THE HINDU

Published: March 13, 2012 00:50 IST | Updated: March 13, 2012 03:30 IST

Salt-loving wheat could ease food crisis

AFP

AP Durum wheat on a fields in North Dakota, U.S.

Scientists have bred a strain of wheat that thrives in saline soil.

Plant scientists on Sunday said they had bred a strain of wheat that thrives in saline soils, boosting the quest to feed Earth's growing population at a time of water stress and climate change.

Durum wheat with a salt-loving gene had yields which were up to 25 per cent greater than ordinary counterparts, according to trials carried out in highly saline fields.

The gene, called TmHKT1;5-A, helps remove sodium from the water that is transported from the plant's roots to the leaves, said a research team led by Matthew Gilliham of the University of Adelaide, southern Australia.

Spotted in a scan of ancestral wheat strains, TmHKT1;5-A was inserted into a commercial strain by traditional cross-breeding, not through genetic engineering, which is contested in many countries.

Durum wheat — *Triticum turgidum* — is used for making pasta, bulgur and couscous. It is more salt-sensitive than bread wheat (*Triticum aestivum*).

By some estimates, world food requirements will soar by 70 per cent by 2050 as the planet's population rises from seven billion today to nine billion.

The challenge will be made even tougher by the impact of climate change on rainfall patterns.

Salinity is already a bad problem in arid and semi-arid developing countries where soils are naturally salty or irrigation water has a high level of salt.

Publication of the study in the journal *Nature Biotechnology* coincided with the eve of the World Water Forum in Marseille, France, where water scarcity and agricultural needs for water will be major issues.

In January, scientists in Britain and Japan unveiled a fast-track way to spot promising genes and splice them, using classical methods, into rice plants to make them salt-tolerant.

The first beneficiaries of this could be Japanese farmers whose fields were submerged by last year's tsunami. Around 20,000 hectares of paddy fields in north-eastern Japan were flooded by seawater, wrecking their ability to produce crops with conventional rice cultivars.

Published: March 13, 2012 00:00 IST | Updated: March 13, 2012 04:23 IST

Tomato price shoots up due to poor yield

S.P. Saravanan

Farmers blame it due to erratic power supply

Dearer:Traders arranging tomatoes for sale at Vazhapadi wholesale market. -Photo: P. Goutham

Due to poor arrival of tomatoes, the price of traditional tomato (‘naatu thakkali') has increased two fold at Vazhapady wholesale market, near Salem, on Monday.

The wholesale price of tomato was Rs. 12 which was Rs. 6 last week. The retail price was anywhere between Rs. 15 and Rs. 25. Traders attributed the price rise due to low productivity because of water scarcity.

A farmer said that erratic power supply had disrupted watering the crops thereby reducing the yield. If the price rise continued as of now, we can reap good profit, added the farmer.

Tomatoes from Mecheri and Vazhapady wholesale markets were being transported to Cuddalore, Neyveli, Virudhachalam and other places. On an average, Mecheri market received around 100 tonnes a day, but now only 20 tonnes arrived in the market in past few days.

"Normally the market receives around three tonne every day from nearby villages, but there is a sharp fall in production and hence increase in price", says M.G.R. Palanisamy, a wholesale trader at the market.Farmers are happy as the price has shot up and price is expected to be around Rs. 20 to Rs. 25 by this month-end, he added.The situation was different last week. Huge arrivals flooded the market bringing down the prices of tomatoes to Rs. 2.

Farmers even dumped tomatoes on road sides as they were not able to get the right price. But the situation has turned in a week with marketing seeing sharp decline in the arrivals.

The tomatoes are popular in the State for their juice content and gleaming colour which is raised on almost 1,000 hectares in the region. The market perception was that the price of tomato would go up further in coming days that would ultimately benefit the farmers.

Published: March 13, 2012 00:00 IST | Updated: March 13, 2012 04:23 IST

Officials told to address paddy procurement complaints

President of the zilla panchayat Shubha Krishnamurthy speaking at the progress review meeting in Shimoga on Monday.

Zilla panchayat president Shubha Krishnamurthy has asked officials of the Department of Food and Civil Supplies to address complaints regarding procurement of paddy at support price in the district.

Speaking at the progress review meeting under the Karnataka Development Programme here on Monday, she asked the officials to apprise the government of the need to commence procurement of paddy at the earliest and to address complaints of unfair practices at procurement centres.

District Health Officer Channabasappa said the rapid polymerised-based chain reaction testing laboratory to investigate the blood samples of people suffering from Kyasanur Forest Disease, also known as monkey fever, would become functional in the city by December.

The proposed laboratory would be constructed on the premises of the Viral Diagnostic Laboratory. A sum of Rs. 10 lakh allocated to the Department of Health and Family Welfare by the zilla panchayat would be spent on the laboratory. Grants from the government were expected, he said.

A proposal had been submitted to the government to upgrade primary health centres at Konandur and Ripponpet villages as community health centres. A total of 16,000 people had been vaccinated in the district for monkey fever, he said.

Ms. Krishnamurthy asked the district health officer to send a report to the government on monkey fever.

Dr. Channabasappa said that it had been planned to construct a building for a community health centre on 3.08 acres of land under the Government Primary School at Holalur village. The gram panchayat and the taluk panchayat had accorded their approval in this regard.

Ms. Krishnamurthy directed the Deputy Director of Public Instruction to issue no objection letter to the Department of Health and Family Welfare for utilising the land under the government School here. Chairperson of the Standing Committee on Social Justice K.B. Ashok said the Harijan Colony at V. Bhairanakoppa village under Ayanur gram panchayat limits was deprived of basic amenities. He urged the zilla panchayat to pass a resolution to provide basic amenities to the colony on priority basis.

Joint Director of Agriculture Shivamurthappa said the district had 29,120 tonnes of fertilizers. An officer from the Karnataka Milk Federation said that against the target of collecting 388.13 lakh kilo litres of milk in the district in 2011-12, 377.81 lakh kilo litres had been collected, achieving a progress of 97 per cent.

Published: March 13, 2012 00:00 IST | Updated: March 13, 2012 04:20 IST

‘Overuse of fertilizers has affected food system'

Correspondent

Over dependence on fertilizers in the name of Green Revolution has affected the country's food system, P.V. Satish, Director of Deccan Development Society, Hyderabad, said after inaugurating a workshop on paddy cultivation at TSS Hall here on Sunday.

Traditional paddy cultivation provided plenty of fodder for cattle. But short-term varieties, which grew short, led to shortage of fodder, which affected cattle rearing, he said.

The government should procure locally grown foodgrains and distribute them to people through fair price shops. This would help farmers, he said.

Resource person Prakash Kammaradi of Bangalore University said that research outcome and experts' opinion should be compiled for better performance in the agriculture sector.

Social worker Dushyant Kollur, who presided over the function, said that the government should come to the rescue of paddy growers in distress.

Share

DHARWAD, March 13, 2012

Talk on organic farming

The Yellappa Shivappa Sidnal Endowment Lecture in Kannada on the organic farming will be held at the Karnatak Vidyavardhak Sangha here on Tuesday. Activist Prakash Bhat and UAS-Dharwad professor Sanjiv Kulkarni will participate.

ANGALORE, March 13, 2012

Farmers demand promised subsidy for low-cost greenhouses

Subsidy can't be given unless work is completed, says official

Unburdening:Farmers from Doddatumkur discussing their grievances with G.C. Nagaraj, Deputy Director of Horticulture, Bangalore Rural district, in Bangalore on Monday.— Photo: K. Murali Kumar

Krishnappa, a farmer from Doddatumkur village, is a worried man. He had sunk all his assets into a dream venture, only to learn that the promised subsidy to build it has been withdrawn. He is now staring at a Rs. 7-lakh loan burden.

He and others farmers had participated in a programme held by the Horticulture Department about two months ago, where they were educated about good management practices in vegetable cultivation under the Rashtriya Krishi Vikas Yojana's vegetable growers' initiative. This included greenhouse cultivation, under which there are two types — a high-cost steel greenhouse and a low-cost wooden one.

Many like Krishnappa, a capsicum grower, opted to construct the low-cost greenhouse. They were told that they would be given a subsidy for constructing either greenhouse. Now, with 70 per cent of construction having been completed, and having spent substantial amounts of money on it, the farmers received information that the wooden greenhouses may not be eligible for subsidy. High drama prevailed at the office of G.C. Nagaraj, Deputy Director of Horticulture, Bangalore Rural district, here on Monday, as some of the farmers threatened to consume poison if they were not given the promised subsidy.

Vasanth Kumar, president of the Karnataka Rajya Raitha Vidyarthi Sangha, who is also a farmer, said that many farmers had begun construction of the greenhouses as the quality of yield is very good under this method of cultivation.

He explained that while the steel greenhouse costs about Rs. 45 lakh (for every acre), the wooden ones cost about Rs. 28 lakh.

However, Mr. Nagaraj, in whose office the agitating farmers chose to lodge their protest, said that nowhere had it been said that subsidy would not be extended to the low-cost greenhouses.

"In a meeting held recently, the majority of the people advocated the steel structures as they are long-lasting. The farmers got to know about this and have assumed that they won't be given subsidy. But the truth is that the proposal is yet to reach us and subsidy can't be given unless work is completed," he said.

BIDAR, March 13, 2012

Bidar well suited for cashew cultivation

However, productivity is less than the State average and varieties are not high yielding

Growing demand:As many as 189 hectares in Bidar district are under cashew cultivation.— File Photo

With laterite soil, humid weather and annual rainfall of up to 900 mm, Bidar is well suited to grow cashew, according to experts.

"Farmers in Bidar need not worry about growing cashew. They can throw seeds in mounds of degraded soil and come back a few years later to harvest the crop. It is that easy," says S.B. Dandin, Vice-Chancellor, University of Horticultural Sciences, Bagalkot.

This "hassle-free" crop is hardy and does not need irrigation, Mr. Dandin says. Besides, it is not sensitive to pests and diseases.

“With the society getting increasingly nutrition conscious, the demand for snack food crops, such as cashew, is growing,” he adds.

Export potential

Cashew also has high export potential, says pomologist Suryakant Biradar of the College of Horticulture, Bidar.

“The price of cashew nut has been growing over the last year; at one time, it was comparable to almonds,” he says.

As many as 189 hectares in Bidar district are under cashew cultivation, with an average annual production of 284 tonnes of raw nuts.

However, productivity is less than the State average, as most trees were planted as part of afforestation efforts in public land and not in orchards. The varieties selected were not high yielding and farmers do not prune or dress trees to hasten growth and increase yield. Farmers can be trained in these skills, Dr. Biradar says.

“Apart from research and training, we plan to impart need-based and skill training to farmers and in-service field-level extension workers, and vocational training to unemployed youth,” says V.C. Kanamadi, Dean of the College of Horticulture, Bidar. The college has been organising workshops for horticulture farmers and food processing training for women.

- *Bidar district's laterite soil, humid weather and rainfall makes it well suited to grow cashew*
- *A hassle-free and hardy crop, it does not need irrigation: expert*

ALAPPUZHA, March 13, 2012

Unique programme organised for farmers

The Krishi Bhavan, Cheriyanad and Agrifriends Agricultural and Cultural Forum jointly organised a unique programme titled ‘Manvetti utsavam' (Spade festival) to interact with nearly 100 farmers cultivating vegetables in the paddy fields of Mamprapadam last week.

Kanivellari cultivation

The farmers were engaged in cultivation of 'kanivellari' (special kind of cucumber which is used for 'kani' ritual during Vishu) and beans in the Mamprapadam paddy field after the second round of paddy cultivation. The festival was titled 'Manvetty utsavam' to denote the spade, a symbol of cultivation and the favourite work-tool of the farmer.

The festival was inaugurated by District Agriculture Officer (DAO) B.Nalinakumar. The farmers were provided refreshments and presented with traditional towels on the occasion. The DAO, who is due to retire shortly, was honoured by presenting a *ponnada* by the 'model farmer' of Mamprapadam, Ponnappan.

The programme was the brainchild of Agrifriends programme coordinator S.Jayakumar. Cheriyanad agriculture officer, C.G.Prasad led the organising of the programme.

Another festival

Another agricultural festival is being planned in the second week of April in connection with the harvest of 'kanivellari'.

KOTTAYAM, March 13, 2012

Mechanisation necessary to ensure growth of agricultural sector: Chandy

'M.S. Swaminathan's assistance will be sought for the Kuttanad Package'

Chief Minister Oommen Chandy inaugurating a training centre at a function held at the State Seed Farm at Kozha on Sunday.

Chief Minister Oommen Chandy has emphasised on the importance of mechanisation for ensuring the growth of the agricultural sector and to reap maximum benefits.

Launching the mechanisation component of the Kuttanad Package at a function held at the State Seed Farm at Kozha on Sunday, Mr. Chandy said that there had been staunch opposition in the past against the use of machines in the agriculture sector, mainly due to the fact that it would adversely affect the employment opportunities of many people. However, it must be realised that at present the State faces an acute shortage of labour in the sector with the exception of rubber cultivation. This called for mechanisation of the various processes of the sector so as to ensure that the crop produces are not left to waste.

Mr. Chandy also said that the State has received that financial assistance that was expected for the implementation of the Kuttanad Package. The effective usage of resources will be ensured at all stages of the implementation.

The environmental factors and the benefits of the farmers will also be given due importance. The technical assistance of renowned scientist M.S. Swaminathan will also be sought at various stages of implementation, he said.

Training programme

Revenue Minister Thiruvanchoor Radhakrishnan inaugurated a training programme for the maintenance of machines.

Mons Joseph, MLA, presided over the function. District panchayat president Radha V. Nair, vice-president K.A. Appachan, Agriculture department director R. Ajith Kumar, Kuttanad package Special officer P. Rajendran, and State Agriculture Engineer G. Jayachandra also spoke on the occasion.

March 13, 2012

Farmers' meet

On March 16 (Friday), Collector U. Sagayam would preside over the monthly farmers' grievance meeting.

According to a press release, the meeting would be held at 11 a.m. at the Penny Quick Hall in the Collector's office and farmers/association representatives would participate.

All officials from the district who are connected with the farmers' grievance redressal have been directed to be present.

---

hindustantimes

Tuesday, March 13, 2012

HT Correspondent, Hindustan Times

New Delhi, March 13, 2012

Email to Author

First Published: 02:19 IST(13/3/2012)

Last Updated: 02:23 IST(13/3/2012)

Economy will bounce back, says President

Economy would soon be back on the 8-9% growth path - from around 7% projected for the current fiscal - on the back of strong fundamentals and favourable domestic factors, President Pratibha Patil said Monday. Her longest and last address to the joint session of Parliament - halfway into UPA-2's tenure - reflected the government's concerns over a slowing economy and poor showing in the recent state elections. Patil's term ends in July.

"My government is confident that it will soon steer the country back to the high growth trajectory of 8-9%," she said, while announcing a number of pro-people measures four days ahead of the budget.

The growth rate was expected to slow down to 7% in the current fiscal from last financial year's 8.4 % but it was "healthy" in view of the global trend, she said.

Patil expressed hope that growth in the 12th Plan period (2012-17) would be 9%, with agriculture growth at about 4%- a target, economists say, difficult to achieve.

Meeting the high economic goal would not be possible without harvesting the demographic dividend - by 2020, average age of an Indian would be 29. Eight crore young people would get special training for which 6,500 skill-development institutes would be set up.

In her 106-paragraph speech, slammed by the BJP as lacking in vision, Patil discusses a range of issues - black money, e-governance initiatives, fight against corruption, health-for-all, and food security law.

Various steps taken by the government had the "potential of bringing about a transformational change" in fighting corruption and enhancing accountability, she said.

E-governance projects in education, health, public distribution and postal services would be launched and more services delivered through internet and mobile phones. Patil identified - livelihood, economic, energy, environmental, internal and external security - as five big challenges facing the government.

http://www.hindustantimes.com/StoryPage/Print/824465.aspx

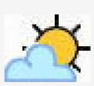
weather

INDIAN CITIES | INTERNATIONAL CITIES

Delhi

Delhi - INDIA

Today's Weather



Partly Cloudy

Tuesday, Mar 13

Max Min

30.2º | 11º

Rain: 00 mm in 24hrs

Humidity: 82%

Wind: Normal

Sunrise: 7:14

Sunset: 17:48

Barometer: 1013

Tomorrow's Forecast

Partly Cloudy

Wednesday, Mar 14

Max Min

29º | 12º

Extended Forecast for a week

Thursday	Friday	Saturday	Sunday	Monday

Mar 15	Mar 16	Mar 17	Mar 18	Mar 19
30° | 11°	31° | 11°	34° | 14°	32° | 14°	32° | 14°
Sunny	Sunny	Sunny	Sunny	Sunny

The Indian EXPRESS
JOURNALISM OF COURAGE

Ban on cotton exports revoked

ENS Economic Bureau Posted online: Tue Mar 13 2012, 01:27 hrs

New Delhi : The Centre has withdrawn the ban on raw cotton exports that was imposed last week. A notification withdrawing the ban, which had led to strong protests from several quarters, was issued on Monday morning.

However, no fresh registrations for exports will be done for now, it said, adding that the process has been suspended “until further orders”. The notification also said that registration certificates issued for exports will be scrutinised again and revalidated.

“Exports can be effected only after registration certificates are revalidated,” it said. This is to ensure that no “fictitious” export transaction takes place. Also, exports will have to be completed within a month of issuing the registration certificates. But additional time will be give to those registration certificates that were valid as on March 5, when the ban was imposed.

The lifting of the ban had an immediate positive impact on the market. Immediately after the ban was withdrawn, spot prices of cotton in North India surged by Rs 500 for a candy (356 kg). In the futures market, prices were up by over Rs 1,000 a candy. However, sources said that conditions for exports have been made stringent, which could result in prices crashing in the coming days. After the ban was imposed last week, cotton prices had dropped by over Rs 1,000 to Rs 32,500-33,000 a candy before recovering to 33,500-34,000 over the weekend.

The ban on March 5 had taken all stakeholders by surprise, forcing domestic prices into a free fall and badly denting India’s image as a credible supplier in the global markets.

The decision to revoke the ban was taken by the GoM, headed by Finance Minister Pranab Mukherjee, last Friday, after a directive from Prime Minister Manmohan Singh to “urgently” review the decision.

Business Standard

Tuesday, Mar 13, 2012

Eyeing 4% higher foodgrain production

BS Reporter / New Delhi/ Chandigarh March 13, 2012, 0:33 IST

Haryana has set a target for foodgrain production for 2011-12 at 173.04 lakh tonnes (51.27 lakh tonnes for kharif and 121.77 lakh tonnes for rabi crops), four per cent higher than last year.

Similarly, the targets for sugarcane, cotton and oilseeds have been fixed at 70 lakh tonnes; 25.44 lakh bales; and 11.72 lakh tonnes, respectively.

As per the economic survey 2011 report, Haryana has recorded a remarkable incr-ease in foodgrain production which touched the mark of 50.22 lakh tonnes during Kharif season in 2011. It is 5.6 per cent higher than that of the previous year. The productivity of cotton was 739 kg per hectare (lint), says the state government.

The economic survey further states that production of rice is likely to be 37.59 lakh tonnes in 2011-12 and that of wheat 118.61 lakh tonnes.

The production of oilseeds and sugarcane in 2011-12 is estimated at 10.29 lakh tonnes and 67.45 lakh tonnes as against 9.65 lakh and 60.42 lakh tonnes, respectively, in 2010-11. Cotton is likely to increase from 17.44 lakh bales in 2010-11 to 26.21 lakh bales in 2011-12.

The state is second largest contributor of foodgrain to the Central pool. Haryana accounts for more than 60 per cent export of Basmati rice in the country. Also, the state achieved an impressive level of productivity of 1,869 kg per hectare under mustard crop in 2010-11 — the highest in the country.

Branded oil makers to increase prices

Rutam Vora / Mumbai/ Ahmedabad March 13, 2012, 0:24 IST

Low estimates of domestic oilseed production in the coming oil year (November 2012-October 2013) and recent instability in currency rates are likely to put edible oil prices are on the boil. Prompted by domestic and international factors, refining companies as well as branded oil marketing companies will pass on the increase in prices to consumers, making the daily food platter costlier.

According to industry experts, edible oil prices have gone up by 5-10 per cent since February and are likely to stay firm for about a quarter. “There are international factors, such as rupee fluctuation and lower soyabean output estimate in the US, while domestically mustard output is estimated lower than last year. This has created bullish sentiment in prices over the past few weeks,” said Angshu Mallick, COO, Adani Wilmar Ltd. Prices have started firming up since January. However, prices have moved up much faster during February, prices of most edible oils have risen by 5-10 per cent in a month.

MCX spot mustard oil at Jaipur rose from Rs 715 per 10 kg on February 1 to a high of Rs

783.50 by the end of the month. Similarly, in the spot markets at Mumbai, RBD Palmolein rose from Rs 561 per 10 kg to Rs 576 on March 6. Groundnut oil rose from Rs 1,030 per 10 kg to Rs 1,120 per kg and soybean refined rose from Rs 660 per 10 kg to Rs 680 on March 6.

High prices have already started hampering refining operations. According to industry players, refineries are operating at lower capacity utilisation levels. “Currently, there is disparity in oil seed crushing. Hence, most refineries in the country are operating at lower utilisation levels of 40-50 per cent,” said Ashok Sethia, VP, COOIT. The depreciation in the rupee against the dollar has made imports of key edible oils costly. On Wednesday, the rupee traded at Rs 50.47 against a US dollar. This is the lowest level for the rupee since January 18, when it recorded Rs 50.76 a dollar.

“Dollar has been unstable for the last one week. The rupee has depreciated by Rs 1.5 per dollar, making imports costlier by $1,200 per tonne. This would increase retail prices by Rs 2 per kg,” said Mallick of AWL, which sells edible oils under the brand name of Fortune.

“There has been bullish sentiment in most edible oils over the past one month. Rupee depreciation in the past few weeks is one of the factors for the price rise in the short term. This trend may continue till the rupee shows some major improvement,” informed Biren Vakil of Paradigm Commodities in Ahmedabad.

According to industry insiders, the branded edible oils segment controls about 40 per cent of the total market of around Rs 75,000 crore. AWL is one of the leading players in the edible oils segment, besides Ruchi Soya and Cargill.

In a recent paper presented at Malaysia, Dorab Mistry, director of Godrej International had said imported vegetable oil would constitute 57.54 per cent of India’s total consumption in the current year, up from 55 per cent last year.

The country’s edible oil output is estimated to fall by three per cent to 6.95 million tonnes this year against 7.15 million tonnes a year ago. Mistry has estimated India’s per capita consumption to rise this year to 13.18 kg, compared to 12.96 kg in the previous year.

Meanwhile, the share prices of most edible oil refining and marketing companies have witnessed a beating since February 1, 2012.

Govt partially withdraws cotton export ban

Allows outbound shipment of only those consignments that have already been registered

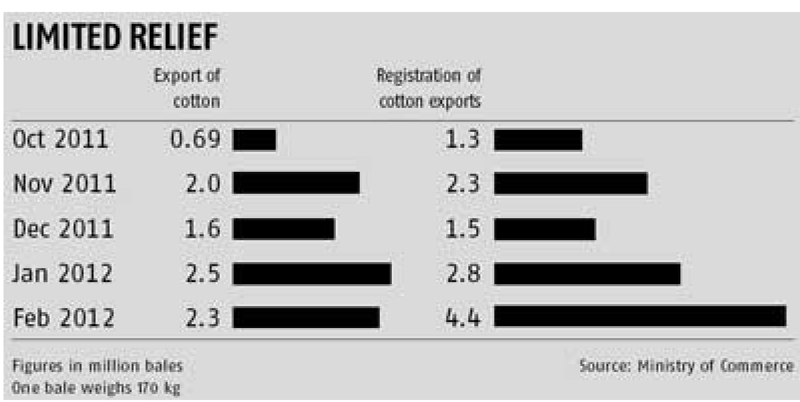
BS Reporter / New Delhi March 13, 2012, 0:56 IST

Maintaining that ballooning cotton exports were used for stockpiling abroad, the commerce ministry today gave a partial relief to exporters by allowing outbound shipment of only those consignments that were already registered, and, only after revalidation of certificates.

No fresh registration certificates (RCs) would be issued till further orders, a much-awaited notification by the Directorate General of Foreign Trade (DGFT) said. But, the decision would be reviewed by a Group of Ministers, comprising of Finance Minister Pranab Mukherjee, Agriculture Minister Sharad Pawar and Minister for Commerce, Industry and Textiles Anand Sharma, within the next two weeks.

Sharma met MPs from Maharashtra, Gujarat and Andhra Pradesh to apprise them of the decision.

Of the total registration of 13 million bales (one bale weighs 170 kg) before the ban, 3.5 million bales are yet to be shipped. These will be revalidated, commerce secretary Rahul Khullar told reporters here.



"No new RCs will be issued until the exercise (of revalidation) gets completed, which means till we sort out what is going to be done with those 3.5 million bales," he added.

Exporters fear that in the name of revalidation of certificates, scrutiny could be done about trade to sister-concerns abroad by companies operating in India.

India is the world's second-largest cotton producer and its biggest customer is China.

"There was clear information that more than 85 per cent of actual shipments are going to China and there was also evidence of stockpiling abroad. On the back of this, the ban was imposed," Khullar said.

Khullar said exports had already hit record levels of 9.5 million bales in just two weeks.

"There was madness to export, which could be seen from the fact that the RCs for export of 7.2 million bales were issued in January and February alone," he added.

"Scrutiny and revalidation is to make sure there is no fictitious transaction," he said. The parameters to check the veracity of RCs would be decided by the commerce and textile ministries.

Early last week, the textile ministry had said the ban was imposed after taking into account the trend of domestic consumption and depletion of domestic availability.

The commerce ministry had banned cotton exports suddenly on March 5 and announced lifting of the restriction yesterday after severe criticism from Pawar, who opposed the move and requested Prime Minister Manmohan Singh to revoke the ban. A statement issued by the commerce ministry said the first priority would be given to those consignments handed over to the Customs department.

Cotton industry unhappy, prices fall further

Sanjay Jog / Mumbai March 13, 2012, 0:58 IST

The central government's partial rollback on the cotton export ban and its changing policy in this regard too frequently has been criticised by industry and trade bodies.

After last week's export ban order, the government says exports would be allowed under open general licence but no new registration certificates (RCs) are to be issued for now. Besides, RCs issued earlier would now have to be revalidated before any export can be done.Today's notification has led to a further fall in raw cotton prices,to Rs 3,400 a quintal from Rs 3,700 a quintal. Procurement continues to be at a standstill in the growing states. State-run Cotton Corporation of India (CCI) said it was keeping a vigil on procurement and prices in the wake of the partial roll-back. A CCI official told Business Standard: "We will intervene and start procurement when prices reach the Minimum Support Price level of Rs 3,300 a quintal, as done last week in Andhra Pradesh."N P Hirani, chairman of The Maharashtra State Cooperative Cotton Growers' Marketing Federation, said the government must fully reopen export. There was no need for keeping on hold issuance of new RCs. "We are discussing the fresh notification at our board meeting slated for Tuesday and will express our opposition. The decision will further harm the farmers and cotton prices in particular," he said.

Jaggubhai Shah, chairman and managing director of Gill & Co, said today's decision would definitely have an adverse impact on prices. "I expect the prices will fall by Rs 1,000 a candy (356 kg). Raw cotton prices have already crashed to Rs 3,400 a quintal. At stake is India's credibility and reliability in the international market and such inconsistent policies will further impact it."Of the 12.5 million bales registered so far for export, 9.5 million have been exported and three million are yet to be shipped.

Dharmesh Mehata, director, Gokul Cotton Pvt Ltd, Mahua (Saurashtra) said ginning mills in Gujarat alone may have incurred a loss of Rs 600 crore in the past five days. There are 1,000 ginning mills with a daily pressing capacity of 80,000 bales (a bale is 170 kg), he said. He pressed for opening of exports at the earliest.

Crude palm oil down on profit-selling

Press Trust of India / New Delhi March 12, 2012, 13:07 IST

Crude palm oil fell by Rs 3.40 to Rs 556.60 per 10 kg in futures trade today on emergence of profit-selling at existing higher levels after a decline in demand in the spot market.

At the Multi Commodity Exchange, March crude palm oil fell by Rs 3.40, or 0.60%, to Rs 556.60 per 10 kg, with a trading volume of 115 lots.

The April delivery moved down by Rs 3.40, or 0.59%, to Rs 566.60 per 10 kg, with a business volume of 351 lots.

The price for delivery in May lost Rs 3.20, or 0.55%, to Rs 571.30 per 10 kg, with a trading volume of 142 lots.

Marketmen said emergence of profit-selling by speculators driven by fall in spot market demand led to the fall in crude palm oil prices at futures market.

THE HINDU Business Line

‘Cotton importers won't trust India'

Our Bureau

Dr. Y. Sivaji

Guntur, March 12:

The Union Government should take the blame for its ‘erratic cotton export policy', first imposing a ban on cotton exports a week ago and then subsequently, withdrawing it, according to Dr. Y. Sivaji, former member of the Rajya Sabha and the Honorary President of AP Virginia Tobacco Growers' Association.

In a statement here on Monday, he said the cotton importers would not trust India, if the Union Government adopted such policies and they would shift to other countries such as Pakistan and Bangladesh.

The damage had already been done and the lifting of ban would not bring about any dramatic improvement in prices, he felt.

He said in future at least the Government should desist from such ill-conceived policies.

Rice likely to gain on better domestic offtake

Our Correspondent

Karnal, March 12:

Rice remained range-bound on Monday despite buying. Rice miller Mr Praveen Kumar said the market sentiment is largely positive as domestic demand is getting better.

Demand for full grain and brokens is good at present, and the prices may rule firm for the next few days.

In the physical market, the aromatic varieties have been ruling almost unchanged.

Pusa-1121(steam) quoted at Rs 3,920-4,025 a quintal while Pusa-1121(sela) sold at Rs 3,400-3,510.

Pure basmati (raw) sold at Rs 4,450-4,525 a quintal, and pure basmati (sela), at Rs 3,950-4,000 a quintal. Duplicate basmati sold at Rs 3,150-3,250.

Among the brokens of Pusa-1121, Tibar sold at Rs 2,900-3130 a qunital, Dubar at Rs 2,450-2,625, and Mongra at Rs 1,920.

Non-basmati varieties saw marginal variations. Sugandha (steam) went for Rs 3,000-3050 a quintal, and PR14 (steam), at Rs 2,260.

Permal (sela) sold at Rs 1,870-2,000 a quintal, Permal (raw) at Rs 1,850-2,010, PR-11 (sela) at Rs 2,070-2,250, while PR11 (raw) went for Rs 2,000-2,220.

Sharbati (steam) ruled at Rs 2,830-2,900 a quintal and Sharbati (sela) at Rs 2,650-2,700.

Record prices fetched at Nilgiri speciality tea auction

Our Bureau

Coonoor, March 12:

A new chapter has been opened in the commercial history of Nilgiri speciality teas with black, white and green teas fetching record prices at the Winter Speciality auction held this weekend by Nilgiri Planters' Association (NPA) with the Tea Board as principal sponsor.

UPASI Silver Tips Tea topped the auction when Golden Tips Tea Co, Kolkata, bought it for Rs 9,010 a kg. Havukal Estate's Golden Tips tea fetched the second highest price of Rs 7,500.

Korakundah Estate's White Tea came third at Rs 7,310 followed by Glendale's Golden Twirl at Rs 7,200.

Green teas

Among green teas, Avataa Virgin Green from Bluegate Beverages fetched the highest price of Rs 6,011. It was the only green tea to be sold above Rs 6,000-mark but the other Avataa multi-brew teas which were first-time entrants in any Indian auctions were among the top favourites - Rs 5,642 for White Tea, Rs 5,632 for Twirl Green Tea, Rs 5,510 for Nilgiri Long Ding, Rs 5,232 for different White Tea, Rs 4,500 for different long ding and Rs 3,661 for different Twirl green.

“As the response has been overwhelming, these teas will, henceforth, be regularly available in the markets”, the Bluegate Director, Mr G. Udayakumar, told *Business Line*.

“Totally, 96 per cent of the 1,535 kg on offer was sold fetching a total earning of Rs 23,52,765. The average price was Rs 1,686 a kg. About 38 per cent of the offer fetched Rs 2,000 and more a kg.

The highest overall earning of Rs 5.50 lakh was bagged by Sutton Estate by selling 230 kg of specialty teas”, NPA Chairman Mr Suresh Jacob said.

Cardamom supply slips on bad weather, prices up

Our Bureau

Kochi, March 12:

The cardamom prices remained steady last week at the auctions in Kerala and Tamil Nadu on matching demand and supply. However, bullish sentiments created by unfavourable weather conditions and declining arrivals amid good demand persisted. As a result, the market gained

Rs 10- 15 kg at the auctions held in Bodinayakannur on Monday, trade sources in Bodi told *Business Line*.

Harvesting of the current crop has come to an end and the growers, who anticipate prices to touch Rs 1,000 a kg, are releasing only limited quantities. “Their expectation is based on the unfavourable climatic conditions which they say will delay the next crop, apart from reducing the output substantially”, said market sources in Kumily.

There was not much demand from upcountry markets last week as they were closed for Holi. Woes of further squeeze in supply are likely to motivate them to cover good quantities in the coming days, according to Mr P.C. Punnoose, General Manager, CPMC. He said exporters also bought an estimated 60- 70 tonnes of cardamom last week. On Sunday at the KCPMC auction they bought 12 tonnes, he said.

Even though some of the midlands in Idukki district received rains late last week, the high ranges continue to remain dry, some of the growers said. “This dry spell accompanied by high temperatures in growing areas without any signs of summer showers is adversely affecting the crop”. In some areas, the plants started to wither and if the current weather conditions continued to prevail, plants in those estates which do not have irrigation facilities would slowly dry up, they claimed. In some areas, where irrigation facilities exist, the water sources have started drying up fast, they said.

“If the dry spell continues for long it will lead to damage of the plants and a consequent poor crop next season apart from delaying the harvesting in the next season”, traders in Bodinayakannur said.

Arrivals on Sunday at the KCPMC auction stood at 60 tonnes as against 80 tonnes the previous Sunday. The maximum price was Rs 1,060.50 a kg and the minimum was Rs 512 a kg. The auction average stood at Rs 755.41 a kg. The individual auction average fluctuated between Rs 710 and Rs 760 a kg last week, they said.

Total arrivals during the current season from August 1, 2011 to March 11, 2012 was at 14,264 tonnes and the sales at 13,848 tonnes as against 7,684 tonnes of arrivals and 7,499 tonnes sales in the same period last year.

Weighted average price as on March 11 was at around Rs 578.89 a kg as against around Rs 1,109.59 a kg on the same date last year, according to official sources.

Prices of graded varieties were up on good demand (Rs per kg): AGEB 990-1,000; AGB 800-810; AGS 780-800 and AGS 1 760 -770.

Open market prices of graded varieties in Bodinayakannur (Rs per kg): AGEB Rs 975; AGB Rs 790; AGS Rs 775 and AGS 1 Rs745, trade sources in Bodi said. Negligible quantity of 8 mm bold was available and it was fetching Rs 1,100–1,200 a kg, they added.

Nutmeg, mace continue to rule firm on short supply

Our Bureau

Kochi, March 12:

The prices of nutmeg and mace continued to rule firm on short supply in the domestic and international markets and if the current trend is any indication, the same situation is likely to persist in the coming months also, according to the trade.

Short supply in the world market has paved the way for increased shipments from India during the current fiscal surpassing the target for 2011-12 of 2,000 tonnes valued at Rs 100 crore in nine months, official sources said. Total exports during April – December 2011 soared to 2,900 tonnes valued at Rs 187.56 crore against 1,365 tonnes valued at Rs 60.43 crore. The availability was so tight that despite increase in unit value the shipments went up. Average unit value in April-December 2011 was at Rs 646.78 a kg against Rs 442 in the corresponding period last fiscal, they said.

Weather conditions

Unfavourable weather conditions in the growing countries, such as Grenada, Sri Lanka and Indonesia, have reduced the output leading to a shortage pushing the prices up, trade sources here said.

Meanwhile, industry sources claimed that in India “unseasonal rains have destroyed the flowers and consequently, there was about 30 per cent fall in output in 2011 season.”According to them, there is a likely shortage of the crop in Sri Lanka also this year. Their next crop is slightly better, but is projected to be below the usual good crop, they said.

Overall output in 2012 is also, according to early projections, likely to be below the normal world production, they claimed. Grenada, which used to produce 3,000 tonnes, had only 500 tonnes in 2011 and its production this year is also projected to be less, they said.

Decline in supply sources has pushed up the prices of mace (superior grade - yellow) in the domestic market to Rs 1,350 a kg while red was being sold at Rs 1,250, trade sources in Kochi told *Business Line*.

Prices of farm grade nutmeg with shell are ruling at Rs 400-450 a kg while that of export grade is sold at Rs 500. Whereas, without shell it is sold at Rs 800 -815 and that of export quality at Rs 875–885, they said. The flower of red colour fetches Rs 1,700 a kg while yellow is sold at Rs 1,600.

Indian output of nutmeg with shell is estimated at 12,000 tonnes and when the shells are removed it would come to about 8,000 tonnes.

Indian domestic demand for mace is estimated at around 1,500 tonnes a year and as against this the production is around 800-1,200 tonnes. The shortfall is met by imports mainly from Sri Lanka under duty free imports, they said.

Meanwhile, one section of the trade said the requirement of nutmeg ranged between 13,000 tonnes (without shell) and 15,000 tonnes, of late, given its growing use in indigenous medicines/drugs, cosmetics and in various food products. The demand includes exports which ranges between 1,500–3,000 tonnes depending upon availability and price, they said.

The area under the crop went up to 16,400 hectares in 2008-09 from 11,270 hectares in 2005-06, but the output has not kept pace with the growing demand, they said.Changes in food habits following a change in lifestyles have been responsible for the rise in demand for many such commodities. The annual growth in demand for nutmeg and mace, therefore, is estimated at 5-10 per cent of late, trade sources said.Kerala, which topped once in area and production (13,494 ha/11,361 tonnes) of nutmeg and mace, has it now mainly as homestead and mixed crop in certain areas such as the embankments of rivers, Pampa, Periyar, Meenachil, Manimala and Achenkoil. Consequently, assessment of the actual area under the crop is appears to be a difficult task. According to 2006-07 statistics, Karnataka had it in136 ha with a production of 1,997 tonnes followed by Andaman and Nicobar Islands (79 ha/4 tonnes).

Key markets

The principal import markets are the European Community, the US, Japan and India. Singapore and the Netherlands are the major re-exporters.The US is the biggest individual market for whole nutmegs. US importers prefer the East Indian type of deep brown, aromatic nutmeg and orange-red mace in their whole form.

As the Indian production is far below the demand, the country continues to be a net importer of both nutmeg and mace.

Coffee Board plans multidisciplinary approach to tackle white stem borer

Pesticides sprayed on coffee plants to avoid stem borer attacks. (file photo)

Bangalore, March 12:

Coffee Boards has initiated multidisciplinary approach to tackle white stem borer (WSB) and berry borer menace.

Arabica coffee plantations are affected by WSB wherein larvae bores into the plant's stem causing death of plants. Berry borer affects robusta plants by eating the fruits during harvest.

These two pest incidents considerably affect the coffee quality and production in the country.

To address this, the Coffee Board has drawn up two-pronged strategy — short-term with a time span of one to two years and long-term spanning over five years.“We are planning to address this key issue by involving other commodity research institutes in the country such as ICAR, IIHR, NBCC and Coconut Board,” Mr Jawaid Akhtar, Chairman Coffee Board told *Business Line*.“Through this multi-research approach we have taken up ‘management of coffee WSB in the arabica growing regions' as a mission-mode project,” he added.

Data sharing

For the project, existing data on WSB collected by the Central Coffee Research Institute (CCRI) over the years are to be shared with other research institutes to find solutions.Coffee Board has already released Rs 20 lakh for the short-term plan. As for the long-term initiative, it plans to include in the 12th Five Year Plan as it involves huge funding.“For long-term initiative, we plan to collaborate with other scientific institutions to find a solution or to develop pest-resistant coffee plants,” Mr Akhtar said.

Currently the Board is trying to raise growers' awareness on the berry borer issue and is actively advocating measures such as clean harvest and pest management practices to contain the infestation. Clean harvesting is removal of all left over berries and gleanings after harvest season.

Govt suspends registrations of cotton exports

Registration certificates issued in January and February (about 35 lakh bales) will be subjected to scrutiny and revalidation.

New Delhi, March 12:

The Centre on Monday formally withdrew the ban on cotton exports imposed on March 5 but it has suspended issuing new export registration certificates (RC) “until further orders”.

The suspension led to further crash in prices that seemed to rise early in the morning after the Directorate-General of Foreign Trade issued the notification revoking the ban.

A Group of Ministers will meet within the next fortnight to assess the supply-balance situation afresh and take a view on whether to allow fresh registrations for exports.

The notification said that contracts already registered with it so far, but not yet shipped, will be expeditiously scrutinised to ensure that their papers are in order and revalidated. An RC is valid for 30 days from the date of issue.

Priority will be given to those consignments which have been handed over to the Customs Department, the statement said.

Earlier in the day, the Union Commerce Secretary, Dr Rahul Khullar, told reporters that the RCs issued during January and February will be scrutinised to find out whether there are any ‘fictitious' export transactions.

“It has been decided that due to huge bunching of RCs in January and February, those RCs will be subject to scrutiny and revalidation,” Dr Khullar said, adding that there are doubts if there were instances of speculative trading.

“No new RCs will be issued until this is sorted out,” Dr Khullar said.

The RCs issued in January and February were for exports of 2.8 million bales (mb) and 4.4 mb respectively against those in October 2011 (1.3 mb), November (2.3mb) and December (1.5 mb).

Of the RCs issued in January and February, it is estimated that 3-3.5 mb are yet to be exported.

Before the ban was imposed, a total of around 12.5 mb was registered for exports, of which 9.5 mb were already exported.

Also, the exports were of the order of 2.5 mb in January and 2.3 mb in February (in just 20 working days) compared with 0.69 mb in October 2011, 2 mb in November and 1.6 mb in December.

Over 85 per cent of cotton exports go to China and there is evidence of stockpiling there, Dr Khullar said. Meanwhile, the price situation in the *mandis* is being closely monitored, the Government said.

The Cotton Corporation of India has been authorised to intervene for both commercial operations and to make procurements in all *mandis,* where the prices fall below the MSP to ensure that farmers' interests are protected, it said.

The Textiles Secretary, Ms Kiran Dhingra, said prices have gone up by Rs 400-800 a quintal of late.

On the price front, Dr Khullar said international cotton prices have always been higher than the domestic prices as India is one of the cheapest sources of the item.

The price differential ranges from 8 cents to 25 cents a pound, translating to $220 a tonne. This is roughly Rs 11,000 a tonne (or Rs 1,800 a bale of 170 kg; 6 bales make up a tonne).

WHAT WENT WRONG

Giving details of the price situation, the Commerce Secretary said the Cotton Advisory Board (CAB) had on January 21 recommended that the exportable surplus is 8.4 mb, when till that day 6.1 mb were exported.

Market ‘madness' started on the CAB recommendation and everyone lined up for getting RCs to ship the item overseas and stockpile it there, he said. “Once it is abroad, it is out of the Government's jurisdiction,” he said.

The Committee of Secretaries (of Agriculture, Commerce and Textiles Ministries) had met in February to take stock of the situation. “Therefore, it is unfair to say we did not know what was going on,” Dr Khullar said.

The decision to lift the ban follows a GoM meeting on March 9. The GoM was necessitated following a direction from the Prime Minister, Dr Manmohan Singh, after protests against the move including by the Agriculture Minister Mr Sharad Pawar, and Chief Ministers of the key cotton producing States including Gujarat and Maharashtra.

Spot prices of cotton ended lower at Rs 33,600-33,800 for a candy of 356 kg from Rs 33,500-34,000 during the weekend.

Prices in the futures market ended in the red after gaining in the morning following the notification.

On the Multi-Commodity Exchange, cotton for delivery this month was quoted at Rs 16,580 a bale (170 kg) against previous close of Rs 16,670. April contracts slipped to Rs 16,930 (17,100) and May to Rs 17,340 (17,420).

In New York, cotton futures for May delivery fell 0.3 per cent to 88.48 cents a pound on ICE Futures, after touching 88 cents, the lowest since March 2. Futures had increased to over 91 cents last week after the ban.