## THE MORE HINDU

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Tackling rural India's problems is the mission of 28 youngsters

BIG DREAMS: Ankit Walia, a fellow, trying his hand on a gonoweeder. Photo: Special Arrangement

Many farmers want more youth to take part in the programme

'Nothing changes' is the cynical reaction to the multitude problems plaguing the country's massive rural sector, from farmer suicides to depleting resources.

"These issues are debated profusely, triggering circular blame games, with a general conclusion that the responsibility lies in the hands of the country's youth to put things right. Yet, every year we see the educated youth overlooking this sector which is crying out loud for their attention," says Dr. G.N. Hariharan, Principle co-ordinator, M.S. Swaminathan Research Foundation (MSSRF), Chennai

## Face the challenge

This year however, 28 persons with a maverick mindset have decided to stand up to the challenge.

These young professionals form the State Bank of India (SBI) Youth for India fellowship – a unique platform to enable educated Indian youth to understand the dynamics of the crises and adapt innovative solutions.

The program ties up with well-established NGOs like MSSRF, BAIF and Seva Mandir, allowing the fellows to work on various rural projects for a year, in eight states and union territories (namely, Rajasthan, Maharashtra, Kerala, Orissa, Gujarat, Karnataka, Tamil Nadu and Puducherry).

"Out of about 4,000 applications received, 200 candidates were shortlisted for interviews with 28 fellows including five women, being selected to work with the partner NGOs'. They are all graduates or postgraduates including alumni of eminent institutes such as IITs' and IIMs'. Most of the professionals have an engineering background (15 BE/B.Techs) or management (four fellows)," says Dr. Hariharan.

However, there are unique profiles with background in biotechnology, urban planning, law, mathematics, and agricultural science.

Professionally, almost one out of every four fellows is from the software sector, though there are many from diverse sectors like education, infrastructure, non-profit, healthcare and others.

#### **Seeking solutions**

The fellows might be professionally and educationally diverse, but the one quality that unites them all, is that they are bored by their restricted cubical lives, and are seeking solutions to the burning issues detrimental to the country's future.

"Their intention is to do something about concerns most only prefer to "talk" about," says Dr. Hariharan.

The fellows are working on various projects such as agricultural supply chain, education, health awareness, legal rights, rural tourism, tribal development, climate change awareness, etc. and

MSSRF being one of the pioneering NGOs in India, provides a platform for the fellows to start off interesting projects for them to work on.

## Updated information

For example Mr. Ankit Walia, a CRM Consultant is piloting an Interactive voice response system in Tamil, to enable farmers to get updated information about markets, farming practices, Government schemes etc.

In Vidarbha, a farmers-suicide ridden region, Mr. Shuvajit Payne, an ex-IIM consultant at IBM previously, is implementing a spoken English course to encourage alternative employment.

Ms. V. Suhasini, a computer science engineer, is working with women SHGs' in Puducherry to identify and promote sustainable rural livelihoods/enterprises, in the process strengthening the existing biovillage concept.

Ms. Anu Jacob, previously managing the HR activities of a startup, is working on making the 'Every village a knowledge centre' model self-sustainable by trying to increase the earning capacity of the knowledge workers.

## Scaling up

The potential of this batch has encouraged the organization to scale up the program next year and help out more NGOs.

Says Mr. Shuvajit Payne:

"Basically though we might have been financially secure working in big companies, at one point of time, we started developing a feeling that apart from earning money there must be something that as individuals we must achieve and give back to the society especially to the rural poor."

"This opportunity proved the best platform for us to get a first hand feel of what rural India is really undergoing. At the end of our training, we hope to play a very constructive role in trying to solve the rural problems."

#### Need more

"But why only 28 fellows?" asks Mr. Shamrao Deshmukh, a farmer from Vidarbha, who desires more number of youth to take part in the programme with continued support from SBI..

For interacting with these fellows readers can contact Dr. G.N. Hariharan, Principle co-ordinator, M.S. Swaminthan Research Foundation, Taramani, Chennai, email: gnhariharan@mssrf.res.in, mobile: 9444904765 or Ms Geeta Verghese, SBIYFI co-ordinator. email chacko5@yahoo.com, Mobile 09620272251.

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## Farm Query: Bicycle pump for lifting water

Can you please give me details about the person who developed a water pump mounted on a bicycle?

#### Raja Bahadur , Gurgaon

Vanarai bicycle pump is developed by Mr. Chandra Kanth Pathak from Pune . This water pump is mounted on the carrier over the rear wheel of a bicycle and is used for lifting water for various purposes like development of dry land, as a fire extinguisher, for construction work, use in gymnasium and for irrigation. The bicycle is taken to the water source, parked and peddled on its stand to operate the pump.

For more details contact Mr. Pathak at Modern Technical Centre, 144, Narayan Peth, Kelkar Road, kasat chowk, Pune –411030, Email : info@moderntechnicalcentre.com,Phone : 020-24452620, Mobile : 9890907920,

Published: August 18, 2011 04:15 IST | Updated: August 18, 2011 04:31 IST August 18, 2011

#### Management of rhinoceros beetle menace in coconut

Rhinoceros beetle is mainly a pest of coconut and oil palms.

The beetles damage palms by boring into the centre of the crown, injuring the young growing tissues and feed on the exuded sap.

As they bore into the crown, they cut through the developing leaves. When the leaves grow out and unfold, the damage appears as V-shaped cuts in the fronds or holes through the midrib.

#### Life cycle

Eggs are laid and larvae develop in manure pits or other organic matter and hatch in 8-12 days.

The larvae stage takes another 82-207 days before entering an 8-13 day non feeding prepupal stage. The pupal stage lasts for 17-28 days.

Adults remain in the pupal cell for 17-22 days before emerging and flying to palm crowns to feed. They are active at night and hide in feeding or breeding sites during the day.

Mostly mating takes place at the breeding sites. Adults may live for 4-9 months and each female lays 50-100 eggs during her lifetime.

#### Management methods:

— Chop and burn decaying logs or break them up and destroy any adult beetles developing inside. Cut stumps as close to the soil surface as possible.

 A hooked wire can be used to extract and destroy rhinoceros beetle adults feeding in coconut trees.

#### Fungal application

— The fungus, *Metarhizium anisopliae* can be applied in manure pits at 4 kg/tonne to control the grubs that feed on the decaying matter

— Apply mixture of neem seed kernel powder + sand (1:2) at150 g per palm in the base of the 3 inner most leaves in the crown

— Place phorate 10 G 5 gms mixed with sand in two inner most leaf axils for 2 times at 6 months' intervals. Place some napthalene balls at leaf axil at the top of the crown

— Use pheromone traps with rhinolure @ 12/ha for trapping the adults and destroy them.

— Treat the longitudinally split tender coconut stem and green petiole of fronds with fresh toddy and keep them in the garden to attract and trap the beetles.

## A.Suganthi and A.P. Sivamurugan,

## KVK, VirinjipuramTamilNadu Agricultural University, Vellore

Published: August 18, 2011 00:00 IST | Updated: August 18, 2011 04:12 IST TIRUCHI, August 18, 2011

## Mealy bug raises its head again

Horticulture Department describes attack 'below the economic threshold level'



green turns white: Tapioca plants affected by mealy bugs in Tiruchi district.— File photo.

The mealy bug attack in tapioca and other crops, which caused extensive losses to farmers last year, poses a threat this year too as there are indications of widespread presence of the bug across the district.

The Horticulture Department says that the attack is in the initial stages described as 'below the economic threshold level,' wherein the attack has not yet reached the stage of causing economic damages.

Nevertheless, the Department has appealed to farmers of the district to take up precautionary measures to check the spread of the bug. The bug attack leaves the crop with a coating of white powder, a manifestation of the extensive attack by the bug.

The mealy bug outbreak is largely noticed in tapioca, vegetable crops such as tomato and brinjal, mango, guava, sapota, crossandra and jasmine. Last year, tapioca growers were the worst hit as the attack caused a drastic fall in yield.

So much so that a majority of the farmers, who were attracted by the good profit that the crop gave them, have stopped raising the crop this year in Manapparai and Vaiyampatti areas, said A.Karuppanan, organiser, district farmers wing of the Dravida Munnetra Kazhagam. "Over 90 per cent of the farmers in Manapparai and Vaiyampatti, who raised the crop last year, has not done so this year," he says.

A large number of farmers sustained heavy losses and struggling to recover. The bug attack left the crops devastated, Mr.Karuppannan said adding that the mealy bug attack could be seen this year too in the region in different crops.

Though the district officials carried out a survey to assess the damage, no compensation was given to the affected farmers.

The Horticulture Department in association with scientists from the TNAU's Anbil Dharmalingam Agricultural College and Research Institute had conducted a few camps last year to sensitise tapioca growers to the methods of countering the bug attack through chemical application. But farmers complain that the spraying of chemicals has not helped much.

Subsequently, parasitoids were released in some fields as bio-control agents. But, the initiative was not extensive enough to eradicate the menace. The parasitoids have to be multiplied quickly and released on a large scale, says Mr.Karuppanan.

In a communication issued here on Wednesday T.Chandrasekaran, Deputy Director of Horticulture, Tiruchi, appealed to farmers precautionary measures including spraying of neem oil or neem kernel extract along with neem soap. He also suggested the spraying of chemicals twice in a gap of 15 days.

The mealy bug attack has been noticed in Marungapuri, Vaiyampatti, Manapparai, Musiri, Uppilliyapuram, Thuraiyur, Thathiyengarpet and Thottiyam blocks. As usual the bug attack is widespread in tapioca, which has been raised in about 2,000 hectares now. Sources said the Department would consider organising special camps as last year to demonstrate the control measures to farmers. They also said release of the parasitoids would also be considered.

Published: August 17, 2011 17:46 IST | Updated: August 17, 2011 17:46 IST Mumbai, August 17, 2011



CMIE scales down GDP growth projections to 8.1 p.c.

The Hindu The kuruvai paddy field in Thanjavur. The agricultural sector is expected to grow by 2.2 per cent in FY12. This forecast is lower than our earlier forecast of a 3.2 per cent growth. Photo: M. Srinath

The Centre for Monitoring Indian Economy (CMIE) has revised its real GDP forecast for 2011-12 downwards from 8.6 per cent to 8.1 per cent.

The forecasts for all major sectors have been scaled down. The reasons for the scaling down of the forecasts differ from sector to sector. None of the major sectors have seen an upward revision in their forecasts, CMIE said in its monthly review here.

The agricultural sector is expected to grow by 2.2 per cent in FY12. This forecast is lower than our earlier forecast of a 3.2 per cent growth, it said.

The downward revision reflects, largely, on expectations of a lower output of groundnut and cotton because of poor rains in Gujarat and also Andhra Pradesh.

One of the reasons why the agricultural growth rates of the current fiscal have been scaled down is that the fourth final estimates of major crops indicate some exceptional high growth rates in 2010-11.

The forecast for the industrial sector has been scaled down from 8.9 per cent to 8.6 per cent. The production forecast for power generation, steel, edible oils, and cars have been scaled down because of a variety of reasons.

A lower growth in production of agriculture and industry is expected to adversely impact the growth in the services sector, CMIE said.

Several senior government officials have admitted that the 9 per cent growth assumed in the Union Budget is unlikely to be achieved. The Finance Minister also stated that the economy is likely to grow by around 8 per cent.

This was the lowest forecast from the government. And, it came after the forecast of the Prime Minister's Economic Advisory (PMEAC) that sounded a bit more negative than expected as it reduced its forecast from 9 per cent to 8.2 per cent.

The Reserve Bank of India had scaled down its forecast to 8 per cent in May 2011. The central bank's current stance seems to be to bring down inflation even if it comes at the cost of some growth.

Several private agencies-mostly from the financial broking arms of multinational investment companies have scaled down their forecast to less than 8 per cent. Morgan Stanley is at the lower end of the spectrum at 7.2 per cent, CMIE said.

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#### XIIth Plan will stick to 4% growth projection for farm, allied sectors

Steering committee meeting begins in Chennai



Abhijit Sen, Member, Planning Commission with Santha Sheela Nair, Vice-Chairman, State Planning Commission, at a meeting of the Commission's steering committee on agriculture and allied sectors in Chennai on Wednesday. — Photo: R.Shivaji Rao

The XIIth Five Year Plan (2012-17) under formulation will stick to a 4 per cent growth projection for agriculture and allied sectors, Abhijit Sen, Member, Planning Commission, said here on Wednesday.

Mr. Sen, who is chairing a two-day meeting of the Planning Commission's steering committee on agriculture and allied sectors, told reporters that the 4 per cent growth goal was the same as in the XIth Five Year Plan for agriculture though "it is now fairly clear that we're short of that target" in terms of rate of growth.

According to the Central Statistical Organisation, during the first four years of the XIth Plan the agriculture sector had averaged a growth rate of 3.2 per cent, "which was quite short of target but considerably better than that of the Xth Plan." Mr. Sen pointed out that the performance of the agriculture sector had to be gauged in the context of two quite bad years and one severely bad year monsoon-wise.

Prime Minister Manmohan Singh is scheduled to chair a meeting of the full Planning Commission this Saturday in New Delhi for discussing and ratifying the final version of the approach paper for the XIIth Plan, Mr. Sen said. "If that (the approach paper) is approved then it will be referred to the Union Cabinet and eventually to the National Development Council," he said. The NDC is likely to have a meeting by the end of next month.

On the issue of capacity building for food grains storage, Mr. Sen said that in addition to a scheme involving the Food Corporation of India that was already in place targeting storage

space expansion to hold an estimated 15 million tonnes of produce, the Centre was also exploring a Public Private Partnership model on a silos-based approach to modernising storage. "What is holding the process up to an extent are certain ways of arriving at an acceptable PPP model."

Replying to a question on exports, he said the Group of Ministers constituted to examine the subject had stated that there could be exports. There is no cap on exports of a commodity like the onion, only export price restrictions, he said.

Prompted for an approximation of the size of outlay for the XIIth Plan, Mr. Sen said that while sectoral decisions were still pending the outlay could probably be at least twice as much in nominal terms as the Eleventh Plan.

Santha Sheela Nair, Vice-Chairman, State Planning Commission, was present.

The third steering committee meeting under the auspices of the State Planning Commission is deliberating on various aspects, including fund projections, relating to agriculture, horticulture, animal husbandry, dairy, fisheries and related sectors.

The agricultural sector in Tamil Nadu will be discussed on Thursday.

Published: August 18, 2011 00:00 IST | Updated: August 18, 2011 04:08 IST MANGALORE, August 18, 2011

#### Cocoa production down in first crop season

Cocoa production in Karnataka and Kerala has come down during this first crop season when compared with the corresponding period of last year, according to officials in Central Arecanut and Cocoa Marketing and Processing Cooperative Ltd. (CAMPCO), and some growers.

They attribute it to the increase in black pod disease this year because of excess rain.

A. S. Bhat, Managing Director, Campco, told *The Hindu* that peak cocoa crop yielding seasons are between April and July, and October and December. Cocoa was prominently grown as an inter-crop in arecanut plantations.

Suresh Bhandary, General Manager, Campco, said that Campco's procurement of wet beans came down by 40 per cent this year, when compared to the corresponding period of last year.

It was due to non-availability of good quality beans during the season.

He said that black pod disease was widespread in cocoa plants in south Kerala and it was found in plants in the State.

When the disease hit, portions of ripened cocoa pods in plants turned black and dried up. This resulted in loss of wet beans.

Mr. Bhandary said the yield had come down this year. Campco generated 26 kg of dry beans from 100 kg of wet beans during the first crop season last year.

But this year it could generate only 22 kg of dry beans.

Girishankara K., a prominent cocoa grower at Peramogeru in Bantwal taluk, told *The Hindu* that he harvested 500 kg of wet beans a week during the first crop season last year.

But this year he could harvest only between 300 and 350 kg of wet beans a week.

He said that black pod disease was widespread in his plantation which had about 3,000 cocoa plants.

The disease had hit many plants of farmers in Dakshina Kannada this year.

Mr. Girishankara said there was thin flowering in the plants this year. Another grower Sediyapu Janardhana Bhat from Puttur said that if he harvested about 100 kg of wet beans a week last year, it was only 20 kg a week this year. The disease had hit most of the 1,200 plants in his plantation.

Mr. Janardhana Bhat said he could not control the disease even after spraying copper sulphatelimestone mixture on the plants.

Fall in price

Mr. Bhandary said that Campco now paid Rs. 38 to Rs. 40 for a kg of wet beans. When the crop season began, the price was between Rs. 48 and Rs. 52 a kg.

There was not much variation in the prices when compared to last year's crop season.

· Excess rain triggers outbreak of black pod disease

· Ripened portions of coca turn black and dry up

Published: August 18, 2011 00:00 IST | Updated: August 18, 2011 04:05 IST CHENNAI, August 18, 2011

## No more free plastic bags at supermarkets

## Union Ministry of Environment rule

Plastic bags now come at a price ranging from Re.1 to Rs.7, depending on the size. If you did not know that, there is no point avoiding some retail chains that have started charging for the carry bag as many more are set to follow suit.

This follows the Plastic Waste (Management and Handling) Rules 2011 of the Union Ministry of Environment and Forest. It says plastic bags below 40 microns should not be used and shops should charge customers for carry bags above 40 microns.

Following this retail chains such as More, Big Bazaar, Reliance Fresh and Westside have started levying a charge on customers who ask for a carry bag. Some of them have pasted notices near the cash counter and make announcements informing the customers about the decision and on plastic waste management.

According to members of the Retailers Association of India, the response to the initiative has been mixed since it was first introduced in Mumbai last month and to be extended to other cities.

## Reduction in usage

In Mumbai, for instance, in a month, as per surveys conducted by RAI, there is a drastic reduction in the consumption of plastic carry bags – as much as 30 per cent, says Varghese Thomas, Chairman of CII National Council on Retail.

"As far as plastic bags are less consumed, it will have a great impact on the environment. In that regard, there are many conscious customers taking this effort," Mr. Thomas said.

In the city, while some customers argued when told that a few more rupees have been added to their bill towards the carry bags, some took the contents out and left behind the plastic carry bag in the store.

"It is a good initiative but I am not sure how often I would remember to carry my own bag every time I go shopping. Usually it is after we leave home or after work that we realise that we need to buy things," says Reine V., a resident of Valsarvakkam, who was charged at two retail outlets.

## Koyambedu market

At the Koyambedu fruit and vegetable market, the traders have started issuing biodegradable plastic bags with various public awareness messages.

- They now come at a price ranging from Re.1 to Rs.7, depending on the size
- "As far as plastic bags are less consumed, it will have a great impact on the environment"

Published: August 18, 2011 00:00 IST | Updated: August 18, 2011 04:12 IST CHENNAI, August 18, 2011

## Sales centres to make available vegetables at reasonable price

They will come up in Chennai, Tiruchi, Madurai, Coimbatore

Vegetable sales centres will be set up in Chennai, Tiruchi, Madurai and Coimbatore to make available greens at reasonable price, Agriculture Minister K.A. Sengottaiyan told the Assembly on Wednesday. A Rs.17-crore scheme has been drawn up to cater for the requirements of major cities, Mr. Sengottaiyan said while concluding the debate on the demands for grants to his department.

The government would come out with a publication containing information on soil fertility, inputs distribution, fertilizers and micro nutrients and distribute copies to 21 lakh farmers initially. An amount of Rs.4 crore had been set apart.

Ten farmer centres would be established at a cost of Rs.15 crore and would provide information to farmers on latest technological developments in agriculture and clarification on government schemes.

To further promote the concept of the system of rice intensification (SRI) among farmers, the government had decided to institute a special award, which would carry cash prize of Rs.5 lakh. It would be distributed on Republic Day every year. The Agricultural Engineering Department would launch a six-month-long training programme for imparting skills among the rural youth in repairing agricultural implements and equipment. Every year, 600 persons would be trained at a cost of Rs.42.9 lakh. It was proposed to set up 50 modern godowns in regulated markets at a total cost of Rs.82 crore.

Published: August 18, 2011 00:00 IST | Updated: August 18, 2011 04:06 IST COIMBATORE, August 18, 2011

#### Training in preparation of spice powders and pickles

Staff Reporter
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A training programme in preparation of spice powders and pickles will be held at the Tamil Nadu Agricultural University on August 24 and 25.

According to a university release, processing technologies involved in making various valueadded products like spice powders, ready-to-use pastes, mushroom pickle, banana flower pickle, bitter gourd pickle, brinjal pickle, and onion chutney, will be taught.

Those interested can register before August 23.

## Fee

A fee of Rs. 1,000 in the form of a Demand Draft drawn in favour of Dean, Agricultural Engineering, should be sent to the Head, Post Harvest Technology Centre, Tamil Nadu Agricultural University, Coimbatore – 641003, the press release says..

## Details

For details, contact 0422-6611268.

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Published: August 18, 2011 00:00 IST | Updated: August 18, 2011 04:12 IST TIRUCHI, August 18, 2011

#### Mettur level

The water level in the Mettur Dam stood at 78.35 feet on Wednesday against its full level of 120 feet. The inflow was 10,665 cusecs and the discharge, 15,003 cusecs.

Published: August 18, 2011 00:00 IST | Updated: August 18, 2011 04:12 IST TIRUCHI, August 18, 2011

#### Banana field day on August 21

A banana field day would be organised by the National Research Centre for Banana (NRCB) here as part of its foundation day celebration on August 21.

The field day would be on the themes of 'high density banana planting to increase productivity,' and 'integrated management of leaf spot diseases re-emerging in banana.' The event would be organised to disseminate information on technologies developed by the centre to increase banana productivity without expanding the area of cultivation, said M.M.Mustafa, director, NRCB, in a release here on Wednesday.

The problem of leaf spot diseases is recurring and is becoming more rampant in some places where it was not severe previously. Hence the theme of integrated management of leaf spot disease has been taken as a focus area, he said.

Farmers from banana growing states, researchers, and entrepreneurs would participate in the event. Scientists specialising in the areas would interact with farmers and offer solutions to their problems. An exhibition would also be organised as part of the event exhibiting latest technologies, bio control agents, pesticides, fungicides, tissue culture banana, drip irrigation systems and banana value added products, the release added.

Published: August 18, 2011 00:00 IST | Updated: August 18, 2011 04:12 IST TIRUCHI, August 18, 2011

#### Subsidy for farmers

Special subsidy will be released to horticultural farmers cultivating plantain, mango, amla, lemon, guava, cashew, chilly and flowers, said Jayashree Muralidharan, District Collector.

In a press release issued here on Wednesday, the Collector said that the subsidy programme, to be sanctioned under the National Horticulture Mission, aimed at stepping up returns for farmers.

The Horticulture department would sanction Rs.3.12 lakh for raising small nursery; besides the subsidy per hectare would be Rs.9,900 for raising mango; Rs.10,500 for amla; Rs.15,000 for lemon; Rs.16,875 for raising plantain under conventional method and Rs.31,200 for raising plantain in tissue culture.

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#### Weather

Chennai - INDIA

Today's Weather

×	Thursday, Aug 18		
	Max Min		
Partly Cloudy	35°   25.7°		
Rain: 00 mm in 24hrs	Sunrise: 5:56		
Humidity: 89%	Sunset: 18:29		
Wind: Normal	Barometer: 1005		

#### Tomorrow's Forecast

$\hat{Q}$	
Rainy	

Friday, Aug 19 Max Min 33° | 25°

## Extended Forecast for a week

Saturday	Sunday	Monday	Tuesday	Wednesday
<b>Aug 20</b>	<b>Aug 21</b>	<b>Aug 22</b>	<b>Aug 23</b>	Aug 24
$\langle , \rangle$	Ģ	Ģ	Ģ	Ģ
31º   26º	31º   26º	32º   26º	31º   26º	31º   26º
Rainy	Rainy	Rainy	Rainy	Rainy

## **Business Standard**

Thursday, Aug 18, 2011

Record grain production likely in Jharkhand

Tapan Chakravorti / Ranchi August 18, 2011, 0:38 IST

Jharkhand's agriculture fortunes may turn positive for the first time since the state came into existence. After its formation as a separate state, bifurcating Bihar, Jharkhand has seen five drought years between 2000 and 2010. The year 2011 is likely to be a fortune year for the state as it has received good rainfall this month. This is likely to help farmers harvest record paddy crop.

Officials in the state agriculture department expect production of over 31 million tonnes (mt) of foodgrain this year, as against 2 mt last year.

Farmers in the state have sown paddy between 25 and 30 per cent during last three years due to erratic and poor rainfall. Officials ssay over 65 per cent sowing has been completed this year. It was possible because of good rainfall in June and August.

The sowing might cross 80 per cent and could reach to 90 per cent if the rainfall continued, they said. However, agricultural scientists apprehend that the continuous rain will affect vegetable

cultivation by 20 to 25 per cent in Jharkhand. Jharkhand produces about 400 mt of vegetables per year against the requirement of the state to the tune of 384.5 mt.

With good August rain, Bihar expects bumper paddy, maize output Satyavrat Mishra / Patna August 18, 2011, 0:37 IST



Last year, the rain clouds left Bihar dry. This time, the monsoon mood is favorable for the state. So, the government expects bumper production of paddy and maize. Farmers were a bit uncomfortable last month, due to deficit rainfall. However, August has been favorable, making up these losses.

"Last year was very difficult for us, but that is past. We are hoping for a good crop this year," said Ashok Kumar Sinha, agriculture production commissioner. "If everything goes as expected, in this season we will be producing seven million tonnes of paddy and almost a million tonnes of maize. We are expecting a good output of pulses, too."

The agriculture department expects paddy sowing to be on 3.5 million hectares, a million ha more than last year. About two-thirds of the year's targeted acreage has been achieved. The government is aiming for a more than two-fold rise in paddy output, from last year's 3.2 mt. The department also expects a rise in the average yield.

Sinha said, "In the past few years, we have done extensive work in seed development, farming practices and mechanisation. Besides, our farmers have a better reach to quality seeds. We are implementing the System of Root Intensification on 300,000 ha and using hybrid paddy seeds on almost 450,000 ha. These steps will boost paddy production."

However, last month was uncomfortable, with 24 per cent deficit in rainfall. The southern parts were badly affected. Six districts were on the threshold of being declared drought-affected. However, there was 24 per cent over the normal rainfall in the first 10 days of this month. Sinha

said, "Last month was tough for farmers in south Bihar. We are planning to distribute, free, seeds of maize and pulses in the badly affected areas, so that their livelihood can be protected."

The department is also expecting an increase in the output of maize and pulses. The targeted maize acreage is 375,000 ha and 300,000 ha has been achieved. Production is expected to be a million tonnes, against 700,000 tonnes last year. As for pulses, sowing is expected on 125,000 ha; it has taken place on 62,000 ha. The department expects production of 160,000 tonnes.

## Paddy area to shrink in Punjab and Haryana, courtesy lucrative cotton Vikas Sharma / New Delhi/ Chandigarh August 18, 2011, 0:24 IST

The prospect of better profit from cotton cultivation is set to shrink the areas traditionally growing rice in Punjab and Haryana, as the two neighbouring states are likely to witness a decline this year in the land meant for the foodgrain crop. As paddy transplantation season nears its ends in both upcountry states, estimates say the rice-growing areas in Punjab have declined by around three per cent, while the corresponding percentage for Haryana is five.

The paddy area in Punjab — fed by five rivers and mostly defined by fertile, alluvial plains and a sound irrigation system — this year would remain around 27.28 lakh hectares as against 28. 31 lakh hectare area achieved last year. As for Haryana — it receives four-fifth of its annual rains during the July-September monsoons — the area under paddy this year is close to 11.55 lakh hectares as against 12.20 lakh hectare area last year.

All this, when the cotton area in both Punjab and Haryana has surged by around 1 lakh hectares as farmers are fancying the cultivation of the soft and fluffy fibre due to its high remunerative prices. Last year, cotton fetched farmers in the two states a remuneration as high as Rs 7,000 per quintal — an almost 100 per cent jump.

This year, though, the North India Cotton Association doesn't foresee that lucrative a result from cotton cultivation. Its president, Rakesh Rathi, attributes this a discouraging demand situation.

As for paddy, the dip in area apart, farmers are going for vaster cultivation of basmati this season. Punjab's area that grows this long-grain variety known for its fragrance and flavour is close to 6.50 lakh hectares this year compared to 5.50 lakh hectares last year.

The rice exporters maintain that the area under basmati is bound to increase in Punjab and Haryana in coming years. Reason: remunerative prices, says the All India Rice Exporters Association. The crop, as its president Vijay Setia notes, also "consumes less water compared to normal paddy". Crucially, this has led the governments of both states to stress on reducing the crop under paddy — a water-guzzler crop.

Even so, even as the area under the extraordinarily long Pusa1121 rice in Haryana would continue to increase, eating into the traditional basmati-growing pockets. This, overall, could bring the basmati area down by 5 to 10 per cent in the state, estimates say.

# Business Line

## S. India tea prices surge on global shortage

Exports set to rise too as Kenya, Sri Lanka report low crop



Kochi, Aug.17:

With a persisting shortage in the global market, both Indian and global tea prices have been firming up. In South India, average price realisations have been up during January-June 2011, with the number going up to Rs 71.17 a kg.

Mr Peter Mathias, Chairman, UPASI Tea Committee said that it was interesting to note that despite a decline in production in South India, quantity sold in auction centres was higher by 2.3 million kg (mkg) and the supply in the pipeline would be relatively dry. Given the demand supply gap, he expected the prices to remain buoyant.

In addition, the quantity on offer at the orthodox category has come down very sharply and increasing export demand for orthodox teas is expected to have a very positive effect on prices.

This comes in the backdrop of a lower Kenyan crop by 34.5 mkg which has led to a shortage in supply during the first six months of the current year. Although this was partially compensated by higher North Indian crop of 23.9 mkg, the global deficit stood at 20.6 mkg.

#### Less exports

South Indian crop, meanwhile, was down by 4.6 mkg, the fourth year in a row of lower South Indian production. The increase in price realisation from South India was despite lower exports of 9.7 mkg. The lower export from India in general, and South India in particular, was on account of disturbance in West Asia and North Africa region. As the situation in this region is improving, exports are poised to look up, taking up the prices along with it.

#### Tight supply

A close scrutiny on auction offering at major auction centres such as Mombasa and Colombo suggest that quantity offered at the forthcoming auctions are bound to be very low, suggesting a tighter supply position in the short run. The Kenyan offering at Mombasa Auction has declined from 6.5 mkg in the 23 {+r} {+d} sale to around 4.1 mkg in the 31 {+s} {+t} sale.

Similarly, in Sri Lanka also the quantity offered has shown marginal decline, falling below the 7mkg mark. With the Iran payment problem being sorted at least partially, it appears that exports are bound to pick up and South Indian tea sector looks forward to a very positive second half.

#### A REFRESHING BREW

- Despite a decline in production in South India quantity sold in auction centres was higher by 2.3 million kg.
- · Increasing export demand for orthodox teas is expected to have a positive effect on prices.
- With the Iran payment problem being sorted at least partially, it appears that exports are bound to pick up.

(This article was published in the Business Line print edition dated August 18, 2011)

Looming lorry strike drags turmeric



Erode, Aug. 17:

Poor offtake dented spot turmeric that fell by Rs 200 a quintal on Wednesday.

The proposed strike by lorry drivers added to this drop as buyers quoted lower prices and sales were dull to boot, said Mr R.V. Ravishankar, President, Erode Turmeric Merchants Association. Growers brought 6,500-odd bags fearing the strike but only 30 per cent of that was sold. Declining prices and poor sales at other markets, like Nizamabad and Sangli, also hurt prices in Erode.

Unlike other years, North Indian demand for Erode turmeric has remained elusive during the current season, though it is likely to rise before the month gets over, said Mr Ravishankar.

The hybrid variety in Salem decreased by Rs 150 a quintal. The finger variety fell by Rs 150 a quintal at Erode Turmeric Merchants Association. At the Regulated Marketing Committee, root variety declined by Rs 330 a quintal and finger variety by Rs 175 a quintal.

In the Erode Turmeric Merchants Association Sales yard, finger variety was sold at Rs 5,109-6,089 a quintal and root variety at Rs 4,860-5,259 a quintal.

**Salem crop:** Finger variety was sold at Rs 5,269-6,510 a quintal and root variety Rs 4,900-5,834 a quintal. Only 298 bags of the 1,718 that arrived were sold.

At the Gobichettipalayam Agricultural Cooperative Marketing Society, finger variety fetched Rs 5,210-6,239 a quintal and root variety Rs 4,359-5,718 a quintal. Out of 388 bags that arrived, 385 were sold.

At the Erode Cooperative Marketing society, finger variety was sold at Rs 5,131-6,210 a quintal and root variety Rs 4,916-5,689 a quintal. Out of the 743 bags that arrived, 715 were sold.

At the Regulated Marketing Society, finger variety was sold at Rs 5,106-6,140 a quintal and root variety Rs 4,860-5,456 a quintal. Out of the 617 bags that arrived, 606 were sold.

(This article was published in the Business Line print edition dated August 18, 2011)

## Uncertainty on transporters' strike checks sugar offtake



Mumbai, Aug. 17:

Sugar prices weakened on Wednesday on the Vashi market on need-based local demand.

At the physical market, S-grade sugar lost Rs 10 while M-grade ruled steady. At the naka level, delivery prices dropped by Rs 10-15 on selling by mills. Mill tender rates also eased by Rs 15-20 as some mills have sold fair quality at lower rates. Quality sugar remained steady. The market sentiment was cautious.

According to Mr Mukesh Kuwadia, Secretary of Bombay Sugar Merchants Association, there was confusion in the market about the transporters strike. Transporters have called for a

national level strike from Thursday but uncertainty till noon kept the market cautious. The strike is feared to hamper movement of goods from producing centres, leading to tight supplies at consuming centres. It could also result in higher retail prices.

Market direction rests on how the strike unfolds, with mills facing a deadline to sell off their quota by month-end. New demand is expected with the onset of festivals. Considering both factors, the market is likely to remain range-bound, Mr Kuwadia said.

Last week, an Empowered Group of Ministers allowed additional export of five lakh tonnes under open general licence but the extent of benefit for mills is yet to be seen.

At the Vashi market, arrivals were 48-50 truckloads (each of 100 bags) while local dispatches were about 45-46 truck loads. Freight rates were steady. Local demand was need-based and buying from neighbouring States was absent. On Tuesday, about 22 mills have offered tenders and sold about 38,000 bags (100 kg) at Rs 2,615-2,650 (Rs 2,640-2,670) for S-grade and Rs 2,650-2,740 (Rs 2,670-2,750) for M-grade. Lower grade "S" sugar was sold at Rs 2,574.

**Bombay Sugar Merchants Association's spot rates:**S-grade Rs 2,736-2,792 (Rs 2,741-2,782) and M-grade Rs 2,786-2,951 (Rs 2,786-2,951).

**Naka delivery rates:** S-grade Rs 2,680-2,710 (Rs 2,690-2,730) and M-grade Rs 2,750-2,850 (Rs 2,750-2,870).

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Cashew market subdued on supply squeeze



Kochi, Aug. 17:

Cashew market was extremely quiet last week. However, there was some stray activity with Europe, West Asia and Australia. But there was hardly any business to the US from India.

Meanwhile, reports said the US bought at lower levels from some processors, mainly from Vietnam. During the week, offers and trades took place in the range of W240 from \$4.85 to \$4.95, W320 from \$4.55 to \$4.65, W450 at around \$4.50, SW320 from \$4.50 to \$4.55, Splits/Butts from \$4.05 to \$4.15, Pieces at around \$4.00/lb (fob).

There was not much activity in domestic market as there was not much material available for prompt delivery. Wholesalers are waiting to see trend of retailers off-take in August before buying for September/October deliveries. Production in September will be lower due to Onam holidays in Kerala. So, prices could move up sharply if wholesalers need to buy end August / early September to replenish inventories, Mr Pankaj N. Sampat, a Mumbai-based dealer, told *Business Line*.

#### Raw cashew nut

On the Raw Cashew Nut (RCN) front, he said the market has already factored in the 2011 northern crops. Slightly smaller crops are likely in India and Vietnam. Overall shipments from West Africa have been normal in quantity.

"But, India's share has been lower and kernel yields (especially white/fancy grades) will be lower. Attention will now be on the 2011 southern crops – by mid-September, we should have some idea of what to expect in terms of Indonesia RCN pricing and Brazil crop prospects and by mid-October, we should get a feel on what will happen in Tanzania," trade sources in Mumbai said.

Slightly smaller crops are likely in India and Vietnam. Overall shipments from West Africa have been normal in quantity.

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## Rain deficit reduced further to 1%

Thiruvananthapuram, Aug. 17:

The rain deficit for the country as a whole during the season thus far has been reduced to one per cent on Wednesday.

This came about on the back of active monsoon conditions prevailed over parts of northwest and east and northeast India, with more rains being forecast later this week.

## MONSOON TROUGH

The axis of the rain-driving monsoon trough is currently lying north of its normal position, India Meteorological Department (IMD) said on Wednesday.

But its eastern end is expected to shift southwards by Thursday. It had its eastern end already dipping into east-central Bay of Bengal, the IMD said. This could set the stage for some development in the Bay, with the European Centre for Medium-Term Weather Forecasts hinting the formation of a cyclonic circulation, not necessarily amounting to a low-pressure area.

The IMD has said in its outlook that the rains over central and adjoining peninsular India would scale up from Thursday.

## **'LOW' PREVAILS**

Meanwhile, the prevailing low-pressure area over northwest Uttar Pradesh and adjoining Uttarakhand has lead to near-flooding conditions in several parts of the region.

The western disturbance, with which it has been interacting to cause the rains, is moving away to the east and away from the country.

This is expected to help tone down the severity of the rains in the northwest.

The US National Centres for Environmental Prediction sees the possibility of a wet cover hanging over most parts of the country towards the end of this month.

## WEATHER WEARNING

An IMD weather warning valid for the next two days said that isolated heavy to very heavy rainfall would break out over east Uttar Pradesh, Bihar, Jharkhand, west Bengal, Sikkim, Assam, Meghalaya, Arunachal Pradesh, Nagaland and the rest of the Northeastern States. Isolated heavy rainfall would occur over west Uttar Pradesh and Uttarakhand on Thursday and over coastal Karnataka for next two days.

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## Tepid buying sinks castor



Rajkot, Aug. 17:

Castor dropped in spot and futures markets on Wednesday as the progress in sowing bodes well for a good crop and as demand from traders and exporters dipped, traders said.

September contract of castorseed was down Rs 58 to Rs 4,956 a quintal (Rs 5,023). Spot castor was traded at Rs 4,830, down Rs 10 a quintal.

August contract of castor declined by Rs 21.50 to Rs 5,086 a quintal on the National Commodity and Derivatives Exchange, with an open interest of 10,040 lots. September contract decreased by Rs 45.50 to Rs 5,023, with an open interest of 12,170 lots. October contract fell by Rs 98 to Rs 4,991.50, with an open interest of 12,380 lots.

While the 15,000-20,000 bags that arrived in Gujarat quoted at Rs 960-980 for 20 kg, 1,400-1,500 bags arrived in Saurashtra and quoted at Rs 930-961 for 20 kg. According to the Gujarat State Agriculture Board, castorseed has been sown on 4.54 lakh hectares, and the acreage is likely to reach around 7 lakh hectares till September-end.

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#### Mixed trend in edible oils market



Mumbai, Aug. 17:

Edible oils witnessed a mixed trend on Wednesday. Soya refined oil, sunflower oil and cotton oil ruled steady. Groundnut oil rose by Rs 5 for 10 kg, palmolein gained Re 1 for 10 kg and rapeseed oil extended Tuesday's gain by Rs 4 for 10 kg.

Crude palm oil (CPO) futures on Bursa Malaysia Derivatives (BMD) rose on technical buying.

Domestic refiners increased price of palmolein by Rs 2 tracking a stronger Malaysian market. A refiner sold 250-300 tonnes of palmolein at Rs 548 for delivery in September. Resellers sold 130-150 tonnes of palmolein in the physical market at Rs 549-551. Liberty quoted palmolein at Rs 555, soya oil at Rs 636 and sunflower oil at Rs 695. Ruchi offered palmolein at Rs 551, soya refined oil at Rs 634 and sunflower oil at Rs 695.

Malaysia's BMD CPO September contract closed at MYR3,160 (MYR3,126), October MYR3,074 (MYR3,046) and November MYR3,033 (MYR3,002) a tonne. September contract of soya oil on National Board of Trade in Indore closed at Rs 655.50 (Rs 653.50) and October at Rs 638.60 (Rs 637).

Mumbai Commodity Exchange spot prices (Rs/10 kg): Groundnut oil 970 (965), soya refined oil 634 (634), sunflower exp. ref. 655 (650), sunflower ref. 700 (700), rapeseed ref. oil 694 (690), rapeseed expeller ref. 664 (660), cotton ref. oil 655 (655) and palmolein 552 (551).

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## Low demand takes steam off Pusa



Karnal, Aug. 17:

The rice market witnessed a mixed trend on Wednesday.Trade enquiries and good buying lifted prices of pure basmati and PR-11 (sela) while Pusa-1121 dropped on low demand.

Domestic demand is getting better and the market may rule firm on current levels for the next few days, said Mr Amit Chandna, proprietor of Hanuman Rice Trading Company.

After witnessing a drop earlier this week, pure basmati varieties have recovered. Pure basmati (raw) increased by Rs 240 and was ruling at Rs 5,980 a quintal while basmati (sela) quoted around Rs 4,000 a quintal, up Rs 105.

Pusa-1121 (steam) continued to tumble on account of sluggish demand. It dropped further by Rs 50 and sold at Rs 4,950-5,150 a quintal. Pusa-1121 (sela) decreased by Rs 70 at Rs 3,880 while Pusa-1121 (raw) ruled at Rs 4,350 a quintal, Rs 50 down.

Prices of brokens of aromatic and non-basmati varieties remained unchanged. Among the brokens of Pusa-1121, Tibar sold at Rs 3,100-3,350, Dubar ruled at Rs 2,600-2,645, and Mongra was trading at Rs 1,900-2,180 a quintal.

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#### Camson, Dutch varsity tie-up to produce bio-friendly crops

Mumbai, Aug. 17:

Camson Bio Technologies has signed an agreement with Netherland-based Wageningen University to develop disease-resistant and bio-friendly fruits and vegetables.

The tie-up will pave the way to garner a large share of the cash crops segment, which is pegged at Rs 4,000 crore in India and slated to grow at 25-30 per cent per annum.

Mr Dhirendra Kumar, Managing Director, Camson Biotech, said the technological tie-up with Wageningen University will pave the path for a biotech revolution for developing hybrid seeds that can be used to satisfy the hunger situation across the globe.

WU is globally renowned for its expertise in implementing Cisgenesis to arrive at superior produce. The University was in the news recently for its pioneering work in developing disease-resistant potatoes.

Through Cisgenesis, Camson will be able to develop new cultivars that are strongly tolerant to biotic and abiotic stress. In Cisgenesis, hybrid seeds are developed from genes of the same plant or from those belonging to the same species. For instance, a hybrid seed could be developed from the genes of two unrelated chilli plants.

Cisgenic plants are considered as safe genetically modified organism because it does not use the genes from unrelated species as in the case of transgenic.

Over the years, Camson has successfully launched several vegetable and fruit hybrids such as the yellow-skin watermelon, yellow flesh watermelon, pink tomatoes, orange tomatoes and disease-tolerant tomatoes.

## Petite pineapple



Adorning hospitality sector: The ornamental dwarf pineapples (Ananus nanus) on sale in Hyderabad. Nurseries around Hyderabad report a brisk sale of the small thorny fruit with serrated leaves fetching Rs 20-25 a piece. Predominantly grown in the North-East regions, Orissa and UP, this ornamental fruit has a large market in the hospitality industry. — P.V. Sivakumar

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## Spot rubber declines as buyers keep off

## Kottayam, Aug. 17:

Physical rubber prices declined on Wednesday. According to observers, the market remained under pressure on buyer resistance rather than selling from dealers or growers. 'But we expect more of them to join the sellers queue in the days ahead as sheet rubber broke below the long term support level of Rs 200 a kg on late trades' they added.

Sheet rubber weakened to Rs 198 (200) a kg according to traders. The grade slipped to Rs 200 (201) a kg both at Kottayam and Kochi as per Rubber Board.

In futures, the September series closed at Rs 199.95 (198.60), October at Rs 198.40 (197.30), November at Rs 197.44 (197.50), December at Rs 198.50 (198), January at Rs 198 (200.50) and February at Rs 199.50 (201) a kg for RSS 4 on the National Multi Commodity Exchange.

The August futures improved to ¥355.9 (Rs 211.37) from ¥353 a kg during the day session but then remained inactive in the night session on the Tokyo Commodity Exchange. RSS 3 (spot) slipped to Rs 211.58 (211.88) a kg at Bangkok.

Spot rates were (Rs/kg): RSS-4: 198 (200); RSS-5: 193 (195); ungraded: 182 (185); ISNR 20: 195 (197) and latex 60 per cent 130 (130)

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#### Cotton spinners in tailspin as prices fall, interest rates rise

#### Ahmedabad, Aug. 17:

The Indian cotton-yarn industry faces a 'challenging environment' yet again as cotton prices continue the slide that began after April 2011 and interest rates rise, said credit rating agency ICRA Ltd.

The recent crash in cotton prices right after the end of peak-supplies season has raised questions on the practice of procuring raw material in bulk during the period, an ICRA statement has said. During 2010-11, cotton prices more than doubled to Rs 176 a kg in April 2011 from Rs 74 a kg in March 2010 on the back of robust demand because of unfavourable weather in main producing countries, like China, Pakistan and the US, and constrained supply.

Rising yarn prices coupled with low cost of stocks procured from October 2009 to March 2010 had enabled spinning mills to increase average operating profit margins to 17.5 per cent in 2010-11 from 14.5 per cent in 2009-10. Profits, however, dropped in the fourth quarter of 2010-11 after exports of cotton yarn were banned from January 15 to March 31 this year. While there was no export of cotton yarn for over two and a half months, the industry continued to produce yarn using costly cotton procured during this period in anticipation of strong realisations from global markets after the export ban was removed.

Stocks were also piled up during March-April 2011 as demand weakened in the domestic market following closure of dyeing units in Tirupur, a hub for hosiery exports, and a 10 per cent excise duty was levied on branded garments. Currently, spinners are loaded with costly cotton procured during the last season and a large stock of finished yarn that is waiting to be picked up: both are likely to squeeze their profitability over the next two to three quarters.

## No improvement

Rising interest rates are likely to aggravate the situation. A highly leveraged capital structure along with rising interest rates exposes the industry to higher risk of defaults. Mr Rohit Inamdar, Senior Vice-President, ICRA, said spinners may find it difficult to recover costs in the second quarter of 2011-12, as yarn would be produced utilising costly cotton procured from October 2010 to March 2011. To sustain a healthy balance sheet, gradual improvement in the spread between yarn and cotton prices and optimum capacity utilisation will be critical for cotton-spinning mills in the short to medium term.

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