

## Karnataka agrees to release 10,000 cusecs of Cauvery water to T.N.

In a goodwill gesture, the Karnataka government on Monday agreed before the Supreme Court to release 10,000 cusecs of water from Cauvery river to Tamil Nadu till September 20.

In wake of Karnataka's gesture, a bench of justices D.K. Jain and Madan Lokur refused to pass any order on Tamil Nadu's plea for direction to its neighbouring state to release 2 TMC of water. The bench hoped the Cauvery River Authority (CRA) headed by the Prime Minister would be able to find an "amicable" solution to the river water dispute.

The court also disposed of Karnataka's plea, saying if it is kept pending, the authority might not find a solution to the dispute and will be ultimately left to it to decide it.

The bench, however, allowed the state governments to take appropriate steps if the CRA meeting does not take place.

The CRA, comprising Chief Ministers of Karnataka, Tamil Nadu, Puducherry and Kerala, is scheduled to take place on September 19.

The bench, which had earlier pulled up the PMO officials for not fixing a date for the CRA meeting, also took a dig today at the Centre whose lawyers were absent during the hearing of the case.

"As a goodwill gesture, the state of Karnataka, by way of ad-hoc arrangement, is willing to release extra water in order to ensure that on and from September 12, ten thousand cusecs flow of water is ensured only till September 20," the bench said in its order.

The bench said the CRA should explore the solution and it should not be left for the court to take a decision on the controversial issue.

"We expect and hope that the meeting of CRA takes place and some amicable solution to the problem is found," the bench said.

The bench, however, clarified that it is only an interim arrangement till September 20 and the state governments can take appropriate steps if no solution of the problem comes out of the CRA meeting.

"We, however, clarify that, in case due to any reason, the meeting of CRA does not take place or no decision is taken in the meeting then it will be open to both the parties to take appropriate steps as may be advised," the bench said.

The bench also expressed surprise over the absence of counsel for the Union government in the court when it (the bench) was dictating the order.

"If we say something they (Centre) feel aggrieved but the Union of India is absent," the bench observed.

The bench on September 3 had pulled up the PMO officials for not holding a meeting of CRA to resolve the water-sharing dispute between Tamil Nadu and Karnataka.

"It is surprising and shocking that you require consent of the states for even fixing the date for the meeting. For fixing a date, it requires the convenience of the PM or the convenience of states?" the bench had said.

In its application, Tamil Nadu had said during the current irrigation year 2012—2013, though the south west monsoon is not vigorous in the Cauvery catchment of Karnataka, the state of Karnataka has received 21.9 TMCft of inflow in its four major reservoirs up to July 20.

"But it has not shared the water with Tamil Nadu. Instead it started to build the storages in its 4 major reservoirs and letting water in the canals of Krishna Raja Sagar for irrigation with the result that the state of Tamil Nadu has been deprived of its due share of water as per the interim order of the Cauvery Water Disputes Tribunal," the application said.

It had complained that over the years, Karnataka did not agree to the distress sharing formula evolved by the Central Water Commission/Cauvery Monitoring Committee, with the result that it "resorts to impounding all the flows in its reservoirs depriving the state of Tamil Nadu in getting its legitimate flows, more so during the lean years, thus aggravating the distress situation."

Tamil Nadu had said "during the current irrigation season 2012—13 also, the southwest monsoon has not been active so far in the Catchment area of Cauvery, with the result that there is a distress situation and since there is no agreed formula for sharing the flows in such distress years, the state is put to hardship."



### Hybrid rice to be grown in 5 million hectares: Ayyappan

ICAR Director-General says India needs to produce up to 2 million tonnes of rice to feed the teeming millions

India, a country that comes second after China in rice cultivation with 44 million hectares under rice, plans to increase the acreage under hybrid rice to 5 million hectares from the current 2 million hectares.

#### Research goals

Speakers at the 6 International Hybrid Rice Symposium here on Monday said the country needed to produce 1.5 million to 2 million tonnes of rice more every year to feed the teeming millions in the next 15 to 20 years. Enhanced yields, input use efficiency and profitability were the immediate research goals, they said.

Director-General, Indian Council of Agriculture Research (ICAR), S. Ayyappan said steps were being taken to popularise hybrid technology in the future years. Focus was needed on developing long-duration hybrid rice for coastal areas and quality hybrid variety for southern India, he added.

Director-General of the Philippines-based International Rice Research Institute (IRRI) Robert S. Zeigler said there was a need to develop hybrid technology that was based on local varieties than by mere adoption of Chinese hybrids, considering the geographical factors. "Hybrids for the environment and quality demands of South and South East Asia countries must be developed by building on local varieties," he stressed.

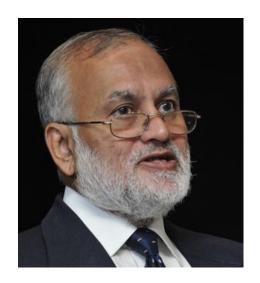
Union Agriculture Secretary Ashish Bahuguna said that with the gradual but harsh effects of climate change taking its toll on food security, hybrid technology was a sure option to overcome the impact of climate change on agriculture in the country.

Earlier, Agriculture Minister Kanna Lakshminarayana, who inaugurated the symposium said 59 hybrid rice varieties were released in India, of which 31 were from the public and 28 were from the private sector.

He recalled that several private companies were now working with ICAR on hybrid rice research. Pointing out that A.P. was the first to release APP RH 1 and 2, two hybrid rice varieties for commercial cultivation, he said good hybrid varieties were in the pipeline.

#### Own variety

ICAR's Deputy Director-General (Crop Science) Swapan K Datta also emphasised the need for developing locally-adoptable and popular varieties while developing hybrids. "Every Indian State had its own variety that came with distinctly different taste and flavour," he stated.



#### Sharing water

In times of scarcity and shortage, distinctions between need and greed mean little. Following a deficit southwest monsoon this year, Karnataka has been reluctant to share the Cauvery with its lower riparian neighbour Tamil Nadu, choosing instead to retain the river's waters in its small and major reservoirs. When the monsoon fails, neither State can possibly satisfy its irrigation and drinking water requirements from the Cauvery's flows. It is nobody's case that Karnataka is building up a huge surplus by damming the water, but the burden of a deficit year will have to be shared equally. By agreeing before the Supreme Court to release 10,000 cusecs of water daily to Tamil Nadu till September 19 — when the Cauvery River Authority, headed by the Prime Minister, meets to decide the issue — Karnataka has indicated a readiness to arrive at an understanding with Tamil Nadu on a just sharing of the water. Tamil Nadu had sought two TMC ft (thousand million cubic feet) of water for irrigation in the Cauvery delta, and Karnataka's undertaking before the court means the State will get less than half of what it wanted. The undertaking, as a sort of minimum guarantee, will be the starting point for the talks in the CRA, and Tamil Nadu can hope for a reasonable coverage of the long-term samba crop. With the southwest monsoon playing truant, the State has already lost the short-term kuruvai crop.

What is most disquieting about the Cauvery dispute that arises every season is the failure of the Centre and the two States to bring about an acceptable solution. Each time, it takes the intervention of the Supreme Court to force a compromise. Little wonder then, one of the judges in the Supreme Court Bench hearing the issue felt compelled to express displeasure at the failure of the Prime Minister's Office to hold a meeting of the CRA. Instead of fixing a date taking

into consideration the urgency of the issue, PMO officials spent time seeking convenient dates from the Chief Ministers of Karnataka, Tamil Nadu, Kerala and Puducherry. The PMO seems to require constant prodding from the Supreme Court before it convenes the CRA. Clearly, the mechanism established for the heads of government to strive for a solution to the Cauvery water issue during deficit years is not working. The CRA is required to arrive at a pro rata sharing of the water among the Cauvery basin States under a distress-sharing formula. But the Centre — driven by the political compulsions of the government of the day — prefers not to take the lead in thrashing out a solution for fear of being seen taking sides.

# **Hindustan**Times

#### Chennai - INDIA

Today's Weather	Tod	av's	Wea	athe
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Tuesday, Sep 11

Max Min

Sunny 31.6° | 24.8°

Rain: 0 Sunrise: 05:57

Humidity: 79 Sunset: 06:12

Wind: normal Barometer: 1007

## Tomorrow's Forecast

Wednesday, Sep 12

Max Min Rainy 33° | 26°

#### Extended Forecast for a week

Thursday Sep 13	Friday <b>Sep 14</b>	Saturday <b>Sep 15</b>	Sunday Sep 16	Monday <b>Sep 17</b>
4	Ç	Ç	٢٠	Ç
31º   26º	31º   26º	31º   26º	32º   27º	34º   27º
Rainy	Rainy	Rainy	Rainy	Rainy

Airport Weather Rain: 00 mm in 24hrs Sunrise: 7:14

Humidity: 84% Sunset: 17:48

Delhi Wind: Normal Barometer: 1004



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The court also disposed of Karnataka's plea, saying if it is kept pending, the authority might not find a solution to the dispute and will be ultimately left to it to decide it.

The Bench, however, allowed the state governments to take appropriate steps if the CRA meeting does not take place.

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The Bench, which had earlier pulled up the PMO officials for not fixing a date for the CRA meeting, also took a dig today at the Centre whose lawyers were absent during the hearing of the case.

"As a goodwill gesture, the state of Karnataka, by way of ad-hock arrangement, is willing to release extra water in order to ensure that on and from September 12, 10,000 cusecs flow of water is ensured only till September 20," the Bench said in its order.

The Bench said the CRA should explore the solution and it should not be left for the court to take a decision on the controversial issue.

#### Commodities insider trading? Scam seen

Industry body Assocham has suggested a thorough examination of trading in five key agri commodities -- guar seeds, turmeric, black pepper, soya beans and barley -- to check for their possible insider trading on the NCDEX terminals.

"The trade positions for each of the five agricultural commodities must be thoroughly examined to check for possible insider trading on the NCDEX terminals. The data analysis points towards price determination by a cartel, which might be hoarding and influencing the markets," Assocham said in a study released today.

It lay emphasis on passage of FCRA Bill for better regulation of "Futures Market".

The study "An Empirical analysis of Futures price and trading behaviour of select agri commodities in India" was released by Anil K Agarwal, former President Assocham along with P K Jain, Chairman, SMEs Council here.

It said "there is a possibility that cartels of speculative traders are moving from one market to the other indulging in price rigging/manipulation, which needs to be thoroughly examined.

"Additional margin and special margin, if needed must be immediately imposed on observation of any anomalous price behaviour," it said.

In 2011-12, the cartel did extensive price rigging/manipulation in Guar gum and Guar seed, it alleged.

During the last seven years the price of Guar seed had been in the range of Rs 30 per kg and Guar gum at Rs 75 per kg. However, during 2011-12 the cartel by price rigging raised the price of Guar seed to Rs 300 per kg and to Rs 900 per kg for Guar Gum, according to the study.





## Karnataka to open Cauvery tap

In a deft move aimed at avoiding adverse reaction from the Supreme Court, Karnataka on Monday agreed to release 10,000 cusecs of water from the Cauvery river to Tamil Nadu until September 20.

Following this, a Bench comprising justices D K Jain and Madan Lokur said there was no need to issue any direction on Tamil Nadu's application seeking a direction to Karnataka to release 2 tmcft of water everyday to it.

Justice Jain hoped that the Cauvery River Authority (CRA) headed by the Prime Minister would be able to find an "amicable" solution to the water dispute.

In his order, he said, "If no decision is taken at the CRA, it will be open to both the parties to take appropriate steps as may be advised. Whatever words we use, we create problems for ourselves," Justice Jain said in apparent jest.

In the process, the Bench also disposed of Karnataka's plea, saying if it is kept pending, the CRA might not find a solution to the dispute and it would ultimately be left to it to decide.

The Bench faulted the absence of the Centre's lawyers during the hearing of the case. "If we say something they feel aggrieved, but the Union of India is absent," the Bench observed. It may be recalled that during a previous hearing, the Bench expressed its unhappiness at the inept handling of convening a meeting of the CRA by the PMO officials.

In its application, Tamil Nadu had said that during the current irrigation year 2012-2013, though the Southwest monsoon has not been vigorous in the Cauvery catchment area of Karnataka, the upper riparian state had received 21.9 tmcft of inflows in its four major reservoirs up to July 20.

"But it has not shared the water with Tamil Nadu. Instead, it started to build storage in its four major reservoirs and was letting out water in the canals of Krishna Raja Sagar for irrigation with the result that Tamil Nadu has been deprived of its due share of water as per the interim order of the Cauvery Water Disputes Tribunal," the application had said.



#### Address farmers' problem, says Surjewala

All India Kisan-Khet Congress chairman SS Surjewala on Monday said it is high time that the Government should address the main problems of the farmers.

Addressing a Press conference, Surjewala said that agriculture is one of the main arteries of the heart of India.

"There is an indifferent and inappropriate attitude on part of the Opposition who do not reach consensus on several issues concerning welfare of the farmers. The Government should immediately bring a national Bill on Land Acquisition," added Surjewal

## **Business Standard**

## Agri commodities up despite rainfall recovery

After a 13 per cent decline until July, creating a widespread fear of drought across the country, the monsoon revived in the first week of August. Yet, major germinating time for summer-sown crops such as rice, oilseeds and pulses was lost, as overall rainfall remained lower than the long-term average.

Data compiled by the Union ministry of agriculture showed the area under paddy (unprocessed rice) remained lower by 3.7 per cent, at 35.6 million hectares (mha) until September 7. Coarse cereals and pulses' sowing area reported a decline of 10.5 per cent and 7.2 per cent, at 17.4 mha and 9.8 mha, respectively. Sown area under oilseeds declined 3.7 per cent to 17 mha.

"The recent revival of the monsoon has pulled the seasonal rainfall deficit down to nine per cent of the normal – below the 10 per cent drought point - from 22 per cent in mid-July. This should save the winter - rabi - crop from drought. But it is too late to reverse the damage done to the ongoing autumn - kharif – harvest," said Indranil Sen Gupta, India Economist, DSP Merrill Lynch.

Indus waters, a proxy for moisture conditions in north Indian wheat fields, have risen to 94 per cent below normal from 55 per cent in mid-July. Water in the Bhakra, Pong and Thein dam reservoirs have climbed to almost 90 per cent of the normal.

Still, drought concerns have driven Indian agricultural inflation way beyond global agri inflation, even adjusted for depreciation in the rupee. Domestic oilseed prices have jumped 25.2 per cent, although crude palm oil prices have actually fallen 6.5 per cent so far this season. Indian raw cotton prices have gone up 10.6 per cent over March-July while the Cotlook (Cotton Outlook) index has declined almost 20 per cent, with the US department of agriculture raising global raw cotton production estimates and cutting those for consumption. Domestic sugar prices have risen a little over 20 per cent while international prices have fallen 20 per cent on a good crop in Brazil.

UNABATED SURGE							
Price movement of various agri commodities (Rs/qtl)							
Commodity	Aug 10	Sept 10	Chg (%)				
Rice HMT	3,450.00	3,750.00	8.7				
Wheat (Lokvan)	1,900.00	2,200.00	15.8				
Sugar	3,450.00	3,780.00	9.6				
Potato	1,550.00	1,750.00	12.9				
Onion	850.00	1,050.00	23.5				
Sunflower oil*	79.50	84.50.	6.3				
Mustard oil*	115.00	120.00	4.3				
* Price in Rs /litre, Source: APMC, Vashi							

Market sources believe overall agri output would be lower this kharif season as compared to last year. Sanjaya Satapathy, an analyst specialising on sugar argues that the current price rally is overdone. Meanwhile, an Assocham report forecast prices of essential commodities such as sugar, pulses and edible oils to jump 15 per cent on ensueing festive demand.

"Consumers are likely to feel the pinch of rising food prices in the coming festive season due to shortage of rainfall in crop growing areas. Traditionally, the demand for such commodities increases with the onset of festivals like Durga Puja, Diwali and Christmas. This year, production is also expected to be affected due to less rain," said D S Rawat, secretary, Assocham.

An analyst with a leading brokerage firm attributed the ongoing spurt in agri commodities to supply disruption from states with flooding problems.