

# THE HINDU

SATURDAY, FEBRUARY 04, 2012

## Regulation of goods carriers to ease congestion at Gandhi Market



*A traffic snarl at Gandhi Market in Tiruchi. FILE PHOTO*

In the wake of frequent congestion witnessed along certain thoroughfares, the police have decided to restrict movement of trucks during daytime in and around Gandhi Market, Marakkadai, and Palakkarai area. An agreement for streamlining the movement of goods carriers was worked out at a meeting the law enforcers had with the representatives of lorry owners association, tomato, potato, onion mandi, and wholesale grocery merchants associations besides consumer and service organisations here on Thursday.

The over hour-long meeting on regulating the movement of goods carriers on the E. B. Road and Gandhi Market area – the epicentre of trading activity in the city - was presided over by Deputy Commissioner of Police (Crime and Traffic) S. Ramaiyan.

The guidelines which needed to be adhered to by the trading community as well as the drivers of goods carriers were driven home to the participants by the law enforcers at the meeting.

As per the decisions arrived at the meeting, loading and unloading of goods from trucks would be allowed from noon to 4 p.m. and from 10 p.m. to 7 a.m. on the Thanjavur Road, Madurai Road, and Palakkarai Quaid-e-Milleth Road.

The police made it clear that cases would be booked against goods carriers found parked along these roads beyond the permitted time, and blocking free flow of vehicular movement.

The participants were asked to ensure that there was no hindrance to traffic flow while loading and unloading goods during the permitted time period.

Goods carriers with tomatoes have been permitted to load and unload from 1 a.m. to 7 a.m. in Eda Street, and near the fish market without obstructing other vehicular movement. Those carrying potatoes have been allowed for loading and unloading up to 8 a.m.

Traders are responsible for arranging the parking space for the vehicles, and those who failed to do so would be liable to face action. It was further resolved that action would be taken impartially against goods carriers found obstructing traffic.

The objective behind organising the meeting was to put in place a system to regulate movement of goods carriers in the busy Gandhi Market and surrounding areas that are plagued by frequent traffic hold-ups, and ensure free flow of traffic, a senior police officer said.

A long-term solution for ending traffic woes at Gandhi Market and areas nearby could come about only by shifting the wholesale section of the market as well as the onion and 'vazhakkai mandi,' says M. Sekaran, president of Federation of Consumer and Service Organisations, who was one of the participants at the meeting.

***Cases to be booked against goods carriers found parked along the roads beyond permitted time, writes R.Rajaram***

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## Facility for fishermen launched



*BOON: The Sub-Collector M. Venkatesh launching the communication facility at Kovalam on Friday.*

: The National Bank for Agriculture and Rural Development (NABARD) and M.S. Swaminathan Research Foundation Village Resource Centre, Nagercoil, conducted the inaugural programme of mobile-based audio advisories for the fishermen of Kanyakumari district at Kovalam village on Friday.

The Sub-Collector M. Venkatesh launched the programme by releasing the first message in his own voice which was received by the fishermen in their mobile phones. He appreciated the initiatives of NABARD and MSSRF in using the modern tools of communication for the benefit of fishermen. He advised the fishermen to make best use of the resources.

Later, R. Sankar, Assistant General Manager of NABARD told *The Hindu* that though these types of services were presently available for agriculturists, this project for fishermen was the first of its kind in the country and was funded by NABARD.

The main purpose of the technology was to provide need-based demand-driven audio information to the fishermen on daily basis directly to their mobile in Tamil.

This would provide knowledge connectivity to fishermen in the district to address their sea safety and livelihood security issues.

R. Rajkumar, senior scientist, MSSRF, said that through this project audio advisories would be provided to 150 fishermen in Agastheeswaram, Rajakkamangalam, Kurunthancode and Munchirai blocks in connection with their sea safety and livelihood security. Based on the experience and learning, it would be extended to more fishermen after one year. As part of this project, a help-line has also been established and the fisherfolk could call at any time the helpline numbers of 9282442311 and 9282442312 to clarify their doubts and experts would provide the requisite information by establishing linkages with various organisations or government departments. Each day, the audio advisories would be developed and recorded at the Village Resource Centre of MSSRF and would be sent to the mobile phones of the target fishermen. Three audio messages per day would be provided in Tamil at a time convenient for the target fishermen. Further, phone-in programmes would be conducted per month. A. Mohamed Bhilal, scientist of MSSRF, S. Rubert Jothi, Assistant Director of Fisheries, Fr. A. Valerian, panchayat president of Kovalam, John Flora, and others participated the function.

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## Special gram sabha meetings today

: Special gram sabha meetings would be held in 19 village panchayats in the district on Saturday to get approval for the implementation of various infrastructure under Tamil Nadu Village Habitations Improvement Scheme, said the Collector, S.Nagarajan.

According to him, special grama sabha meetings would be held at Leepuram and Nallur village panchayats in Agastheeswaram union, Midalam and Nattalam in Killiyur union, Vellichanthai and Kurunthencode in Kurunthuncode union, Vellancode and Vilavancode in Melpuram union, Painkulam and Methukummal in Munchirai union, Rajakkamangalam, Dharmapuram and Melasankarankuzi in Rajakkamangalam union, Kattathurai and Pechipparai in Thiruvattar union, Chenbagaramanputhur, Sahaya Nagar and Thadikkaramkonam in Thoivalai union and Nullivilai village panchayat in Thuckalay union.

Similarly, to select beneficiaries under distribution of free cattle scheme (goats), special grama sabha meeting meetings would also be held at Chenbgaramanputhur village panchayat in Thoivalai union, Sadayamangalam in Thuckalay union, Kollanchi in Killiyur union, Ayacode and Balamore in Thiruvattar union, Chulal and Kulapuram in Munchirai union and Malayadi village panchayat in Melpuram union on Saturday.

***To be held in 19 village panchayats in Kanyakumari district to get approval for infrastructure***

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# **Agriculture Department hopes to utilise funds fully**

## *87 per cent of allotted sum spent on apportioned activities*

The Agriculture Department is striving to buck the trend of returning the funds sanctioned for projects, followed over the last three years, and instead utilise the money fully. In fact the department hopes to meet both financial and physical target in Karur district before the end of the current fiscal.

Department sources said that a sum of Rs.2.88 crore was allotted to Karur district to fund activities such as quality oilseed and pulses seed distribution, bio-organic fertilizer distribution, forming field demonstration plots, pipeline distribution, micro-irrigation technique demonstration, system of rice intensification field, paddy seed procurement and distribution, vermi compost demonstration and training for the benefit of farmers during the current year.

Of that around Rs. 2.51 crore, corresponding to 87 per cent of the allotment, has already been spent on apportioned activities, and the balance amount would be utilised during the next two months, according to the sources.

During 2010-11, a sum of Rs.13.23 lakh that was left unutilised for sanctioned purposes, was returned to the government and similarly an amount of Rs. 21.70 lakh was returned to the exchequer during the previous fiscal by the district agriculture department. What otherwise would have benefited the farmers could not be utilised for productive means and had to be returned.

This year senior officials at Chennai and the district administration ensured that all fund sanctioned to the Agriculture Department was fully spent on the specific purpose for the benefit of farmers in Karur district.

Periodic monitoring and receiving feedback from the stakeholders ensured that the department was well on course to consume the funds in full to the overall benefit of the farming community.

On physical targets, the department says that against the target of 17,600 hectares to be brought under paddy, around 15,500 have already been covered while the balance would be covered in the upcoming Navarai season. On the sugarcane front, against the target of covering 7,200 hectare in the district during the current cropping season the crop has been raised in over 5,900 hectares and the officials hope to meet the target before March end.

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## **Farmers briefed on methods to boost productivity**

A farmers' day was conducted at Soil and Water Management Research Institute (SWMRI) here in connection with the scheme to increase productivity of all agriculture crops on Friday. After inaugurating the farmers' day, C.Suresh Kumar, District Revenue Officer, said farmers should try to increase the productivity of pulses raised as rice fallow crops in the district.

They should use the technology provided by SWMRI, and inputs provided by the agriculture department. He distributed agriculture inputs to the farmers, and saw the trial cultivation of various crops at the institute.

S.T.Ravikumar, Assistant General Manager, NABARD, said NABARD and TNAU have been implementing programmes to increase productivity of crops at Maharajapuram, Punavasal, Vilankudi, and Thirupazhanam village in Thiruvaiyaru taluk.

P.Chandrasekaran, professor and head, SWMRI, and G.Ramadoss, Joint Director of Agriculture, participated.

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## Mettur level

The water level in the Mettur dam stood at 84.14 feet on Friday against its full level of 120 feet. The inflow was 836 cusecs and the discharge 5,002 cusecs.

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## Forest conservation impossible without support of villagers: District Forest Officer

*'Concerted efforts necessary to prevent human-elephant conflict'*



*Awareness meet: Village volunteers and anti-poaching watchers participating in a sensitisation programme in Udhagamandalam on Friday.- Photo: M Sathyamoorthy*

A day-long sensitisation programme under the Tamil Nadu Biodiversity and Greening Project for members of Village Forest Councils and anti-poaching watchers was organised by the Nilgiris North division of the Forest Department here on Friday.

Listing the objectives and use of such programmes, District Forest Officer, the Nilgiris North, S. Ramasubramaniam said that without the support of people particularly those residing in villages located in and around the forests, conservation would become an uphill task.

He added that the assistance extended by them on the intelligence front enabled the forest officials to keep criminals and anti-social elements at bay. They were helping in preventing encroachments and fire. They were also keeping their eyes peeled for the movement of strangers.

K. Ramkumar, senior officer, Wildlife Trust of India, underscored the need for such dwellers to be familiar with ways to deal with threats to forests and wildlife in the form of poaching, bush fires etc. They should be well versed with use of gadgets such as GIS and GPS which would be of considerable use in perambulation activities.

M. Maranco, Inspector, Wildlife Crime Control Bureau, listed the different ways in which wildlife offenders can be booked. R. Armugham, Senior Wildlife Biologist, Anamalai Tiger Reserve, said that special abilities were necessary for monitoring the population of carnivores.

An eye should be kept on the cattle grazing in wildlife zones.

B. Ramakrishnan, Assistant Professor, Wildlife Biology, Government Arts College, said that concerted efforts were necessary to prevent the human-elephant conflict from escalating.

Sadiq of the Nilgiri Wildlife and Environment Association said that snakes should not be viewed as a source of threat.

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## **29 sugar units proposed**

The State Government has proposed to give permission to establish 29 sugar factories in the private sector by providing performance bank guarantee of Rs 1 crore each to the factories.

The government would give permission to private managements to establish factories after obtaining Industrial Entrepreneurs Memorandum (IEM) from the Centre, Minister for Horticulture and Sugar S.A. Ravindranath said.

In a reply to an unstarred question of Appaji C.S. Nadagounda of the Congress, the Minister said of the 29 proposed factories, 10 would come up in Belgaum, four in Bagalkot, eight in Bijapur, two in Bidar, one each in Gulbarga, Dharwad, Haveri, Yadgir and Shimoga.

The Minister said the pending dues to farmers from sugar factories as on January 15, 2012, was Rs. 1,268.28 crore.

Factories that have not paid previous years dues to farmers are Badami Sugars Limited, Badami, (Rs. 7 crore), Kedarnath Sugars and Agro-products Limited, Badami (Rs. 34.46 crore), Gyanaba Sugars and Developers Limited, Davanagere (Rs. 4.31 crore), Dakshina Kannada Cooperative Sugar Factory, Brahmavar (Rs. 1.92 crore), Jnanayogi Srikumara Swamy Sugars Limited, Bijapur (Rs. 1.97 crore); and Naranja Cooperative Sugar Factory, Bidar (Rs. 9.30 crore).

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## Farmers to get concession for prompt loan repayment

*SHGs may get loans to set up small-scale industries*



*DISSEMINATING INFORMATION: M.R. Manjunath Gowda, Chairman of the Karnataka State Cooperative Apex Bank, addressing a press conference in Chitradurga on Friday.*

Chairman of the Karnataka State Cooperative Apex Bank M.R. Manjunath Gowda has said that in order to help farmers promptly repay loans availed by them at 1 per cent interest, the Government, in association with the National Bank for Agriculture and Rural Development (NABARD), has decided to offer 3 per cent concession from March this year to those who clear the loans by the due date.

“This decision will encourage the farmers to repay loans promptly, which would in turn enable banks to extend loans in future,” he said.

Addressing presspersons here on Friday, Mr. Gowda said that a proposal had been sent to the Government to provide loans up to Rs. 20 lakh to self-help groups (SHGs) for setting up small-scale industries in 26 sectors.

The Government had set a target of distributing loans totalling Rs. 57,000 crore at 1 per cent interest among 18 lakh farmers during 2011-12. Loans amounting to Rs. 46,000 crore had been advanced to 17.5 lakh farmers till December 2011.

Stating that about 13 lakh sugarcane growers in north Karnataka were expected to seek loans during the crushing season, Mr. Gowda said that total loans would touch about Rs. 70,000 crore by the end of the current fiscal.

The Government had so far distributed loans to the tune of Rs. 1,680 crore through scheduled banks to SHGs against the target of Rs. 1,500 crore.

With regard to Chitradurga, he said that loans totalling Rs. 59 crore had been advanced against the target of Rs. 70 crore.

There was every possibility of achieving the target by March, he said.

He said that the apex bank of Karnataka had been voted the second best in the country, after Puducherry.

Lakshmikant, president of the District Central Cooperative Bank, was present.

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- *Loans totalling Rs. 46,000 cr. distributed among 17.5 lakh farmers in State till December 2011*

- *'Apex bank of Karnataka voted second best in the country, after Puducherry'*

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## **Fruits of research should reach villages, says scientist**



*A section of the students at the Graduation Day programme of Sahyadri Science College in Shimoga on Friday.*

The fruits of scientific research and innovations should reach the villages, said scientist of the Council for Scientific and Industrial Research V. Prakash.

Mr. Prakash was addressing the graduation day programme at Sahyadri Science College in the city on Friday. Scientific research and innovations had remained the prerogative of urban elite at present.

There was no significant improvement in the condition of farmers, and villages remain undeveloped. Scientific innovations intend to bring qualitative changes in the life of farmers and hence needed to be promoted, he said.

Farmers in India were the agriculture scientists in the true sense of the term as they had sound knowledge of the climate and the biodiversity. The traditional knowledge among farmers needed to be documented. He suggested on establishing a centre for excellence in scientific innovation to mark the 75th anniversary of the Sahyadri Science College.

Registrar of Kuvempu University T.R. Manjunath underscored the need to design proper plans to realise optimum utilisation of the human resources in the nation.

Principal B.R. Siddaramappa and Examination Officer Gowdar Shivanna were present.

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## **Cardamom farmers facing a crisis**

With the mercury rising, cardamom farmers are facing a crisis with plants withering and drying.



There are thousands of small-scale cardamom farmers in Udumbanchola, Devikulam and Peerumade taluks in the high ranges of Idukki district.

The small scale farmers are the worst affected as they cultivate the crops in areas where sprinkling facilities and water availability is less.

Moreover, the small scale growers are facing labour shortage and high wages as they depend on the unskilled workers from the unorganised sector.

### **100 acres damaged**

It is estimated that the crop in over 100 acres has already been damaged.

Hundreds of farmers in the three taluks shifted to cardamom cultivation when other cash crops like pepper failed due to the falling prices and low production.

The prices which rose to Rs 1,800 per kg also attracted the farmers to shift to cardamom cultivation. Now the average price per kg is Rs 500.

“I shifted my three acres of the four acre-pepper cultivated area to cardamom after pepper became unviable due to low production level and low prices,” said Thomas George of Nedumkandam adding that over 100 plants clusters in two rows of the outer areas have already been damaged.

If the summer rains fail more than half of the plants will wither, he said.

Rajappan K.K., another farmer in Kumily, said that nearly one-third of the three-year old cardamom plants in his two acres has dried up.

An official of the Cardamom Research Station, Pampadumpara, said that the cultivation of the plants in areas without considering water availability and natural shade is a reason for the plants withering.

K. K. Devasia, executive secretary of Cardamom Growers Association, said that the large scale arrival of the cardamom into the auction centres was the reason for low average prices of Rs 500 to Rs 600.

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## **Hike in farmers' pension sought**

The Desheeya Karshaka Samajam has urged the State government to increase farmers' pension from Rs.300 to Rs.2,000 a month. The district executive committee meeting of the Samajam held here on Friday said that pension was given to famers with less than one hectare of paddy land holding after they completed 60 years of age. This was very inadequate. All the farmers should be given a monthly pension of Rs.2,000, they demanded. Samajam general secretary Muthalamthode Mani inaugurated the meeting. K.A. Ramakrishnan, district president of the Samajam, presided. — Staff Reporter

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## Grim outlook for pulses, oilseeds

BS Reporter / New Delhi Feb 04, 2012, 00:41

The government's efforts to keep food inflation under check could soon receive a jolt. The production of pulses and oilseeds is projected to drop by 5.2 per cent and six per cent, respectively, this year. A significant quantity of the two is imported every year.

However, there are no such worries on the foodgrain front, as production for the 2011-12 crop marketing year, which started in July, is estimated to touch an all-time high of 250.42 million tonnes, primarily owing to record wheat and rice output, according to the second advanced estimate of crop production for 2011-12.

The estimates released on Friday showed the production of wheat this year would stand at around 88.3 million tonnes, around 1.6 per cent more than last year's production. The output of rice is expected to be around 103 million tonnes, up a staggering seven per cent compared to last year.

During the week ended January 14, food articles continued to witness deflation for the fourth week in a row. The fall in prices accelerated to 1.03 per cent for the week, compared with 0.42 per cent in the previous one, mainly due to a drop in the prices of fruits and vegetables.

The estimates showed cotton production would stand at a record 34.1 million bales (1 bale=170 kg), up 3.3 per cent compared to last year. The production of sugarcane is estimated at 347.9 million tonnes this year, a rise of around 1.6 per cent compared to last year.

However, the outlook on pulses and oilseeds is a concern. Officials said production of both had suffered, owing to uneven rains in the kharif season and low pre-winter rains in the northern regions.

"The near absence of winter rains hit the sowing of rabi pulses and mustard, which is primarily grown in this season," a senior official said. He added this year, the country would again have to rely on imports to augment supplies. In 2010-2011, India's pulses import had declined to around 1.5 million tonnes from an average of 2.5-3 million tonnes, as domestic production reached an all-time high of 18 million tonnes.

Sharing his views, Ramesh Chand, director, National Centre For Agriculture Economics and Policy Research, said though some improvement in winter rains was seen around mid-January, it wouldn't

have much impact on the shortfall in oilseeds and pulses this year. "There are very little chances of recouping the loss in pulses and oilseeds. I believe the data released on Friday must have factored in positives like the revival of rains," he told Business Standard.

Almost half of the pulses India imports annually comprises yellow peas, while other pulses like tur, urad, moong and chana account for the remaining 50 per cent. The pulses are imported from Canada, Myanmar, Australia and a few African countries.

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## Dussehri output may rise 70-80% in UP

Siddharth Kalhans / Lucknow Feb 04, 2012, 00:44

Low temperature and rain in the first week of January cheered mango growers in the fruit belt of Malihabad in Uttar Pradesh.

Known for cultivation of Dussehri mango, Malihabad is all set for a bumper crop this year. According to growers, production is expected to rise 70-80 per cent this year. The past two years have been dull for dussehri in fruit belt of Kakori and Malihabad in UP.

According to Padam Shree award winner mango grower Kaleemullah, rain in January first week destroyed the pest that were harmful for mango trees and now the flowering assures us of a good crop. He said flowering has begun with the rise in the temperature. The state horticulture department, too, is expecting production to be at least 2.5 million tonnes in the Malihabad and surrounding regions this year. According to Kaleemullah, due to bumper production, prices are likely to fall too.

The season of Dussehri mango begins in the last week of May and continues till June end. Last year, fungus had destroyed mango crop not only in Malihabad region but in other growing districts such as Saharanpur, Faizabad, Muzaffarnagar, Sandila and Sultanpur. The total production of mango in Uttar Pradesh was reduced to just 1 million tonnes.

However, growers of Malihabad are also expecting an increase in the export of dussehri this year. According to them, despite poor crop last year the export had risen as traders from Mumbai had taken interest. This time the growers are planning to approach exporters well in advance for orders.

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## **Wheat seminar to focus on nutrition**

**Mumbai, Feb. 3:**

An international seminar on wheat and wheat products with the theme 'Moving towards food and nutrition security' will be held in New Delhi during February 9-11. The Union Minister of State (Independent charge), Ministry of Food, Public Distribution and Consumer Affairs, will inaugurate the seminar being organised by Wheat Products Promotion Society and supported by a host of organisations in the value chain. Issues for discussion include procurement, logistics, research and processing of wheat for value addition. The role of wheat in advancing nutrition security will be highlighted in addition to outlook for global and Indian wheat markets. —Our Bureau

(This article was published in the Business Line print edition dated February 4, 2012)

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## **Tyre makers want duty-free import of 1 lakh tonne rubber**

**Kochi, Feb. 3:**

"The tyre Industry has passed through an extremely difficult phase of continuous and significant increase in the price of natural rubber and other key raw materials. Since raw materials account for approximately 70 per cent of industry turnover, the input cost pressure has resulted in severe erosion of net margins. We keenly look forward to the budget for addressing specific concerns of automotive tyre industry," Mr Neeraj Kanwar, Chairman of the Automotive Tyre Manufacturers Association (ATMA), said.

In a pre-Budget presentation made to the Ministry of Finance, ATMA said that the automotive tyre industry has asked for duty free import of one lakh tonnes (lt) natural rubber to bridge the gap between domestic production and consumption. While Rubber Board has estimated a shortfall of 70,725 tonnes during the current financial year, the industry has put the figure at one lt, as the industry has shown signs of revival.

The continuous increase in rubber prices till second quarter of current financial year has severely dented competitiveness and profitability of the industry, ATMA said. The tyre industry's net profit as a percentage of net sales came down from 8.84 per cent in Q2 of 2009-10 to 3.23 per cent and -0.07 per cent in Q2 of 2010-11 and Q2 of 2011-12 respectively.

**Limited availability**

Natural rubber accounts for 45 per cent of the total raw material cost for the tyre industry. Despite the recent softening of rubber prices, average price in current financial year is still 10-12 per cent higher than average prices in the previous financial years, ATMA pointed out.

“Despite peak rubber production season falling between October and February and favourable weather conditions, the domestic availability of rubber is a key concern for the industry. With new capacity creation in the tyre industry and limited growth in rubber area under cultivation, availability situation is feared to worsen in the foreseeable future,” said Mr Kanwar.

The rubber production and consumption had been in sync with each other in India.

However, since 2007-08, domestic rubber consumption has outstripped production in India. India has also become the second largest consumer of rubber in the world while it still ranks fourth in production.

According to Mr Kanwar, the tyre industry has put in process an investment of over Rs 12,000 crore.

All large tyre companies have made substantial investments for new projects and expansions primarily in radial truck and passenger car tyres. The radial tyre investments have multiple benefits in terms of fuel saving, longer life and efficient utilisation of scarce raw materials. However, the industry needs an enabling policy framework from the government for these investments to be meaningful.

To increase competitiveness of the industry, ATMA has also asked for waiver of customs duty on those raw materials that have no domestic production.

These include butyl rubber, SBR (tyre grade), EPDM and polyester tyre cord. The existing customs duty on these raw materials is 5, 10, 10 and 5 per cent respectively.

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## Dairy sector seeks duty cuts on equipment, machinery

Will attract investments in processing, packaging sectors

**New Delhi, Feb. 3:**

In a bid to promote the processing and packaging of milk in the country, the dairy sector has sought exemption of excise duty and value added tax (VAT) on equipment and machinery in the upcoming Union Budget.

Besides, the industry has also sought a uniform VAT rate on all milk products at 4 per cent that could help drive consumption of such products.

The Indian Dairy Association believes that duty exemption on equipment and machinery will encourage more investments in processing and packaging of milk and milk products. Only 15 per cent of the milk produced in the country is processed and packed, thereby leaving scope for

adulteration, unhygienic handling and distribution. About 46 per cent of the milk produced is in liquid form.



### **MAT EXEMPTION**

The IDA also suggested income tax exemption for co-operative unions at the district and State levels to promote dairying in rural areas. Besides, it has also said that the all new dairies and cold chain that qualify for income tax exemption could be further exempted from the minimum alternate tax (MAT), which is about 20 per cent of the book profits.

Further, the dairy sector has also sought the status of agriculture sector, as it has large potential to generate rural employment.

### **AGRI STATUS**

Such a move would also help the dairy sector avail term loans from banks and financial institutions at a concessional rate of 4 per cent, which is currently available for the agriculture sector alone.

The IDA has also demanded that fiscal incentives available for the food processing sector such as reduced excise and customs duties and income tax relief should be extended to the dairy sector.

As cattle feed prices have shot up by over 40 per cent in the past one year due to hike in prices of oilmeals, de-oiled cake and molasses, the IDA has suggested that VAT and other duties on molasses used in cattle feed could be abolished. Such a move would provide relief to the farmers.

The IDA has also recommended that the Government fix a special quota for supply of molasses from sugar mills to the co-operative cattle feed plants. It has also suggested that export of all oilmeals should be discouraged by imposing an additional export duty of 20 per cent ad valorem.

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# Assam CTC teas rule steady at N. India auctions



## **Kolkata, Feb. 3:**

This week at Sale No. 5, the total offerings ( packages) at three north Indian tea auction centres at Kolkata, Guwahati and Siliguri were 4,03,954 compared with 3,36,937 in the corresponding sale of the previous year, according to J Thomas & Company Private Ltd, the tea auctioneers.

The offerings at Kolkata were 1,73,360 (1, 61, 401) comprising CTC/dust 1,49,751 (1,46,591), orthodox 21,684 (12,397) and Darjeeling 1,925 (2,413).

The corresponding figures were 1,26,516 (82,498) for Guwahati and 1,04,078 (93,038) for Siliguri.

Assam CTC teas maintaining quality sold at around last levels, while remaining Assams were irregularly lower, particularly browner sorts. Well-made Dooars sold readily around last levels, while the remainder tended irregularly easier.

There was good support from Tata Global and Hindustan Unilever. Western India dealers were active for the liquoring sorts. There was fair enquiry from North India and local sections.

Exporters operated primarily on the bolder broken.

A few selected cleaner and well-made orthodox varieties were readily absorbed and sold following quality. The remainder eased in value. Stalkier varieties and plainer sorts met with fewer enquiries and saw some withdrawals.

North India buyers operated on the bolder whole leaf. Hindustan Unilever operated selectively for the fannings. There was some export interest.

A few Darjeeling whole leaf grades sold in line with quality. Broken tended irregular while fannings witnessed better enquiry from exporters. Hindustan Unilever was very selective. Broken and fannings were supported mainly by the local dealers.

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## Global rubber supplies seen tight on wintering

**Kottayam, Feb. 3:**

Natural rubber price will not see much fluctuation, though many countries are still under the shadow of economic uncertainties, according to Ms Sheela Thomas, Chairperson of Rubber Board. She was delivering the presidential address in the 167th meeting of the Rubber Board held at the Rubber Research Institute of India.

Rubber production will decline in the coming months due to wintering and dry season in major rubber growing regions. Thus global supply tightness will continue irrespective of recent decline in demand. India's position is stronger due to increasing domestic demand in tandem with the expected economic growth and rubber produced here is almost fully consumed in the domestic market itself, she said. Domestic production from April to December 2011 increased 4.3 per cent compared with the same period a year ago.

### Consumption

Consumption during April-December 2011 increased only 1.2 per cent compared with the corresponding period a year ago. Consumption in tyre sector increased 5.7 per cent, whereas off-take in non-tyre sector declined 6.3 per cent. Monthly consumption that remained below that of the previous year from August to October recovered from November.

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## Pepper market turns hot

**Kochi, Feb. 3:**

The pepper market turned hot on Friday on reports of good trading of substantial quantities and a firmer trend in other origins.

The market remained volatile with an upward bias throughout the day, and all three active contracts touched the highest price of the day during the closing session. Then it slipped but ended above the previous day's closing. Good quantities of spot pepper were traded out of investors' hands, and were covered by leading exporters, inter-State dealers and dealers from the primary markets. Farm grade, validity expired and valid stocks, all held by investors, were sold at February trading price during the course of the day in the last few days, market sources said.



“The reaction of this phenomenon has reflected on the prices today,” they told *Business Line*. Non arrival of fresh pepper despite harvest being in full swing has aided the bullish trend.

February contract on the NCDEX shot up by Rs 795 to Rs 30,295 a quintal.

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## Rain, snow forecast for J&K, Himachal next 2 days

### Thiruvananthapuram, Feb. 3:

The first month of the New Year has returned a surplus of 36 per cent in rainfall as a whole for the country, though spatial distribution leaves a lot to be desired.

The rains so far have had a pronounced bias to the east of the country. Southern parts of north-west India, Gujarat and western Maharashtra still wallow in deficit.

### FORTUNE REVERSAL

There have been some dramatic reversal of fortunes week-on-week with some Met sub-divisions, which had been in chronic deficit, bouncing back to 'normal' or even 'excess' category. These are west Uttar Pradesh, west Madhya Pradesh, Vidarbha, Telagnana, Coastal Andhra Pradesh and Rayalaseema. Significantly, these areas are contiguous to the Met sub-divisions just to the immediate east, which reveals the gradual advance of the rain footprint from the east.

India Meteorological Department (IMD) on Friday located a weather-setting western disturbance perched over north Pakistan and adjoining Afghanistan.

It is expected to continue to move east towards north-west India, and rustle up yet more weather over the hills and plains of north-west India during the weekend. Insat pictures revealed the presence of convective (rain or snow-generating) clouds rising over parts of Jammu and Kashmir on Friday afternoon. Low to medium-high clouds hung over parts of Punjab, Haryana, Rajasthan, Sikkim and Arunachal Pradesh.

The IMD has forecast the possibility of heavy rain or snow over Jammu and Kashmir and Himachal Pradesh during the next two days.

### HAILSTORM ALERT

It also has retained the forecast for hailstorms at one or two places over Punjab, Haryana, Himachal Pradesh and Uttarakhand. Delhi and adjoining west Uttar Pradesh might get lashed by the hailstorm from Saturday itself, the IMD said. Moderate fog would occur over Uttar Pradesh and Bihar in morning hours on Saturday and Sunday.

Meanwhile in the south, the easterly wave would affect extreme south peninsular India during next three days. Rain or thundershowers may occur over Andaman and Nicobar Islands on Saturday. A few places over Tamil Nadu, Kerala and Lakshadweep too might come under rains during this period.

# Onion continues to dip on arrivals

M.R. SUBRAMANI

<b>Peeled to the base*</b>		
<b>Date</b>	<b>Arrivals</b>	<b>Modal price</b>
Jan 30	1810.5	350
Jan 31	2019	355
Feb 1	2201	320
Feb 2	1000	320
Feb 3	1575	325

**\*Arrivals on tonnes, price in Rs/quintal at Lasalgaon APMC in Maharashtra**  
**Source: NHRDF**

## **Chennai, Feb. 3:**

Onion prices plunged further this week to a 44-month low on huge arrivals and poor quality of offerings in markets around growing areas in Maharashtra and Gujarat.

“The fall in onion prices continued this week mainly due to poor quality that was on offer. Huge arrivals, too, played a part in the downtrend,” said Mr Rupesh Jaju, Director of Nashik-based United Pacific Agro Pvt Ltd that exports onions.

Arrivals in Maharashtra between Wednesday and Friday totalled 30,000 tonnes with Nashik district topping the chart. Over 6,000 tonnes arrived in Lasalgaon Agricultural Produce Marketing Committee (APMC) yard, while 4,000 tonnes arrived at Pune APMC yard.

Arrivals this week have been so heavy that the Solpaur APMC shut due to lack of storage space.

At Lasalgaon, the modal price or the rate at which most trades took place recovered by Rs 5 a quintal on Friday from Thursday's Rs 320 a quintal. Last week, prices had dropped to Rs 340. Prices had touched this level on June 4, 2008.

The average price on the higher side was Rs 487, while the average price on the lower side was Rs 220, said Mr Jaju. In Maharashtra, most trades were done around Rs 388 a quintal, though prices at Lasalgaon were a little lower.

“Prices seem to have bottomed out. We don't think there are chances of further fall in onion rates,” said Mr Madan Prakash of Rajathi Group of companies that exports agricultural produce.

A negative sentiment prevails in the export market as traders in the Gulf expect further fall in prices. “Export transactions are taking place but volumes are low,” said Mr Jaju, adding that this was further aggravating the situation.

“Generally, there is no export demand in February. We will see demand after March,” said Mr Prakash.

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## Cotton steady on hopes demand will rise



### **Rajkot, Feb. 3:**

Cotton ruled steady on Friday on hopes that demand from exporters and mills will rise and as farmers hold stocks awaiting prices to rise further, traders based in Gujarat said.

The Sankar-6 variety was traded at Rs 36,200-36,300 a candy of 356 kg. *Kapasor* raw cotton moved up by Rs 10 to Rs 700-903 for 20 kg here and quoted at Rs 880-915 for delivery at Kadi. While about 65,000-69,000 bales of 170 kg each arrived in Gujarat, 2.1 lakh bales arrived in rest of the country.

On the National Commodity and Derivatives Exchange, *kapas'* April contract gained Rs 30.60 to Rs 888 for 20 kg, with an open interest of 8,153 lots.

The fibre crop eased in North India, where 27,000 bales arrived, although demand was reported to be better at lower prices. Traders there said mills could not place orders because of financial constraints.

Ready delivery cotton traded at Rs 3,750-3,800 a quintal in Punjab, at Rs 3,715-3,720 in Haryana and at Rs 3,715-3,720 in Rajasthan.

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## Basmati rice firm on domestic buying



### **Karnal, Feb. 3:**

Good domestic demand coupled with new export inquiries, kept aromatic and non-basmati rice prices firm on Friday. The market sentiment is largely positive and prices may increase in the near future, market sources said.

After several requests made by the big players in the trade, the Government is likely to review the minimum export price of basmati rice. The current MEP, which is \$900 for a tonne, is higher than current market prices, and it is a major reason for exports languishing this year. The Government may reduce the MEP by 22 per cent and may set the fresh benchmark floor price for export around \$700 a tonne, sources said.

In the physical market, Pusa-1121(steam) quoted at Rs 4,020-4,100 a quintal, while Pusa-1121 (sela) was sold at Rs 3,475-3,520 a quintal. Duplicate Basmati was at Rs 3,150-3,250 a quintal.

Pure Basmati (Raw) sold at Rs 4,500 a quintal, while Pure Basmati (Sela) was sold at Rs 4,100-4,150/quintal.

Permal (sela) was sold at Rs 2,135-2,220/quintal, while Permal (raw) was quoted at Rs 2,150-2,200 .

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# Sugar holds steady on local market offtake



## **Mumbai, Feb. 3:**

Sugar prices ruled unchanged at all levels (from the producing centres to the retail market) on Friday after rising over the last two days, supported by improved local demand at the beginning of the month and considering the lower free-sale quota for the month. The price at the Vashi wholesale market, naka and mill levels ruled unchanged on routine demand, while the futures market showed range-bound thin volatility.

According to a wholesaler, with higher production and ample stocks available with them, millers continued to sell at the current rates to avoid a build-up of inventory. An improvement in routine retail demand at the beginning of the month has led to a steady rise in volumes at the upper and market level. But despite the firm sentiment, regular supply arrested a price rise.

Sugar prices in Maharashtra have increased by Rs 30- 40 in the last two days, after the announcement of the quota for February. A trader further said local demand has picked up at the beginning of the new month, but would soon ease.

Arrivals in the Vashi market was at 55-56 truckloads and local dispatches were around 52-53 truckloads. On Thursday, 17-18 mills offered tenders and sold 90,000–95,000 bags in the steady range of Rs 2,770-2,830 (Rs 2,770-2,830) for the S-grade and Rs 2,860-2,950 (Rs 2,860-2,950) for the M-grade.

**The Bombay Sugar Merchants' Association's spot rates were:**S-grade Rs 2,911-2,962 (Rs 2,911-2,962) and M-grade Rs 2,986-3,092 (Rs 2,986-3,092).

**Nakadelivery rates were:** S-grade Rs 2,850-2,920 (Rs 2,850-2,920) and M-grade Rs 2,940-3,050 (Rs 2,940-3,050).

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# Purchases buoy new turmeric crop



## **Erode, Feb. 3:**

Spot turmeric prices remained stable on Friday with new crop fetching higher price as traders bought huge stocks.

“Local traders quoted prevailing price, but purchased huge stocks. One or two exporters purchased new variety that arrived for sale. Local traders who are having orders from Chennai, Tuticorin, Madurai and some parts of Kerala, have purchased both the old and new crop on Friday,” said Mr R.K.V. Ravishankar, President, Erode Turmeric Merchants Association.

He said that due to arrival of good quality new turmeric, buyers quoted higher prices and rates for the new crop increased by Rs 420 a quintal.

Around 9,800 bags came for sale and 70 per cent of it was sold.

Traders quoted higher prices for the Mysore and Hybrid Salem variety (Rs 150 a quintal) and lifted all that arrived; Number 8 variety fetched normal prices. Further it was stated that from next week good quality new crop will arrive in the markets.

At the Erode Turmeric Merchants Association sales yard, the finger variety (Old crop) was sold at Rs 2,699-4,798 a quintal, the root variety Rs 2,579-4,216.

The finger variety (new crop) was sold at Rs 3,811-4,296; the root variety Rs 3,716-3,909.

**Salem Crop:**The finger variety fetched Rs 4,564-5,229; the root variety Rs 4,216-4,400. Of the 1,025 bags of new crop and 1,346 of old crop that arrived, 1,700 were sold in total.

At the Regulated Marketing Society, the finger variety (old crop) was sold at Rs 4,219-4,834. The root variety Rs 4,069-4,329.

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