

Date:15/11/2010 URL:

<http://www.thehindu.com/2010/11/15/stories/2010111557141100.htm>

Agricultural revival: news media can make big impact

The hopes raised by the recommendations of the National Advisory Council (NAC) on a law on food security take the larger issue of revamping agriculture to centre stage. Union Food Minister Sharad Pawar, speaking at the Economic Editors' Conference, made the point that going by the recommendations 62.1 million tonnes of food grains would be required for an estimated 9.70 crore priority beneficiaries and 8.90 crore general beneficiaries. "This is apart from the other welfare schemes such as OMSS (Open Market Sale Scheme), strategic reserves, buffer stocks and so on." The government, he noted, was currently providing food grains at subsidised prices to 6.52 crore Below Poverty Line (BPL) families and allocated varying quantities of grains to 11.5 crore Above Poverty Line (APL) families.

Government procurement of food grains this year amounted to 57.4 million tonnes against the needed 62.1 million tonnes. Where to find the extra 4.7 million tonnes to meet the additional requirements is the question before the Food Ministry. By producing more or procuring more? "I'll have to see," was Mr. Pawar's non-committal reply.

With a steady fall in per capita food output over the years, the prevalence of large-scale unemployment in rural areas, and the increasing migration of lakhs of people from villages, the revamping of agriculture appears an uphill task. But it is an imperative and time is of the essence.

That there is a massive crisis of agriculture and this is related to wrong policies followed over two decades is incontestable. Rural development expenditure was brought down from 14.5 per cent of GDP in the pre-reforms period to 8 per cent of GDP in the early 1990s. The adoption of deflationary policies favoured by the Bretton Woods institutions, the World Bank and the International Monetary Fund, proved disastrous. From 1998, rural development expenditures have been reduced further, averaging less than 6 per cent of GDP and in some years falling to less than 5 per cent. In real terms, the expenditure fell at the rate of Rs. 30,000 crore per year. ("Rural India in ruins," Frontline, March 12, 2004.)

The 1990s witnessed a continuous degeneration of agriculture across the country. The period saw an alarming increase in the number of starvation deaths and suicides by small peasants, agricultural workers and other vulnerable sections in the villages. Indebtedness, and the inability to stay on in employment or in small business drove many to commit suicide.

A Frontline team that visited Guntur and Prakasam districts in Andhra Pradesh towards the end of 1991 to investigate the plight of weavers tracked a large number of policy-related starvation deaths in the face of official denial. The case studies suggested that Central and State government economic measures, especially those adopted in the Central government's 1991-92 Budget, tipped a large number of weavers, whose livelihood was already under pressure, over the edge. The sharp increase in yarn prices that followed the Budget precipitated the crisis more than any other single factor.

A frequently made complaint by social activists is that the mainstream media have failed to give adequate coverage to the creeping agrarian crisis until it was too late and a big price had been paid in terms of human lives and welfare. Before one arrives at any sweeping assessment, positive or negative, there is a need for careful research into this subject.

What we do know is that very few English language newspapers give sustained attention to the crisis of agriculture and rural livelihood. The Hindu, which has an extremely active and productive Rural Affairs Editor and also some correspondents who cover this subject on a fairly regular basis, stands out among them. The Indian language press has had a tradition of giving space to stories relating to agriculture, panchayats, and rural development works. A fine example was A.N. Sivaraman, who was a long-serving Editor of

one of the oldest Tamil newspapers, Dinamani. In the 1950s and 1960s, he used to write in simple Tamil on a variety of subjects relating to agriculture. The educational value of such journalism can never be underestimated. The print media can also learn from All India Radio, which has had regular informative programmes for farmers and played a stellar role in taking the Green Revolution to the masses across the land. The news media, whose reach and influence in society have grown phenomenally since the days of the Green Revolution, can rise to the challenge and make a big difference to how decision-makers respond to the plight of agriculture and the rural economy.
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Date:15/11/2010 **URL:**

<http://www.thehindu.com/2010/11/15/stories/2010111562521200.htm>

No import of U.S. dairy products for now

Gargi Parsai

They will be subjected to protocol and verification: Pawar

NEW DELHI: India has an "open mind," but for now, it has held back permission to the United States for accessing Indian markets for U.S. dairy products, which may be made from the milk of cattle fed with feeds produced from internal organs, blood meal and tissues of ruminant origin or those that may contain animal rennet.

In recent bilateral talks during U.S. President Barack Obama's visit to India, the Agriculture Ministry made it clear that India will subject U.S. dairy products to the same protocol and veterinary certification as was applicable to other countries, and that India would have to be sensitive to religious sentiments.

Drawing a parallel with the Codex Alimentarius-recognised Islamic and Jewish dietary code, which is applicable to Halal and Kosher foods, the Indian side held that religious sentiments would not allow for the import of dairy products such as cheese that were manufactured from the milk of cattle fed on blood meal and tissues of ruminant origin or those which contain animal rennet and are unlabelled.

The Codex Alimentarius is a collection of internationally recognised standards, codes of practice, guidelines and other recommendations relating to foods, food production and food safety developed by the Food and Agriculture Organisation and the World Health Organisation. It recognises religious and cultural sensitivities.

Under Indian norms for the import of milk and milk products, the importer/manufacture must certify that “the source animals have never been fed with feeds produced from internal organs, blood meal and tissues of ruminant origin.”

Further, if the milk product contains animal rennet (the membrane lining the stomach of a young calf or related animal that contains an enzyme called rennin, used for curdling milk to make cheese), it must be labelled.

At the same time, sanitary standards lay down that the animals from which milk has been derived were not exposed to Bovine Growth Hormones (BGH)/Bovine Somatotropin Hormones (BST) and that the source animals were not subjected to estrogenic treatment in the last 90 days.

Scientific studies

The U.S. side is believed to have invoked scientific studies to suggest that the blood meal and tissues of ruminant origin in the cattle feed get absorbed into their system in three months, while the Indian side wanted Americans to certify that their animals had “never” been fed on a non-vegetarian diet as mentioned above or with beef.

When asked about the Indian position, Union Agriculture Minister Sharad Pawar — who headed the negotiations with U.S. Agriculture Secretary Tom Vilsack — said: “We have an open mind. They say that it doesn't affect the animal's milk. We have told the Americans to come up with their scientific studies, which would be scrutinised by our scientific community. As religious sentiments are involved, we have to be cautious. [But] we are open to their scientific studies.”

India imports dairy products from New Zealand and Australia.

Date:15/11/2010 URL:

<http://www.thehindu.com/2010/11/15/stories/2010111561620300.htm>

The importance of harnessing rainwater

K. Lakshmi

"Residents must maintain rainwater harvesting structures throughout year"

A recharge well must be 10-15 ft deep and 3-4 ft wide to reap the benefits of the showers

CHENNAI: It is never too late when it comes to harnessing rainwater, be it summer or winter. The northeast monsoon has already set in, but several people are pondering over desilting their rainwater harvesting structures or constructing more.

Rainwater harvesting (RWH) experts in the city note that many people realise the significance of saving rainwater only after a bout of rainfall.

Though months of April and May are ideal to construct RWH structures, residents must be prepared throughout the year as the rainfall pattern has become unpredictable.

Sekhar Raghavan of the Rain Centre said that nearly 90 per cent of the residents carry out maintenance work of the RWH structures only during the monsoon. But, as it takes only a few hours to clean the structures, it can be done during dry spells in monsoon.

"A recharge well must be 10-15 ft deep and 3-4 ft wide to reap the benefits of the showers. Residents of apartment complexes must construct three wells. Those who don't have space may go for recharge pits. However, its use is short-lived," he said. Residents may have problems while cleaning or constructing recharge wells during rainy season as the water table would be on higher level. The Rain Centre also provides assistance for construction and cleaning of such structures.

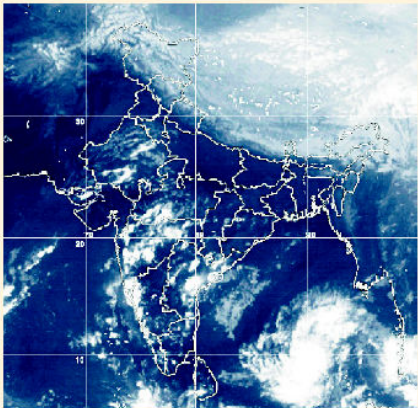
Chennai Metrowater officials conducted a random survey on RWH structures in buildings across the city and provided tips for maintenance. The 759 observatory wells are being monitored for water level and quality.

Officials said residents must choose the design of the structures according to soil condition in their locality. If the water overflows from the RWH structures, it needs cleaning. Besides rooftop water, the surface runoff could be diverted to wells using gutters.

Date:15/11/2010 URL:

<http://www.thehindu.com/2010/11/15/stories/2010111599961000.htm>

Weather

WEATHER			
ANDHRA PRADESH			
Anantapur	33 22	0 191	
Aroyavaram	30 20	0 259	
Bapatla	32 25	0 285	
Calingapatnam	30 24	0 607	
Gannavaram	34 24	0 318	
Hyderabad AP	33 22	0 97	
Kakinada	32 24	48 692	
Khammam	33 22	0 200	
Kavali	34 25	0 651	
Kumool	33 24	0 71	
Mahabubnagar	33 22	0 57	
Machilipatnam	33 24	1 640	
Nandyal	33 24	0 80	
Narasapur	33 25	1 430	
Nellore	34 26	0 668	
Nizamabad	32 23	0 117	
Ongole	33 25	0 338	
Ramagundam	33 23	0 145	
Tirupathi AP	34 24	0 323	
Tuni	34 23	45 501	
Vizag AP	30 24	23 613	
Vizag	30 24	4 668	
KARNATAKA			
Agumbe	29 17	29 612	
Bangalore AP	29 19	tr 224	
Bangalore	29 20	tr 254	
Belgaum AP	30 19	37 173	
Bellary	34	— 3 213	
Bijapur	29 20	0 154	
Chitradurga	31 20	0 420	
Gadag	30 21	14 242	
Gulbarga	30 21	tr 111	
Honavar	33 23	0 493	
Karwar	34 25	0 623	
Madikeri	27 17	0 422	
Mangalore AP	32 23	29 627	
Mysore	30 20	0 279	
Panambur	32 24	9 559	
Raichur	30 19	3 40	
			
INSAT PICTURES AT 11-30 hrs. Observations recorded at 8-30 a.m. on Nov. 14			
Shirali	34 24	tr 380	
TAMIL NADU			
Adiramapattinam	33 24	tr 277	
Coimbatore AP	31 23	0 285	
Coonoor	21 14	11 452	
Cuddalore	32 24	0 408	
Chennai AP	32 25	0 258	
Chennai	33 24	1 311	
Dharmapuri	31 22	0 282	
Kanyakumari	32 24	0 165	
Karaikal	31 26	0 187	
Kodaikanal	17 11	1 482	
Madurai AP	32 24	tr 405	
LAKSHADWEEP			
Amini Divi	32 24	0 275	
Minicoy	32 26	0 215	
Kavarathi	33 25	0 129	
OTHER STATIONS			
Kolkata (Alipore)	32 23	tr 89	
Mumbai	32 26	0 123	
New Delhi	25 17	18 24	
<p>The columns show maximum and minimum temperature in Celsius, rainfall during last 24 hours (trace) and total rainfall in mm since October 01, 2010.</p> <p>Isolated rain in Tamil Nadu</p> <p>CHENNAI: Rainfall occurred at many places over coastal Karnataka and at a few places over Kerala and coastal Andhra Pradesh. Isolated rainfall occurred over Tamil Nadu, Rayalaseema, Telangana and interior Karnataka. Dry weather prevailed over Lakshadweep.</p> <p>Bhimavaram and Tanuku (both West Godavari dt) recorded very heavy rainfall of 14 and 13 centimetres respectively.</p> <p>The minimum temperature rose at one or two places over north coastal Andhra Pradesh, fell at one or two places over south Kerala, rest coastal Andhra Pradesh and changed little elsewhere over the region.</p> <p>They were markedly to appreciably above normal at many places over Andhra Pradesh, at a few places over Karnataka, at one or two places over north interior Tamil Nadu, above normal at one or two places over rest Tamil Nadu, Kerala, rest Karnataka, rest coastal Andhra Pradesh and were generally normal over the rest of the region.</p> <p>Chamrajnagar recorded the lowest minimum temperature of 17 degree Celsius in the plains of the region.</p> <p>FORECAST (Valid until Tuesday Morning): Rain or thundershowers would occur at a few places over Tamil Nadu, Puducherry, Kerala, Lakshadweep, coastal Karnataka and south coastal Andhra Pradesh. Isolated rain or thundershowers may occur over north coastal Andhra Pradesh, interior Karnataka, Telangana and Rayalaseema.</p> <p>Farmers Weather Bulletin: (Forecast valid until the Tuesday Morning): Light to moderate rain would occur at a few places over all the districts of Tamil Nadu and Puducherry.</p> <p>Outlook for subsequent two days: No significant change.</p>			

Drumstick price up at Rs 100/kg

Nov 15 2010

Nov. 14: The cost of drumsticks has gone up to Rs 100 per kilo this week. Since floods hit Andhra Pradesh and Karnataka, the drumstick harvest has dipped this year, fuelling the increase in rates. Traders in Tamil Nadu managed to get only a couple of truckloads from Gujarat on Sunday.

A resident of Avadi, J. Shalini, said that she was stunned by the rising price of vegetables. "My weekly budget for vegetables is Rs 500," she said. "I cannot afford to spend even Rs 50 to buy even a half kg of drumstick. Onion, which is the main ingredient to make all curries, costs Rs 50 per kg," Ms Shalini added.

"Drumstick cultivation in the western part of the state has also dropped off. There is a high demand for drumstick in Chennai. We give three drumsticks for Rs 15 to regular customers," said P. Baskaran, a trader at Koyambedu Market. He added that due to increase in import of coconuts abroad, one small coconut costs Rs 15 in the Chennai Market. One kg of lady's finger costs Rs 40 in retail stores and potato is sold at Rs 30 per kilo.

Source URL:

<http://www.deccanchronicle.com/chennai/drumstick-price-rs-100kg-096>



HT Correspondent, Hindustan Times

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New Delhi, November 14, 2010

First Published: 15:35 IST(14/11/2010)

Last Updated: 21:21 IST(14/11/2010)

'Economy to soon revert to 9% growth'

The Indian economy would soon return to a growth trajectory to 9% and the challenge was to hit a double-digit growth path in the next couple of years, finance minister Pranab Mukherjee said on Sunday.

"In the short term, it is reasonable to expect that the economy will go back to the robust growth path of around 9% average that it was on before the global crisis slowed (it) down in 2008," Mukherjee said at the India Economic Summit organised by the World Economic Forum.

There has been a revival in investment and private consumption demand, though the recovery is yet to attain the pre-2008 momentum, he said.

India's exports have also recorded impressive growth since November last year and the favourable capital market conditions with improvement in capital flows and business sentiments are also encouraging, the finance minister said.

"The manufacturing sector has been showing buoyancy reminiscent of the pre-slowdown years, though some concerns on its growth momentum have emerged in the last month or two," Mukherjee said.

Industrial output growth almost halved to 4.4% in September—the lowest in 16 months. "The challenge now is to quickly revert to the high GDP growth path of nine percent plus and even find the means to cross the double-digit growth barrier in the coming year or two," he said.

<http://www.hindustantimes.com/StoryPage/Print/626096.aspx>

Weather

Chennai - INDIA

Today's Weather



Partly Cloudy

Monday, Nov 15

Max Min

29° | 29°

Rain: 00 mm in 24hrs

Sunrise: 6:06

Humidity: 75%

Sunset: 17:39

Wind: Normal

Barometer: 1010.0

Tomorrow's Forecast



Rainy

Tuesday, Nov 16

Max Min

32° | 24°

Extended Forecast for a week

Wednesday

Thursday

Friday

Saturday

Sunday

Nov 17

Nov 18

Nov 19

Nov 20

Nov 21



28° | 24°

27° | 25°

27° | 25°

27° | 25°

28° | 25°

Rainy

Rainy

Rainy

Rainy

Rainy

THE TIMES OF INDIA

Economy to soon revert to 9 pc growth: FM

PTI, Nov 14, 2010, 03.45pm IST

NEW DELHI: Finance minister Pranab Mukherjee on Sunday exuded confidence that the economy would soon revert to 9 per cent growth, witnessed in the pre-crisis period, even as industrial growth plunged to a 16 month-low of 4.4 per cent in September.

The finance minister said the challenge now is to find the means to cross the double-digit growth barrier in the coming year or two.

"In the short term, it is reasonable to expect that the economy will go back to the robust growth path of around 9 per cent average that it was on before the global crisis slowed (it) down in 2008," Mukherjee said at the India Economic Summit.

Although manufacturing growth has slowed down in the past couple of months, the Finance Minister said the sector has been performing strongly.

"Finally, the manufacturing sector has been showing buoyancy reminiscent of the pre-slowdown year, though some concerns on its growth momentum have emerged in the last month or two," Mukherjee said.

For the second consecutive month this fiscal, industry performed poorly in September. Its growth plummeted to 4.4 per cent September after 6.92 per cent in the previous month.

Manufacturing sector, comprising almost 80 per cent of Index of Industrial Production, grew at slower rate of 4.5 per cent in September, against 8.3 per cent a year ago.

THE HINDU Business Line

Business Daily from THE HINDU group of publications

Monday, November 15, 2010

Date:15/11/2010 URL:

<http://www.thehindubusinessline.com/2010/11/15/stories/2010111551630300.htm>

Back Economy will soon return to 9% growth path, says Pranab

'Each country has to chart its own regulatory path'.

– Ramesh Sharma



Growth imperatives: The Finance Minister, Mr Pranab Mukherjee, with the Founder and Executive Chairman, World Economic Forum, Mr Klaus Schwab, at the India Economic Summit, in the Capital on Sunday.

Our Bureau

New Delhi, Nov. 14

The Finance Minister, Mr Pranab Mukherjee, sees strong prospects for the Indian economy getting back, in the short term, to the nine per cent average economic growth level witnessed prior to the global economic crisis of 2008.

This expectation stems from the revival in investment and private consumption demand, impressive growth in merchandise exports since November-December 2009, favourable capital market conditions and improvement in capital flows besides manufacturing sector

buoyancy reminiscent of the pre-slowdown years.

Addressing the India Economic Summit (IES) 2010 in the Capital today, Mr Mukherjee also came up with an encouraging outlook for the Indian economy in the medium to long run. He expressed confidence that the current high economic growth would be sustained in the coming decades as advantages like demographic dividend starts paying off.

The challenge now is to find the means to cross the 'double digit growth barrier' in the coming year or two, he noted.

"We are seeking to make growth more broad-based and ensure that supply demand imbalances are better managed."

Mr Mukherjee also told the IES, comprised largely of foreign investors, that the Government was striving to improve the regulatory environment in the country.

"As you know there are no off-the-shelf solutions available to the regulatory dilemmas facing any developing country. Each country has to chart its own path on the regulatory reform based on its native genius and the conditions on the ground. India too is striving to achieve the optimum path," he said.

Financial stability council

On financial sector reforms, Mr Mukherjee said that India has decided to set up an apex-level financial stability and development council (FSDC), with a view to strengthen and institutionalise the mechanism for maintaining financial stability.

"This council would undertake macro prudential supervision of the economy, including the functioning of large financial conglomerates, and address inter-regulatory coordination issues. It would also focus on financial literacy and financial inclusion," he added.

The Government has also decided to set-up a financial sector legislative reforms commission (FSLRC) to rewrite and clean up the financial sector laws and bring them in line with the requirements of the sector, Mr Mukherjee said.

India's gross domestic product (GDP) growth had averaged close to nine per cent in the

four-year period from 2004-05 to 2007-08.

Due to the global economic slowdown, the GDP growth declined to an average of seven per cent in 2008-09 and 2009-10. krsrivats@thehindu.co.in

Date:15/11/2010 URL:

<http://www.thehindubusinessline.com/2010/11/15/stories/2010111551741400.htm>

Back Food companies may soon have to validate health claims

New rules to Food Act coming; PFA, 6 other Acts to be repealed from Jan.

P.T. Jyothi Datta

Mumbai, Nov 14

Tea that makes you slim or calms your mind, beverages that make you tall or cooking oils good for your heart – health claims made by food companies will have to be validated, says the soon-to-be notified rules of the integrated Food Act.

The implementation of these rules will also consign the 56-year-old Prevention of Food Adulteration Act, 1954 (PFA), and six others similar laws to history – an eventuality envisaged in the Food Safety and Standards Act (2006).

The second version of rules to implement the FSSA have been finalised and expect to be notified by December. From January next year, different States will be in a position to repeal the PFA and six other Acts, said the first chairperson of the Food Safety and Standards Authority of India (FSSAI), Mr P.I. Suvrathan.

The other Acts set to be repealed include the Fruit Products Order, 1955, Meat Food Products Order, 1973, and the Vegetable Oil Products (Control) Order, 1947.

Justify claim

The PFA was more “rudimentary” and required that the claims and labels not be misleading.

The new rules outline requirements that need to be met for food-companies to make a claim. Internationally known and research-supported facts, such as the benefits of calcium to bone-health, are not the problem, he says.

But other health-related claims will have to be justified by the companies and whetted by State-level scientific committees, who could refer it to the Centre, if required, he added.

The draft regarding making scientific claims is also expected to be ready by January.

While food-industry representatives laud the progressive changes, a top representative with a multinational food and consumer-goods maker cautions that validation of scientific claims before getting the product in the market should not end up delaying approvals.

The earlier system, allowed companies to launch products, and authorities had the liberty to randomly pick up products and check the claims, he explained.

Ayurveda products

The new rules take a wide sweep when it comes to claims, including looking at ayurveda products that are not under the medicinal category. If a product does not cure a disease, it is not a drug, Mr Suvrathan explains. Nutraceuticals, functional foods and health supplements have already been classified as food under the FSSA, but further streamlining is taking place, he said. And while genetically modified food will be under the proposed Biotechnology Regulatory Authority, here too, as in the case of ayurveda products – labelling will be under the FSSAI and a process of consultation is to start next month, he added.

'Decriminalises' law

The other major step in the rules, is that it 'decriminalises' the law and takes a "fast track" approach, by putting a financial penalty for minor violations, replacing the earlier imprisonment. And this would start at the district level with an adjudicating officer, he said. In fact, food-safety officers are being trained in safety and surveillance, and five rounds of training already over, he says.

Date:15/11/2010 URL:

<http://www.thehindubusinessline.com/2010/11/15/stories/2010111550481200.htm>

Back Tyre industry skids over stretching rubber prices

Prices peak over Rs 200 – a 100% rise over last year.

Despite the advent of the peak rubber production season in India, analysts point to higher rubber prices as production has been sliding.



C J Punnathara

Kochi Nov. 14

The unprecedented rise in rubber prices to over Rs 200 has the Indian tyre industry worried. Apollo Tyres, which came out with results which were below expectations could be just the first casualty, if price rise persists, sources in the industry said.

Although they envisage a dip and consolidation in the immediate future, technical analysts point out that the rubber prices are likely to rise further next year. That could be bad news for the Indian tyre industry.

Mr Anand James of Geojit Comtrade was of the opinion that rubber prices could come in

for a small correction to levels of Rs 180 before consolidation and moving up in the months to come. If the global economic momentum picks up and demand for automobiles from South East Asia continues, he did not rule out rubber prices touching Rs 250 levels, 12-18 months down the line.

This is mainly because global rubber production is not expected to rise in consonance with demand and the crude prices are not expected to gravitate lower. Indian rubber prices are expected to hold firm even if rubber imports are further liberalised as global prices are also expected to inch higher, Mr James added.

Output threatened

The unprecedented rise in rubber prices along with its scarcity in the domestic market is threatening to disrupt the manufacture of tyres in the country, the Automotive Tyre Manufacturers Association (ATMA) said.

In an SOS to the Finance Minister, Mr Pranab Mukherjee, ATMA has sought an urgent meeting to resolve the crisis of a magnitude that the industry has never witnessed so far.

“With current domestic prices of rubber ruling above Rs 200 a kg – an increase of nearly 100 per cent over last year’s prices – the tyre industry is left with no option but to scale down production,” Mr Neeraj Kanwar, Chairman of ATMA said in a communication.

Analysing the results of Apollo Tyres, Pinc Research have said that natural rubber prices remain a cause of concern. With unseasonal rains taking a toll on rubber output across South East Asia, rubber prices have soared to over Rs 200/kg and the Indian tyre industry has taken 3-4 rounds of price hikes in the current year.

Due to softer tyre demand, manufacturers are averse to passing on fresh price hikes. Although demand pick up is expected, ability to pass on entire cost pressure seems limited, Pinc Research added.

Despite the advent of the peak rubber production season in India, analysts have been pointing to higher rubber prices as production has been falling short of forecasts.

Production fell to 77,500 tonnes in September against 80,000 tonnes estimated by the

Rubber Board. The fall was sharper in October when production was 82,000 tonnes against an estimate of 95,000 tonnes.

“It is alarming to note that rubber shortage is taking place during the peak production period in India. The situation is worsening on a day to day basis. To add to the woes of the tyre industry, this unprecedented crisis is being faced at a time when there is encouraging growth in domestic demand for tyres and the Indian industry is fully geared with major expansions and Greenfield projects to meet the demand growth in tyres,” Mr Kanwar said.

Date:15/11/2010 URL:

<http://www.thehindubusinessline.com/2010/11/15/stories/2010111550371100.htm>

Back Time-bound action plan vital for second green revolution

The need for another green revolution in India is necessary as much today as it was five decades ago. In the early 60s, rapid population growth and low agricultural productivity had taken India to the brink of famine. The advent of the green revolution in the mid-sixties tripled foodgrain production over the next four decades, making India largely self-sufficient in food.

Today, once again, the agriculture sector needs to meet another equally daunting challenge. Rapid economic growth and increasing population is demanding more from the agriculture sector than ever before, leading the country back to a situation of food scarcity. Projections indicate that the population of India would cross the 1.6-billion mark by 2050, resulting in a foodgrain demand of more than 450 million tonnes (mt) – about twice the current demand. Ironically, on the supply side, weakening agricultural performance marked by stagnant productivity growth and decreasing total food factor productivity is compounding the challenge. These trends necessitate an urgent need to bring back the agenda of ushering in a second green revolution into the mainstream of national policy-making, so as to facilitate another paradigm shift in the progress of agricultural development in the country.

First Green Revolution

The green revolution of the late sixties was focused on renovation of agricultural practices

so as to significantly increase the amount of food produced in a unit of farm land.

Driven by high yielding “miracle seeds” of wheat and rice, the revolution was well supported by new technologies such as fertilizer use, farm mechanisation and pesticides application. These technologies were strongly supported by the Union Government's focus on expansion of irrigation systems, providing the right extension services, and also providing minimum support prices that kept the farmer motivated to produce the same crop repeatedly.

Consequently, foodgrain production increased from about 72 mt in 1965-66 to 150 mt in 1985-86: an increase of 108 per cent in just two decades.

While the revolution addressed the immediate food security needs of the country, practices that followed in the first green revolution were not very “green.” It relied heavily on expensive agricultural inputs such as fertilisers and agro-chemicals, which in the long term proved to be ecologically unsustainable, environmentally hazardous, and economically unviable for small and medium farmers.

Some other critical failures of the first green revolution include:

- High dependence on irrigated agriculture
- Crops such as coarse grains, pulses and oilseeds were largely neglected as major focus was on increasing productivity of wheat and rice.
- Agricultural growth and development accrued only in a few states such as Punjab, Haryana and parts of Uttar Pradesh, Rajasthan and Andhra Pradesh while other states lagged behind.
- The revolution largely benefited large farmers who had the ability to invest in high-cost farm resources, leaving aside small and marginal farmers in the development process.

Needs and Challenges

Food demand projections and the lessons learnt from the first green revolution have

clearly laid down the target and direction for the next green revolution.

While the target is to double foodgrain production within the next four decades, this increase in production needs to be: environmentally sustainable: by avoiding overuse of fertilisers, pesticides and water; include a larger basket of cropping systems: by including food crops such as coarse grains, pulses, oilseeds, fruits and vegetables; agro-climatically diverse: by developing technologies that increase productivity of crops in dry land and rain-fed areas and monetarily inclusive: by developing low cost and economically viable technologies that are affordable to marginal farms.

These demands on agriculture come with a backdrop of immense challenges for development. These include First, Indian agriculture is showing signs of fatigue. The productivity of foodgrains has remained stagnant in the last decade growing at a CAGR of just about one per cent in the last decade (FY 2001 to FY 2010) compared to a growth of 2.4 per cent in the previous decade (FY 1991-2000). Moreover, there has been reduced response to fertiliser use due to soil imbalance. In addition, the net sown area under foodgrains has declined by close to two million hectares in the last 15 years

Second, public investment has shown a declining trend, especially during the post-liberalisation era

- Third, there is immense social resistance to the adoption of improved technologies such as GM food crops

- Fourth, dramatic changes in climatic patterns are adversely affecting productivity of dry land farms

Policy makers have been conscious of the urgent need for another green revolution. The budget for FY2011 has proposed a four-pronged strategy for agricultural development with special focus on increasing production by extending the green revolution to the eastern region of the country and enhancing productivity of dry land farms. However, greater focus needs to be brought in to increase efficiency and innovation in agricultural development. While the most obvious solution would be to increase crop yields especially by developing drought resistant seeds and cost-effective dry-land farming techniques, the other key

enablers for this progress include:

Invest on development of “general services” such as research, extension, infrastructure and education: Studies indicate that public investments in these key “general services” are low in India compared to the world average.

For instance, India is spending just about 0.34 per cent of agricultural GDP in agricultural research and development (R&D) as compared to a world average of one per cent, 0.72 per cent in sub-Saharan Africa and 0.40 per cent in China.

Further, share of public investment in agriculture development has come down from about 13 per cent of total public investment during the green revolution era to about six per cent currently.

These trends need to be urgently reversed to facilitate a faster progress in agricultural development.

Facilitate private participation

Empirical evidence suggests that the next green revolution would be largely driven by the private sector. This will be primarily because they have the technology such as genetically-modified seeds and nanotechnology that are required to bring in jump innovation in agricultural development. Further, many private companies have entered into agricultural infrastructure development and provision of extension services.

Thus, there is a need to develop supportive policies that promote such initiatives by providing the right environment to facilitate public-private partnerships.

While many agricultural services such as research and development, extension system, post-harvest storage and marketing and public distribution system are well in place, they are not oriented and geared up for efficiency and effective delivery of services that they provide. There is a need to revamp and reinvigorate these systems so as to orient them to the huge task ahead.

Climate risk to India's agricultural economy is an imminent danger and its impact is expected to worsen rapidly in the near future. At a policy level, there is an urgent need to

develop a focused and robust plan for adaptation of Indian agriculture to this impending climate challenge.

Create consumer awareness on technologies of the future: Technologies such as “genetically-modified food” are bound to be salvations for rapidly increasing food demand. There is a need to strongly focus on developing systems to vet the safety of these technologies and create general awareness of their safety.

Conclusion

To sum up, domestic food demand trends urgently need a campaign to grow more food in the country using environmentally sustainable and socially inclusive technologies. In order to achieve this, there is an urgent need to focus on key enablers of change and develop a time-bound, goal-oriented and comprehensive blueprint and road map for ushering in a second green revolution on a pan-India basis so as to ensure food self-sufficiency for our next generation.

(The writer is Founder/Managing Director & CEO, YES Bank)

(Responses are invited from readers. They may be sent to agri-biz@thehindu.co.in)

Date:15/11/2010 **URL:**

<http://www.thehindubusinessline.com/2010/11/15/stories/2010111550381100.htm>

Back A fruit exploding in popularity

FOCUS POMEGRANATE.



Pomegranate (*Punica granatum*) is native to the region from Iran to northern India. Since ancient times, the pomegranate tree was cultivated and naturalised throughout the Mediterranean region of Asia, Africa and Europe. But in Spain, it was introduced after the Islamic influence there and it reached England in the 13th century. Much later, Spaniards took this important plant to the new world-Mexico and Florida. Its cultivation gradually spread to other countries too and now it is grown almost everywhere in the tropical and subtropical climate.

The most plausible explanation for the name pomegranate is its derivation from the Latin word *pomum* meaning apple and *granatus*, which means seeded. It is said that the genus name *Punica* is named after the people of the Phoenicians who were active in broadening its cultivation. *Punica* was also the Roman name for the city of Carthage founded by the Phoenicians, from where the best pomegranates came to Italy.

Apart from its demand for fresh fruits and juice, processed products such as wine and candy are also gaining importance in world trade. All parts of pomegranate tree have great therapeutic value and are used in leather and dyeing industry. Its juice is easily digestible and contains about 15 per cent invert sugar. It is a rich source of sodium and also contains a good amount of riboflavin, thiamin, niacin, Vitamin C, calcium and phosphorous. In addition, pomegranates have a natural sun protective factor of eight, and are increasingly being used in face and hand creams.

At the global level, India and Iran are the major producers of pomegranate collectively contributing about 85 per cent of the total pomegranate production. In 2008, world's total pomegranate production stood at the level of about 18 lakh tonnes with 48 per cent (8.5 lakh tonnes) and 37 per cent (6.7 lakh tonnes) share coming from India and Iran respectively. Other important producers include Spain, Afghanistan, Pakistan, Egypt, Jordan, Tunisia, Lebanon, Israel, Chile, Peru and the US.

Global trade

Pomegranate is a fruit that is exploding in popularity in the consumer markets of Western Europe. The popularity of the fruit and the willingness of consumers to pay a high price represent a good opportunity. Arils (pomegranate seeds still in their sacs) have been

appearing in retail stores across Europe. They may be used fresh for sprinkling on salads or other dishes. Dried arils are developing a reputation as a health food supplement. Demand in the international market has widened the scope for earning higher dividends from this crop.

Total world trade of pomegranate is estimated to be about 1,00,000-1,12,000 tonnes. Spain has been the biggest exporter to the European Union and to some extent to Gulf countries, exporting about 60,000 tonnes annually.

Iran exports about 15,000 tonnes every year.

The main global import destinations are the non-pomegranate producing countries of Europe led by the UK. Australia is another leading import destination. South Korea mainly imports from Iran, while Japan favours imports from the US.

There has been a steady increase in area and production of pomegranate in the country. In the year 2008-09, pomegranate was cultivated in about 1.1 lakh hectares with a production of 8.07 lakh tonnes. The average national productivity stood at about 7.4 tonne per hectare. While India achieved a peak production of 8.84 lakh tonne in 2007-08, the output has declined drastically in the last couple of years due to the rampant spread of bacterial blight disease. However, production has grown from 6.65 lakh tonne in 2003-04 to 8.07 lakh tonne in 2008-09 at a CAGR of 3.94 per cent. The major States that dominantly cultivate pomegranate in India include Maharashtra, Karnataka, Andhra Pradesh, Gujarat and to a small extent Rajasthan and Tamil Nadu. In 2008-09, Maharashtra was the leading producer of pomegranate in the country contributing to about 68 per cent of the total production followed by Karnataka, which contributed close to 17 per cent of the production.

The major production season in India is from November to June with Maharashtra and Tamil Nadu producing throughout the year. This gives a strategic advantage for export from India as peak producing seasons of other countries such as Spain and Iran is from August to January leaving a specific export window for India.

Exports from India

India is the second largest exporter of pomegranate after Spain. During 2009-10, India exported about 33,400 tonne of fresh pomegranate valued at about Rs 11.93 crore. Over the last decade (between 2000-01 and 2009-10), export of fresh pomegranate has increased at a CAGR of about 25 per cent in volume terms. In 2009-10, the major export destination was the UAE which accounted for 52 per cent of the total export in volume terms. Other export destinations include Bangladesh, the Netherlands, Saudi Arabia, Nepal, the UK and Russia.

Challenges

The greatest challenge faced by pomegranate production in India is attack of bacterial blight that has heavily destroyed plantations and resulted in immense loss in production. On the processing front, Indian pomegranate processors are small and unorganised and lack of advanced processing technologies.

The following measures, if adopted, are likely to enhance competitiveness of Indian pomegranates in the foreign markets:

Competition of India with regard to export of pomegranates is with Spain and Iran, which are nearer to European countries which import the quantity. In order to be competitive in the export market, efforts need to be put into lower production cost by increasing productivity. This would require introduction of high-yielding planting material in India.

There is a need to establish infrastructure facilities such as Pack houses in major growing areas so as to reduce post-harvest losses and maintain quality.

India has already embarked upon building up quality and branding its product in order to compete with Spain and Iran. The brand needs to be popularised aggressively. Efforts need to be made to popularise pomegranates in Canada, the US, Australia, Korea, Japan and other South American countries by holding fruit fairs, exhibitions etc, as there is good price realisation from these countries. (Source: YES Bank)(Responses are invited from readers. They may be sent to agri-biz@thehindu.co.in)

Date:15/11/2010 URL:

<http://www.thehindubusinessline.com/2010/11/15/stories/2010111550531300.htm>

Back **Karnataka's foodgrains output likely to surpass recent record of 120 lt**

A. Srinivas

Bangalore, Nov. 14

With all of Karnataka's 30 districts recording normal or excess rainfall between June 1 and September 30, Karnataka's foodgrains output is expected to surpass its recent record of 120 lakh tonne in 2007-08.

According to State department officials, rice output is expected to meet its kharif target of 2.8 million tonnes; maize output is expected to exceed its target of 3 mt by another 4.5 lt; while jowar and ragi are expected to fall short of their kharif targeted output. Jowar output has been pegged at 3.5 lt, against the target of about 5 lt. Ragi output has been pegged at 1.3 mt, about 10,000 tonnes lower than the target.

Pulses output has been estimated at 8.8 lt, against the target of 6.4 lt, with tur leading the way, its kharif output anticipated at nearly 6 lt, against the target of 3.6 lt.

“The State government's Bhoochetana programme has started giving results, and its coverage has been expanded,” officials said. Groundnut output is, however, expected to fall about 50,000 tonnes short of its target of 6.5 lt. Sunflower output has been pegged at about 80,000 tonnes, against the target of 2.25 lt.

Paddy acreage

The State Agriculture Department officials said that the acreage of paddy under the summer crop (January-March) would determine whether the 2010-11 target of 123.7 lt will be met. “The acreage should exceed three lakh hectares at that time,” officials said.

The area under sunflower has fallen by about 57 per cent this year from 4.15 lakh hectares in kharif 2009-10 to 1.75 lakh hectares in 2010-11.

The area under groundnut is lower than the kharif target, or at 6.7 lakh hectares against 7.25 lakh hectares. Dr H. Shivanna, Director, Research, University of Agriculture Sciences, Bangalore, said: "As a result of the well-distributed rain between June and September, there is likely to be an increase in output as well as productivity."

Date:15/11/2010 **URL:**

<http://www.thehindubusinessline.com/2010/11/15/stories/2010111550451200.htm>

Back World pepper trade to witness high volatility

G.K. Nair

Kochi, Nov. 14

Pepper market world over is likely to witness high volatility in the later part of this year and in 2011 due to a squeeze in availability as the global output does not seem to grow corresponding to the world demand.

The production next year according to the International Pepper Community (IPC) projections is at 3,09,952 tonnes as against 3,16,380 tonnes estimated for 2010. The exportable quantity will also be less at 2,29,710 tonnes as against 2,37,650 tonnes this year.

The carry forward stocks from this year to 2011 are also comparatively less from that of 2009 to 2010. It is estimated at 94,582 tonne as against 95,442 tonnes in 2010.

But, experts from the world market disagreed with these figures saying none of the producing countries would be holding such huge quantities of pepper when the prices have been ruling very high all these months. They are of the view that the figures released by the IPC relating to carry-forward stocks do not seem to be factual.

For instance, they said, Malaysia has shown a carry-forward stock of 25,225 tonnes from a total production of 25,700 tonnes and that too after exporting 21,950 tonnes.

Since prices have been ruling higher for the past several weeks such huge stock is unlikely to be held by any of the producers. Similarly, Indonesia's stocks have been put at

5,300 tonnes, which is also disputable as its figures often turned out to be wrong in the past.

According to the experts, it might be more and not less than 15,000 tonnes. The case with Brazil and others is also not different. Therefore, according to them, the carry-forward stocks may be somewhere between 75,000 and 80,000 tonnes and of this some 35,000 to 40,000 tonnes would be “iron stock” which may not come out for some time to come.

What is surprising is that there has not been any mention about the growth in global consumption. The Spices Board was quoted as saying that there is an annual demand growth of 5 per cent. It should be by all means moderate given the rise in domestic consumption in the growing countries and gradual increase in the per capita consumption in several traditional and non-traditional countries.

For instance, Indian consumption is estimated at somewhere between 40,000 and 45,000 tonnes a year.

The average world consumption is estimated at somewhere between 20,000 tonnes and 25,000 tonnes a month and at this rate, the global consumption demand is likely to be between 2.4 lakh tonnes and 3 lakh tonnes. The domestic consumption in 2010 is estimated at 1,31,722 tonnes, which is projected to be less at 1,25,202 tonnes in 2011. These projections are also said to be not based on correct market assessment, trade sources told Business Line. According to them, some of the major producing countries are proved to have been misguiding the market by giving out wrong projections about production and exports and that, in turn, deprived growers of remunerative prices.

In fact, the IPC should have a mechanism to assess the actual crop position in each member country, their actual domestic consumption, exports, and the global per capita consumption and the demand so as to know the factual demand – supply scenario as it should determine the prices and not by market manipulators and operators, they said.

The tight supply situation has been keeping the prices of all the origins at higher levels. However, the bear operators in India, allegedly not following the market fundamentals, had managed to bring down prices during the week to \$5,000 a tonne (c&f) and consequently, “it is very much in line with other origins brightening the chances of some orders coming to

India on Monday," market sources told Business Line.

All the contracts fell marginally during the week. November, December and January dropped by Rs 198, Rs 153 and Rs 90 respectively to close at the weekend at Rs 21,198, Rs 21,588 and Rs 21,831 a quintal.

Total turnover dropped by 4,653 tonnes to 84,528 tonnes and total open interest declined by 438 tonnes to 14,059 tonnes. Spot prices in the absence of any buying and selling remained unchanged at Rs 20,500 and Rs 21,000 a quintal.

The black pepper prices during the week, according to the IPC, have increased in the domestic as well as international markets. In India, it said, activity has increased and futures prices at the Commodity Exchange moved up by around 1-3 per cent. In Daklak, Vietnam, pepper prices for raw material stood at VNND 85,000 a kg during the week, recording a significant increase of VND 10,000 from VND 75,000 a kg in the last week. In Lampung, the price was higher by 3 per cent and 1 per cent increase was recorded in Sarawak. A sharp increase of 10 per cent was also reported in Sri Lanka. In Bangka, local prices of white pepper increased almost daily. On an average, prices increased by 6 per cent and 2 per cent for local and fob respectively from last week. A marginal increase has also taken place in Sarawak. During January - September 2010, total export of pepper from Vietnam was at 95,613 tonnes, registering a significant fall of 11 per cent as against the shipments of 1,07,946 tonnes in the same period last year. It is estimated that export from Vietnam would be around 100,000 tonnes this year.

Date:15/11/2010 URL:

<http://www.thehindubusinessline.com/2010/11/15/stories/2010111550471200.htm>

Back Good buying support buoys cashew market

G K Nair Kochi, Nov 14

The cashew market was buoyant last week with good buying support despite rise in prices by 2-3 per cent.

Consequently, the market continued its upward run last week with business concluded for

W240 at around \$3.95, W320 at around \$3.65, W450 at around \$3.45 (f.o.b).

Even some sales were reportedly done few cents higher as well. "Volume traded was not large but there was good demand from all markets. Although most of the sales were for November-January shipments, there was reasonable interest for shipments up to March/April as well", trade sources said. Prices for broken grades in Indian domestic market jumped up by over 10 per cent in the last ten days, they said.

For the last three weeks, people have been expecting that there will be resistance to the higher prices and that buying interest would cool down. "On the contrary, prices have been moving up every week by 2-3 per cent and there is continued buying interest despite the rising prices. There has been short covering against delays plus some fresh buying to cover future requirements. Some market or the other has always been buying. This continued buying (volumes are not large as offers are limited) coupled with higher Raw Cashew Nut (RCN) prices due to limited availability and concerns about Brazil crop are providing support to the firm trend and rising prices", Mr Pankaj N. Sampat, a Mumbai-based major dealer told Business Line. Brazil processors are unlikely to offer any significant quantities until their crop situation is clear, right now, it looks very bad but things could change in the next couple of months, he said.

The current high price at about 50 per cent higher than the average of last 18 months and the highest ever seen, should certainly have some impact on usage (especially the promotions). "Extent of impact is, however, uncertain. But, there seems to be very little impact in Asia", he said.

Lower kernel availability will also reduce the adverse impact of higher prices on total demand. Raw material availability will be tight until second quarter 2011 – it is likely to ease after May/June provided the North crops are turned out to be good.

"Till then, reduction in demand will not have much impact on kernel prices which can soften only if RCN prices come down with good arrivals. Of course there should be a "pain" threshold for cashew prices (like everything else) but it is impossible to judge when that will be reached", he said.

For the time being, he said, attention is focused on the supply side and everything points

to a continued firmness – so far each wave has shown higher top. Until the supply situation changes or there is a clear indication of a large decline in demand, this trend is not likely to change. “When the trend changes, the speed of price change will depend on the extent of the change in supply or demand, and equally important, the sentiment of all stakeholders”, he said.

The RCN prices in Tanzania also moved up and they continue to be ahead of kernel parity (even with the rising kernel prices). The high RCN prices seem unsustainable but since there is limited availability, it does not seem that prices will ease unless there is a reduction in kernel buying activity.

Date:15/11/2010 URL:

<http://www.thehindubusinessline.com/2010/11/15/stories/2010111550971300.htm>

[Back](#) 'State yet to fix cane prices'

Anil Urs

Hubli, Nov. 14

The Karnataka Sugarcane Growers Association has alleged that the state government is yet to fix sugarcane prices owing to pressure from ministers, former ministers and politicians who own sugar mills in north Karnataka districts.

The association led by its President, Mr Kuruboor Shantakumar, said the Chief Minister in January agreed to introduce the State Advisory Price (SAP) Act, it has not been implemented. The State Government instead of the SAP Act, appointed a committee to fix a suitable price but the committee is yet to meet. In addition to the SAP Act, the association has demanded early release of second instalment of arrears for 2009-10.

It also sought fixation of sugarcane prices for cane crushing year 2010-11 without further delay and lifting ban on sugar exports.

According to S. Nijalingappa Sugar Institute, Belgaum, the Belgaum district tops in sugarcane output in the State and accounts for over 30 per cent of the State's production.

The district has 18 sugar factories and produces nearly 15 million tonnes of sugarcane annually. Other districts such as Bagalkot has eight mills, while Bidar has four, Bijapur, Gulbarga and Davanagere three each.

Date:15/11/2010 **URL:**

<http://www.thehindubusinessline.com/2010/11/15/stories/2010111550391100.htm>

Back Wheat milling: Challenges, conundrums

INDUSTRY FOCUS.

The roller flour milling industry provides a critical link between wheat growers and consumers.

G. Chandrashekhar

A processing activity that helps convert raw food product (wheat) into an acceptable form (flour) for edible purpose, wheat milling is an important and integral part of the country's food processing sector. To be sure, with an annual output of 80 million tonnes, India is world's second largest producer of wheat (after China). Wheat is processed for flour, refined wheat flour, semolina and grits.

Unorganised sector

Apart from over 1,100 large flour mills that convert wheat into products, there are nearly three lakh small units operating in this segment across the country in the unorganised sector. While primary milling is important, it does little to add to shelf life, control wastage or value addition. The roller flour milling industry is the largest organised segment for utilisation of wheat in the country. It provides a critical link between wheat growers and wheat product consumers. Mills engage in wheat blending, flour blending, fortification and quality maintenance that includes food safety, food hygiene and scientific packaging.

Excess capacity

The Indian roller flour milling industry is essentially small-scale and highly fragmented, with no major group having share of more than two per cent of the national capacity. As capacity expansion has taken place far in excess of domestic demand, the industry is currently nursing idle capacity. Despite the industry milieu of excess capacity and poor capacity utilisation, new entrants are coming in perhaps with the hope that market size will expand with rising incomes and population pressure. Inter-se competition is so intense that survival often depends on State's tax regime.

Product promotion

Large corporations that have ventured into wheat processing have concentrated on investing in raw materials and secondary processing, leaving primary processing to roller flour mills to work as custom operators.

For the milling industry to survive and flourish, it will have to look for linkages and integration, both forward and backward. This calls for innovation and creative approach to the food market.

A challenge for the milling industry is to optimise new milling processes and fractionation technologies for extraction of better nutrient components. In the absence of standards from the regulatory system, the industry on its own can develop standards in the interest of consumers.

Branding offers huge potential for product promotion. Most important of course is the possibility of fortification which can help product differentiation. To fight creeping nutrition insecurity, micronutrient fortification of wheat products offers an excellent socially responsible marketing opportunity.

Wheat lends itself to making snack food items. There are many pasta products such as vermicelli, macaroni, instant noodles, etc. These extruded products are meant for direct consumption. Market for such foods is growing rapidly.

The brightest feature of the wheat milling sector is the robust growth in demand. The roller

flour industry whose annual turnover is estimated at over Rs 40,000 crore processes an estimated 20 million tonnes of wheat into various products. Many believe there is scope for modernisation and strict implementation of quality assurance norms.

Infusion of supply chain efficiencies and adoption of risk management practices are sure to improve the competitiveness of the industry.

(Responses are invited from readers. They may be sent to agri-biz@thehindu.co.in)

Date:15/11/2010 **URL:**

<http://www.thehindubusinessline.com/2010/11/15/stories/2010111550461200.htm>

Back Coonoor tea auction remains subdued

P.S. Sundar

Coonoor, Nov. 14

For the fourth consecutive week after the Tamil Nadu Government and Tea Board conducted 'Tea and Tourism' festival in the Nilgiris, tea market remained subdued with teas worth Rs 2.06 crore remaining unsold when the market opened after Diwali holidays at Sale No: 45 of the Coonoor Tea Trade Association auctions. There were no takers for as much as 26 per cent of the 12.18 lakh kg on offer despite shedding Rs 3 a kg.

Leaf and dust

In dust market, Darmona Estate teas topped at Rs 131 a kg. "Our Red Dust (RD) fetched the highest price among all teas — dust and leaf — from bought-leaf factories this week. In all, our five marks got Rs 110 and more," Darmona Managing Partner, Mr Dinesh Raju, told Business Line.

In leaf market, Vigneshwar Estate teas topped at Rs 122. In all, 48 marks fetched Rs 100 and more.

Among orthodox teas from corporate sector, Chamraj got Rs 189. In all, 31 marks got Rs

100 and more.

“Most orthodox leaf remained unsold despite shedding Rs 2-5 a kg. Most CTC leaf was withdrawn despite shedding up to Rs 5. Primary orthodox dust eased up to Rs 5. High priced CTC dusts eased Rs 2-5, but mediums managed to gain up to Rs 3,” an auctioneer said.

Quotations held by brokers indicated bids ranging Rs 40-45 a kg for plain leaf grades and Rs 80-110 for brighter liquoring sorts. They ranged Rs 44-52 for plain dusts and Rs 90-120 for brighter liquoring dusts.

Export buyers

On the export front, Pakistan bought selectively for Rs 41-61 a kg and the CIS in a wide range of Rs 40-95.

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