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## Concerted efforts urged to improve farm sector performance

Special Correspondent



### Decline in food grains output

- Area under food grains is expected to drop from 80.29 lakh hectares in 2010-11 to 70.60 lakh hectares
- Total production of food grains for 2011-12 estimated to decline by 30 lakh tonnes

*Growth rate declines to 6.06 per cent in 2011-12 from 18.44 in 2010-11*

With steep decline in the growth rate of agriculture sector becoming a matter of concern, experts want the government to make concerted efforts in a focussed manner to reverse the trend in the coming years.

The growth rate of the sector as a whole declined to 6.06 per cent in 2011-12 from 18.44 in 2010-11, while that of agriculture alone registering a negative growth of (-1.49 per cent). However, the annual plan for 2012-13 projected the sector's growth rate to be around 6 per cent during the 12th Five-Year-Plan. The production of food grains for 2011-12 is estimated to decline by about 30 lakh tonnes over the previous year—a decrease of 14.81 per cent from 203.14 lakh tonnes in 2010-11 to 173.05 tonnes in 2011-12.

Former economic advisor to State government D.A. Somayajulu said there was a substantial loss of Rs.18,000 crore during 2009-10 with a huge drop in food grain output compared to the

previous year. Although the situation recovered during 2010-11, the State government messed it up by mismanagement.

The government failed in ensuring payment of MSP to farmers, which was a solemn assurance that had to be honoured. With the Food Corporation of India not buying the required quantity and the farmers unable to dispose of the stocks, the situation forced the distressed farmers to declare 'crop holiday'.

He, however, said that if proper attention was paid to all the allied fields, including horticulture and fisheries, the agriculture sector's growth could be bettered.

A senior faculty member of A. P. Agricultural University said that 60 per cent of the productivity would depend on climate and 40 per cent on other factors such as inputs and management of pests. He expressed confidence that agriculture alone could achieve a growth rate of 4 per cent in the coming years if the nature was benevolent and irrigation projects completed speedily.

### **Free enterprise**

He also suggested that agriculture should be treated as a free enterprise without any restrictions on movement of farm produce. Such a decision could turn it into a profit-making sector. The problem faced by a farmer was that all inputs used by him were in open market but the output was restricted. Why should farm produce be restricted when everything else was liberalised? State BJP's Kisan Morcha chief Shyam Kishore said that less allocation, increased costs, lack of labour and credit were some of the main reasons for decline in food grain output.

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### **Manmohan worried about farm technologies not reaching farmers**

Gargi Parsai



Agriculture Minister Sharad Pawar confers IARI's honorary doctorate of science on Prime Minister Manmohan Singh at the Golden Jubilee Convocation of the Indian Agriculture Research Institute in New Delhi on Monday. Mos Harish Rawat and agriculture scientist M.S. Swaminathan are at right. Photo: Rajeev Bhatt

Farm technologies are not reaching farmers on the ground, Prime Minister Manmohan Singh observed here on Monday and said "it represents the failure of the system."

He was speaking at the Golden Jubilee convocation of the Indian Agricultural Research Institute (IARI) here.

The annual farm growth rate was expected to be 3.5 per cent in the 12th Plan period ending this year, he said, but there was concern over the gap between crop yield per hectare and the achievable potential under ideal farming practices.

"It is the job of the administration to close this gap and our farm strategy must prioritise this effort," he pointed out.

"The 3.5 per cent per annum growth rate is commendable but we must improve upon it to reach 4 per cent or even higher in the 12th Plan," he said, adding that this would require a determined effort by the Centre and the States.

The Prime Minister's remarks came after Union Agriculture Minister Sharad Pawar presented him with a scroll conferring the honorary doctorate of science by the Institute. Mr. Pawar is president of the Indian Council of Agricultural Research, IARI's parent body.

Dr. Singh said he was worried that the agriculture

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## Switch to organic farming, farmers told

Special Correspondent

*Government ready to help market their products: Collector*



Good work: The Nilgiris Collector Archana Patnaik distributing prizes to farmers at the CSWCRTI at Rees Corner near Udhagamandalam on Tuesday.

Farm Innovator Day was celebrated under the aegis of the Central Soil and Water Conservation Research and Training Institute (CSWCRTI) at Rees Corner near here on Tuesday.

Inaugurating the programme, the Nilgiris Collector Archana Patnaik urged the farmers to switch to organic farming. The government will extend a helping hand in marketing their products, she said.

Underscoring the need to bring about a mindset change among farmers, she said that they should personally take care of their lands and become technology savvy. Over dependence on subsidies should be eschewed.

Stating that farmers should go in for bench terracing by using vegetative barriers, she said that the productivity of the soil should be enhanced.

The Project Director, Hill Area Development Programme (HADP), Sreenivas

R. Reddy, who presided lamented that problems on the farm front are on the rise and interest in farming is declining on account of peculiar soil and water conservation problems here.

He urged the farming community to make use of the expertise of the CSWCRTI and try out new varieties released by the Tamil Nadu Agricultural University.

## **Innovation**

Innovation is the order of the day, he said and added that innovative farmers should share their knowledge with others. The head, CSWCRTI, O.P.S. Kholā said that without the unstinted cooperation of the farmers no farm related programmes can be implemented.

Senior Scientist K. Kannan welcomed the gathering. Scientist V. Selvi proposed a vote of thanks. Six farmers from the Nilgiris and neighbouring districts who adopted innovative technologies developed by the Institute were recognised with farm innovator awards.

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## **Maize catches fancy of East Godavari farmers**

K. N. Murali Sankar

*Steady increase in demand and price of the crop*

At a time when farmers of paddy, pulses and tapioca in the district are in a despondent mood, their counterparts cultivating maize are happy with the yield and the readily available market to their produce. Most sought after by many agro-based industries, maize remains the lone agriculture produce for which there is a steady increase in demand and price.

No wonder, the extent of land on which maize is being cultivated in the district has been increasing gradually.

Once confined to the island villages amidst the Godavari, the crop is now being sown even by farmers in upland areas, where the availability of water is scanty.

“In the last 10 years, the average extent of land allocated for maize is 6,907 hectares, whereas the same for the current rabi season is 7,447 hectares,” says P.L.R.J. Praveena, coordinator of the District Agricultural Advisory and Transfer of Technology (DAATT) centre of Acharya N.G. Ranga Agriculture University.

## **Positive response**

The positive response from farmers to the crop is prompting agriculture scientists to conduct further research into maize and invent a new variety, which is more beneficial to the peasantry.

Now the average height of fully grown maize sapling is seven feet.

Since the region is cyclone prone, there is every possibility of gales destroying the crop at least to some extent. "We are working on inventing a variety of low height with high yield. The new variety will be released in a year or two," says S.V.S. Gangadhara Rao, senior scientist, Agriculture Research Station in Peddapuram.

As of now, the yield is about 35-40 tonnes per acre at the end of five-month-long cultivation and the price per quintal is about Rs. 1,200. "Traders begin doing rounds at the fields even before the commencement of crop cutting.

More than the farmers, the traders are benefiting from the crop," says Vattikuti Venkateswara Rao, a farmer.

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### **Mulberry farmers given subsidy**

Thirty-three farmers were given over Rs. 2 lakh as subsidy to cultivate mulberry plants by the Sericulture department. The subsidy cheque was given by the Collector, C.N. Maheshwaran, during the weekly grievances day programme at the collectorate on Monday.

Presiding over the grievances day programme, Mr. Maheshwaran received 157 petitions, including 64 from women, and instructed the officials concerned to take immediate action on the petitions.

C. Prakasam, District Revenue Officer, and Assistant Directors, Sericulture Department, P.A. Kathirvel and G. Theerthagiri participated, according to a release.

### **Share**

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### **Paddy harvest in full swing in many areas**

L. Srikrishna

*20,400 tonnes procured through direct procurement centres*

Paddy harvest in the district is going on in full swing that an estimated three-fourths area had been covered, said Agriculture Department officials here on Tuesday.

So far, 20,400 tonnes of paddy had been procured through the Tamil Nadu Civil Supplies Corporation (12,000) and the Cooperatives Department (8,400), which have established the direct procurement centres (DPC).

Collector U. Sagayam had informed at a recent farmers' grievance day meeting that 80 DPCs were functioning and wherever more such centres were required, the officials would examine the modalities and open them in those places.

### **Selling process on**

Presently, farmers are in the process of selling their produce at Melur, Perayur, Usilampatti, Tirumangalam and surrounding areas.

Since the sowing season in Vadipatti taluk is behind schedule, harvest in that area would begin in about a fortnight.

The officials said that the yield was good in these areas. On an average, it was around seven tonnes per hectare, almost similar to the last season. The system rice intensification (SRI) method adopted in a majority of the areas in the district had facilitated in boosting the production and productivity.

Even as fine variety of paddy (ponni) fetched a good price from merchants, common variety paddy got a fair price as the DPCs paid Rs. 11.80 per kilogram. A vendor in Nelpettai here said that high quality paddy was in good demand in Mysore and lorry movement was picking up.

### **Interference**

Though a majority of the farmers expressed satisfaction over the arrangements made by the district administration in opening the DPCs, interference from local political functionaries and anti-socials' had irked them.

According to farmers, there were problems at a few DPCs in Chellampatti, Kancharampettai, Pudu Tamaraipatti, and Vagaikulam areas. Anti-social elements demanded a "cut" from the farmers under some pretext or the other at the time of disbursement of money. In some other locations, men from political parties wanted a "cut" for each bag. In one village, a temple priest demanded money from the farmers following which functioning of the DPC was suspended.

Still, farmers largely expressed satisfaction as the presence of senior officials, including the Collector, ensured that problems were solved then and there locally.

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- *Harvest in Vadipatti taluk will begin in about a fortnight*
  - *Average yield in district is seven tonnes per acre*
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Published: February 22, 2012 00:00 IST | Updated: February 22, 2012 04:24 IST

### **Steady increase in egg price continues**

M.K. Ananth

The poultry hub has witnessed a steady increase in wholesale egg price as it has increased from Rs. 2.35 on February 5 to Rs. 2.80 on Monday (up by 23 per cent). The Rate Fixation Committee of the National Egg Coordination Committee (NECC), Namakkal Zone, increased its price by nine paise from Rs. 2.71, on Saturday.

This is much higher than the commodity's price during the same season in 2011, when its price dropped drastically from Rs. 2.35 in the second week of January to Rs. 2.10 in the third and fourth weeks. Average price in February during the yesteryears has been much lower at Rs. 2.25 (2011), Rs. 2.40 (2010) and Rs. 1.97 (2009), but this month the average so far is around Rs. 2.52.

According to an NECC source, the driving force behind this hike was the unexpected extension of winter in the northern states. "Usually the winter in those states came to an end by the end of January but this time it is likely to prolong till the end of this month," he said and added that this has led to increase in egg consumption and triggered good price for egg.

"Though eggs from Namakkal is not going to the North, there is a slight increase in the consumption in the domestic markets – Tamil Nadu (110 lakh eggs a day) and Kerala (90 lakh eggs a day) – as the weather is cold during the morning hours," the official said.

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KOLAR, February 22, 2012

### **Sericulture farmers launch letter campaign**

The former Agriculture Minister K. Srinivasa Gowda on Tuesday launched the letter campaign of sericulture farmers who are suffering losses following the cut in customs duty on raw silk imports.



Mr. Gowda signed the letter addressed to Prime Minister Manmohan Singh urging restoration of the customs duty to 30 per cent. It was reduced to 5 per cent in the 2011-12 budget.

The All-India Struggle Committee Against Duty-free Silk Import had organised the campaign at the Government Silk Cocoon Market here.

Addressing sericulture farmers, committee convener and Karnataka Prantha Raitha Sangha general secretary G.C. Bayya Reddy alleged that "unscientific" policy of the Centre was ruining the lives of farmers and reelers in the sericulture sector.

"The steep crash in the prices of cocoons following the cut in the customs duty has affected the lives of lakhs of farmers," he said. Sericulture farmers from prominent silk producing States such as Karnataka, Tamil Nadu and Andhra Pradesh apart from Kerala, Maharashtra, West Bengal and Jammu and Kashmir would take part in the letter campaign, he added.

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**hindustantimes**



Wed, 22 Feb 2012

**weather**






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Delhi

Delhi - INDIA

Today's Weather		Tomorrow's Forecast	
	Wednesday, Feb 22		Thursday, Feb 23
Sunny	Max 29.3°   Min 11.1°	Partly Cloudy	Max 27°   Min 13°
Rain: 00 mm in 24hrs	Sunrise: 7:14		
Humidity: 77%	Sunset: 17:48		
Wind: Normal	Barometer: 1010		

## Extended Forecast for a week

Friday	Saturday	Sunday	Monday	Tuesday
Feb 24	Feb 25	Feb 26	Feb 27	Feb 28
				
26°   13°	25°   12°	25°   11°	24°   13°	25°   14°
Sunny	Sunny	Cloudy	Sunny	Sunny

# THE ECONOMIC TIMES

## Commodities

22 FEB, 2012, 02.11AM IST, MADHVI SALLY,ET BUREAU

### Palm oil prices to jump on higher China import

AHMEDABAD: Palm oil prices have hit an eight-month high due to higher imports by China, forcing Indian companies to raise retail prices for the third time in four months.

Palm oil is India's most popular oil, with a 45% share of the edible oil market.

"Soya oil and refined palm oil prices have increased by \$40-70 a tonne in the last one month. An immediate price increase of Rs 1-2 a litre on consumer packs will take place," said Angshu Mallick, chief operating officer, Adani Wilmar, which owns India's largest selling cooking oil brand Fortune.

The company crushes a million tonne of soyabean annually and exports 1-1.2 million tonne soya meal, apart from handling 8-10 lakh tonne of refined palm oil. Since November, edible oil companies have raised retail prices by Rs 4-5 a litre owing to the weakening of the rupee. Currently, edible oil consumer pack prices range from Rs 60 to Rs 70 a litre.

"We might see prices remaining at the same level with a likely upward trend," said Cargill India chairman Siraj Chaudhry. In India, Cargill owns edible oil

brands NatureFresh, Gemini and Sweekar.

Most edible oil companies expect the volatility in edible oil prices to continue till Holi. "Prices will stabilize in India after Holi as the new mustard crop's availability will peak. Also, the just-cropped palm oil production will begin in May-June in Malaysia and Indonesia which might ease pressure on prices," said an official from Ruchi Soya.

The company, the third largest player in the refined oil business, will be increasing the price of Nutrela Soyumm (soyabean oil) consumer packs by Rs 2 a litre and the Ruchi Gold (palmolein oil) consumer packs by Rs 1 a litre.

However, the industry is waiting for the new mustard/rapeseed crop production figures. According to second advance estimates, the oil seeds crop for 2011-12 is projected to drop by 6% to 30.53 million tonne owing to uneven rains in the kharif season and low pre-winter rains in the northern region. Analysts expect mustard production to be at 65 lakh tonne compared to 70 lakh tonne in 2011.

"Since 2008, there has been a lot of volatility in the edible oil business, which might continue due to challenges in the supplies of raw material. Even as the country had a bumper soyabean crop, a fall in the US crop size and an expected smaller crop in South America due to drought have impacted Indian edible oil manufacturers," said Sandeep Bajoria, CEO of Sunvin Group, a vegetable oil consultancy firm.

According to traders, palm oil prices are supported by the tight supplies and increasing global demand, particularly from China. On Tuesday, crude palm oil futures for delivery in March were firm by 0.35 % to Rs 547.50 per 10 kg on the Multi Commodity Exchange.

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Consumer inflation 7.65% in Jan

**Agencies** Posted online: Tue Feb 21 2012, 11:58 hrs



**New Delhi** : Inflation based on the all India Consumer Price Index stood at 7.65 per cent in January, as per the first nationwide retail inflation data released by the government today.

While 'food and beverages' reported a moderate rate of price rise of 4.11 per cent year-on-year in January, the inflation numbers for fuel and light, and clothing, bedding and footwear segments were in double-digits.

Overall retail inflation in rural and urban areas stood at 7.38 per cent and 8.25 per cent in January, respectively.

"There was a long pending demand of ministries and various users for a comprehensive consumer inflation rate. To meet this demand, annual inflation rates based on this broad based CPI series for January 2012 are released today," Minister of State (Independent Charge) in the Ministry of Statistics and Programme Implementation Srikant Jena said.

The all India CPI will be in addition to the three retail price indices – for agricultural labourers, rural labourers and industrial workers – prepared by the Ministry of Labour.

The new nationwide CPI is being prepared by the Ministry of Statistics and Programme Implementation (MOSPI) and is eventually expected to replace the Wholesale Price Index (WPI) as the benchmark inflation.

Vegetables were cheaper by over 24 per cent on a nationwide basis in January over the same month last year. However, other food and beverages reported a rise in prices. In rural and urban areas, inflation in the category stood at 4.18 per cent and 3.98 per cent, respectively.

Milk and milk products became 16.53 per cent more expensive on an annual basis, while price of oils and fats went up by 13.47 per cent in January. Condiments and spices became dearer by 11.83 per cent and fruits by 10.62 per cent in the month.

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### **Sugar mills yet to pay dues to cane farmers**

TUESDAY, 21 FEBRUARY 2012 22:49

RAJENDRA S MARKUNA | HALDWANI

Sugarcane crushing season is now at its fag end, but different sugar mills including the public sector ones are yet to pay Rs 25,669.15 lakh out of the total due of Rs 64,146.91 lakh (which is about 40 per cent), to the cane farmers in the State.

As the figures provided by the office of the cane commissioner suggest, among the public sector sugar mills, the Doiwala sugar mill, owes Rs 1,970.31 lakh out of Rs 4,200 lakh to the cane farmers which is about 46.91 per cent, while another public sector giant, the Kichha sugar mill owes Rs 2562.07 lakh out of Rs 5,762.62 lakh which is about 44.46 per cent.

Similarly, among the four co-operative sector sugar mills, the Nadehi sugar mill owes a maximum 55.25 per cent to the farmers with Rs 1,940.30 lakh out of a total dues of Rs 3,511.71 lakh remaining as balance followed by the Gadarpur sugar mill owing Rs 1,931.90 lakh (46.16 per cent) out of Rs 4,185.24 to the cane farmers in the hill State.

In the meanwhile, the Sitarganj co-operative sugar mill is yet to clear about 42 per cent of the total dues i.e.

Rs 3,840.75 lakh as it has so far been able to pay only about Rs 2,227.67 lakh to the cane farmers, while the dues that have to be paid by the Bazpur cooperative sugar mill are hovering around Rs 2,742.50 lakh which is about 41.19 per cent of the total dues Rs 6,658.30 lakh, according to the figures provided by the cane commissioner office.

Interestingly, the private sector sugar mills seem to be a bit punctual to clear their dues as compared to their public or cooperative sectors counterparts. Whereas the public sector as well as the cooperative sector enterprises has been able to clear on an average about 54.51 per cent and 54.78 per cent respectively of their respective outstanding dues, the private sector sugar mills have been so far able to manage to pay about 64.13 per cent of their total dues.

Among the four private sugar mills, the Laksar sugar mill seems to have been able to manage its financial liabilities better as compared to its rivals. It owes only around Rs 4,398.93 lakh which is 29.52 per cent of the total dues of Rs 14,903.39, followed by the Libberhedi (pvt) sugar mill facing dues worth Rs 3,386.08 which is about 35.94 per cent of the total amount Rs 9,422.22 lakh, as the figures suggest.

The two other private sector companies i.e. the Kashipur sugar mill owes Rs 1,840.50 lakh out of Rs 3,994.00 lakh which is about 46.08 per cent, while the Iqbalpur sugar mills is yet to pay Rs 3,283.48 lakh out of Rs 7,668.74 lakh which is about 57.18 per cent.

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## Business Standard

Wednesday, Feb 22, 2012

**Global surplus to restrict India's sugar export potential**

**BS Reporter / Mumbai February 22, 2012, 0:18 IST**

Excessive availability of sugar this year is unlikely to deter Indian exporters to intensify supplies to global markets and increase realisation this year. Reeling under severe

financial stress, Indian sugar companies are looking for opportunities for higher realisation from overseas markets with permission from the local government.

A report released by the Rabobank forecast the global sugar production to outpace demand for the second consecutive year by six to eight million tonnes (mt) for 2012-13. Another report by Barclays Bank also estimates global markets to remain in surplus to the tune of 5.4 mt, despite lower production in Brazil.

Barclays estimates global 2011-12 sugar production will grow 4.2 per cent year-on-year, due to higher-than-expected output in Europe, as well as in key producing countries, like Australia, India and Thailand, as favourable weather and prices have led farmers to boost plantings and help offset the decline in Brazil. The global sugar output in 2011-12 is projected at a record 173 mt.

“This will surely restrict India’s opportunity to access global markets at high prices. But, much would depend on sugar output and quantum of direct conversion of ethanol from cane,” said a senior official from a leading producing company.

Brazil’s sugarcane production is expected to rise to 520 mt in 2012-13. The country, crushed around 492 mt in 2011-12. Barclays forecast Brazilian sugar production to reach only 35.8 mt in 2011-12, a decline of 5.8 per cent y-o-y.

“About a month ago, sugar price in the global markets surpassed \$700 a tonne, which plunged to \$650 a tonne now. The current prevailing price in the Indian market still offers attractive opportunity for supply to overseas market,” the official said.

Presently, the price of sugar remains fairly well supported, largely owing to perceived shortage of export availability against the import demand. The total global cane production is estimated at 522 mt. According to India’s sugar companies, output is expected to be more than 26 mt and consumption 22 mt.

The government of India had allowed one mt of exports under open general licence so far. Speculation is rife the government will allow another one mt of exports in the review meeting scheduled next week.

An increase in India's exportable surplus and strong production prospects in key Northern Hemisphere producers will limit the upside on prices. The important questions for the sugar market in 2012 will be whether cane output in Brazil recovers after a production setback, when and how much Brazilian cane will be converted into ethanol instead of sugar, and the outlook for Indian sugar exports.

On the back of higher production in major sugar growing countries, global prices are likely to remain under pressure during 2012-13. On the Inter-Continental Exchange (ICE), sugar for March delivery traded at 23.94 cents on February 3. While, on India's National Commodity and Derivatives Exchange (NCDEX), sugar for February delivery traded at Rs 2,914 on February 6.

On the National Multi Commodity Exchange, sugar for March traded down 0.345 during the last week from Rs 2,891 a quintal to Rs 2,881 a quintal. Sugar for March delivery in ICE rose 0.16 cents to 24.86 cents per lb on February 21. On the NCDEX, the commodity traded at Rs 2,869 a quintal.

According to Barclays, a key influence of the market outlook in 2012 will be the manner in which the price of ethanol will influence the decision of Brazilian mills to allocate cane to produce sugar or ethanol. The end of US government subsidies and trade barriers to Brazilian ethanol bodes well for Brazilian ethanol producers in the long term and could prompt renewed investment. But exports are unlikely to increase in the near term due to Brazil struggling to meet its domestic demand.

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### **Revised Tufs may apply to Jun '10-Apr '11 period too**

**BS Reporter / Mumbai February 22, 2012, 0:20 IST**

The revamped Technological Upgradation Fund Scheme (Tufs) has received poor response this year. As a result, the textile ministry is likely to extend the revised Tufs to the 'blackout period', a top ministry official on Tuesday here said.

"We can consider going to the blackout period, subject to maintaining the same discipline as that of the revised one. So, going in that direction, probably if everything goes as we are planning, the revised Tufs coverage may be extended to the blackout period," textile



commissioner A B Joshi said here on the sidelines of Texpo, a buyers-sellers meet.

The blackout period for the industry is considered to be from June 2010 to April 2011. The government had suspended the modified Tufts in June 2010 and restored the revised Tufts in April 2011. No funding support was available to the industry during this period. "So far, only Rs 160 crore out of the total of Rs 1,972 crore has been subscribed," Joshi said.

Expansion projects have been put on hold and the response has been poor. Also, demand from international markets is limited due to the current euro zone crisis and the economic uncertainties in the US, which have also affected the industry, as these are major markets for Indian textile exporters.

The textile ministry is hoping for at least Rs 400 crore worth claims by the end of the current financial year. Tufts was first introduced in 1999 and received an encouraging response. The total subsidy released was Rs 11,200 crore, of which Rs 8,883 crore was issued in the last three years. Tufts is estimated to have catalysed investments worth Rs 2,08,000 crore since its inception.

#### **Jeera down 1.78% on increased supplies**

**Press Trust of India / New Delhi February 21, 2012, 15:35 IST**



Jeera futures prices fell by Rs 256 to Rs 14,131 per quintal today on speculators off-loading their positions following increased supplies in the physical market against subdued demand.

Expectations of higher output this year also put pressure on jeera prices.

At the National Commodity and Derivatives Exchange, the April contract for jeera fell by Rs 256, or 1.78%, to Rs 14,131 per quintal in open interest of 10,518 lots.

The March contract lost Rs 230, or 1.63%, to Rs 13,888 per quintal in 12,981 lots.

Analysts said increased supplies in the physical market against subdued demand mainly pulled down jeera futures prices.

They said hopes of higher output also dampened the trading sentiment.

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### Potato gains 0.37% on pick-up in demand

Press Trust of India / New Delhi February 21, 2012, 15:06 IST



Amid pick-up in spot demand, supported by the ongoing marriage season, potato prices rose by Rs 2.90 to Rs 786 per quintal in futures trade today on speculators increasing their positions.

At the Multi Commodity Exchange, the May contract for potato rose by Rs 2.90, or 0.37%, to Rs 786 per quintal in business turnover of 10 lots.

Potato prices for delivery in April traded higher by 70 paise, or 0.09%, to Rs 756 per quintal in 57 lots.

Analysts said pick-up in demand in the spot market in view of the marriage season mainly led to the rise in potato prices at futures trade.

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### Pepper up 1% on tight supplies

Press Trust of India / New Delhi February 21, 2012, 14:52 IST



Pepper futures prices gained Rs 310 to Rs 31,390 per quintal today, as speculators enlarged their positions, tracking a firming trend at spot market against tight supplies.

Expectations of lower output and a fresh overseas inquiries supported the uptrend.

At the National Commodity and Derivatives Exchange, the March contract for pepper shot up by Rs 310, or 1%, to Rs 31,390 per quintal, with an open interest of 4,049 lots.

The April contract moved up by Rs 305, or 0.97%, to Rs 31,770 per quintal in 1,086 lots.

Analysts said increased positions built-up by speculators on pick-up in spot demand and reports of lower crop estimates led an upsurge in pepper prices at futures market.

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# THE HINDU Business Line

## Inflation, oil prices are major threats, say CFOs

Our Bureau

*Many believe 2012 will buffer them from economic pressures*

Mumbai, Feb. 21:

Chief Financial Officers (CFOs) in India were optimistic about the current state of the domestic economy and ranked it 6.1 out of 10 in a survey.

Indian CFOs felt that the greater threats to India were inflation, oil prices and the economic slowdown rather than the global economic factors, according to a survey conducted by Bank of America Merrill Lynch.

The survey was conducted between October and December last year. This report — which is the first CFO Asia outlook survey — has taken responses from 465 CFOs across seven countries — Australia, China, India, Hong Kong, Japan, Korea and Singapore. Responses from 100 Indian CFOs were taken in the survey.

To gauge the market outlook, BofA-ML will conduct a pulse survey during mid-2012 before they release their 2013 report.

CFOs in Asia believe that 2012 will buffer them from economic threats in Europe and the US. As compared with the other countries in Asia, India is more inward looking and, therefore, more insulated from negative global trends, said the survey.

58 per cent of the CFOs in Asia forecast revenue to increase at their companies in 2012. Nearly 77 per cent Indian CFOs felt that revenues would increase during the year. The survey also pointed out that Indian CFOs were putting more emphasis on gaining market share rather than

profit growth. 2012 is also likely to see a continued expansion of trade within Asia, the survey said.

The majority of the CFOs did not expect their borrowing needs to increase in 2012. Indian CFOs may require financing for both domestic and international expansion as well as for capital expenditure. They were also second most likely to need financing for acquisitions and working capital, according to the survey.

Most CFOs were of the opinion that they were looking for acquisitions in their home nation. Around 34 per cent of the CFOs surveyed expect to participate in a merger or acquisition in 2012. The most cited reason for planned M&A was to ensure growth followed by industry consolidation.

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### **Oil prices lower over Greek reform concerns**

PTI

Singapore, Feb. 22:

Oil was lower in Asian trade on Wednesday concerns that Greece may face difficulties delivering on tough economic reforms after clinching a huge bailout from its eurozone partners, analysts said.

New York's main contract, light sweet crude for delivery in April, was down 45 cents at \$105.80, while Brent North Sea crude for April delivery shed 55 cents to \$121.11 in morning trade.

"There are concerns that Europe will continue to struggle with this debt crisis," said Mr Ker Chung Yang, commodities analyst at Phillip Futures in Singapore.

After weeks of negotiations, European Union and Greek officials reached an agreement Tuesday for a €237-billion (\$310 billion) rescue package that saves Greece from a messy debt default.

Greek government officials have however warned that EU demands for tough fiscal reforms in the country would mean a heavy workload and controversial constitutional changes.

Athens has until the end of the month to approve another batch of spending cuts of over €3 billion tied to the rescue and is called on to amend the constitution to ensure that priority goes to debt repayments.

The situation in West Asia was also bearing down on the market as crude producer Iran today denied UN inspectors probing its nuclear weapons activities access to a key military site.

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## Pepper turns hot on short supply

Our Bureau



Kochi, Feb. 21:

The pepper market turned hot on Tuesday on reports of firmer overseas markets consequent to the decline in crop in Vietnam and India. As a result, all active contracts moved up sharply. There was good buying activities.

The market witnessed high volatility. After touching the second circuit levels at 1.30 p.m., March delivery slid and traded with volatility and again moved up and declined marginally and ended much above the previous day's closing.

There were reports of 40 per cent and 20 per cent drop in pepper production in Kerala and Karnataka, respectively, while the Vietnam Pepper Association reported of 30 per decline in the Vietnamese pepper crop. At the same time, there were no arrivals of fresh pepper at the terminal market. All these factors activated the bull operators to push up the market. The pipe lines in the upcountry markets are reportedly empty and in the consuming markets the available material is being sold at Rs 350 a kg. Upcountry dealers are buying. Tamil Nadu-based inter-State dealers were directly covering from the primary markets at terminal market prices on a cash-and-carry basis and since the material is not available there, these buyers are said to be

covering terminal market stocks from investors apart from venturing to take delivery from the exchange platform. All these factors also aided the price rise, market sources told *Business Line*.

All origins were also reportedly firmer and the Singapore exchange also reportedly showed firmness.

March contract on the NCDEX shot up by Rs 925 to end at the Last Trading Price (LTP) of Rs 32,005 a quintal. April and May increased by Rs 910, Rs 770, respectively, to close at Rs 32,375 and Rs 32,520 a quintal.

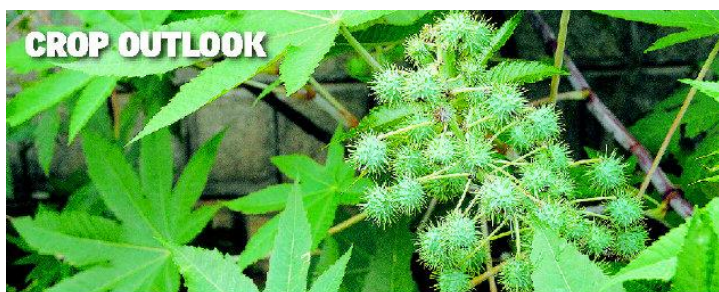
Total turnover soared by 9,211 tonnes to 10,717 tonnes, showing increased activities. Total open interest increased by 768 tonnes to close at 6,753 tonnes indicating good buying.

March and April open interest went up by 510 tonnes and 302 tonnes, respectively, to close at 4,578 tonnes and 1,330 tonnes. May open interest declined by 38 tonnes to 556 tonnes.

Spot prices, in tandem with the futures market trend, coupled with strong buying interest amid limited supply, shot up by Rs 800 to close at Rs 31,600 (ungarbled) and Rs 33,100 (MG 1) a quintal.

Indian parity in the international market was at \$6,900-6,950 a tonne (c&f) Europe and \$7,200-7,250 a tonne (c&f) for the US.

## Record output likely in castorseed on higher sowing



State	Area*			Production*			Yield		
	2010-11	2011-12	%Change	2010-11	2011-12	%Change	2010-11	2011-12	%Change
Gujarat	4.83	6.97	44	9.0	12.26	36	1,863	1,760	-6
Rajasthan	1.27	1.69	33	1.8	2.07	15	1,417	1,222	-14
A.P.	1.98	2.30	16	1.4	1.56	11	707	677	-4
Others	0.52	0.54	3	0.30	0.30	1	576	564	-2
<b>Total</b>	<b>8.6</b>	<b>11.50</b>	<b>34</b>	<b>12.50</b>	<b>16.19</b>	<b>30</b>	<b>1,453</b>	<b>1,417</b>	<b>-3</b>

\*Nielsen estimates; Area in lakh hectares, production in lakh tonnes; yield in kg/hectare  
Source: SEA

Chennai, Feb. 21:

Castorseed production this year's season to October is likely to be 36 per cent higher, thanks to a 34 per cent rise in crop acreage. But a 3 per cent drop in the yield has capped further gains in

production, according to a study conducted by Nielsen for the Solvent Extractors Association of India.

According to the study, with area under castor increasing to 11.5 lakh hectares (lh) from 8.6 lh, production is seen rising to a record 16.19 lakh tonnes (lt) from 12.5 lt a year ago.

Gujarat, which accounts for over half of the area under castor and nearly three-fourths of the crop produced in the country, will see its production increase 36 per cent to 12.26 lt (9 lt). However, yield is seen dropping by 6 per cent this season.

Area under the crop this season has increased to 6.97 lh from 4.83 lh a year ago.

The solvent extractors' body said area under the crop rose by over 50 per cent in Kutch, Surendranagar, Vadodra and Patan districts.

Lower yield in Gandhinagar and Sabarkantha districts has capped production gains.

According to the Solvent Extractors Association, the projections have been made after three rounds of pickings.

Two more pickings will take place in April and May before a final figure on the crop can be arrived at, a statement issued by it said.

### **Limited gains**

Another major factor for this year's improved production is the performance of Rajasthan where output is likely to top 2 lakh tonnes. In fact, the study has estimated a production of 2.07 lt from 1.69 lh against 1.8 lt produced from 1.27 lh last year.

Things could have been far better in the north-western State but for a 14 per cent drop in yield to 1,222 kg a hectare.

The association said area under castor has increased in all growing districts — Barmer, Jalore, Jodhpur, Pali, Sirohi. The yield is lower this season due to inadequate rainfall during growth state of the crop coupled with dew and water shortage, it said.

Though the area under castor has increased by 16 per cent to 2.3 lh in Andhra Pradesh this season, a poor yield of 677 kg a hectare is capping the production gain to 11 per cent at 1.56 lt. An indifferent monsoon is one of the reasons for the poor yield in the southern State, where other crops such as cotton and pulses have also suffered.

“This year, all castor-growing districts received rain that was 25 per cent lower than the average rainfall. Last year, it was 36 per cent higher than average,” the Solvent Extractors Association said.

Castor is grown in Anantapur, Kurnool, Mahbubnagar, Prakasam and Rangareddy districts mainly.

Contribution from the rest of the country is seen almost unchanged in terms of area, production and yield.

### **Shipments**

India's castorseed production makes up 65 per cent of the global output, while it makes up 51 per cent of the castor oil production. At least 75 per cent of the castor oil produced in the country is exported, mainly to the US, Europe and Japan. Castor oil is an important raw material for industries manufacturing soap, surface coatings, cosmetics, pharmaceuticals, perfumes, greases and lubricants.

During the April-January period of the current fiscal, 3.24 Lt castor oil have been exported worth Rs 3,204.48 crore. During the entire fiscal last year, exports were 3.43 Lt valued at Rs 2,362.46 crore.

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### **Dearer groundnut oil pushes up demand for cottonseed oil**





Rajkot, Feb. 21:

Despite nominal demand, groundnut oil was stable on Tuesday. High prices have reduced demand and buyers are switching to other edible oils such as cotton oil, a trader here said. Prices have increased because of shortage of nuts for crushing. Arrivals, too, have dropped in the past few weeks.

A 15-kg new tin of groundnut oil quoted at Rs 1,825-1,830 and a *telia* tin at Rs 1,682-1,683. Loose oil rose by Rs 5 to Rs 1,095-1,100 for 10 kg. About 100-150 tonnes of oil were traded in Saurashtra.

While bold groundnuts traded at Rs 845-932 for 20 kg at the agricultural produce marketing committee (APMC) here, small was at Rs 820-850. At the Junagadh APMC, nuts sold at Rs 750-957 for 20 kg. Around 15,000-17,000 bags of nuts arrived in Gujarat.

Cottonseed oil was up a little on as diverted demand. Cottonseed oil (wash) was up Rs 7 to Rs 602-605 for 10 kg. A 15-kg new tin of cottonseed oil traded at Rs 1,045-1,055. About 900-1,000 tonnes of oil were traded here.

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### Sugar turns sour on limited demand



Mumbai, Feb. 21:

Spot sugar prices declined by Rs 10-15 a quintal based on quality on Tuesday due to need-based local demand. Arrivals and despatches improved as market was closed on Sunday and on Monday due to *Maha Shivratri*. Naka rates were down by Rs 8-10, while mill tender rates ruled steady but were expected lower on Tuesday evening. Mr Jagdish Rawal, a wholesaler, said that arrivals and despatches in the Vashi wholesale market improved as the market had a long weekend with Monday being a holiday. Limited local demand kept spot price under

pressure, while naka level selling pressure was less. Due to middle month period, consumer demand is not expected to improve till next week. Weak sugar prices in other producing centres and in futures also weigh on physical market. A local broker said that sugar prices are ruling range-bound this month as mills are not keen to sale at lower rates to avoid the losses. Sugar price has come down by Rs 350 during December-January. Considering the cost of production for mills, prices are not expected to go down sharply. But some mills facing financial crunch may be forced to sell at lower rates in absence of demand. In line with that, traders were expecting slight decline in mill tender rates on Tuesday evening. Absence of demand from neighbouring States in Maharashtra since long time keeps sentiment weak at upper level. Arrivals in Vashi market were 55-56 truckloads and local despatches were around 54-55 truckloads. On Saturday and Monday about 18-20 mills offered tenders and sold about 55,000-60,000 bags in the range of Rs 2,740-2,820 (Rs 2,740-2820) for S-grade and Rs 2,850-2,910 (Rs 2,850-2,910) for M-grade.

**Bombay Sugar Merchants Association's spot rates:** S-grade Rs 2,882-2,942 (Rs 2,882-2,942) and M-grade Rs 2,992- 3,062 (Rs 3,001- 3,062). **Naka delivery rates:** S-grade Rs 2,840-2,880 (Rs 2,840-2,880) and M-grade Rs 2,940-3,020 (Rs 2,940-3,000).

### Wheat dara gains on low stocks, domestic demand



Karnal, Feb. 21:

Good domestic demand coupled with low stocks pushed flour and dara prices further up, while desi wheat remained unchanged on Tuesday.

Increased off-take by the flour mills to meet the ongoing domestic demand mainly pushed the dara wheat and flour prices up, said Mr Sewa Ram, a wheat trader. The market may not sustain on the current levels for long and may witness some correction in upcoming days, he said.

In the physical market, dara prices increased by Rs 20-25 a quintal and quoted Rs 1,240-1,250 a quintal. Arrivals from Uttar Pradesh have been low and around 30 tonnes of dara arrived and were directly offloaded at the mills.

Mill delivery of dara was at Rs 1,240-1,245 a quintal, while delivery at chakki was at Rs 1,250. Tohfa, a desi wheat variety, continued to rule flat and quoted at Rs 2,300.

The March wheat contract on the National Commodity and Derivatives Exchange increased by Rs 4 to Rs 1,232; it had touched a high at Rs 1,234 a quintal earlier on Tuesday. Spot prices on NCDEX went up by Rs 6 to Rs 1,413.7.

### **Flour Prices**

An increase in demand pushed flour prices upwards too, prices increased by Rs 30 and settled at Rs 1,230 for a 90-kg bag. On the other hand, Chokar ruled flat and sold at Rs 660 for a 49 kg bag.

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### **Domestic cashew market remains sluggish**

G. K. Nair

Kochi, Feb. 21:

The overseas cashew market has been buoyant for the past couple of weeks with reasonable activities, but the domestic market has been sluggish.

Price levels were for W240 from \$3.75 to \$3.90; W320 from \$3.30 to \$3.45; W450 from \$3.15 to \$3.25; splits from \$2.20 to \$2.30; and pieces from \$2 to \$2.15 a kg (f.o.b). According to trade sources, there was limited activity in the domestic market.

### **Range-bound**

The market is likely to move in the current range in the first half with a possibility of some softness in April-May, if crops are normal and the kernel demand is slow.

“Unless the RCN prices come down substantially, the downside in kernel prices is not much. We can also expect a gradual upward movement in kernel prices in the second half of the year,” Mr Pankaj Sampath, a Mumbai-based dealer, told *Business Line*.

As some processors need to have sales on books before starting new crop purchases, the price range widened but there was little business at the lower end, he said.

Pre-season uncertainty about raw cashew nut (RCN) is higher than normal.

“The northern hemisphere crops are beginning with two supply side factors pulling in opposite directions – stocks in East Africa coupled with early interest from Brazil in West Africa.

Despite lack of interest from India and Vietnam at current levels, Tanzania does not seem to be willing to lower price to move the stocks,” Mr Pankaj said.

Except for reports of some delay in Vietnam, there are no adverse reports about the other upcoming crops.

Until physical movements start from West Africa in late March/early April, it is impossible to have an idea of actual price trend, he said.

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### **Spot rubber improves with global cues**

Kottayam, Feb. 21:

Domestic rubber prices showed a better trend on Tuesday. In the spot, the market improved following the moderate gains on the National Multi Commodity Exchange (NMCE) and Tokyo Commodity Exchange (TOCOM).

According to observers, sellers stayed back expecting the prices to move up further, while covering purchases at lower levels kept the market firm during closing hours. The trend was partially mixed.

Sheet rubber improved to Rs 185.50 from Rs 184.50 and Rs 185 a kg respectively according to traders and the Rubber Board.

In futures, the March series firmed up to Rs 187.75 (184.98), April to Rs 193.67 (190.99), May to Rs 196.80 (194.16), June to Rs 199.02 (195.51) and July to Rs 201.70 (199.48) a kg for RSS 4 on the NMCE.

RSS 3 (spot) closed at Rs 201.81 (201.35) a kg at Bangkok. The February futures increased to ₹312.9 (Rs 192.98) from ₹309.5 a kg during the day session and then to ₹316 (Rs 194.88) in the night session on the TOCOM.

Spot rates were (Rs/kg): RSS-4: 185.50 (184.50); RSS-5: 183 (181); ungraded: 180 (177); ISNR 20: 184.50 (184.50) and latex 60 per cent: 128.50 (128.50).

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## **Soil organic carbon could soon be key part of climate change talks**

S. Gopikrishna Warriar

Chennai, Feb. 21:

The top metre of the world's soil contains more than three times the carbon that is stored in the atmosphere. This carbon bank holds the future to global environment sustainability and could play an increasingly significant role in future climate change discussions and carbon trading.

The United Nations Environment Programme (UNEP) in its Year Book 2012 released recently, has stated that the health of soil organic carbon (SOC), in addition to stabilising the environment, can also help increase agricultural productivity. With UNEP highlighting the topic for its year book, the role of SOC is likely to become more prominent in the international climate change negotiations.

The UNEP report notes that since the 19th Century 60 per cent of the world's SOC was lost due to changes in land use. In the last 25 years, one quarter of the global land area has suffered a decline in productivity and ability to provide ecosystem services due to SOC loss.

Present-day conventional agriculture can erode soil a hundred times faster than the rate in which the natural formation takes place. Similarly, draining the carbon-rich peatlands in the floor of tropical forests, can make them disappear 20 times faster than they are formed.

### **Increasing temperatures**

Climate change is expected to impact SOC dynamics. Though rising atmospheric carbon dioxide levels could increase biomass production and thereby add more carbon to the soil, increasing temperatures could reduce SOC by increasing microbial decomposition and oxidation of organic matter in the soil. This in turn can increase the carbon dioxide in the atmosphere resulting in increase in global temperatures.

The availability of SOC differs according to zones, with the humid parts of the world having more carbon-rich soil.

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### **Banana-ripening chamber launched**



Madurai, Feb. 21:

Rinac India Ltd, which offers end-to-end engineering solutions for cold chains and modular construction industries, launched an energy-efficient pressurised banana-ripening chamber called Bana Barn at Trichy on Saturday. The rack-type refrigeration system ensures lower energy and pressurized chamber to eliminate wastage. The uniform cooling and ripening process will eliminate possible weight loss and the consequent financial loss to users, according to Mr R. Krishnan, Chief Executive Officer, Rinac.

To raise awareness about the ripening process, challenges faced by farmers in Trichy and the solutions available, the company is also conducting a program called Rinac Connect.

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### **TN Minister visits NDDDB, seeks assistance for milk production**

Anand, Feb. 21:

The Tamil Nadu Milk and Dairy Development Minister, Mr V. Moorthy, called on Dr Amrita Patel, Chairperson, National Dairy Development Board (NDDDB), here on Tuesday and discussed with her ways and means to increase milk production in the southern State.

Mr Moorthy, accompanied by senior officials from Tamil Nadu, was on a two-day visit to Anand in this connection.

They also discussed the innovations introduced by NDDB in animal breeding and nutrition which could contribute to increasing productivity. NDDB explained the National Dairy Plan, which aims to increase milch animal productivity through scientific approach to breeding and feeding.

The Minister has sought NDDB's support in studying the existing facilities in Tamil Nadu and assistance in strengthening them for the benefit of the milk producers in that State, according to an NDDB release here.

The Tamil Nadu delegation also visited the Sabarmati Ashram Gaushala, which has the largest semen station in the country, being managed by NDDB. Besides, they visited other NDDB-run institutions such as the Centre for Analysis and Learning in Livestock and Food.

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## Wheat procurement to touch 32 million tonnes in 2012-13

Our Bureau



New Delhi, Feb. 21:

Wheat procurement by the Government for the Rabi marketing season 2012-13 is expected to rise by over 12.5 per cent to a record 31.89 million tonnes (mt). Last year, the Government had procured 28.34 mt for subsidised sales under the public distribution system.

The procurement in majority of States such as Punjab, Uttar Pradesh, Haryana and Rajasthan will begin from April 1 and continue till June 30. In States such as Maharashtra, Madhya Pradesh and Gujarat the procurement will start from March 15. Bihar and Jammu & Kashmir are likely to begin procurement from April 15.

The Union Food Secretary, Dr B.C.Gupta, reviewed the State-wise procurement strategy with the Food Secretaries of some 13 wheat procuring states on Tuesday. Madhya Pradesh has indicated a record estimate of 6.5 mt for 2012-13, according to the Food Ministry statement. The Government has announced a minimum support price of Rs 1,285 a quintal for wheat this year.

The procurement strategy assumes significance as the country is poised for an all time record harvest of wheat exceeding 88.31 mt. In 2011-12, India harvested a record 86.87 mt of wheat.

### **Purchase centres**

The arrangements discussed at Tuesday's meeting include among others, the number of purchase centres to be opened in each State, the route for MSP payment through account payee cheques or bank transfers direct to the farmers, quality control measures, storage and movement of food grains. The States have assured that they are fully gear up to make record procurement this time and they are in process of setting up control room to monitor it, the statement said.

Meanwhile, the Union Agriculture Minister, Mr Sharad Pawar, has stated that the co-operatives have a distinct role in post-harvest management and storage. He was speaking at the 72nd General Council meeting of the National Co-operative Development Corporation (NCDC). Mr Pawar said NCDC has been appointed as an agency for accreditation of warehouses by the Warehouse Development and Regulatory Authority.

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### **Farmers stress need for mechanisation of farming**

Mangalore, Feb. 21:

Farmers at a day-long seminar on agriculture in Dakshina Kannada, organised by the Dakshina Kannada Zilla Panchayat (ZP) here on Tuesday, stressed the need for mechanisation of farming activities in the district.



Mr Prabhakara Mayya, a farmer from Belthangady taluk of the district, said that a majority of the farmers in Dakshina Kannada have small land holdings. Added to this, there is scarcity of agriculture labour in the district.

In such a situation, mechanisation of farming activities is the way out. He said that machineries are available in the market to meet the requirement of small farmers.

Giving his own example, Mr Mayya said he is using the farm machineries since the last four years. It is quite common for a farmer to encounter some problems at the beginning of mechanisation process. In such a situation, farm equipment suppliers and the departments concerned should guide them properly, he said.

Mr Sampath Samrajya, farmer and President of Krishik Samaj, said that various factors such as agri labour shortage, and rapid urbanisation of the district have brought down the number of paddy-growing farmers in the district.

Stressing the need for farm mechanisation, he said farm equipment manufacturers should train farmers in the maintenance and repair of machineries. He suggested that manufacturers should take the help of non-governmental organisations for this.

### **Cargo terminal**

Stating that there is a good opportunity for farmers in the district to export their agriculture and horticulture commodities, he said the proposed international cargo terminal in Mangalore should be made use of for this purpose.

Ms K.T. Shailaja Bhat, President of Dakshina Kannada ZP, Mr Naveen Rai Menala, Chairman of the Standing Committee on Agriculture of the ZP, and Dr K.N. Vijayaprakash, Chief Executive Officer of the ZP, spoke on the occasion.

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**Coonor tea turnover rises by 6.07%**

P.S.Sundar



Coonoor, Feb. 21:

The turnover of the auctions of Coonoor Tea Trade Association (CTTA) in January has increased by 6.07 per cent over January 2011, reveals an analysis of the market reports.

The increase had come about despite a reduction in prices because of higher volume having been sold. Almost all sections of traders such as growers, factory owners, dealers, buyers, warehouse keepers and workers have all contributed to the increase.

In all, four auctions had been conducted in January where a total volume of 4.32 crore kg was sold against 3.93 crore kg in January 2011. More volume could be sold because of lowering prices to average Rs 68.74 a kg against Rs 71.34 a kg in January 2011.

Consequently, the overall turnover increased to Rs 2.97 crore from Rs 2.80 crore. This increase of Rs 17 lakh marked a growth of 6.07 per cent.

Of this, orthodox tea's sale volume dropped to about 3 lakh kg from 3.24 lakh kg in January 2011 with prices averaging to Rs 77.02 a kg against Rs 78.32 January last year. The volume of CTC tea sold rose to 4.02 crore kg from 3.60 crore kg but the average price dropped to Rs 68.13 a kg from Rs 70.72.

The encouraging beginning for 2012 had come about after the trade registering 9.31 per cent growth in 2011 over 2010. The turnover had risen by Rs 28.46 crore to reach Rs 334.01 crore in 2011.