

Water level

: Water level in the Papanasam dam on Monday stood at 48.25 feet (maximum level is 143 feet).

The dam had an inflow of 93.17 cusecs and no water is discharged from the dam. The level of Manimuthar dam stood at 80.67 feet (118 feet). The dam had an inflow of 10 cusecs and no water is discharged.

Nagercoil

The water level in Pechipparai dam stood at 3.35 feet, 33.30 feet in Perunchani, 5.12 feet in Chittar I, 5.22 feet in Chittar II and 6.40 feet in Poigai dam.

PERIYAR DAM: Water level in the Periyar dam on Monday stood at 112.70 feet (136 feet) with no inflow and a discharge of 105 cusecs. The level in the Vaigai dam was 47.90 feet (71 feet) with no inflow and a discharge of 60 cusecs. The combined Periyar credit stood at 2,329 mcft.

Fish are no more friendly food

A steady increase in diesel prices and poor fish landings have pushed up the prices of fish varieties in the city. "We need large quantities of diesel and get limited subsidies; this has led to this increase," said T. Arumugam, a fisherman.

There has been an increase of Rs. 100/kg in all prime varieties including seer, pomfret and koduva (betty) and Rs. 50/kg in small varieties such as sankara, nethili, mackerel (aila) and sheela. However, fishermen claim that they are not getting any benefit out of it. "We ask wholesalers for an increase in rates. But, the increase we get is minimal," said T. Joseph, a fisherman.

Many householders have switched to buying smaller fish that cost less or have completely stopped buying fish and have opted for chicken.

H. Krishnan of Ambattur said he preferred chicken as he could buy two kilos of it for the same price as half a kilo of fish.

Those eating outside too have to shell out more. Vallimayil Palanichamy, who runs a women's hostel at Adambakkam, said she had to increase the rent by Rs. 500 from this

month as the rates of commodities had gone up quite high. “I provide fish and chicken to the inmates. Now, with the increase in prices, I had to increase the rent . Thankfully, the hostellers did not mind too much,” she said.

According to fishermen, though sankara from the western coast is available at lesser prices, consumers prefer the fish caught on the eastern coast as it tastes better.

“In the last 15 days, we have been getting only cultured prawns and that too, at quite high rates. The availability of backwater prawns in the local market has dwindled as whatever is available is being exported, said Mr. Joseph.

“Landings of fish have definitely come down in last one month and when compared to the last decade, it has considerably come down now, explained a former official of the Fisheries Department.

Cotton price shoots up, SIMA seeks action

Price of domestic cotton has shot up by nearly 11 per cent during the last 10 days, causing concern among the cotton using industry.

After remaining stable for the last four months, the price of Shankar-6 variety went up to Rs. 38,000 a candy (355 kg) on Monday. About 10 days ago, it was nearly Rs. 34,000.

Indian Cotton Federation vice-president K.N. Viswanathan said that about 75 per cent of the cotton estimated to be produced in the country this year (October 2012-September 2013) has already arrived in the market. The demand has picked up from domestic textile mills and exporters. The domestic consumers are apprehensive of prices spiralling further in the coming months and are hence, buying cotton now. Over 50 lakh bales of cotton have been registered for exports so far this year. Hence, prices have shot up during the last few days and there are reports that some multinational companies are quoting even Rs. 40,000 a candy for April delivery. Prices have gone up for almost all varieties of cotton, he said.

The Southern India Mills Association president S. Dinakaran has said in a release that though the international cotton prices are stable for the last one month, Indian cotton prices have increased. The main reason is because of large-scale buying from major traders. The Cotton Corporation of India (CCI) has procured nearly 20 lakh bales of cotton in Andhra Pradesh. Some of the varieties used to manufacture long-staple cotton are available in limited quantities in the country. The CCI should announce the domestic prices for the cotton it has purchased and should ensure that this cotton is available for the domestic mills.

The abrupt spiralling of prices has resulted in fall in price of cotton yarn. The value adding segments such as weaving and garment-making have to meet the export commitments and hence, stability of cotton prices is important, he said.

Mr. Dinakaran has appealed to the Union Textile Minister to direct the CCI to announce the prices for cotton procured by it in Andhra Pradesh and to make available the cotton with it to the domestic mills. The textile industry was just reviving. The industry is largely cotton-based and hence availability and stability of cotton prices are crucial for the domestic textile industry.

Field visit

A team of officials from Argentina recently met Joint Director of Agriculture S. Lakshmiraj to discuss moringa cultivation and also about cultivation of horticulture crops.

A release from his office says that the team had a detailed interaction with the Joint Director on hybrid moringa cultivation, its vitamin and mineral content. The Joint Director also explained the crop's duration, varieties under cultivation, spacing and bearing aspects.

The officials proceeded to the Periyakulam Horticulture Station for field visit.

Water released from Barur Big Lake

Water from Barur Big Lake was released for irrigation of second crop here on Monday. District Collector T.P. Rajesh opened the sluice gate after a puja.

Mr. Rajesh asked farmers to use the water judiciously and maximise agriculture production. Water would be released for 75 days from the east and west main canals from Monday to May 10. Initially, water would be released for three days a week from on a rotation basis once in 15 days.

The water would help irrigate over 2397.32 acres of agriculture land in Barur, Arasampatti, Pendarahalli, Keelkuppam, Puliyur, Kottapatti, Jingalkathirampatti, Thathampatti, and Virupampatti villages. K.E. Krishnamoorthy, and Manoranjitham Nagaraj, both MLAs; District Revenue Officer C. Prakasam; Revenue Divisional Officer P. Manoharan; District Panchayat Chairman K. Ashok Kumar; officials from Water Resources Department participated.

Farmers get subsidised cattle feed for rearing milch animals

District Collector Darez Ahmed has announced that he would get cattle feed at subsidised rate for farmers rearing milch animals.

Speaking at the agriculturists' grievances day meeting here on Thursday, he admitted that drought had hit hard fodder availability and milk yield. Raju of Tamil Nadu Vivasayigal Sangam lamented that one acre of straw was selling at Rs.15, 000. Due to paucity of fodder, milk yield had come down by at least 30 per cent, he regretted.

He submitted that each milch animal should be given at least 200 kg of feed at subsidised cost for a period of three months. At present a kg of feed was quoted at Rs.18 a kg.

When the Collector pointed out that as 18,000 milch animals were supplying milk to the Aavin, he would recommend subsidised feed to these animals, the farmers pleaded that other farmers should also be shown some consideration by the government.

Dr.Ahmed contended that it was logical that the government helped those who supplied milk to Aavin, which was a cooperative organisation. But there are farmers who are selling milk to private dairies because they are paying higher prices.

"Why don't you ask these dairies to help you?" he added.

Mr.Raju demanded subsidised seed for raising fodder this year too just as last year.

A Horticulture Department official said that farmers were welcome to join fodder production, especially CO4. It had been decided to train at least 250 farmers in fodder production which was a pilot project.

The Collector wondered whether there was water for raising fodder.

The Collector, who had discussions with the top officials in Chennai midway through the meeting, said the department was prepared to help all those willing to register themselves for fodder production.

Compensation promised

Dr.Ahmed also promised to get compensation to those farmers who have suffered losses because of animals.

Raising the issue, Mr.Raju said that apart from the failure of monsoon, another major problem confronting the ryots in the district was frequent incursions by animals into the fields.

“Of the total cultivable area, we have cultivated only 10 per cent because of poor rains. Now the yield even from that 10 per cent area would be lost because of animals like pigs, monkeys, and even deer,” he lamented.

According to him paddy is ruined by pigs while coconuts suffered because of the monkeys.

Forest Department officials said that the department was prepared to give compensation to farmers even if their crops were to be damaged by pigs. As many as 150 applications were pending in this regard, they added.

The Collector assured the farmers that he would get them compensation in case of any animal raid and wanted them to give applications in this regard immediately.

Referring to the delay in taking up some road works, he said it was because of a long-pending case. “Now that the case has been disposed of by the court, we have started taking up such works.” Already Rs.25 crore had been sanctioned and proposal had been sent for Rs.80-crore worth works.

He also pointed out that the expenditure for the roads in Veppur panchayat union was far higher than other places because of the poor soil. “Laying of one kilometre road in that union costs as much as Rs.1.50 crore while it costs only Rs.30 lakh in other places.”

He was also happy to note that the district had got a separate Highways Division which would be extremely beneficial to Perambalur district. Earlier, both Perambalur and Ariyalur districts had only one division.

133 bags of cotton sold at auction

Cotton fetched a maximum of Rs.3,941 a quintal in the auction conducted on Friday at the regulated market here.

According to a release from Darez Ahmed, Collector, as much as 133 bags of cotton (4,018 kg) was sold at the auction.

Besides, maize fetched Rs.1,210 per 100 kg.

The Collector appealed to the farmers to utilise the services of the regulated market in order to get remunerative prices for their produce and also to avoid diversion of the profit due for the farmers to some private individuals by the brokers.

He pointed out that cotton, turmeric, groundnut and gingelly were some of the major produce of the district that are being auctioned at the regulated market. Arrangements have been made for merchants from various districts to purchase these commodities at the market.

Apart from ensuring high price and correct weighment, the market also provides facilities like drying yard, mortgage loan, godown , etc.

For storing the commodities in the market, the rent is as low as 10 paise per bag a day and the maximum mortgage loan is Rs.2 lakh. For this loan, no interest will be levied for the initial 15 days. Thereafter the borrower will have to pay an interest of five per cent upto six months.

Those farmers who are transacting one tonne or commodities worth Rs.10,000 per annum at the market are issued Farmers' Welfare Identity Card which entitles them to an insurance facility of Rs.1 lakh free of premium.

Agriculture implements given at subsidised rates

Collector K. Nanthakumar distributed agriculture implements to farmers given at subsidised rates by the Agriculture Engineering Department.

The farmers were given shaft grass cutter fitted with electric motor, rotavator to be attached to the tractor for ploughing purpose, power tiller, battery sprayer and power weeder.

Executive Engineer (Agriculture Engineering) M. Yuvaraj said the power weeder, costing Rs 2,65,750 was given to a farmer at the rate of Rs 1,50,015 after subsidy. Similarly, the power tiller costing Rs 1.53 lakh was given to a farmer belonging to scheduled caste at the subsidised rate of Rs 65,400.

Agriculture Department to assess crop damage in district

Date being obtained from farmers who have suffered 50 per cent yield loss



Water scarcity has led to damage of paddy crops at Panamarathupatti in Salem. —PHOTO: E. LAKSHMI NARAYANAN

The Agricultural Department in the district would assess the extent of damage that each farmer had suffered due to failure of monsoon.

Officials in the department said that though compensation had not been announced for non-delta regional farmers, data was being obtained about farmers who had suffered over 50 per cent yield loss.

'We have received the guidelines from the State Government and are collecting data at taluk and district level. Once data compiling is over, the report will be submitted to the government by February 28 to decide the nature of compensation', said the officials.

Preliminary report shows that irrigation fed lands in agriculture account for 5,516 acre, 162 acre in horticulture while rainfall fed lands in agriculture account for 3,338 acre and 2,134 under horticulture. Millets and cereals were the principal crops in the district, followed by pulses, oilseeds, rice and sugarcane.

Tapioca, onion, tomato, betel wine, coffee were the vegetables and plantation crops respectively while mango banana and sapota were carried under the horticulture department. Farmers during the monthly agriculture grievances meeting had demanded adequate compensation for their damaged crops.

Chief Minister Jayalalithaa had recently announced that farmers in the delta region would receive a relief package of Rs. 15,000 per acre who had suffered over 50 per yield loss.

Cauvery tribunal award welcomed; CM thanked

An emergency meeting of Tirupur Corporation council held here on Monday has passed a resolution welcoming the notification of the final award of the Cauvery Water Disputes Tribunal that stipulates the sharing of Cauvery water among Karnataka and Tamil Nadu.

Tirupur Mayor A. Visalakshi and other AIADMK councillors hailed the efforts taken by the Chief Minister, Jayalalithaa.

Meeting boycotted

The DMK councillors boycotted the meeting stating that felicitating the present government alone was not correct as former Chief Minister M. Karunanidhi and Central Government had roles in getting the award which came after many years of struggle.

Erode Staff Reporter adds

The Erode Corporation council has thanked Chief Minister Jayalalithaa for ensuring notification of the final award of the Cauvery Water Disputes Tribunal in the gazette. The council, at a special meeting held here on Monday, adopted a resolution to this effect.

The resolution was brought by Mayor Mallika Paramasivam.

Speaking on the occasion, several members of the council said that after 22 long years of legal battle the State had got justice.

Members termed the notification of the final award in the gazette as a tremendous achievement of the AIADMK government.

Deputy Mayor K.C. Palanisamy, Corporation Commissioner M. Vijayalakshmi and senior officials were present at the meeting.

Farmers in distress as water supply is stopped

Supply from Alamatti dam was stopped on February 20

: Owing to the limited availability of water in Alamatti dam, officials have stopped the supply of water through canals coming under the Upper Krishna Project, from February 20.

Following the stoppage, farmers who had sown rabi crop are in distress, as their fields have not been receiving water which could lead to withering of crops.

The farmers, who were depending on water from the dam, had sown groundnut, maize and sugarcane. They said they needed water for at least 20 days to help sustain the crops.

For the first time, supply of water has been stopped 30 days in advance.

Normally, water is supplied till March-end or till April 15.

Monsoon failure

However, due to the failure of monsoon, the storage in the dam has reduced substantially, forcing officials of Karnataka Bhagya Jal Nigam Ltd. (KBJNL) to stop water supply before the normal schedule.

Reservoir drying up

Meanwhile, the reservoir is drying up, and even Maharashtra has not released water from the Koyna dam.

The dam which can store 123 tmcft of water now has only 24 tmcft, of which 17.62 tmcft is dead storage, according to officials of the KBJNL.

Farmers end padayatra

Tungabhadra Board promises to release more water

Farmers from the command area served by the low-level canal (LLC) of the Tungabhadra reservoir on Monday launched a padayatra from Moka to the dam in Hospet to draw the attention of the State government, particularly officials of the Irrigation Department, to their demand for release of water to save their crops.

However, the padayatra, which was flagged off by the head of the Kalyan Math, was withdrawn after they covered a distance of 11 km following a promise by B. Sriramulu, founder-president of the BSR Congress, and the chief engineer of the Tungabhadra Board that additional water would be released later in the day.

The farmers in the command area, which includes Hospet, Siruguppa and Bellary taluks, have been struggling to save their crops as water released into the low-level canal is not reaching their fields.

This problem had arisen because Andhra Pradesh, which is the lower riparian State, had announced that it would not draw its share of water. Therefore, the Tungabhadra Board, which is the water distributing and monitoring agency, withheld Andhra Pradesh's quota and began releasing only 550 cusecs, being the State's quota.

With the reduction in the quantity of water released, the water was not reaching the fields. Farmers in the upper reaches erected bunds at various places to draw water, depriving those downstream of water.

“Transplantation of paddy and other crops cultivated on about 75,000 acres in the command area in the three taluks has been completed. But crops have started withering and, in some areas, they have dried up. The water released is not flowing into the canal because of bunds erected elsewhere. Barring assurances from elected representatives, no action has been initiated so far,” Darur Purushottamgowda, a farmers' leader, said.

Mr. Purushottamgowda told *The Hindu* that the padayatra on Monday was withdrawn after Mr. Sriramulu said that Mr. Bommai had already instructed the officials to release additional water into the low-level canal.

Attaining self-sufficiency in milk production

Schemes in dairy sector helped check decline in output

With a string of farmer friendly projects and timely completion of various schemes in dairy sector, the district has successfully checked the decline in milk production in the recent years and is on the way to attaining self-sufficiency in dairy production, according to sources in the Dairy Development Department.

Initiated last year

As per details provided by the department officials, a handful of projects were initiated in the previous year in the district to help dairy farmers.

This comprised rural dairy extension and advisory service. As part of this, dairy farmers' meets at block and district levels, quality awareness and consumer interface programmes, and farmers' contact programmes were organised and student dairy clubs were set up.

Other schemes such as modernisation of milk co-operatives, milk shed development programmes, cattle feed subsidy, and fodder grass cultivation were also successfully pursued by the department.

One lakh litre per day

The total milk production in the district is one lakh litre a day, while an additional 30,000 litres is required to meet the demand.

Storage facilities

In a move to help dairy farmers with storage facilities for milk, a milk cooler and packing machine was set up at the Kannur Co-operative Milk Supply Society.

Out of the total amount of Rs.12 lakh for the equipment, Rs.10.80 lakh was provided from the Collector's fund, a one of its kind initiative, while the society spent Rs.1.2 lakh.

Though the department was not claiming great leaps in terms of meeting the demand, at least we had been able to check the decline in milk production, said Thampi Mathew, Deputy Director of the department.

154 cows

Under the milk shed development programme, a total of 154 cows were distributed to beneficiaries till January 2013 against the target of 194 cows for the financial year.

A total sum of Rs. 1.57 crore had been spent till January for various schemes.

With sustained growth in dairy production, the district would be able to attain self-sufficiency in milk by the end of the 12th five-year plan, after Wayanad and Palakkad districts in the Malabar region, Mr. Mathew added.

Variety marks flower show

The Kerala Initiative to Save Agriculture and Nature (KISAN) flower show, which started here on February 23, has a range of flowering plants, saplings of fruit trees, and herbal plants for sale at affordable prices.

By the third day, more than 10,000 people visited the show, the organisers say. Opening to a neatly decked lawn with flowering plants on either side, the event showcases about 27 stalls of nurseries with their exclusive breeds of flowering plants and foliages, indoor and outdoor varieties. More than 15 hues of gerbera, each priced at Rs.20; five varieties of carnation at Rs.30 per sapling;

melastoma; daisies; orchids of the phalaenopsis and dendrobium varieties priced between Rs.150 and Rs.700; dianthus; barbina; euphorbia; and kashmiri roses in full bloom; invite the visitors' attention. Clusters of chrysanthemums and adeniums are the other attractions. Nurseries have exhibited grafts and saplings of durian, jack fruit, pulasan, mangostine, and rambuttan — all priced between Rs.175 and Rs.690.

The Aralam Farming Corporation has put up a stall at the festival which has saplings of mango, garcinia gummi-gutta (kudampuli), red palm, and guava among others. Gardening tools such as stem cutters and farming equipment, apart from planting materials and seeds, are also on sale. The flower show will conclude on March 5.

Deciding who gets to eat



International agencies are warning of high food prices on a global scale in 2013 if urgent action is not taken. But our government shows little concern. The President's address to Parliament had only a cursory mention of inflation. "Inflation is easing gradually, but is still a problem," he said. Still a problem? Surely the suffering of people from the relentless price rise inflicted on them by the flawed policies of the United Progressive Alliance deserves more recognition and redress. Perversely, the government is intensifying the very policies which cause price rise.

Even the World Bank, whose neoliberal policy impositions are responsible to a great extent for global food inflation, has warned that "high and volatile food prices are becoming the new normal." The FAO warns that "despite decline in international food prices in the latter quarter of 2012, they remain close to all time highs. Stocks of key cereals have tightened." Among the reasons are the diversion of land from food grains production, speculative trade, low public investment in agriculture and depleted stocks. This critique is as valid for India as it is for the more developed countries.

Food vs. fuel

While the severe drought in the United States, Russia, the Ukraine and elsewhere is also cited as a reason for a likely fall in the production of wheat and a consequent increase in food prices, the FAO has warned that the continuing diversion of land to produce crops for the bio-fuel industry in the U.S., Europe and the growing trend of companies to buy land in developing countries like Africa for growing such crops, will lead to "increasing hunger worldwide." By subsidising corn production for bio-fuels, the U.S. pulls out corn from food supply, raising prices. Cars and fuel it would seem are more important than people and food.

Food shortages are also ideal scenarios for rampant speculation. Speculation in futures trade in food commodities was one of the crucial causes for international prices skyrocketing in 2008. The impact was disastrous for import dependent countries. In the aftermath of the ruination of millions of families across the world, the G20 countries, including India, had resolved to take remedial measures. In 2010 in the U.S., the "Wall Street Reform and Consumer Protection Act" suggested a set of regulations to curb speculation. To implement the law, the Commodities Futures Trade Commission in the U.S. imposed "position limits" on the proportion of the market that could be held by any one institution so as to curb the capacity to manipulate prices. Even though the limit was as high as a quarter of the market, it was challenged in court by financial market associations.

A U.S. district federal court recently ruled that no such limitations can be imposed, holding that the CFTC has been unable to prove any link between speculation in food commodities and high prices! The CFTC has decided to appeal against this and it will be interesting to see the arguments it puts forward to establish the linkages. Perhaps home-grown loyalists to the U.S. views can take a few lessons from even the limited interventions of the CFTC. But, in any case, the regulations have been put on hold. In the

European Union, the regulatory regime which was to be implemented by the end of 2012 has also been postponed.

The speculators, in the meanwhile, have been back in business. Barclays Bank has admitted that it made a profit of \$548 million and Goldman Sachs made up to \$400 million in 2012 from speculation in food including wheat and maize. Glencore, one of the biggest companies in the business, was pretty clear of its priorities. "The U.S. drought is good for Glencore" said its Trade Wing Chief, meaning thereby that its \$2.5 billion pre-tax profit could be further augmented by speculation on the shortages created by the drought. The recent UNCTAD report linking speculative capital with the price rise in food stated that "over \$400 billion is traded in food commodities, that is 20-30 times the physical production of the actual commodity." The crux of the issue is that high speculation in futures markets pushes up spot prices of the commodity being traded. That is why there is a rising global demand for prohibition of futures trade in essential commodities.

Is it any different in India? The government often uses high global prices of food to camouflage its own failure. In fact, the reasons for price rise in India are entirely domestic and self-inflicted.

A comparison of the Consumer Price Index for BRICS countries shows that India has the dubious distinction of the highest year on year inflation at 11.17 per cent, with China at the lowest of 1.9 per cent, South Africa at 5.75 per cent, Brazil at 6.15 per cent and Russia at 6.54 per cent. Data provided by the Ministry of Commerce and Industry shows a rise in the wholesale price index of food between 2011-2012 and January 2012-2013 of 11.88 per cent. Some striking examples are the rise in the price of cereals by over 18 per cent, vegetables by 28.4 per cent, pulses by nearly 19 per cent and sugar by 13 per cent. These are the wholesale prices. The increase in retail prices would be even higher.

Sugar decontrol is imminent, which will be followed by a further rise in sugar prices. The deregulation of petrol and now diesel prices has a cascading impact on increasing inflation, including in food. Petrol prices have been raised 19 times since 2009, registering an increase of 120 per cent. The price of diesel is up by 67 per cent.

Land use

Mimicking the U.S., India too is ignoring the lessons of the global crisis. Large tracts of agricultural land are being handed over to the private corporate sector, including for real estate. This is in addition to the ongoing policy of incentivising production of export driven cash crops instead of food grains. The last *Economic Survey* itself reports this fall in gross area under food grains by roughly 5 million hectares if we compare the decade preceding the neoliberal reforms in the 1980s to the two post-reform decades of the 1990s and the 2000s.

Self-reliance and self sufficiency in food grain production — which require an alternative policy framework — are now discarded policy pursuits for this government despite their crucial role in protecting Indian consumers from the volatility of international prices.

Market manipulation

In India, futures trade in agricultural commodities includes around 25 sensitive food items like wheat, sugar, chana, *desi* urad, edible oil, mustard seeds, a variety of spices and even potatoes and onions. In the light of the warnings of global food shortages, it is essential for the government to delist food items from futures trade and also to resist the growing pressure to lift the current ban on rice futures. It should learn from the most recent and scandalous example of the highly speculative trade in *guar* (the gum of which is used as a thickening agent in some foods and also as a sealant for shale gas). In the year ending October 2012, the price had shot up 1000 times yielding profits worth Rs. 1,290 crore to identified companies indulging in speculation. But producers of *guar*, mainly farmers from Rajasthan, received no benefits as they had already sold their crop. Although the trade has since been suspended, prices are still volatile. Such blatant manipulation of the market invites no punishment in liberalised India.

Unlike some other developing countries, India has sufficient stocks, over 6.62 crore tonnes of food grains as on February 1, 2013, three times the norm set for this quarter which is 2 crore tonnes. Given the anticipated shortage in world markets, big companies, foreign and domestic, have started putting pressure on the government to “liquidate” the stocks by allowing liberal exports. The value of exports of food grains in 2012 was \$20 billion or over 1.8 lakh crore rupees. While wheat was exported at global prices of between Rs. 1,800 to 2,000 a quintal, the support price the Indian farmer received was at least one third less at Rs.1,285. The export of rice also was at prices far higher than the MSP. Thus the government helped traders and exporters make profits while denying farmers a fair price.

The liquidation of stocks for exports which help traders not farmers is taking place at a time when India is home to a quarter of all malnourished people in the world. The stocks should and must be used to ensure an amount of food grains not less than 35 kg per family at subsidised rates through a universal public distribution system

It is equally necessary in view of the anticipated global shortage of food grains to use the stocks judiciously as a buffer against hoarding and black marketing. Reckless exports of food grains are not in India’s interests.

(Brinda Karat is with the Communist Party of India (Marxist) and a former Member of Parliament)

By allowing futures trade in food and diversion of farm land for commercial purposes, the UPA government is fuelling the price rise

Fruits from afar

Today, we are able to buy Chinese pears, Japanese cars and Dutch cheese. How is it possible?



Exotic fruits: For our eating pleasure.

Movement is a major theme in geography. It includes the movement of material (raw materials, manufactured goods, agricultural products), ideas (innovations, fashions), people (*international* migration, *intra-national* or within-country migration, temporary migration, commuting), information (prices of stocks and shares, the routes of transportation vehicles such as buses, trains, aircraft, ships), natural entities (animals, water, air, *tectonic plates*).

Since the 1990s, India's markets have rapidly opened up to importing goods. What kept those imports low before? India had erected many *invisible barriers to movement* — high taxes on imported goods, complicated license procedures, limits on quantities of goods that could be imported, etc.

So, for example, Washington apples and Chinese pears, Japanese cars and Dutch cheeses were not coming into the country. These barriers were reduced or lifted in the 1990s.

Now, Japanese vehicles and machinery are assembled in India, often in collaboration with Indian companies. For example: Toyota Kirloskar Motor Pvt. Ltd. near Bangalore manufacture Toyota cars; Volvo, a Swedish company, manufactures buses near Bangalore; Hyundai Motors, a South Korean company, has a car factory near Chennai. These are possible because India has been making it easier for foreign companies to build their own factories here, to collaborate with Indian companies and providing land at cheap prices.

Travel time

You can buy Washington apples, Chinese pears and other 'exotic' fruits even from street vendors now. What are the *enabling factors* in this case? Chemical preservation

technology allows unripe apples and other fruits to be harvested and made available in distant places; this increases the *shelf-life* of these *perishable* items. Large quantities of the harvested apples are treated with chemicals and kept in specialized *containers* at low temperatures. They are exported to distant countries, such as India. Here, they are unpacked and *transported* in large quantities to wholesale markets to be sold in large quantities. Retailers buy from the wholesalers and sell it in shops or on carts by the roadside.

These apple-carrying ships would have to travel a long distance from Washington to India. But another geographic feature helps us reduce this distance. It's the *isthmus* (from Greek *isthmos*, meaning 'neck of land') — a tiny strip of land that connects two larger pieces of land with water bordering on both sides.

The Isthmus of Panama is crucial in this. Here the Panama Canal was opened on, get this, August 15, 1914. The Suez Canal already existed (from 1869, the year in which Gandhi was born).

These two *canals* make it possible for ships to avoid having to travel long distances around Cape Horn (southern tip of South America) and the Cape of Good Hope (southern tip of Africa) — where the seas are extremely rough! Before these two canals, the distances and the rough seas were great *physical barriers* to the movement of Washington apples to India. Thanks to technological advances and removal of invisible barriers in India, we now get apples from Washington any time of the year.

But are they healthy?

The writer is Founder, Director of The Indian Institute of Geographical Studies, Bangalore.

Geographic exploration:

Why are ships used to transport apples and similar items instead of aircraft? Wouldn't it be faster to use aeroplanes?

Why are the seas so rough around the Cape of Good Hope and Cape Horn?

On a globe, try to trace the routes the ships would take to bring apples from Washington to India if the two canals were not there.

Why don't the ships avoid the rough seas of Cape Horn and Cape of Good Hope by simply going through the northern hemisphere?

Which is the Washington mentioned in this article? How is it different from any other Washington you may find on a map?

Send your answers and thoughts to geo@tiigs.org and it will be published in the blog.

Visit the blog at TIIGS.org for a more detailed version of this article.

weather

INDIAN CITIES

INTERNATIONAL CITIES

Chennai

Chennai - INDIA

Today's Weather



Sunny

Tuesday, Feb 26

Max Min

31° | 22°

Rain: 0

Humidity: 94

Wind: normal

Sunrise: 06:26

Sunset: 06:17

Barometer: 1015

Tomorrow's Forecast



Partly Cloudy

Wednesday, Feb 27

Max Min

31° | 20°

Extended Forecast for a week

Thursday Feb 28	Friday Mar 1	Saturday Mar 2	Sunday Mar 3	Monday Mar 4
31° 21° Sunny	32° 20° Overcast	33° 21° Sunny	33° 20° Sunny	31° 21° Cloudy

Airport Weather

Delhi

Delhi

Rain: 0

Humidity: 100

Wind: normal

Sunrise: 06:50

Sunset: 06:18

Barometer: 1017



Frozen french toast, boiled eggs to hit retail food outlets soon



Packaged matar paneer and chicken vindaloo are passé. Now you will get branded, frozen french toast, omelettes and boiled eggs at retail stores and fast-food restaurants.

NEW DELHI: Packaged matar paneer and chicken vindaloo are passe. Now you will get branded, frozen french toast, omelettes and boiled eggs at retail stores and fast-food restaurants.

US-based OSI Group, a global player that supplies food products to top retailers, plans to launch these products soon, hoping to add to its Indian turnover of Rs 250, crore, [Bhupinder Singh](#), chief executive of its Indian arm, Vista Processed Foods, told ET.

The company, which sells frozen food to [Subway](#) and Papa John, and is the sole supplier of such products to McDonald's in India and Middle East, already supplies 1 lakh eggs from its farms in Pune and Hyderabad, and is aiming for a 20% growth this year. The launch of frozen omelettes, French toasts and boiled eggs is expected to boost egg consumption in India, which produces 61 million eggs a year, or 3.6% of global production.

Consumption is rising 10-12% a year as eggs are seen as a daily dose of calcium, protein and fatty acids such as Omega-3 for a quarter of the people living in urban and semi-urban areas, which consume over 75% of the eggs produced in the country. Singh, a former national basketball player, sees a big business opportunity for Vista, which has been a global player for 55 years and operates in 17 countries.

The company recently started supplying over 10,000 boiled eggs used as sandwich toppings to Subway. Singh, the company's CEO said the sector was growing rapidly, and organized retail players were keen to sell egg products off shelf. "Preparing breakfast or salad will be much more simpler as you just have to open the eggshell," he said.

Packaged boiled eggs will have a shelf life of 45 days. The eggs could soon be available at modern retail stores from Walmart, Metro, Carrefour and others. "We will like to launch a mutton burger in the country but currently see low production of goat and sheep as a big challenge," Singh said. The company has not yet decided the price for the product.

In retail across Delhi -Mumbai an egg is sold at Rs 5-6 each, compared to wholesale price of 3.82 to Rs 3.90 an egg. A boiled egg could be priced at a premium of Rs 1 an egg say industry sources. Frozen omelletes followed by frozen french toast which need to be preheated in a microwave will be in the market in 4-5 months.

"Indian consumer is requiring a convenient product wherein cooking time reduces,' said Singh. The company has a capacity to manufacture one tonne frozen french toast and over 50,000 boiled eggs.

"We will be catering to the local taste buds and will be supplying all sort of toppings as per companies and consumer's preference," said Mr Singh. Apart from consumers and cafes, bistros, restaurants, the company would also be targeting air and railway caterers. Maharashtra, Karanataka, Kerala, [Tamil Nadu](#) and AndhraPradesh remain the biggest consumers of poultry and egg in the country, seeing a growth of 12-14% in consumption.

Indian tea rises on good demand; poor quality leaf supplies weigh



Tea prices rose on an improvement in demand from local buyers, though supplies of poor grade leaf capped the price rise in dust grade variety.

MUMBAI:Tea prices in India, the world's second-biggest [producer](#), rose at last week's auction on an improvement in [demand](#) from local buyers, though supplies of poor grade leaf capped the price rise in dust grade variety.

The CTC (crush-tear-curl) grade was sold at 135.71 rupees per kg, up 5.3 per cent from the previous week's auction, while the dust variety edged up 0.14 per cent to 127.52 rupees per kg.

"Usually supplies go down during this period of the year. This is lean supply season, but demand was healthy from local packeters," said a member of the Calcutta [Tea](#) Traders' Association.

Tea consumption rises in India during the winter months as people prefer it to cold drinks. Tea plucking in India usually picks up between July and October.

Wheat, maize rises on scattered buying

NEW DELHI: [Wheat](#) and [maize](#) prices rose upto Rs 20 per quintal at the wholesale grains market today on scattered buying by flour mills and stockists.

Marketmen said scattered buying by flour mills and stockists mainly helped wheat and maize prices to trade higher.

In [the national](#) capital, wheat dara (for mills) traded marginally higher by Rs 5 to Rs 1,585-1,590 per quintal. Atta chakki delivery followed suit and traded higher by similar margin to Rs 1,595-1,600 per 90 kg.

Maize also traded higher by Rs 20 to Rs 1,470-1,500 per quintal.

Cashew rises on fresh buying

NEW DELHI: Cashew prices rose by Rs 5 per kg in [the national](#) capital today, largely on the back of fresh buying by retailers and stockists.

Tight supplies from growing regions also supported the upside in prices. Cashew kernel No 180, No 210, No 240 and No 320 rose by Rs 5 each to conclude at Rs 685-745, Rs 665-685 Rs 585-605 and Rs 505-555 per kg, respectively.

Marketmen said increased buying by retailers and stockists against tight supplies from growing regions, mainly pushed up cashew prices.

The following are today's quotations (per 40 kg): Almond (California) Rs 13,800 Almond (Gurbandi-new) Rs 7,100-7,600; Almond (Girdhi) Rs 3,100-3,400; Abjosh Afghani Rs 8,000-20,000.

[Almond Kernel](#) (California-new) Rs 480-520 per kg, Almond Kernel (Gurbandi-new) Rs 350-450 per kg.

Costly import hits cashew export revenue



Cashew nut exports have declined 16% for the ten month period ended January 2013.

KOCHI: Costly import of raw nuts is making a dent in the revenue of [cashew](#) exporters as the shipments and prices of cashew kernels dwindle. Cashew nut exports have declined 16% for the ten month period ended January 2013.

Last year has seen India export 1,31,760 tonne cashew kernels valued at record Rs 4,390 crore. But

this year, the country may fall short of this figure given the sluggish buying trend in the global market, say the exporters.

"There has been a drop in purchases from the US and Europe, two main buying regions," said Anu S Pillai, partner of Anu Cashews, a major exporter. The cashew kernel exports have reached 75,798 tonne, valued at Rs 3,089 crore till January 2013.

The drop in value is around 17%. Like it happened last year, high import prices vis-a-vis low export prices are worrying the exporters. Close to 60% of the total raw nut requirement of 14 lakh tonne is imported.

Till now, the exporters have been sourcing the nuts from [Tanzania](#), and will turn to [West Africa](#) as the season begins there. The raw nuts are available in the range of \$900 to \$1,000 per tonne.

"The current export price in the range of \$3.30 to \$3.50 a pound is not sufficient to meet the expenses on import," said Pillai. A price above \$3.60 is needed to keep pace with the import prices. But as the production in [Ivory Coast](#) and [Ghana](#), two major producers of raw nuts, gets active, the raw nut prices may slip.

The raw nut imports in January 2013 at 71,610 tonne are almost double the quantity in the same month of the previous year. In the past few years, domestic market has turned out to be lucrative for the processor-exporters as there has been a surge in the sales. But increasing flow of under-invoiced cashew kernels from [Vietnam](#) and [Brazil](#) has been a setback for them.

"The cashew traders abroad under invoice the lots to evade 35% import duty. Such kernels are sold cheaply in the [Indian market](#), adversely affecting the domestic traders," said P Somarajan, proprietor of Kailas Cashews.

Brent oil trades near four-day high before Iran nuclear talks

MELBOURNE: Brent crude traded near the highest level in four days on Monday before international talks with [Iran](#) on its nuclear program. China increased fuel prices for the first time since September. Futures rose as much as 1.6% after gaining 0.5% on February 22.

Iran, which is under a Western embargo on its oil exports, will meet the US, China, France, Germany, Russia and the UK, or the so-called P5+1 group, on Tuesday in Almaty, [Kazakhstan](#), after an eightmonth lapse in negotiations. The lack of a breakthrough may mean US and [European Union](#) sanctions on Iran will continue to cost the Islamic republic about \$98.9 million a day in lost oil sales, data compiled by Bloomberg show.

"Any hopes that progress might have been made between Iran and the P5+1 at their meeting this week appear to have been dashed by provocative comments from Iranian spokesmen trumpeting advances in uranium enrichment," Nic Brown, head of commodities research at [Natixis](#) in London, said in an e-mailed response.

The talks will probably be "another missed opportunity," he said. Brent for April settlement advanced as much as \$1.77 to \$115.87 a barrel, the highest level since it settled at \$117.52 on February 19. It was at \$115.54 as of 1:28 pm local time on the London-based ICE Futures Europe exchange. The volume of all futures traded was 0.6% more than the 100-day average.

The European benchmark crude was at a premium of \$21.42 to West Texas Intermediate, up from \$20.97 on February 22. WTI for April delivery was at \$94.14 a barrel, up \$1.01, in electronic trading on the New York Mercantile Exchange. The contract rose to \$93.13 on

February 22, the highest settlement since February 20. Volume was 3% above the 100-day average. Front-month prices fell 2.9% last week, the most since December.

"Iran is still a significant producer and any major changes one way or the other to its production has the potential to have an impact on overall global supply," said Ric Spooner, a chief market analyst at CMC Markets in [Sydney](#).

The country's revenue from oil sales has dropped because of the sanctions, President [Mahmoud Ahmadinejad](#) said in a speech aired on state television on February 23.

The nation says its nuclear program is for civilian use, while the US, the EU suspect it is developing [atomic](#) weapons. Recent discoveries of uranium resources have almost tripled Iran's reserves of the radioactive fuel to 4,400 tonne, the Islamic Republic News Agency reported on February 23, citing Fereidoon Abbasi, the head of the Atomic Energy Organization of Iran.

"There's not much sign there will be any advancement in the negotiations this week," said Robin Mills, the head of consulting at Dubai-based Manaar Energy Consulting and Project Management. "I'm not hopeful for any deal being reached in Kazakhstan. I haven't seen any signs the US will offer Iran any sanctions relief."

Wheat price drops to 8-month low in US

SINGAPORE: [Wheat](#) touched an eight-month low on Monday in [Chicago](#) on speculation that a snowstorm in the US Great Plains will help ease drought conditions before crops emerge from winter dormancy.

Parts of Kansas, Oklahoma and Texas were under a blizzard warning on Monday, with some areas expected to receive more than a foot (30 centimeters) of snow, according to the National Weather Service. While much of the central to northern Great Plains was under moderate to exceptional drought as of February 19, according to the US Drought Monitor, central Oklahoma northward already has snow cover from recent storms, Weather Service data show.

"A snowstorm in the US [Midwest](#) [BSE -4.78 %](#) has significantly increased the snow cover in the winter wheat growing areas, which should considerably improve moisture levels in the soil when the snow melts in spring," Carsten Fritsch, an analyst at [Commerzbank](#) in [Frankfurt](#), said in an e-mailed report. "The winter wheat plants are in very poor condition due to the prolonged period of drought."

Wheat for delivery in May slid 0.5% to \$7.1525 a bushel at 5:50 am on the Chicago Board of Trade. The grain reached \$7.1375, the lowest price for a most-active contract since June 25. In Paris, milling wheat for delivery in May fell 0.6% to 236 euros (\$313) a tonne on [NYSE](#) Liffe.

US wheat production may drop 7.4% this year to 2.1 billion bushels as yields decline to 45.2 bushels an acre from 46.3 bushels, the US Department of Agriculture projected on February 22. Kansas and Oklahoma were last year's biggest US growers of winter wheat.

The crops will emerge from dormancy in the next month before harvesting starts in June. Soybeans rose in Chicago, extending last week's advance, on signs China is boosting purchases of US supplies as a shipping backlog delays exports from [Brazil](#). "China is still importing," said Tetsu Emori, a commodity [fund manager](#) at Astmax Investment Management.

THE  NEW
INDIAN EXPRESS

• Tuesday, February 26, 2013 09:56 AM

Less rains, temperature rise in coming years: Report

If farmers are provided with village-level weather forecast, it would help them adopt crop improvement strategies to meet the challenges of climate change.

According to officials, despite having technology to forecast at the taluk-level, it is not being used effectively, as only district-level forecasts are disseminated. "We have technology to forecast weather at taluk-levels, but are not disseminating it owing to shortage of manpower. At least four people are required in each taluk for the task," said M B Rajegowda, agro-meteorologist at the University of Agricultural Sciences, Bangalore.

Raita Samparka Kendras can also be used to disseminate data but the staff need to be trained and the government needs to make efforts in this direction, he added.

According to a report of the Indian Institute of Science Climate Variability and Climate Change Projections-Karnataka region, the state could have less rainy days and rise in temperature over the years. Scientists projected that during the Kharif season, most northern districts will face 10-80 per cent drought.

Koppal and Yadgir districts are projected to have almost double the drought frequency in the Kharif season. During Rabi season, drought frequency is projected to increase in most of the eastern districts of the state.

Scientists and agriculturists from across the country who were at the UAS-B three-day meet on climate change, which concluded on Sunday, demanded that the government increase the number of observation centres and invest in forecasting model to predict weather at the village level.

Echoing the same view, Dr S A Patil, chairperson of the Karnataka Krishi Mission, said that the government also needs to pump in more money in research so that scientists could come out with drought resistant varieties of crop.

"Research should help farmers. Earlier, sowing used to take place by May but now it is August. To address such climate change issues, scientists must focus on effective research," he said.

Stress was also placed on saving traditional seeds of high yielding varieties and to create zonal offices to collect and use such information.

Drive to help copra farmers

An enrolment drive was launched by the Agriculture Department here to help coconut farmers market copra. The drive was aimed at small farmers who had cultivated the crop in half acre area.

According to a release, on enrolment, such farmers would receive identity cards, which they could use to market the copra at the new copra procurement centres that were scheduled to come-up at Gudiyattam and Vaniyambadi shortly.

Agri Department officials said that the two copra procurement centres would be maintained by the Tamil Nadu Cooperative Marketing Federation. The application for enrolment could be got from the block extension centres of the department from Feb 25. The completed application should be submitted to the department along with two passport size photographs. The ID cards will be issued after verification.

THE HINDU Business Line

Thursday, Feb 26, 2013

Rubber sector wants lower import duty on raw materials



CHENNAI, FEB. 25: Rubber industry has asked for lower import duty on raw materials compared with finished products in its pre-budget submission to the Government. Import duty on raw materials not indigenously produced may be waived, the industry said.

According to a note from the All India Rubber Industries Association, in its pre-budget representation, the rubber industry body has asked for reduction in customs duty on Natural Rubber to 7.5 per cent or Rs 10 a kg from the prevailing 20 per cent or Rs 20 a kg whichever is lower.

Natural rubber, the raw material for the industry, accounts for 35-45 per cent of the raw material cost.

At current international price of Rs 160 a kg, the import duty of Rs 20 works out to 12.5 per cent which is much higher than the import duty of 10 per cent on finished products.

“China has just reduced the import duty on natural rubber from a maximum of 1,600 Yuan to a maximum of 1,200 Yuan effective January 2013.

“At the current international prices of around 25,000 Yuan a tonne, the import duty comes to just about five per cent. The Indian industry needs a level playing field to be competitive,” said Niraj Thakkar, President, All India Rubber Industries Association, in the note.

With import duty on most of the raw materials at 20-70 per cent, the cost of finished goods made from imported raw materials is higher than the landed cost of imported finished goods. This hits domestic manufacturers, mostly the small and medium enterprises, said Thakkar.

The Association estimates, that the demand-supply gap in natural rubber will be over 1.5 lakh tonnes in 2013-14 and has asked for duty free imports of one lt of natural rubber to bridge this gap.

It has also asked for imports under Asean FTA on reduced Customs duty in line with concessional tariff on finished products.

SURGE IN DUMPING

According to the industry, a surge in imports of cheap rubber products from China and other countries has become a concern for the Indian rubber industry.

With over 35,000 rubber products, it is difficult to prove that dumping is happening. Most of the domestic manufacturers are small, they do not have the resources to initiate the anti-dumping proceedings.

On the other hand, levy of anti-dumping duties on Carbon Black and rubber chemicals, major raw materials for the industry, has made the domestic rubber products more expensive in comparison to imported finished products.

The Association has asked for waiver of customs duty on raw materials not manufactured domestically such as butyl rubber and other hi-tech synthetic rubbers and EPDM.

The industry body has also asked for reduction of custom duty on raw materials where domestic production cannot fully meet demand.

These include: PBR, nylon tyre cord fabric, and steel tyre cord.

The import duty on latex is 70 per cent and has been only recently capped at Rs 49 a kg.

However, latex being a wet form of natural rubber, the duties should be comparable to natural rubber.

Incentives for organic tea plantation sought



Higher output: A daily-wage labourer handling tea leaves at a collection centre near Mirik in Darjeeling district of West Bengal. Production this year in Darjeeling and Dooars has improved against last year. (file photo)

KOLKATA, FEB. 25: Tea Association of India, the country's largest tea producers' association, has urged the Union Government to come out with an action plan for the tea industry afflicted with various problems.

In a pre-budget memorandum, the association has listed the measures to be taken and these include interest subvention to promote replantation and rejuvenation of old tea bushes, rise in the rate of subsidy from the present 25 per cent to 40 per cent, incentive for organic tea plantation and uniform rate of agricultural income tax as applicable to tea industry. The association has also sought bringing the orthodox production subsidy scheme under the ambit of the Section 10(30) of the Income Tax Act so that the subsidy received under the scheme from Tea Board becomes eligible for exemption from income tax.

The association has also pleaded extension of the relevant provisions of the North East Industrial & Investment Promotion Policy 2007 also to tea gardens located in Dooars and Terai regions of northern parts of West Bengal. The incentives under NEIIP have so far benefited only the North Eastern States but in terms of backwardness, the Dooars and Terai regions can compete with the North East. Also, the transport subsidy under NEIIP should also be extended to the tea industry, it emphasised. TAI has also demanded enhancement of agricultural credit limit and extension of the priority sector lending to tea industry.

‘Cardamom imports from Guatemala less than 200 t’



KOCHI, FEB. 25: Cardamom imports from Guatemala are negligible, the Spices Board said on Monday. Reports of cardamom being imported from Guatemala had dragged prices of cardamom by over 10 per cent within a fortnight.

When contacted, K.C. Babu, Director – Marketing, Spices Board, told *Business Line* that the imports, according to official records, between August 2012 and February 15 were below 200 tonnes.

“It is too negligible a quantity that it cannot make any impact on the prices. In fact, it was exactly 2.77 per cent of the total 7,200 tonnes of cardamom auctioned during the period,” Babu pointed out.

MARKET STEADY

Meanwhile, the cardamom market ruled steady last week with the individual auction average prices vacillating between Rs 660 and Rs 705 a kg on slack domestic demand amid limited arrivals. Prices had ruled above Rs 800 fortnight ago before dropping on reports of imports from Guatemala.

EXPORT DEMAND

Export buying appears to have helped to some extent the market to remain steady, market sources said. Exporters estimated to have bought around 40 tonnes of cardamom last week.

Good colour above 7 mm capsules which are preferred by the Saudi market, were being bought by exporters at Rs 850 , export sources told *Business Line*.

However, upcountry demand used to be slack normally during Feb and hence there is a decline in sales, they said.

INFERIOR GRADES

According to the trade, rejection variety cardamom is said to have been imported inspite of the material is available indigenously at Rs 500 a kg.

Ever since the imposition of the ban on “Pan parag” there has been no demand for it, they said.

Some in the masala industry might have probably imported some quantity of rejection material and that is appeared to have been inflated by vested interests in the market, the sources alleged.

According to P.C. Punnoose, General Manager, CPMC, Kumily, “there is good demand for good quality capsules having good colour and bold above 7 mm and prices of this variety has been steady to firm”. Exporters were actively covering this variety at the prevailing prices, he said.

ARRIVALS AND PRICES

Arrivals have not shown any significant increase. Growers are believed to be holding back their produce following the decline in prices, the trade said.

At the Sunday auction conducted by the KCPMC total arrivals stood at 61.3 tonnes against 72 tonnes on the previous Sunday and of this three tonnes of the material were withdrawn.

The maximum price was at Rs 1,014 and minimum was at Rs 482. Auction average price moved up slightly to Rs 704.59 (Rs 700.14) the previous Sunday, Punnoose told *Business Line*.

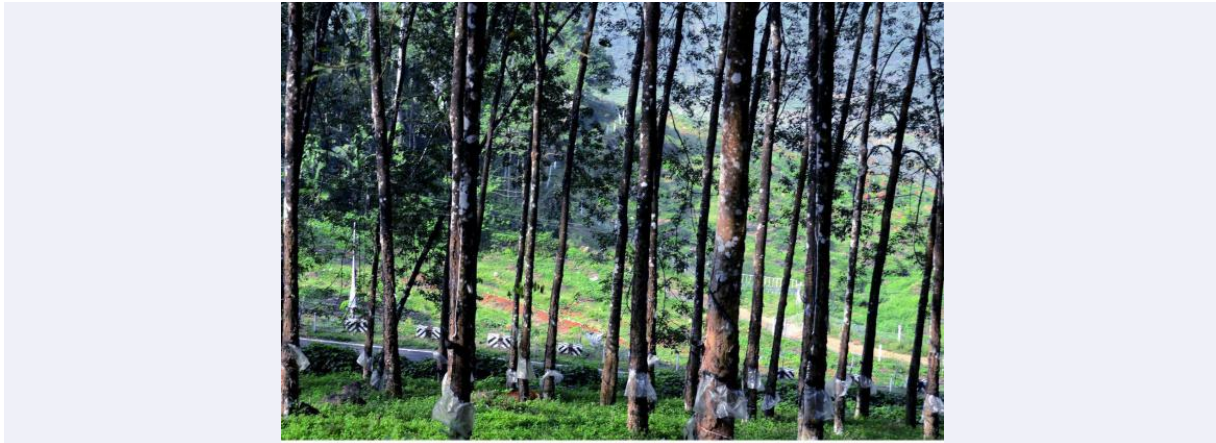
Total arrivals and sales during the current season from Aug 1, 2012 to Feb 24 were at 8,590 tonnes and 8,143 tonnes respectively. Total arrivals and sales during the corresponding period last year were about 13,258 tonnes and about 12,886 tonnes respectively.

The weighted average price as on Feb 24 stood at Rs 768.36 against Rs 566.02 on the same date last year.

Prices of graded varieties (Rs/kg): AGEB 990-1,000 ; AGB 780-790; AGS 745-755 ; and AGS -1: 720-730.

The temperature in the growing areas shot up after a couple of rains at the weekend before last. However, it has brought some respite to the plants. “If we get one summer rains a month that would be enough for the cardamom plants,” growers in Kumily said.

Spot rubber flat on weak cues



Weak Chinese demand: A view of rubber plantation on the foothills of Sabarimala in Kerala. Rubber declined for a second day on concern that demand from China, the world's largest consumer, may weaken. The contract for delivery in April fell one per cent to ¥257.2 a kg (\$3,128 a tonne) on the Tokyo Commodity Exchange. Thai rubber free-on-board was unchanged at 91.95 baht (\$3) a kg. — B. Jothi Ramalingam

KOTTAYAM, FEB. 25: Spot rubber was steady on Monday. The market remained neutral following the overall weakness in domestic and international futures. Sheet rubber closed unchanged at Rs 157 a kg at Kottayam and Kochi, according to traders and the Rubber board.

Meanwhile, the key TOCOM rubber futures ruled weak amidst growing worries over the US and euro zone economies though the trend setter opened firm tracking a weak yen. In futures, the March series declined to Rs 156.85 (157.55), April to Rs 161.02 (161.83) and May to Rs 164.50 (165.31) while the June series improved to Rs 167.49 (166.50) a kg for RSS 4 on the National Multi Commodity Exchange (NMCE).

RSS 3 weakened at its March futures to ¥281.3 (Rs 161.53) from ¥282.2 during the day session and then to ¥278.8 (Rs 160.11) in the night session on Tokyo Commodity Exchange.

Spot rubber rates (Rs/kg): RSS-4: 157 (157); RSS-5: 152 (152); Ungraded: 147 (147); ISNR 20: 152 (152) and Latex 60 per cent: 99 (99).

Highfield tea fetches record price at Coonoor auction



Business Line A view of new tender tea leaves in a tea garden in Assam.

COONOOR, FEB. 25: New price records were created at Sale No: 8 of Coonoor Tea Trade Association (CTTA) auctions when about 90 per cent of the year's lowest offer of 12.51 lakh kg was sold.

The Broken Orange Pekoe Dust special grade of orthodox category of Highfield Estate, auctioned by Contemporary Tea Auctioneers, created a new price record when Kushal Tea Company bought it for Rs 291 a kg. This was the highest price fetched by any orthodox dust grade of any factory ever since CTTA auctions started 50 years ago.

The oldest bought-leaf tea factory in Kotagiri region, Cross Hill Tea Factory, created a hat-trick by topping the CTC market for the third consecutive week. Homedale Tea Factory tea, auctioned by Global Tea Brokers, fetched the highest price of Rs 168 a kg in CTC dust auction. Vigneshwar Estate got Rs 161. In all, 79 marks got Rs 125 and more a kg.

Among orthodox teas, Chamraj got Rs 260 a kg, Kodanad Rs 201, Kairbetta Rs 179, Havukal Rs 170, Glendale Rs 167 and Prammas Rs 165. In all, 79 marks got Rs 100 and more.

ITC devises mechanisation tools for small tobacco farmers



Tobacco nursery

BANGALORE, FEB. 25: To tackle labour shortage and increasing farm wages, tobacco major ITC has developed affordable farm mechanisation solution for small tobacco farmers.

ITC's Agri Business Division – ILTD, which works with the tobacco farmers in Mysore and Hassan districts, has developed mechanisation solutions for land preparation, transplantation, fertilisation and inter-cultivation.

“By developing and introducing solutions, we have demonstrated that more than 50 per cent of the labour requirement in tobacco cultivation can be saved,” Krishna Kumar, Leaf Manager of ITC Limited, told *Business Line*.

“The solution is likely to benefit 60,000 farm families and labourers, who are dependent on flue cured tobacco crop for their livelihood,” he added.

About 80 per cent of the crop is exported earning foreign exchange. Labour shortage always hinders operations timeline, impacts crop quality and the export potential. It also affects the profitability of many small and marginal farm families.

ITALIAN TECHNOLOGY

For developing farm solutions, ILTD imported the technology from a manufacturer in Italy. “Today the machinery is manufactured locally in India to bring down the cost of ownership for both to the farmers and their groups”, Krishna Kumar said.

The machines are currently manufactured by M/s Arkay Agricon Machines at Faridabad, who have obtained the license from the Italian company.

After assessing local needs, ILTD conducted extensive study to develop suitable tools and is currently holding field evaluation trials of all implements on 200 acres spread across different growing regions in Mysore and Hassan districts.

To popularise and familiarise the machinery, the company is holding farm demonstrations in different villages of Hunsur, Periyapatna, HD Kote and Ramnathapura taluks.

Krishna Kumar said, “Along with tobacco cultivation, farmers have also found the solutions suitable for other crops, such as chilli and tomato.”

“As a next step to popularising the machinery, the company and few progressive farmers have approached the Karnataka Government to provide subsidy to farmers to buy these equipments. The Government of Andhra Pradesh has already decided to provide 50 per cent subsidy to farmers,” he added.

‘Castor seed output to be lower at 11 lakh tonnes’



MUMBAI, FEB. 25: The castor seed production this year is estimated lower at 11.43 lakh tonnes (lt) against 15.76 lt, according to a study by the Solvent Extractors’ Association of India (SEA). The fall in production was largely due to drop in acreage in Gujarat.

Area under castor crop in Gujarat decreased four per cent to 6.66 lakh hectares this year. The area under castor decreased mainly in north Gujarat region whereas increased in Saurashtra region.

Output of the oilseed will plummet 32 per cent to 8.06 lt, after the highest ever production recorded last year.

Production is expected to fall in all castor growing regions of Rajasthan and Andhra Pradesh largely due to rainfall. The average yield has also fallen 29 per cent to 1,210 kg/hectare against 1,706 kg/hectare registered last year.

CASTOR OIL PRODUCTS

Having achieved dominant position in castor seed production, the country should focus on developing castor oil-based value added products, said Vijay Data, President, SEA.

Speaking at the Global Castor Conference held in Ahmedabad recently, Data said with significant progress in castor seed productivity it is now essential to apply scientific innovativeness to value addition of castor oil.

Though some progress has been made in developing castor oil-based value added products, the country still exports over 75 per cent of its castor oil production in its raw form.

“I would urge the castor oil producers and the scientific community to work hand in hand, in a manner that India gains a position of prominence also in exports of high value castor oil derivatives,” he said.

EXPORTS

India has emerged as the largest producer of castor seed in the world and meets more than 90 per cent of the global castor oil requirement. Gujarat contributes to 70 per cent of production and export.

India currently exports castor oil and derivatives worth over Rs 4,000 crore a year .

The global castor oil derivatives market is expanding rapidly with China emerging as a major player over the last five years.

Mixed trend at Kochi tea auction



KOCHI, FEB. 25: A mixed trend persisted for almost all varieties at the Kochi Tea auction. In Cochin Sale No. 8, the quantity on offer in the CTC grades was 9,45,500 kg. The demand for good liquoring teas was better while for plainer varieties was only fair. The market for good liquoring teas were dearer by Rs 2-3.

Others were steady to sometimes dearer by Re 1 to Rs 3. Plainer teas were irregular and barely steady to sometimes lower.

Of the quantity of 11,000 kg on offer in the orthodox grades, the market remained barely steady.

In the best CTC dusts, FD varieties quoted the best prices of Rs 105/116, RD grades ruled at Rs 108/143, SRD stood at Rs 111/149 while SFD at Rs 112/147.

The leaf sale also witnessed a mixed trend and the quantity on offer in the orthodox grades was 154,000 kg.

The market for good liquoring Nilgiri Broken and whole leaf were higher with longer margins of Rs 10-20 and absorbed by straight line exporters. Medium Fannings remained steady.

Of the quantity of 87,500 kg on offer in the CTC grades, the market for good liquoring all grades were dearer by Rs 2-4 and sometimes more. In the dust varieties, Injipara (Prm) SRD varieties fetched the best prices of Rs 149. In the leaf grades, Chamraj FOP quoted the best prices of Rs 401.

‘Private participation in modernising abattoirs poor’



Though private players were allowed through the public-private partnership (PPP) route in modernising abattoirs, none had shown interest so far.

NEW DELHI, FEB. 25: The private sector has largely stayed away from partnering the Government in setting up new abattoirs and modernising the existing ones over issues such as funding, lack of technical expertise and poor awareness.

Rakesh Kacker, Secretary, Ministry of Food Processing, said though private players were allowed through the public-private partnership (PPP) route in modernising abattoirs, none had shown interest so far.

Three modernised abattoirs in Hyderabad, Kolkata and Shimla would be commissioned in the next few months. The Ministry has plans to set up 25 new abattoirs and modernise 25 existing ones in the 12th Plan at a cost of Rs 240 crore.

India has emerged as the largest meat exporter, driven by shipments of buffalo meat last year, and is expected to remain on top in the current year, too.
