating issuing recovery certificates (RCs) against mills showing laxity in clearing dues.

So far, 125-odd mills had crushed 52 MT of sugarcane, which is about 16 per cent more than what had been crushed by this time last year.

According to Indian Sugar Mills Association (ISMA), pan-India sugar production stands at over 16 MT till February 15 compared to 14 MT in the corresponding period during 2010-11. ISMA maintained that domestic sugar production would be 26 MT in current season. On November 8, 2011, UP had hiked cane State Advised Price (SAP) by almost 20 per cent. The price of early variety of cane was increased Rs 40/quintal to Rs 250/quintal.

SAP of common variety, which accounts for over 60 per cent of total cane production, was increased by Rs 35/quintal to Rs 240/quintal. Early variety and rejected variety of cane account for about 20 per cent of production each. The price of rejected variety was fixed at Rs 235/quintal.

The government had said the hike would result in sugarcane payments of over Rs 15,000 crore to farmers during 2011-12 crushing season against Rs 13,000 crore last year much to the consternation of millers.

Natural rubber production up 3.7% in January

George Joseph / Kochi Feb 17, 2012, 00:22

An increase in natural rubber (NR) production in January has eased the pressure on the demand-supply gap in the domestic market. Production rose 3.7 per cent in January to 102,500

tonnes, compared to 98,800 tonnes in the same month of the previous year. Whereas, consumption during the month fell 2.4 per cent to 82,000 tonnes, compared to the previous month. The cumulative shortfall in demand-supply during April-January fell to 15,580 tonnes according to the latest figures of the Rubber Board. This was 38,385 tonnes during the April-December period.

The cumulative production in April-January increased 4.6 per cent to 784,400 tonnes. While the total consumption grew at a much slower pace to 799,980 tonnes, a rise of 1.3 per cent. The much slower growth in consumption eased the pressure on the domestic demand and supply.

Earlier this month, the tyre industry had demanded duty-free import of 100,000 tonnes of rubber in the next financial year to bridge the widening demand-supply gap.

Indian Rubber Growers Association (IRGA) general secretary Siby J Monippally said the shortfall is meagre and the consumer industries could avail the advance licence channel (duty entitlement passbook) to meet the domestic shortage, since the export of tyres were to the tune of Rs 3,600 crore.

During 2010-11, the rubber-based industry had imported 114,214 tonnes of NR through duty-free channel. The projection of production and consumption during 2012-13 are 942,000 tonnes and 100,60,00 tonnes, respectively. Therefore, shortage of only 64,000 tonnes, he said. Consumer industries will be entitled to import 130,000 tonnes without import duty on the strength of their exports. Till January-end, 162,927 tonnes were imported through the advance licences and reduced duty schemes.

Meanwhile, the International Rubber Study Group (IRSG) has forecast surplus production of NR in 2012. Global NR production is likely to rise 7.8 per cent to 11.8 million tonnes this year compared to 10.9 million tonnes in 2011. This is thanks to fresh production available from trees planted in the mid-2000s in major producing countries.

Global NR consumption may touch 11.7 million tonnes in 2012 as against 11.1 million tonnes in 2011. Thus, the shortfall of 159,000 tonnes in 2011 is expected to swing to a surplus of 81,000

tonnes this year, IRSG says. This trend may lead to a bearish phase in the rubber mart across the world in the current year.

THE HINDU Business Line

Retail tea prices set to rise by Rs 12/kg



Rising labour cost, falling output spoil the party

Mumbai, Feb. 16:

Retail tea prices are set to increase by Rs 10 to 12 a kg from April due to fall in output and sharp jump in labour cost.

Labour cost in tea producing centres such as Darjeeling, Assam and Bengal has gone up substantially leading to rise in operational cost, said Mr Arun N Singh, Vice Chairman of Indian Tea Association and Managing Director of Goodricke Group in a statement on Thursday.

SALARY HIKE

The recent wage revision of tea workers by 34 per cent in the gardens of West Bengal and the likely hike in salary revision in Assam may push up cost resulting in retail tea price hike, he said. Nearly 2.2 million people are directly employed in the Rs 10,000-crore tea trade in the country.

Assam is the largest tea producer in the country with 500 million kg a year, followed by Bengal having 240 million kg a year tea production capacity.

The country has produced 985 million kg of tea in 2011 as against 966 million kg produced in 2010. Exports are expected to touch 190 million kg against 193 million kg recorded in 2010.

The remaining 795 million kg will be available for the local market while the domestic demand is pegged at 860 million kg, there will be shortage and price increase in tea, said Mr Singh.

Mr Harendra Shah, President, Federation of Maharashtra Tea Traders Association and Chairman, Federation of All India Tea Traders Association said that the quality of tea produced by many tea estates has improved in last few years, but the packaging standards have not been up to the mark, resulting into deterioration of quality along with spillage and pilferage. ITA should recommend good and effective packaging of tea to all its members, he said.

Spot rubber turns weak

Our Correspondent



Kottayam, Feb. 16:

Domestic rubber prices turned weak on Thursday. In spot, the prices fell following the declines on NMCE. Heavy losses in the Japanese futures, subdued demand from major consuming industries and the uncertainty in the local scene kept the traders under pressure during the day. The trend was partially mixed.

Sheet rubber declined to Rs 186 (187.50) a kg according to traders. The grade dropped to Rs 186.75 (187.50) a kg both at Kottayam and Kochi as reported by the Rubber Board.

RSS 3 (spot) slipped to Rs 199.34 (200.06) a kg at Bangkok. The February futures declined to ¥298 (Rs 187.33) from ¥307 a kg during the day session but then remained inactive in the night session on the Tokyo Commodity Exchange.

Spot rates were (Rs/kg): RSS-4: 186 (187.50); RSS-5: 183 (184); ungraded: 178 (178); ISNR 20: 185 (187) and latex 60 per cent: 129 (130).

TN paddy procurement to touch new high

Our Bureau



Chennai, Feb. 16:

The State Government agency, Tamil Nadu Civil Supplies Corporation, estimates to procure about 26 lakh tonnes of paddy during the 2011-12 procurement season, according to an official press release.

The TNCSC, which handles paddy procurement for the public distribution system (PDS), has procured over 11.09 lakh tonnes of paddy during the ongoing season which extends up to September 31, 2012 (October-September).

Procurement, so far, includes 5.24 lakh tonnes of paddy procured (between October 1 and December 15, 2011) following the 'kuruvai' season, a short-term summer crop in the Cauvery delta areas, which is in itself a record, says the press release.

The release follows a review of the paddy procurement and PDS by the Tamil Nadu Minister for Food, Mr R. Kamaraj, said Rs 67.84 crore has been distributed as incentive price to the farmers. This is based on the State Government's decision to pay an incentive price of Rs 70 a quintal for fine variety (over the minimum support price of Rs 1,110) and Rs 50 a quintal for common varieties (MSP Rs 1,080 a quintal).

Over 1,451 paddy procurement centres have been opened and measures have been taken to ensure immediate procurement of paddy and payment.

As of December 31, 2011, 1.97 crore family cards for PDS are in use and they are being renewed for the current year up to February 28, 2012.

Storage infrastructure

The Tamil Nadu Warehousing Corporation's storage infrastructure is also being expanded. It now has a storage capacity of 6.42 lakh tonnes and the State Government has passed orders to construct nine godowns of 45,000 tonnes each at Madurantakam, Chinnasalem, Kovilpatti, Karaikudi and Aruppukottai, the release said.

Volume slides at Coonoor tea auction

P. S. Sundar



Coonoor, Feb. 16:

A volume of 11.01 lakh kg will be offered for Sale No: 7 of Coonoor Tea Trade Association auctions which will conclude on Friday, reveals an analysis of listing by brokers.

It is about 72,000 kg less than last week's offer but as much as 1.13 lakh kg more than the offer this time last year.

Of the 11.01 lakh kg on offer, 7.93 lakh kg belongs to the leaf grades and 3.08 lakh kg belongs to the dust grades. As much as 10.35 lakh kg belongs to CTC variety and only 0.66 lakh kg, orthodox variety. The proportion of orthodox teas continues to be low in both the leaf and dust grades.

In the leaf counter, only 0.39 lakh kg belongs to orthodox while 7.54 lakh kg, CTC. Among the dusts, only 0.27 lakh kg belongs to orthodox while 2.81 lakh kg, CTC.

Cold bite

The volume offered for sale would have been higher had it not been for last month's frost-bite in the Nilgiris. "About 812 hectares out of 6,502 hectares in our membership have been hit. This is the severest of the last three years – 177 hectares in 2011, 192 in 2010 and 750 in 2009", Mr Suresh Jacob, Chairman, Nilgiri Planters' Association, told *Business Line*.

Survey on for crop damage in Maharashtra vineyards



Mumbai, Feb. 16:

The severe winter has receded across Maharashtra but the grape farmers are yet to recover from the 'cold shock'. The sudden drop in the night temperature, especially in early February, has taken a toll on vineyards across the State. In Nashik district alone, about 40 per cent of the crop has been destroyed.

The vines have shed their leaves and the sugar sap in the grape fruits has fallen. A senior Maharashtra Government official told *Business Line* that the “local revenue department has already started surveying the vineyards for crop damage. Survey work has commenced in Nashik, Solapur and Sangli but the data are still being compiled. Preliminary estimates show that farmers in the Nashik are have suffered losses of about Rs 1,300 crore,” the official said.

Brix measure

The State produces about 75 per cent of the total national production of grapes. Vineyards are spread over 2.5 lakh acres, of which 1.5 lakh acres are in Nashik district.

Mr Ashok Gaikwad, Vice-President, Maharashtra State Grape Growers Association, said that due to near-freezing temperatures in February, the dew drops on the leaves turned to ice, which in turn destroyed the leaves and grape bunches. Vineyards closer to rivers and canals suffered more damage, he added.

Vineyards growing wine grapes are in bigger trouble because the Brix, which is a measure for sugar content in the grapes, has fallen below the 22 mark. Such grapes are not suitable for wine-making, Mr Gaikwad said.

Inadequate compensation

“Our farmers make investments of about Rs 1.5 lakh per acre but when the crop fails they don't even get Rs 20,000 as compensation from the State Government. Crop insurance companies also do not give adequate cover to vineyards,” Mr Gaikwad said.

Mr Dilip Maule, a farmer from Niphad sub-division in Nashik, who has lost a four-acre vineyard to the freezing weather, said that the maximum destruction took place on the night of February 8.

“Farmers with fields closer to the canals had let water flow freely in the vineyard before February 8, as they wanted better absorption of water in the vines. When the temperature plummeted, the water froze, destroying the vines,” Mr Maule said.

Sugar output up 15% at 16 mt till mid-Feb



New Delhi, Feb. 16:

Sugar output is up 15 per cent at 16.13 million tonnes in the October-February 15 period of the 2011-12 season, on higher cane area and recovery, said the Indian Sugar Mills Association (ISMA). In the corresponding period last year, the sugar output stood at 14 million tonnes.

Maharashtra leads the States in output and has so far produced 5.66 million tonnes, up 14 per cent over previous year. The recovery rate is marginally higher at 11.20 per cent in the State, ISMA said in a statement.

Similarly, output in Uttar Pradesh is up 13 per cent at 4.51 million tonnes on account of higher cane crushing during the period. However, the recovery is lower at 8.75 per cent as against 8.96 per cent in the previous year.

ISMA said 524 mills across the country were operational as against 502 in the previous year. The Southern States of Karnataka, Tamil Nadu and Andhra Pradesh have also reported a higher output this year. Production in Karnataka stood at 2.53 million tonnes, while in Andhra and Tamil Nadu it was 7.3 lakh tonnes and 7.1 lakh tonnes respectively.

ISMA, which initially projected the 2011-12 output at 26 million tonnes, maintained its estimates for the year. Last year, India had produced 24.2 million tonnes, while the annual demand for the sweetener is estimated at 22 million tonnes.

Recently, the Government has decided to allow additional exports of 1 million tonnes for the current season. So far, the Sugar Directorate has issued permits to export 9.47 lakh tonnes from the earlier tranche of 1 million tonnes.

Onion export floor price cut to \$125/tonne

Our Bureau

New Delhi, Feb. 16:

The Government has cut the minimum export price (MEP) of onion further to \$125/tonne, but trade sources said the move will not be of much help as the current season is coming to an end.

“The MEP of all varieties, excluding Bangalore Rose Onions and Krishnapuram Onion will be \$125/tonne,” the Director General of Foreign Trade (DGFT) said in a notification late Wednesday. The exports of all premium varieties like Bangalore Rose and Krishnapuram will continue to be at \$250/tonne, it said.

This is the second such instance in recent weeks where the Government has reduced the MEP to boost the slowing exports. In January, the MEP was reduced to \$150/tonne from \$250/tonne.

Onion exports which doubled from Rs 1,035 crore in 2007-08 to Rs 2,319 crore in 2009-10 have since slowed down on higher MEP. In 2010-11, the exports stood at Rs 1,741 crore.

“While the reduction in MEP is intended to help boost exports, it would not help much as the current season is coming to an end. If the MEP was reduced earlier, it could have helped exports,” said Mr Rupesh Jaju, Director of United Pacific Agro Ltd.

“Moreover, the onion that's currently coming into the market has a low shelf life as we are towards the end of the season,” Mr Jaju said. The new season would begin sometime in March, he added.

India is the second largest producer of the onions, which are known for their pungency.

Bangladesh, Malaysia and Sri Lanka are the top three markets for the Indian onion exports.

EU, US in trade tie-up for organic products

The organic products market is valued at around \$60 billion. The EU and the US make up \$50 billion of this. Germany stands to gain as its contribution to the organics market is \$6 billion.

NUREMBERG (GERMANY), FEB. 16:

The US and European Union have entered into a historic trade arrangement that will pave way for organic products certified in the US or Europe to be sold in either region from June 1.

The US-EU Organic Equivalence Cooperation, as the pact is called, brings the two largest organic producers and markets together to promote organic farming.

The organic products market is valued at around \$60 billion.

The EU and the US make up \$50 billion of this. Germany, in particular, stands to gain as its contribution to the organics market is \$6 billion.

The agreement follows a lot of negotiations and thorough onsite audits on both sides to ensure that regulations, quality control, certification requirements and labelling practices were compatible.

The agreement eliminates the need for certification in Europe and the US for an organic product manufacturer.

PLANS FOR INDIA TIE-UP?

“This partnership eliminates significant barriers, especially for small and medium producers,” said Ms Kathleen Merrigan, US Agriculture Deputy Secretary.

“Organic farmers will benefit on either side from easier access, with less bureaucracy and lower costs to both US and EU markets,” said Mr Dacian Ciolos, the EU Commissioner responsible for agriculture and rural development.

Queried if either the EU or the US was planning such an agreement with India, Mr Isi Siddiqui, the US Trade Representative's chief agricultural negotiator, said: “India will have to make a request among other things.”

However, given the differences in mercantile trade with the US and the EU, it could take longer.

“We have begun some process with India,” said Mr Ciolos. However, the cooperation arrangement is not an agreement as there were “small” differences between the EU and the US.

DIFFERENCES OF ANTIBIOTICS USE

According to Ms Beta Huber of the Research Institute of Organic Agriculture, Switzerland, the arrangement excludes apple and pear exports from the US and livestock products shipments from the EU.

This was due to differing views on the use of antibiotics. The US regulations prohibit use of antibiotics except to control bacterial infections such as fire blight in organic apple and pear orchards.

The European Union allows antibiotics only to treat infected animals.

“For such products, additional documentary evidence will be required,” said Ms Huber.

The arrangement has now led to a call for such “equivalence agreements” with other countries too as India, China and Brazil, for example, have a considerable number of farmers practising organic farming.
