THE HINDU Business Line

Low offers help revive cashew

Kochi, March 12: The cashew market, after nearly a month-long hibernation, witnessed some activity triggered by low offers from a few processors and that were quickly picked up by the US and European traders, according to market sources.
Indian domestic market has been extremely quiet for almost a month now following availability of good volume of cheap imported kernels which in turn slowed down sales of high priced indigenous product, they said.

For the last two weeks, there has been a wide range of prices for both offers as well as trades. But, very few processors were selling at the lower end of the range.

Most processors are at the higher end of the range and some are not offering at all, Pankaj N. Sampat, a Mumbai-based dealer told *Business Line*.

The price range is as follows: W240: $3.85-4.00; W320: $3.30-3.45; W450: $3.05-3.15; SW320: $3.00-3.10; SW360: $2.80-2.90; Splits $2.10-2.20; Pieces $1.40-1.50/lb (f.o.b.), he said.

Buying pattern

"Buyers have been successful with periodic buying of small volumes for short spreads - and this has suited most shellers too. This pattern has kept the market moving within a reasonable trading range of about 30 cents. At any given time, buyers have been able to pick up some volumes at the lower end of the range for nearbys – so they are not scared of keeping some portion of their needs uncovered. Also, large shellers have been able to sell to some buyers at the higher end of the range by taking positions for few months ahead – so they are not under pressure to reduce prices to get additional sales," he said.

Slow movement and lower prices for brokens are becoming an increasing drag on the industry. Indian shellers who were so far relatively well placed are also feeling the pinch now, he pointed out.

"This issue needs to be addressed by all links in the chain. If the offtake and prices for lower grades do not improve, either the raw cashew nut (RCN) prices have to come down or the prices for wholes have to move up in order to avoid parity problems," Pankaj said.

RCN market stable

Tanzania has been able to sell most of its crop of raw cashew nut without any significant price movement. West African crops seem to be progressing well but logistics will continue to be a concern. Prices are steady at $900-1,050 a tonne (c&f) depending on the origin and quality, but a realistic price range will be established only when movements start by the end of March/beginning of April, the trade said.

Brazil impact

Pricing will depend on the activity of Brazil processors who are facing the problems of a very bad crop and Vietnam processors who are seeing very high prices for domestic RCN.

The RCN market opened high in Vietnam after the TET holidays and has moved up further in the last two weeks, it said.

“We can expect some volatility in the kernel market during March to May and whether it will have an upward or downward bias depends onWest African RCN pricing and movement, and timing and intensity of kernel contracting for second half of the year.

The reported forward sales by traders give them ability to buy regularly which will provide a floor to dips.

The need of some shellers to keep selling at regular intervals will limit the spikes.

If there are no issues with RCN movements and if there is no big kernel buying in this period, “we could see kernel market settling in the lower half or middle of the current range. If the RCN prices remain high during March-April, we could see kernel prices stay in the top half of the range.

In either case, there are good chances of some gradual increase in kernel prices and offtake in the second half of the year," the trade claimed.

Customs can seize only prohibited goods'

It is one thing for the Customs authorities to stop export of goods on the ground that there is a wrong description but quite another for them to confiscate it to the detriment of the exporter, especially if the product is perishable.

In Prion Enterprises vs Commissioner of Customs, the Delhi High Court was seized of a matter involving export of basmati rice.

The Customs authorities' stance was that the rice was not of 7mm length, the basic norm for treating the grade as basmati whereas the appellant contended that it was of 6.6 mm, accepted as good enough by the authorities.

Be that as it may, having stopped exports, the authorities had no business to sit on the consignment by confiscating it. Confiscation is an extreme measure to be resorted to only in case of contraband and other prohibited goods.

The High Court gave the Customs authorities 72 hours to release the rice, a perishable commodity which already must have deteriorated in the course of its Customs custody for over a year.

Spot rubber slips on buyer resistance

Kottayam, March 12: Spot rubber prices weakened on Tuesday. The local market remained under pressure during late trading hours mainly following the sharp declines in TOCOM futures. According to observers, the prices slipped on buyer resistance though sellers were limited on supply concerns. The trend continued to be mixed amidst low volumes.
The TOCOM rubber futures retreated after reaching the highest in more than two weeks a day before in its fifth straight session. This was followed by an increase in rubber inventories at Japanese ports.

Sheet rubber dropped to Rs 162.50 (163) a kg according to traders. The grade closed steady at Rs 162.50 a kg at Kottayam and Kochi according to Rubber Board.

In futures, the March series slipped to Rs 160 (160.84), April to Rs 163.42 (164.51), May to Rs 167 (168.42), June to Rs 170.20 (171.04) and July to Rs 171.20 (172.65), while the August series improved to Rs 177 (174.51) a kg on the National Multi Commodity Exchange.

RSS 3 (spot) weakened to Rs 165.23 (166.88) a kg at Bangkok. The March futures declined to ¥277 (Rs 157.05) from ¥283.8 a kg during the day session and then to ¥270 (Rs 153.08) a kg in the night session on the Tokyo Commodity Exchange.

Spot rates were (Rs/kg): RSS-4: 162.50 (163); RSS-5: 159.50 (160); ungraded: 156 (157); ISNR 20: 159 (159) and latex 60 per cent: 105 (105).

Limited availability of quality material pushes pepper up

Kochi, March 12: Pepper prices remained highly volatile and headed north on limited availability of quality material. As a result, buying was slow because of uncertainty about the quality of the pepper available and consequently all the active contracts ended above the previous day's close.
March contract opened firmer at Rs 36,430 a quintal and touched an intra-day high of Rs 36,850. On the spot 35 tonnes of fresh pepper arrived and that were traded afloat. March contract moved up by Rs 75 to close at Rs 33,571. April and May increased by Rs 205 and Rs 145 respectively to close at Rs 35,060 and Rs 34,945. Total turnover increased by 343 tonnes to close at 1,938 tonnes. Total open interest declined by 27 tonnes to 3,571 tonnes.

Spot prices rose by Rs 100 to Rs 34,800 (ungarbled) and Rs 34,300 (MG 1) a quintal. Indian parity in the international market was at $6,975-7,000 (c&f) for March shipments while April and May were at $6,875-6,900 and $6,825-6,850 a tonne (c&f) respectively.

Cotton body against using inventory to control prices

Mumbai, March 12: Cotton Association of India (CAI) has urged the Cotton Corporation of India (CCI) not to use its inventory for controlling prices in the market.
“The CCI should not support the private textile industry alone. It should sell cotton to any entity – be it a mill, trader, exporter or foreign buyer, whoever offers the highest price for its cotton on a given day,” said Dhiren N. Sheth, President, CAI.

Last week, the Cotton Textile Export Promotion Council (Texprocil) requested the Government to direct CCI to offload a portion of their stock to bring down domestic prices which breached international prices.

Manikam Ramaswami, Chairman, Texprocil said CCI and Nafed purchased 20 lakh bales of cotton in three months ended January, at minimum support price fixed by the Government.

“The Government bodies have sold just 2-3 lakh bales in the last few months resulting in an artificial shortage of cotton supply.

Taking cues from these agencies, private traders have also starting hoarding.

REDUCE EXCHEQUER LOSS

Despite surplus cotton production estimate, India has been forced to look to other countries to meet its demand,” he had said.

CCI should reduce the loss to the exchequer and, therefore, should sell cotton to the highest bidder. It needs to decide on a sales policy keeping in view the massive loss suffered due to the defaults committed by several of its clients a few years ago, he said.

Cotton prices in the domestic markets have risen 10-12 per cent since the season started in October, while international prices have gone up by 20 per cent in the same period, said a CAI press release on Tuesday.

The prices of cotton are increasing due to good demand for yarn in the last few months and the mills have made a good profit, the statement said.

Sugar industry seeks Moily’s help for ethanol supplies

To sort out storage issues: A file photo of sugarcane bagasse at a sugar mill in Uttar Pradesh .

New Delhi, March 12: Faced with molasses storage issues, the sugar industry has sought intervention of Petroleum Minister Veerappa Moily in speeding up the ethanol tendering process of oil marketing companies. The Indian Sugar Mills Association in a letter to the Petroleum Minister has urged him to advise the OMCs to finalise the tenders at the earliest so that the factories could begin supplies.

The Government, on January 2, had notified the mandatory five per cent blending of ethanol with petrol to be achieved by June 30.

The OMCs had floated tendersin January for which the sugar millers had submitted their bids by January 28.

However, the delay in finalisation of tenders by OMCs has left the millers worried as the sugarcane crushing enters the last phase of the 2012-13 season.

Commitment

“Due to the delay, the industry has not been able to supply even one litre of ethanol in the current season. The delay has not only created storage issues as over 80 per cent of the molasses has been produced, but has also affected the cash flows for the millers,” said Abinash Verma, Director General, ISMA.

The industry has so far produced about 8.8 million tonnes of molasses this season. For every 100 kg of sugar produced, about 45 kg of molasses is generated as a by-product, ISMA says. So far, the country has produced 19.5 million tonnes of sugar in the current season.

Each tonne of molasses yields on an average of 250 litres of rectified spirit or alcohol or ethanol.

In the current sugar year, the industry has committed to supplying 55 crore litres of ethanol, while the actual requirement of the OMCs is estimated at 105 crore litres.

About half of the estimated 250 crore litres produced is used for production of potable alcohol.

Supplementary tender

Since this was the first year of e-tender procurement and as several factories couldn’t complete all their formalities, ISMA urged the Ministry to come up with a supplementary tender. The delay in tender finalisation has also led the factories to commit their molasses supplies to other uses like cattle feed and production of industrial alcohol, among others.

Some factories in Maharashtra have reportedly exported certain quantity of molasses to the European Union for cattle feed.

Demand from branded goods makers pushes up groundnut oil

Rajkot, March 12: After witnessing a bearish trend for the last two weeks, groundnut oil gained on the back of increasing demand from brands. However, cotton oil was traded marginally down.
Groundnut oil loose was up Rs 20 to Rs 1,215-1,220 for 10 kg while *telia* tin improved Rs 29 to Rs 1,864-1,865 for 15 kg. Groundnut oil new tin for 15 kg was up Rs 10 to Rs 2,070-2,075.

About 5-7 tankers of groundnut oil were traded from mills at Saurashtra. Arrivals of the oilseed stood at 1,000 bags in Rajkot which were traded at Rs 900-1,025 for 20 kg.

Demand was good for quality groundnut due to better offtake of oil and cake from crushing mills .

HPS TJ37 80-90 count was offered at Rs 66,000 a tonne, G2 80-90 count at Rs 68,000and bold 50-60 count at Rs 70,000.

Tamil Nadu origin 80-90 count HPS was offered at Rs 70,000.

A Rajkot-based edible oil trader said that after constant downfall in groundnut oil, fresh demand of brands has come in the market since last three days.

Cotton oil traded weak on average demand. Cotton oil wash lost Rs 3 to Rs 584-585 for 10 kg and cotton oil new tin price stood at Rs 1,040-1,045 for 15 kg.

Slack mill consumption, higher inflow pound chana

Indore, March 12: Downtrend in chana continued as arrivals outstrip demand. Chana (kanta) on Tuesday declined to Rs 3,250-3,300 a quintal (Rs 3,300-25) on lack of buying support in the physical market. Similarly, chana (desi) declined to Rs 3,000. Chana (Annagiri), chana (Vishal) ruled at Rs 3,000-3,200 each, chana (Mausmi) at Rs 3,500-4,000, and chana (Russian) at Rs 3,500 respectively. Though currently chana is witnessing slack demand from the millers, even after revival in demand in the coming days sluggish trend will continue on account of bumper crop hopes , said a chana trader Prakash Vora.

Report of bumper crop which is expected to touch 75-80 lakh tonnes this year against 50 lakh tonnes last year, has also made stockists go for panic selling, leading to decline in its prices. Added to this, arrival of chana containers from Australia and Tanzania, is expected to keep prices under check.

Chana dal (average) was at Rs 3,900-25, chana dal (medium) at Rs 4,025-50, while chana dal (bold) declined to Rs 4,175-4,200 a quintal

Sluggish trend also continued in dollar chana (chickpea) on higher arrivals and slack demand. On Tuesday, dollar chana however, ruled stable at Rs 4,200-4,800. Dollar chana (42/44 count) ruled at Rs 5,625, 44/46 count Rs 5,450, while 60/62 count at Rs 3,725 a quintal.

Sluggish offtake drags sugar

Mumbai, March 12: Sugar prices on the Vashi spot market dropped further by Rs 10 a quintal on Tuesday as mills continued to sell fair quality S – grade at lower rates. Naka prices ruled steady while slack wholesale buying pulled down mill tender rates by Rs 10.

The volume was routine as local demand slowed down.

A wholesaler said, “Some needy producers are forced to sell their commodity at lower rates in local markets in the absence of upcountry demand. On the other hand, local demand also eased in middle of the month keeping supply more than sufficient in the local market. Vashi Bazar currently carries more than 120 truckloads of inventory. Daily arrivals are proving higher than local offtake. Domestic futures prices witnessed thin volatility”.

On the NCDEX, April futures of the sweetener was up at Rs 3,077 (Rs 3,073), while May contracts dropped to Rs 3,134 (Rs 3,139) and June gained Rs 8 to Rs 3,230.

In Vashi market, arrivals were 62-63 truck loads (each of 100 bags) and local dispatches were 58-60 truck loads.

On Monday evening, about 14-15 mills sold 58,000-60,000 bags to local traders at Rs 3,000-3,060 (Rs 3,010-

3,060) for S-grade and Rs 3,100-3,200 (Rs 3,100-3,200) for M-grade.

Freight rates were steady on routine demand.

Bombay Sugar Merchants Association's spot rates: S-grade Rs 3,142-3,241 (Rs 3,146-3,252) and M-grade Rs 3,232-3,421 (Rs 3,242- 3,421).

*Naka **delivery rates:** S-grade Rs 3,095-3,150 (Rs 3,095-3,150) and M-grade Rs 3,160-3,305 (Rs 3,160-3,305).*

Edible oils slip as stockists keep away from buying

Mumbai, March 12: With the improved arrivals of kharif crops in producing centres, prices of edible oils dropped by Rs 3-6 for 10 kg. Soyabean refined oil declined by Rs 6.
Weak Malaysian palm oil pulled down palmolein by Rs 3. Sunflower, cotton and groundnut oil were also under pressure.

Rapeseed oil inched up marginally by Re 1.

Sources said: "slack local demand keeps stockists away from fresh buying. Only needy wholesalers took benefits of lower resale prices. As arrivals of imported oils are continuing and sufficient inventories with stockists, volumes remained thin. Resellers offloaded about 150-200 tonnes of palmolein at Rs 510-511 ex-JNPT and Rs 514-515 ex-Shahpur – Patalganga. There were commitments for indigenous oils during the day due to improve arrivals of seed in producing centers".

Daily arrivals of mustard seeds rose to 4.50 lakh bags compared to 3 lakh bags the previous day. Soyabean arrivals were 1.80 lakh bags nationally.

Towards the day's close, Liberty was quoting palmolein at Rs 514-515 ex-JNPT and Rs 518-519 for Shahpur-Mumbai. Super palmolein was Rs 555 for March – April, sunflower refined oil at Rs 790.

Ruchi was quoting palmolein at Rs 518 ex-Patalganga up to April 15 and Rs 514 for March 15-31 ex-JNPT, soyabean refined oil Rs 655 and sunflower refined oil Rs 780. Allana quoted super palmolein for Rs 550.

On the NCDEX, soyabean refined oil's April futures closed lower at Rs 673.55 (Rs 678.25), May dropped to Rs 670.30 (Rs 676.30) and June closed at Rs 672 (Rs 678.75).

Malaysina BMD crude palm oil's April contracts closed at MYR 2,404 (MYR 2,440), May at MYR 2,411 (MYR 2,450) and June at MYR 2,414 (MYR 2,451) a tonne.

The Bombay Commodity Exchange spot rates (Rs/10 kg): groundnut oil 1,210 (1,210), soya refined oil 655 (661), sunflower exp. ref. 705 (700), sunflower ref. 780 (783), rapeseed ref. oil 711 (710), rapeseed expeller ref. 681 (680) cottonseed ref. oil 616 (616) and palmolein 512 (515).

Bulk buying lends colour to turmeric

Erode, March 12: Spot turmeric prices in Erode increased Rs 300 a quintal due to demand from bulk buyers.

"After three days of closure the market opened on Tuesday when the exporters and local traders have purchased huge stock by quoting higher price. This was due to the receipt of good number of orders from North India. Many bulk buyers have received orders from Kolkata, Odisha and parts of Gujarat. They expected some more orders from Gujarat, but the merchants there made orders for Nizamabad turmeric which is quoting Rs 6,200 a quintal as the quality is lesser than Erode turmeric," said R.K.V. Ravishankar, President, Erode Turmeric Merchants Association. He said that the present price is a feasible price for the farmers, but still the farmers brought only 4,500 bags expecting further increase in price.

Most of the arrived turmeric is best in quality, so the traders said they have quoted increased price. Of the arrival of 4,500 and odd bags, 80 per cent stocks were sold for good price. The finger variety rose by Rs 275 a quintal, while the hybrid finger gained Rs 320.

Similarly the root variety also increased Rs 150. The minimum price of the finger variety was up Rs 200 a quintal.

At the Erode Turmeric Merchants Association Sales yard, the finger variety was sold at Rs 5,397-7,289; the root variety Rs 5,099-6,111.

Salem Hybrid Crop: The finger variety fetched Rs 6,764-7,931 and the root variety Rs 5,711-6,489. Of the 889 bags arrived, 402 were sold.

At the Regulated Market Committee, the finger variety was sold at Rs 5,689- 7,179; the root variety Rs 5,367-6,242. Of the arrival of 219 bags, 218 found takers.

At the Erode Cooperative Marketing Society, the finger variety ruled at Rs 5,758-7,341; the root variety Rs 4,601-6,137. All the 204 bags were sold.

At the Gobichettipalayam Agricultural Cooperative Marketing Society, the finger variety quoted Rs 6,010-7,250; the root variety Rs 4,161-6,412. All the 98 bags found takers.

Wheat may soften on new crop arrivals

Karnal, March 12: Easy availability of stocks coupled with reduced offtake in the market pulled Dara wheat down while flour managed to maintain its previous levels on moderate buying, on Tuesday.
Radhey Shyam, a trade expert, told *Business Line*that wheat prices have started to soften because the new crop is round the corner.

Market may move range-bound within a negative territory this week and prices may fall further next week, he added.

In the physical market, dara eased by Rs 10 and settled at Rs 1,545-1,550 a quintal.

Around 50 tonnes of dara variety arrived from Uttar Pradesh and the stocks were directly offloaded at the mills. Mill delivery was at Rs 1,545 while delivery at the chakki was Rs 1,550 .

On the National Commodity and Derivatives Exchange, wheat for March contracts decreased by Rs 3 and traded at 1,540 a quintal With an open interest of 4,670 lots.

March contracts were fluctuating between positive and negative territory.

April contracts went up by Rs 3 and traded at Rs 1,425.

Wheat spot prices on the exchange decreased by Rs 5 and traded at Rs 1,515.

Flour Prices

Despite a downtrend in wheat, flour ruled firm on moderate buying and quoted at Rs 1,760-1,770.

Similarly, Chokar remained unchanged and sold at Rs 1,360-1400 a quintal.

EXPORTS

Netherlands's Louis Dreyfus is the highest bidder for the wheat export tender floated by MMTC Ltd last month.

MMTC had floated the tender to sell 1 lakh tonnes of wheat for export. The highest bid was $301 a tonne.

Cleaning material

Need of every household: A Tiwa tribesman crossing the Umiam River with broom sticks (Thysanolaena maxima) to sell his products in Karbi Anglong district of Assam about 180 km away from Guwahati. Broom grass has emerged as the most widely cultivated crop in the hills of Karbi Anglong district. Cash crops such as broom grass is grown in the Jhum fields by the Karbi, Tiwa and Khasi community people as a mixed crop, so that the next year they could harvest the crop as an additional income from the fallow land. The harvesting seasons of broom starts from first week of February and it continues till the end of March. About 90 per cent of the production is sold in March and April. Karbi Anglong is the largest producer of brooms in the country. — Ritu Raj Konwar

hindustantimes

Weather

Chennai - INDIA

Today's Weather

Sunny

Wednesday, Mar 13

Max Min

31° | 24°

Rain: 0
Sunrise: 06:18
Humidity: 94
Sunset: 06:19
Wind: normal
Barometer: 1012

Tomorrow's Forecast

Sunny

Thursday, Mar 14

Max Min

33° | 23°

Extended Forecast for a week

Friday Mar 15	Saturday Mar 16	Sunday Mar 17	Monday Mar 18	Tuesday Mar 19
33° | 24°	32° | 23°	32° | 23°	32° | 23°	33° | 23°
Sunny	Overcast	Cloudy	Cloudy	Overcast

THE TIMES OF INDIA | India

It's official: Companies can buy farm land

BANGALORE: The cabinet on Tuesday approved the recommendation of the high-power committee headed by chief secretary to exempt six companies/institutions from Section 109(1A) of the Karnataka Land Revenue

Act.

While the act debars non-agriculturists from purchasing farm land, Section 109 says certain land can be exempted from the provisions of the act for the purposes of industry and horticulture, and for educational institutions, places of worship and housing projects.

Any company wanting to buy farm land has to go through the high-power committee before approaching the cabinet.

The cabinet's nod will allow Saipriya Sugars Ltd to buy 27 acres inBagalkot district; Ultratech Cement Ltd 398 acres in Gulbarga district; Prakash Sponge Iron 114 acres in Chitradurga district; When-It-Strikes Crisis Management Ltd 15 acres in Kanakapura; Sharif Shivayogi Trust 2 acres in Haveri district; and Veda Vignana Maha Vidya Peeta 15 acres in Kengeri.

The cabinet also approved lease and grant of nearly 35 acres of government land to various institutions.

INCENTIVES TO DALMIA CEMENT

The cabinet has approved to exempt stamps duty and entry tax for Dalmia Cement, which proposes to invest Rs 3,300 crore in Gulbarga and Belgaum districts. Other incentives to the company include exception from electricity duty on the energy consumed from the captive power plant and an interest-free loan up to 75% of the VAT paid. This incentive will be available during the first 12 years of production in the first plant.

Banks not giving loans to farmers to face action

ALLAHABAD: Action will be taken against the banks which fail to give loans to farmers for rearing of animals, warned divisional commissioner DiveshChaturvedi on Tuesday while reviewing the meeting of development works in the division.

He also gave instructions for lodging FIRs against the banks which fail to give disbursed loans for rearing of animals. He also cautioned the divisional officers that action will be taken against the officials who fail to undertake review meeting regarding development works.

He said if any officer does not undertake review meeting, then it will be deemed that such officer do not have any interest in the developmental works and strict action will be taken against them.

Chaturvedi also expressed displeasure over the incomplete work under MNREGA. He said if there is delay in the earth work in the villages under Dr Ram Manohar Lohiya Samagraya Gram Yojana, then the chief development officer concerned and project director will be held responsible. He also cautioned the project director of Kaushambi that the money related to the earth work should be immediately given.

He also gave directions to the chief development officer (CDO) for investigating the Anganwadi Kendra in the division over complaints of non-running of these centres. Cases of non-cooking of food in some Anganwadi Kendra was also discussed in the meeting.

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the pioneer

Jaya ups the ante over Cauvery, writes to PM

Tamil Nadu Chief Minister J Jayalalithaa has upped the ante on Cauvery water for the coming agricultural season well in advance. She has

asked Prime Minister Manmohan Singh to constitute the Cauvery Management Board and Cauvery Water Regulation Committee at the earliest to ensure that the final order of the Cauvery Water Disputes Tribunal is implemented by the Government of Karnataka.

In a letter addressed to the Prime Minister, the excerpts of which were released to the media, Jayalalithaa said that Karnataka was in the habit of depleting the storages during the summer months without conserving it for releases as prescribed by the final order of the CWDT.

“Karnataka is in the habit of depleting the storages from its four reservoirs — Krishnarajasagar, Kabini, Hemavathy and Harangi — during the summer months besides utilising the inflows into the reservoirs during the period. Normally, the summer showers in the catchment areas of the Cauvery Basin in Karnataka will start in the third week of April and consequently the reservoirs in Karnataka will be receiving inflows. Karnataka, as in the past, would continue to utilise the flows for summer irrigation without conserving it for the releases as prescribed in the final order of the Tribunal,” Jayalalithaa said.

She wanted the Government of Karnataka to adhere to the “irrigation season” from June 1 to January 31 as stipulated in the final order of the CWDT. “Karnataka should not be allowed to deplete the storages from its reservoirs for summer irrigation. Therefore, it is absolutely essential that a monitoring mechanism is put in place by the first week of May, 2013, so that Tamil Nadu’s rights are protected from the ensuing irrigation year 2013-2014,” said Jayalalithaa.

She said the UPA Government should order the Ministry of Water Resources to ensure that the CMB and the CWRC are put in place to implement the order of the Tribunal in letter and spirit.

The 2007 final order delivered by the CWDT was notified by the Government of India by a Gazette communique last month which has made it binding for all parties to abide by it. With the CWDT final order getting Gazette Notification as per the directive of the Supreme Court, the Cauvery River Authority headed by the Prime Minister and the Cauvery Water Monitoring Authority has become defunct. The CWDT had called for setting up of the CMB and the CWRC for the effective implementation of its final order.

The CMB will have representatives of all the four riparian States, viz Karnataka, Tamil Nadu, Kerala and Pudussery. It will also have representatives from the Union Ministries of Agriculture and Water resources. All eight reservoirs in Karnataka, Tamil Nadu and Kerala will be operated in an integrated manner based on the directives issued by the CMB from time to time.

Last Saturday saw Cauvery Delta Farmers Welfare Association felicitating Jayalalithaa in a mammoth rally at Thanjavur for getting the CWDT order getting notified in the Government Gazette. She was bestowed with the title Ponniyin Selvi. The Cauvery is known in Tamil Nadu as Ponni. The title makes Jayalalithaa equivalent to emperor Rajaraja Chola-I, who reigned during 985 to 1014 CE and extended the frontiers of the Chola empire beyond Sri Lanka and Combodia. He was known as Ponniyin Selvan because of the unparalleled glory, fame and prosperity to the Chola empire.

The Dravida politicians are known for their penchant for sobriquets and honourary titles though they swear by classless and casteless societies. Karunanidhi, the DMK chief prefers to be addressed as Dr Kalaignar, though his academic pursuits ended with matriculation. His son and heir apparent wants everybody to address him as Dalapathy (the Tamil word for commander). His elder brother MK Alagiri is known as Ancha Nenchan (braveheart) though he keeps a low profile now because of the change in administration in Fort Saint George.

Business Standard beta

Demand for agricultural credit remains high: RBI

Demand for agricultural credit this year is sustained even if other sectors have shown lesser demand. According to the latest Reserve Bank of India (RBI) data for sectoral deployment of bank credit, agricultural loans showed a healthy growth rate of 19.8 per cent against 6.3 per cent last year. This is despite some parts of the country facing severe drought situation this year.

The overall non-food credit growth was 14.6 per cent in January

2013, compared to 15.9 per cent in January last year. All major sectors except agriculture had lower credit demand, compared to last year, RBI said.

"Monsoon rains picked up later though initially it was a drought-like situation," said K K Misra, executive director, Andhra Bank. "In other sectors, there is still lack of demand though credit picked up in the current month."

S L Bansal, chairman and managing director, Oriental Bank of Commerce, said: "In the last two-three years, banks have opened many branches in unbanked rural areas and farmers in these areas are increasingly approaching the banks for credit and therefore, the credit growth in this sector is high compared to other sectors."

Credit to industry grew 15.2 per cent in January 2013, compared to 20.2 per cent in January last year. "Deceleration in credit growth to industry was observed in all major sub-sectors, barring chemicals and chemical products; petroleum, coal products and nuclear fuels; beverage and tobacco; leather and leather products; wood and wood products; rubber, plastic and their products; and cement and cement products" RBI said.

Credit to the services sector grew 12 per cent, compared to 15.1 per cent a year ago. Credit to non-banking financial companies (NBFCs) rose 21.6 per cent against 30.6 per cent observed in last January.

NBFCs have been observing a relatively lower credit growth this year due to a slowdown in the economy.

As demand for credit slowed down, fund-raising by them from all sources (including bonds) have come down vis-à-vis last year.

Personal loans showed a flat growth rising 13.5 per cent against 13.2 per cent last year.

Year till date credit growth (April 2012- January 2013) is 8.4 per cent. RBI has projected 16 per cent credit growth for this financial year.

"We expect 14 per cent credit growth for the industry this year" M Narendra, chairman and managing director, Indian Overseas Bank said.
