

Rs. 9.25 lakh subsidy to buy agri equipment

Farmers asked to submit applications

KRISHNAGIRI: The State Government has released Rs. 9.25 lakh as subsidy to buy agriculture equipment for Krishnagiri district for the financial year 2010-11, a release from Collector V. Arun Roy said here on Tuesday.

Mr. Roy said that the subsidy had been released to overcome manpower shortage, increase production and reduce the cost of production.

For buying tractors and power tillers with a capacity of 40 hp, the maximum subsidy allowed would be Rs. 45,000 and for Rotovators Rs. 20,000.

Farmers who wish to avail themselves of the subsidy had been asked to submit their applications along with their name, address, survey number of their land, chitta and adangal documents, the release said.

For further details, farmers of Krishnagiri, Uthangarai and Pochamalli taluks could contact Assistant Executive Engineer, Agriculture Engineering Department, 3rd Cross Street, Cooperative Colony.

Farmers from Denkanikottai and Hosur taluk could contact Assistant Executive Engineer, Agriculture Engineering Department, Royakottai Road, Chennasandiram, Hosur, the release added.

TNAU honours innovators, researchers

University has 749 crop varieties, 149 farm implements to its credit

— PHOTO: S.SIVA SARAVANAN



RECOGNITION:V. Ponraj (right), Scientist, and Advisor to A.P.J. Abdul Kalam, former President of India, handing over a certificate of merit to a scientist of Tamil Nadu Agricultural University at the Scientists' Award Ceremony held at the university on Tuesday. P. Murugesha Boopathi (second right), Vice-Chancellor of the university, is in the picture.

COIMBATORE: Each country is known for its core competence. India's is agriculture. Yet, it only accounts for 17 per cent of the total Gross Domestic Product. With the pressure of urbanisation, it is going to be a challenge to produce food for more people with less land and water, V. Ponraj, Scientist, and Advisor to A.P.J. Abdul Kalam, former President of India, said here on Tuesday.

He stressed the importance of use of science and technology by agricultural scientists for facing this challenge at a function held at Tamil Nadu Agricultural University.

The function was got up to honour scientists who had contributed to the introduction of new crop varieties, hybrids, management technologies, and agricultural implements in the last five years.

Also, those who were working on externally funded projects were honoured. This was the first time that a Scientists' Award Ceremony was being held in the university.

Appreciating the university for “celebrating the success” of the efforts of its scientists, Mr. Ponraj said this should serve as a motivation for others to follow suit. The country had seen islands of success in agricultural growth and productivity increase in many parts. But, a co-ordinated approach among these islands was required for a holistic achievement, he added.

“In a few years' time cultivable land is going to reduce from 170 million hectares to 100 million hectares. Role of agricultural scientists is going to become very vital. Institutional and individual research is going to play a major role in addressing this problem. The Government has now increased the amount to Rs. 75 crore for any individual research being taken up by a researcher in an educational institution. Researchers should make use of this,” Mr. Ponraj said.

P. Murugesu Boopathi, Vice-Chancellor of TNAU, said the university had 749 crop varieties, 149 farm implements and thousands of management technologies to its credit.

In the last five years, 656 scientists had contributed to introduction of new crop varieties, 125 for management technologies, and 86 for agricultural implements. As many as 255 national, 19 international, and 28 private projects were received by TNAU scientists at a total cost of Rs. 102.98 crore in the last five years.

Nearly 70 per cent of the university's budget was being provided by the State Government, while only 5 per cent was through private agencies and 5 per cent from university receipts. “We cannot always depend on the Government for funding. Hence, it is necessary to increase the income from university receipts. This can be done by getting more funded projects,” Mr. Boopathi said

From the 1,359 scientists in the university, only 20 per cent had obtained externally funded schemes.

“In order to motivate the 300 newly recruited assistant professors, an orientation was conducted recently. In response to this, 120 have already presented proposals for externally funded research schemes,” the Vice-Chancellor said.

P. Subbian, Registrar, said more people should come forward to innovate and also take up projects. He also urged those who came up with innovative projects to publish them in quality journals because Indian findings and achievements should be known to the whole world.

O.V.R. Somasundaram, and P.S. Anbu, both Members of the Board of Management, M. Paramathma, Director of Research, and T. Jayaraj, Director, Tamil Nadu Rice Research Station, Aduthurai, spoke.

Date:25/08/2010 URL: <http://www.thehindu.com/2010/08/25/stories/2010082563521800.htm>

RBI for efficient distribution of foodgrains to beat inflation

Supply shocks pose constant challenge to ensuring low inflation regime

Concern over successive years of drought Need for better monitoring of futures market

MUMBAI: The Reserve Bank of India (RBI) on Tuesday said that growth in agriculture sector and more efficient distribution of foodgrains are paramount factors to contain the rising inflation as well as inflationary pressure.

“Repeated supply (foodgrains) shocks pose a constant challenge to ensuring a low inflation regime in India, which is necessary for achieving inclusive high growth. A medium-term approach is required to augment the supply by addressing structural supply constraints, particularly in items of mass consumption,” RBI stated its Annual Report 2009-10. When the inflationary pressures are dominated by adverse supply shocks, “monetary policy could be less effective in containing price pressures,” it added.

While the performance of agriculture sector in 2009-10, in the face of a deficient monsoon, has been better than in the previous drought episodes, concerns still remain over the ability to withstand successive years of drought. The average growth rate of foodgrains production at 1.6 per cent during 1990-2010 has trailed behind the average population growth of 1.9 per cent.

“Agricultural productivity requires particular attention, since demand-supply gaps in basic items such as pulses, oilseeds, vegetables and dairy products are growing, and with rising income and growth of the middle-class, demand for such items will exhibit sustained increase. There

are certain other items where the supply situation is also highly volatile, as has been the case with sugar in recent periods,” it noted.

One of the objectives of maintaining buffer stocks is to stabilise prices when output of basic consumption items decline. During 2009-10, however, stocks of wheat and rice actually increased even when retail prices were high and domestic foodgrain production declined.

“While the critical significance of food security suggests the need for continuation of the policy of maintaining adequate buffer stocks, their timely use through more efficient distribution during periods of adverse shocks to farm output should receive greater policy attention. It has to be recognised that to meet the demand of a 1.2 billion population, India cannot depend on imports on a sustained basis, since imports at high cost, besides not helping in containing inflation, will also potentially dilute efforts that may have to be put in place to address the domestic supply constraints,” it said.

The RBI also voiced its concern over commodity futures market. “Despite the persisting ambiguity about the relationship between futures market activities and spot prices of commodities, activities in the futures market need to be better monitored, given the possible role this market may have for the overall inflation conditions,” RBI said.

Increases in food and essential commodity prices in India in 2009-10 brought to the fore the debate on the role of commodity futures market in influencing price trends.

Further measures likely

Indicating further stronger monetary measures, the RBI stated that “while at the beginning of the year the overriding macroeconomic concern was faster and stronger recovery (economic), by the end of the year that concern had subsided significantly, but an equally discomfoting concern had surfaced in the form of high and generalised inflation.”

Large divergence between inflation as measured by wholesale and consumer price indices was a major feature of inflation . The differences in inflation across States have also been significant.

The RBI also stated that the borrowing programme of the Government for 2010-11 has to be managed, "keeping in view the pressure on yield from the elevated inflation, gradual withdrawal of excess liquidity and stronger pick-up in private sector credit demand."

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Fresh hopes crop up for samba farmers in Tiruchi

Nurseries raised in 20 per cent of targetted 62,500 hectares

The district had received 28 mm of rainfall during the week ending August 18

Delay in release of water from Mettur had forced many to skip kuruvai cultivation

TIRUCHI: The widespread rain in the district over the past few days has raised hopes of farmers, who were hesitant to go in for the samba crop till now.

Given the delay in the release of water from the Mettur reservoir, many farmers in the district had skipped the cultivation of the kuruvai crop. A section of farmers in the district were sceptical about the samba prospects too, as the storage position at the Mettur dam was seen to be none too encouraging.

So far, nurseries have been raised in just about 20 per cent of the targeted samba area of about 62,500 hectares in the district. Though the rain over the past few days has not been heavy, it is seen as a good augury. According to the website of the Regional Meteorological Centre, Chennai, the district had received 28 mm of rainfall during the week ending August 18.

"The rain has brought happiness to us. Some parts of the district have received good rainfall and in some others it has been moderate. Yet, it has raised our hope for a good monsoon and samba season," observed G.Kanagasabai, president, District Cauvery Delta

Farmers Welfare Association. There are some lingering doubts too. "We are not sure of the water availability for the entire season. It was essential that the government take steps to get the State's share of water in the Cauvery River. Unless this was done, we cannot be fully confident," observed R.Subramanian, deputy secretary of the association.

Officials of the Agriculture Department felt the rain would give farmers the confidence to commence farm operations. This was the right time for farmers to raise nurseries, they said.

The Department has been gearing up for the season and has commenced distribution of certified seeds.

Already about 195 tonnes of seeds have been distributed and another 520 tonnes of certified seeds of different varieties were available in the district, Joint Director of Agriculture J.Sekar, told The Hindu. Adequate stocks of bio-fertilizers, micro nutrients and other inputs were available, he said. Kuruvai has been raised in just about 2,708 hectares in the district and the shortfall is expected to be made up in the samba. Officials were confident that samba cultivation would begin in right earnest and raise nurseries in the first week of September.

The Department has planned to promote the System of Rice Intensification (SRI) in a big way in the district this year too. Efforts are being made to bring about 50 per cent of the total samba area under SRI. A special campaign to motivate farmers has been initiated and demo plots would be set up in the fields of about 3,700 farmers, with each of them being provided free inputs worth Rs.3, 000.

25 Aug, 2010, 01.03AM IST, ET Bureau

No proof of commodity futures trading impacting inflation: RBI

MUMBAI: The Reserve Bank of India has said that there is no conclusive evidence to show that futures trading in agri-commodities impacts their spot price or leads to food price inflation.

The conclusion is in consonance with the observation of the Abhijit Sen Committee, which was constituted in 2007 to study the effects of the futures trading on prices of agricultural commodities.

Using the so-called Granger causality tests to study whether prices in one market impact prices in the other, RBI has concluded that “commodity prices in India seem to be influenced more by other drivers of price changes, particularly demand-supply gap in specific commodities, the degree of dependence on imports and international movements in these commodities.”

The RBI has carried out tests on six farm commodities — sugar, urad, tur, wheat, chana and potatoes — to find out whether futures trading impacted spot prices and vice-versa. The tests relate to monthly data on these commodities for the period of 2004-2009. For commodities such as urad and tur on which bans were imposed, data for the 2004-2007 period were used.

The causality tests show that futures prices have causal impact on spot prices in the case of sugar and urad and that spot prices impact futures prices in case of urad, chana, wheat and sugar.

“The empirical analysis, thus, does not provide any conclusive evidence in support of the relationship between spot and futures prices,” noted RBI in its annual report for FY10.

“The RBI diagnosis reinforces what has been held all along by the futures market that futures prices do not cause spot price inflation and, hence, cannot be held responsible for food inflation in essential commodities,” said Madan Sabnavis, chief economist, Care Ratings, and former

chief economist of agri bourse NCDEX.

The government banned futures trading in tur, urad, wheat and rice in 2007. It relisted wheat in May 2009 but delisted sugar in the same month because of price volatility. The sugar ban comes up for review by the government on September 30.

25 Aug, 2010, 01.09AM IST,REUTERS

Coffee slides most since 2008

LONDON: Coffee declined the most in more than two years as equities tumbled on concern that the economic recovery may be weakening, driving most commodities lower.

The Reuters/ Jefferies CRB Index of 19 raw materials plunged as much as 1.4%, which would be the biggest drop since June 29, and oil fell below \$72 a barrel for the first time in almost seven weeks. On Monday, coffee reached \$1.8865 a pound, the highest level since September 11, 1997.

“There is long liquidation after the market rose to a new high,” said Boyd Cruel, a senior analyst at Vision Financial Markets in Chicago. “The weakness in the equity markets is also adding selling pressure.” Arabica coffee for December delivery slumped 12 cents, or 6.6%, to \$1.7125 a pound at 9:47 am on ICE Futures US in New York.

Before Tuesday, the commodity advanced 35% this year on concerns that demand would outpace supplies. On London’s Liffe exchange, robusta-coffee futures for November delivery retreated \$14 to \$1,630 a tonne, the biggest drop since January 2008. A lower close after a high is a “very negative signal,” according to Doug Whitehead, an analyst at Rabobank International in London.

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Weather

Chennai - INDIA

Today's Weather



Rainy

Wednesday, Aug 25

Max Min

29.6° | 23.7°

Rain: 00 mm in 24hrs

Sunrise: 5:57

Humidity: 100%

Sunset: 18:25

Wind: Normal

Barometer: 1002.0

Tomorrow's Forecast



Rainy

Thursday, Aug 26

Max Min

31° | 24°

Extended Forecast for a week

Friday Aug 27	Saturday Aug 28	Sunday Aug 29	Monday Aug 30	Tuesday Aug 31
32° 26° Rainy	32° 26° Rainy	31° 27° Rainy	29° 25° Rainy	31° 26° Rainy

Business Standard

Wednesday, Aug 25, 2010

Refined palmolein advances on rising demand

Press Trust of India / Mumbai August 24, 2010, 17:10 IST

Refined palmolein prices edged up further at the oils and oilseeds market here today due to increased demand from retailers in view of festive demand.

Groundnut oil remained stable in the absence of necessary buying support. Castorseeds futures moved up on fresh enquiries from exporters.

Non-edible oil prices too maintained a steady trend owing to lack of market-moving factors.

In the edible oil segment, refined palmolein looked up Rs 2 per 10 kg to Rs 466 from overnight closing level of Rs 464, while groundnut oil closed unaltered at Rs 850 per 10 kg.

Turning to the futures section, castorseed's October contract resumed lower at Rs 3,690 and later moved in a range of Rs 3,705 and Rs 3,680 before settling at Rs 3,695, as against Rs 3,688 yesterday, showing a marginal rise of Rs 7 per tonne.

However, castorseeds bold, castor oil commercial and linseed oil were closed unchanged at Rs 3,725, Rs 775 and Rs 570 respectively.

Potato remains up in futures trade on surging demand

Press Trust of India / New Delhi August 24, 2010, 12:54 IST



Potato prices moved up by Rs 14.60 or 3.30 per cent to Rs 456.50 per quintal in futures market today, on rising domestic as well as export demand.

Disrupted supplies from producing regions due to heavy rains also supported the rise in potato prices.

At the Multi Commodity Exchange, potato for October month rose by Rs 14.60 or 3.30 per cent to Rs 456.50 per quintal, with an open interest of 1,848 lots.

Similarly, potato for delivery in September month also traded higher by Rs 9 or 2.13 per cent to Rs 431.30 per quintal in 1,898 lots.

Analysts said strong domestic and exports demand against limited arrivals from producing regions mainly led to rise in potato prices at futures trade.

Pepper futures fall on weak exports demand

Press Trust of India / New Delhi August 24, 2010, 15:25 IST



Pepper prices fell by Rs 271 to Rs 21,160 per quintal in futures trading today on weak exports demand.

At the National Commodity and Derivatives Exchange counter, pepper for September month fell by Rs 271 or 1.26 per cent to Rs 21,160 per quintal with an open interest of 1355 lots.

Similarly, the spice for delivery in October month dropped by Rs 257 or 1.19 per cent to Rs 21,375 per quintal in 2,856 lots.

Analysts attributed the fall in pepper prices in futures market to a subdued export demand and weakening trend in other spices.

Chilli futures down on subdued demand

Press Trust of India / New Delhi August 24, 2010, 15:24 IST



Chilli prices fell by Rs 111 to Rs 4,145 per quintal in futures market today, on subdued demand against adequate stock positions in the spot markets.

At the National Commodity and Derivatives Exchange, chilli for delivery in September month contract declined by Rs 111 or 2.61 per cent to Rs 4,145 per quintal, with an open interest of 8,835 lots.

The spice for delivery in October month contract also weakened by Rs 110 or 2.45 per cent to Rs 4,427 per quintal in 2,195 lots.

Analysts said subdued demand against adequate stocks position in the spot markets mainly kept the prices under pressure in futures trade.

Chana futures trade lower on profit-taking

Press Trust of India / New Delhi August 24, 2010, 13:11 IST



Chana prices fell by Rs 9 to Rs 2,264 per quintal in futures trade today, as speculators booked profits at existing higher levels amid weakening trend at the spot market.

At the National Commodity and Derivatives Exchange counter, chana for September month declined by Rs 9 or 0.40 per cent to Rs 2,264 per quintal, with an open interest of 1,70,980 lots.

However, chana for October month delivery held steady at Rs 2,287 per quintal in 286 lots.

Analysts said the weakness in chana futures was mostly due to profits-booking by speculators at higher levels and fall in spot demand at the physical markets.

Cardamom futures rises on spot demand

Press Trust of India / New Delhi August 24, 2010, 13:10 IST



Cardamom prices jumped by Rs 31.90 or 2.71 per cent to Rs 1,207.80 per kg in futures trading today, as speculators created fresh positions on hopes that demand might rise in the spot market.

Lower arrivals in spot markets from the producing regions and ongoing festive season also influenced the rise in prices.

At the Multi Commodity Exchange counter, cardamom for October month spurted by Rs 31.90, or 2.71 per cent to Rs 1,207.80 per kg with an open interest of 1,769 lots. Similarly, the spice for delivery in September-month gained Rs 9, or 0.68 per cent to Rs 1,323.20 per kg in 2,156 lots. Traders said building up of fresh positions by speculators on hopes of pick up in demand in the spot market, against restricted arrivals helped cardamom futures prices to rise.

Mustardseed futures fall on weak demand

Press Trust of India / New Delhi August 24, 2010, 13:06 IST



Mustardseed price fell by Rs 3.55 to Rs 553.40 per 20 kg in future trading today due to slackness in spot demand.

At the National Commodity and Derivatives Exchange, mustardseed price for far month December contract fell by Rs 3.90 or 0.68 per cent to Rs 571.50 per 20 kg, open interest showed in 2,590 lots.

Most active September month contract also followed suit and shed Rs 3.55 or 0.64 per cent at Rs 553.40 per 20 kg, with an open interest of 1,44,500 lots.

Trade analysts said heavy supply and reduced offtake in physical markets influenced the trading sentiment in futures trading.

Crude palm oil futures down 0.29% on global cues

Press Trust of India / New Delhi August 24, 2010, 12:56 IST



Crude palm oil prices moved down by Rs 1.20 or 0.29 per cent to Rs 409 per 10 kg in futures market today, as traders reduced their positions at the back of a weakening global trend.

At the Multi Commodity Exchange platform, crude palm oil for October month lost Rs 1.20, or 0.29 per cent to Rs 409 per 10 kg, with an open interest of 820 lots. The oil for delivery in September month also traded marginally lower by Rs 0.60 or 0.14 per cent to Rs 414.50 per 10 kg in 2,646 lots, while current month August held steady at Rs 417.50 per 10 kg, with a turnover of 1,319 lots.

Market analysts said weak trend at global markets mainly put pressure on the crude palm oil prices at futures market here.

Meanwhile, palm oil futures for the November-delivery contract fell 0.9 per cent to 809 dollar a metric tonne on the Malaysia Derivatives Exchange.

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Rotting grain suits FCI fine

SHARAD JOSHI

The actual procurement of wheat is less than the figures shown on paper.

In early June 2010, I had written that the Centre was finding it difficult to ensure an orderly wheat market, because of the bountiful crop in all major wheat-producing countries. Worse still, wheat godowns in India were bursting at the seams because of abundant stocks which were largely substandard and unfit for human consumption.

The Food Corporation of India (FCI), which turns a deaf ear to any criticism of its inefficiency and corruption, had promptly reacted, maintaining that of the 101.437 lakh tonnes of wheat stored by the Corporation only 0.03 per cent was found to be damaged.

STATE OF DENIAL

The electronic media dished out ample footage on wheat coming out of torn bags and germinating with exposure to the early monsoons. The matter came up even before the Supreme Court, which went to the extent of suggesting that the Government should distribute the wheat to the famished BPL population, rather than let it go bad through exposure to the elements, and to rodents.

It is difficult to understand why Mr Sharad Pawar, the Agriculture Minister, chose to deny that such a pronouncement was made by the highest court of the land.

While, as a matter of general rule, the Government does not give away foodgrains free of cost, this kind of free distribution is not entirely unknown. There were several instances of natural calamities where the government distributed foodgrains without insisting on monetary quid pro quo.

In periods of famine, the standard modus operandi is to organise famine relief work to put some purchasing power in the hands of the famished, enabling them to purchase their requirements of foodgrains.

India's warehousing infrastructure for foodgrains is outmoded and decrepit. It cannot offer protection from rodents and rain. It would appear that both the Minister for Agriculture and the Supreme Court are not fully informed about the true situation.

DISAPPEARING STOCKS

The rotting of foodgrains is not an isolated phenomenon. It is like the fires that destroy large stocks of cotton and lint in the custody of the Cotton Corporation of India (CCI) and, more often, the stocks under the Maharashtra State Cotton Monopoly Procurement Scheme.

If one looks at the beneficiary of these happenings, the needle of suspicion clearly points towards the Food Corporation of India and the sundry cotton procurement agencies. Whether it is cotton, wheat or paddy, a substantial proportion of the commodities procured is substandard. This kind of procurement cannot be on account of ignorance of the standards laid down or a shortage of scientific instruments required for assessing the quality of the produce.

The actual procurement is often short of the figures that are shown on paper. This could either be because of pilferage at the source or generosity shown to the vendor. This shortfall could also be a result of diversion of stocks before they enter the public distribution system channels. An accidental cloudburst or fire makes it impossible to render accurate accounts of the stocks held and the money spent.

The accounts of the Maharashtra State Cotton Monopoly Procurement Scheme can never be tallied unless there were half a dozen fires in the cotton stock at different places in the

State. Wheat is not as combustible as cotton.

However, it is susceptible to spoilage due to humidity, and to attacks by pests and rodents. Organising an appropriate exposure of the stocks held to the elements should not be a difficult job for an organisation like FCI.(The author is founder, Shetkari Sangatana and a Rajya Sabha MP. blfeedback@thehindu.co.in)

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Importance of dryland farming

SHASHANKA BHIDE

A policy emphasis on irrigation should not lead to the neglect of dryland agriculture. Where irrigation raises input costs for dryland farmers, alternative enterprises such as livestock rearing can be promoted. The challenge is to nurture crops to suit diverse conditions



Does growth of irrigation make dryland production more difficult?

The monsoon is expected to be bountiful in many parts of the country, with only the eastern region getting lesser rain than the long-term average. Skewed distribution over the monsoon season is not optimal for crop output. But late rain in the season could have a positive effect on the next season's crop, as the reservoirs get filled up for irrigation.

Where there is no irrigation, farmers may have changed crops or crop varieties so that they are able to make the best of the rain. With the investments in research and technology, there are perhaps now more varieties and crops for farmers to choose than earlier. Growing crops for the market rather than for own consumption has also expanded the choice before the farmer.

CROPPING AND MONSOON

The rainfall situation improved after mid-July. Floods and rainfall deficiency in the same season in different parts of the country are not unknown. The impact of monsoon highlights the difficult choices farmers and policymakers face in the allocation of land and water to different crops.

The policy response at the national level can be expected to refocus attention on growth and income stability for agriculture. However, the overall strategies quite often do not work in all situations.

It is perhaps the recognition of this potential for different outcomes that led to a detailed regional approach to agricultural strategies. But, even with detailed regional strategies, the policy choices may end up being the same as the national ones.

Greater attention to the disadvantaged is necessary to ensure equitable growth. A case in point is the policy preference that irrigated agriculture enjoys over dryland agriculture. Irrigation is a time-tested method of raising crop productivity.

A focus on growth leads to a push to expand irrigated area. An emphasis on stability may also point to the same strategy. Irrigation provides greater stability to output than dryland production, as it also helps protect yields when the monsoon is weak.

But does growth of irrigation also make dryland production more difficult? Or are there complementarities that help improve the returns to dryland production when there is an expansion of irrigated area?

The trade-offs are significant, as are the complementarities. One trade-off is the case of input markets. Irrigation allows farmers to bid input prices higher to ensure their supplies.

Dryland farms would now pay more than before. Higher wages bid labour from dryland production to irrigated production. Unwittingly, non-farm employment programmes may increase the divergence of profits of dryland production relative to irrigated farms or irrigated production. This wedge is likely to widen with respect to the price of most inputs, except land.

Lower price of land may help mechanisation if it is easier to aggregate smaller land holdings. The impact of mechanisation on productivity under dryland agriculture would have to be significant enough to match the advantages of irrigated agriculture, for the two systems to be equally attractive.

NEW OPPORTUNITIES

The diversification of farm output has not led to output or income growth in dryland production to the extent that it has in irrigated land. Irrigation helps farmers take risks, raise new crops and diversify output.

Growing vegetables and flowers is far more profitable when there is water for irrigation. It presents a greater choice of crops and timing output to meet market demand.

Diversification in dryland production, on the other hand, is essentially to reduce risks rather than increase income.

Delayed rain would mean recourse to somewhat lower-yielding but sturdier varieties of crops. Delayed and less-than-normal rainfall may also warrant switching to crops that would not have been grown otherwise.

The focus of irrigated production on crops that are more responsive to intensive use of inputs, such as fertiliser, sets aside some opportunities for dryland production. The crop choices under irrigation may also make livestock enterprises more attractive for dryland farming rather than irrigated land.

The complementarities between irrigated and dryland farming arise out of the externalities of irrigation, in the form of exposure and access to technologies.

They also emerge from increased supplies of food in the market, permitting farmers in

dryland regions to exploit opportunities in other crops.

NURTURING POSITIVES

Limits to availability of land and water in the face of rising demand for food and fuel will require a choice of strategies that will raise productivity and profitability of farming under diverse conditions. The complementarities will need to be nurtured.

The trade-offs need to be accompanied by opportunities to adapt alternative technologies or enterprises.

Dryland agriculture will remain important, given the limits to increasing irrigation. Pushing innovations that improve income opportunities for dryland agriculture is as important as investing in irrigation. The randomness of monsoon patterns is a constant reminder of the need for this balance.(The author is Senior Research Counsellor, NCAER. The views are personal.)

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Edible oil prices rule steady

Mumbai, Aug 24

Prices of most edible oils ruled steady on Tuesday, except palmolein and rapeseed oil. Both increased by Rs 2 on the back of retail demand, in spite of a sharp fall in the Malaysian, Chinese markets.

Due to the Raksha Bandhan festival, the presence of players was very thin and the volume of trade was negligible. Good kharif showing reports weighed on indigenous oils and market sentiment. At present, stockists are busy resolving the current month's contracts of imported oils. They are not very keen on fresh buying, market sources said.

In palmolein, around 50-60 tonnes trade took place, in the range of Rs 462-463. Liberty was quoting palmolein at Rs 466, Allana Rs 468 and Mewa Rs 466. Malaysia's September crude palm oil futures closed 47 ringgit (MYR) lower at 2,670 MYR, October by 58 ringgits

at 2,570 MYR.

Groundnut oil ruled at Rs 850 and soya refined oil at Rs 483, sunflower expeller . refined at Rs 530, sunflower refined at Rs 575, rapeseed refined oil at Rs 575, rapeseed expeller refined at Rs 545 for 10 kg.

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Retail demand keeps sugar steady

Mumbai, Aug 24

Sugar prices ruled steady at lower level on support from retailers and mills unwilling to sell at a lower rates.

Market players are now eagerly waiting for announcement of September free sale quota. Resale by stockist at lower price than mills direct offer weighed on market sentiment, said Mr Tokershi Dedhia of Surya traders. Market players are expecting a quota of 17-18 lakh tonnes for September. Now, the total arrival at Vashi market is about 30-35 truckloads (10 tonnes each) and lifting is 30-32 truckloads. On Monday late evening, resale delivery order trade took place in the range of Rs 2,450-2,470 for S-grade and Rs 2,500-2,530 for M-grade. Mills offered tenders at Rs 2,475-2,500 for S-grade and Rs 2,510-2,540 for M-grade (including excise) a quintal.

In the spot market the rates were: S-grade Rs 2,560-2,610, M-grade Rs 2,585-2,650.

Naka delivery rates: S-grade Rs 2,540-2,560 and M-grade Rs 2,565-2,600 a quintal.

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New banana micronutrient released

Madurai, Aug. 24

A special micronutrient 'banana sakthi' for enhancing crop productivity has been released

by the National Research Centre for Banana (NRCB), a unit of the Indian Council Agricultural Research, New Delhi, at Podhavur village near Tiruchi.

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Cotton sale ends in Erode; turnover down

Erode, Aug. 24

Cotton sales at the Bhoodapady regulated market in Bhavani taluk has come to an end for this year. Auctions are conducted from June to August . This year, the cotton sale began on June 16. It ended on August 18.

Authorities of the market said: "Cotton production was lower this year due to shortage of agricultural labourers, lower rainfall and pest attack on the crop. But growers got a good price for their commodity." Mr Eswaran, supervisor of the market said: "This year Rs 64.23-crore-worth 54,958 bags of cotton arrived and all the bags were sold. On an average, cotton fetched Rs 37 a kg this year. This is Rs 5 a kg higher than last year. Fine varieties of MCU-5 and Surabi fetched high price of up to Rs 43 a kg. The course variety Bt cotton also fetched reasonable price this year." Last year, Rs 79-crore-worth 80,954 bags of cotton were sold in Bhoodapady market alone. In addition to Bhoodapady, cotton is also auctioned at Anthiyur regulated market. The final stock of 200 bags was sold for a higher price of Rs 42.50 a kg.

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Will sugar decontrol crystallise now?

G. CHANDRASHEKHAR

While decontrol is welcome, it would be naïve to believe this by itself will make the sugar

industry more competitive.



Sugar supplies under the public distribution system should continue.

Talk of sugar industry decontrol is in the air again after a gap of seven years. Since 2003, when the idea of total decontrol was first mooted, the Government has hesitated to bring about substantial reforms in the sugar industry, which today remains a vestige of the permit-licence-quota Raj of the decades preceding the 1990s.

The economic liberalisation process begun in 1991 hardly touched this industry, which holds considerable economic interest for a large number of politicians. In the past, the demand for decontrol was often rejected on flimsy grounds. In times of sugar surplus, control was seen necessary to prevent a price collapse that would hurt the industry; and during a shortage, protection of consumer interest became a ready excuse.

Mr Sharad Pawar, Minister for Agriculture and Food, who is widely believed to be the architect of this sector's policies, stated recently that the Government would consider total decontrol of the sugar industry sometime in September 2010 after cane crop and sugar production estimates for 2010-11 crystallise. Going by various reports and estimates, 2010-11 may witness fairly balanced sugar-market fundamentals. New Delhi appears to believe that a balanced demand-supply scenario is ideal for announcing total decontrol.

Twin restrictions

Total decontrol essentially means abolition of the twin restrictions on sugar marketing —

the levy system (under which the Government compulsorily procures a fixed percentage of sugar from mills at below market price); and the free-sale quota release mechanism (under which mills have to sell sugar according to Government allocated quota). The end of these outdated restrictions is sure to boost competitiveness in the domestic sugar industry. It will allow mills to plan and manage production, marketing and inventory. Sugar prices will be largely market-determined. The investment climate will improve.

Some believe that total decontrol should also remove the Government-determined statutory minimum price (SMP), or more recently called the fair and remunerative price (FRP), for cane growers. This belief is wholly unfounded, and the SMP/FRP must continue to protect cane growers' interest. Output (sugar) prices will suitably adjust to input (cane) costs. It will not be politically expedient to end SMP/FRP, as cane growers will be subject to the whims of mills.

Fine-tuning operations

While decontrol is welcome, it would be naïve to believe this will magically make the sugar industry more competitive. To be sure, the industry is currently mired in operational inefficiencies, lack of modernisation, fragmentation of capacities and poor economies of scale, to name a few. If policymakers genuinely want to set the domestic sugar industry free to pursue growth objectives then, in addition to removing the twin marketing restrictions, several other issues have to be simultaneously addressed. These include promoting scale economies, free and stable trade and tariff policies, ensuring sustained raw material (cane) availability and prevention of unethical trade practices in times of shortage.

A majority of the over 550 sugar mills in the cooperative (over 50 per cent), private (40 per cent) and public (less than 10 per cent) sectors have sub-optimal crushing capacities and are denied economies of scale.

The policy environment should be conducive for investments in scaling up and modernisation to achieve competitiveness.

Cane supply troubles

The next critical need is to break the cyclical nature of cane output and ensure sustained availability. Given current crushing capacities as well as demand, cane production should ideally exceed 300 million tonnes annually. There is scope to increase cane yields in many regions. As cane is a 12-14 month crop, farmers are forced to wait a whole year to realise income. Mills should be encouraged to network closely with growers and pay an advance, say six months after planting. This will enhance their mutual dependence.

Cane provides livelihood to over 50 million growers. If the cyclical nature of cane production is not consciously broken through innovative and sustainable methods of farming, as well as support to farmers, seasons of surpluses and deficits will alternate. This will have serious implications for sugar prices. Deficits will surely hurt consumers, while surpluses will do mills no good. On the other hand, demand for the sweetener is sure to expand with rising incomes and demographic pressure. Shortages may be more frequent than surpluses.

Global standards

To prevent cartelisation or similar unethical practices, the Government should follow a largely free and stable trade and tariff policy. Export and import of sugar should be allowed freely. Tariffs should be used sparingly and judiciously.

Lastly, sugar supplies under the public distribution system should continue. After abolishing the levy system, the Government will have to buy sugar from the open market, but may have to supply at a lower price under the PDS. If this entails subsidy, so be it. It would be disastrous if the Government announces decontrol of the sugar industry without addressing the other related issues.

The aim of the Indian sugar industry ought to be 'to attain global competitiveness by being able to produce globally acceptable quality at globally comparable cost'. World over, the sugar sector is protected, and sugar subsidy among developed countries is an estimated \$6 billion (about Rs 30,000 crore) a year. Indian industry has been protected for too long. It is time to set the industry free to pursue its fortunes.

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2 tea estates reopen in Dooars

Santanu Sanyal Kolkata, Aug 24

Kalchini and Raimatong, two Dooars tea estates closed since 2006, reopened on Monday.

Mr Roshan Lal Agarwala of Mars Plywood has acquired the gardens and reopened them after clearing dues worth about Rs 40 crore. The gardens are capable of producing four million kg annually – Kalchini 2.5 million kg and Raimatong 1.5 million kg.

Talking to Business Line on Tuesday, Mr Agarwala said all the employees of the two gardens, whose total strength would be 3,600, had been retained.

The unpaid salaries, wages and bonus, amounting to Rs 80 lakh, will be paid in two instalments. The outstanding statutory dues such as gratuity and provident fund too would be cleared in due course. This followed a tripartite agreement signed on August 19.

The name of the company owning the gardens, however, will remain unchanged as Buxa Dooars Tea Company. Only the board has been recast.

“A three-member new board has been formed,” said Mr Agarwala, pointing out that in addition to himself, his wife and son were other members of the newly-constituted board.

The gardens now produce only CTC tea. “We've plans to produce green tea also for value addition,” Mr Agarwala said.

The opportunities were being explored also to utilise the surplus land in the gardens for non-tea purposes such as developing tea tourism and growing plants like kadam, simul and pithali, which could be used for plywood production, he added outlining his future plans.

Confirming the reopening of Kalchini and Raimatong tea estates, a spokesman for Tea Board said six gardens, three each in Dooars and Darjeeling, were still closed in West

Bengal and these included Redbank, Dheklapara and Ramjhora in Dooars and Ringtong, Rungneet and Poobong in Darjeeling.

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Confounding crop



Lack of demand: Potato farmers and traders in Kolkata are facing problems due to last year's excess production and lack of demand in export market. According to farmers, the low rainfall may not be beneficial for paddy but would be good for vegetables and potato production in the coming season. The recent setback in jute cultivation due to low rainfall, with added burden of loss in potato crop, has left many in a dilemma. Now farmers in many pockets of West Bengal are thinking what would the next crop be?

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Heavier rains forecast next week



Vinson Kurian

Thiruvananthapuram, Aug 24

The Australian Bureau of Meteorology (BoM) has said that the next active phase of the Madden-Julian Oscillation (MJO) wave would develop over West Indian Ocean from early to mid-September.

The MJO wave travels west to east periodically over the Indian Ocean and has been known to have a catalytic impact on prevailing weather over ground, especially during the monsoon.

MONSOON VIGOUR

If the aforementioned scenario were to play out, the BoM expects to see the Indian monsoon getting re-invigorated with increased potential for tropical cyclone development in the region.

The European Centre for Medium-Range Weather Forecasts (ECMWF) tends to support this outlook signalling fresh convergence of flows over the South Peninsula from August 30 (Monday next).

The ECMWF sees the possibility of development of a follow-up low-pressure area (aside of the prevailing one in West-central Bay of Bengal basin) and at least two tropical storms over the Northwest Pacific during this period.

According to the BoM, since May, the MJO wave has displayed generally erratic behaviour, and has had perhaps the greatest influence on weather across southern Asia.

PAK FLOODS

An active burst at the beginning of the month produced heavy rainfall across Pakistan and Afghanistan, which, in association with rare meteorological phenomena on show in the high northern latitudes, triggered devastating floods in the region.

Over the past week, the MJO has begun to progress into the Maritime Continent (Southeast Asian region comprising islands, peninsulas and shallow seas) for the first time since May, and has contributed to the development of a named tropical storm 'Mindulle' in the South China Sea.

The London-based Tropical Storm Risk Group indicated on Tuesday that the 'Mindulle' might be approaching Vietnam soon for a landfall.

LIKELY REMNANT

It would now be interesting to watch whether a remnant of the westward-bound storm would set up activity over the North Bay of Bengal.

The seas here have warmed up beyond 30 deg Celsius to being able to sustain a low-pressure area. In fact, the sea-surface temperature (SST) off the Andhra Pradesh coast measured 32 deg Celsius on Tuesday. Meanwhile, a 'low' has been persisting overnight over the West-central Bay on Tuesday.

According to the Noida-based National Centre for Medium-Range Weather Forecasts (NCMWRF), the 'low' could persuade the monsoon trough to shift south closer to its normal position during a productive monsoon phase.

This would also mean that the Central and East-central India could be bracing for another active monsoon session over the next two days.

Meanwhile on Tuesday, the Pakistan Met Department issued fresh flood alert for rivers Sutlej and Ravi even as scattered rains have been forecast for the northern provinces from

an itinerant westerly trough.

The International Research Institute (IRI) for Climate and Society at Columbia University in updated forecasts based on initial conditions obtaining on Sunday has put the northwestern regions of Pakistan and adjoining India under rain watch during the rest of this week.

Rajasthan, Northwest Madhya Pradesh and parts of Gujarat also are in the list of regions where IRI sees chances for moderate to heavy rain activity.

India Meteorological Department (IMD) said in an update that widespread overnight rainfall was reported from Sub-Himalayan West Bengal and Sikkim.

It was fairly widespread over Uttarkhand, Haryana, Uttar Pradesh, the Northeastern States, Rayalaseema, the West Coast, South Interior Karnataka, North Tamil Nadu and the Andaman and Nicobar Islands.

Satellite pictures showed convective (rain-bearing) clouds over parts of Uttarkhand, Uttar Pradesh, Bihar, Jharkhand, West Bengal, Chhattisgarh, Andhra Pradesh, South Karnataka, Kerala, Tamil Nadu, South and East-central Bay, Andaman Sea and Southeast Arabian Sea.

A warning valid for the next two days said that isolated heavy to very heavy rainfall is likely over Uttarkhand, East Uttar Pradesh, Bihar, Sub-Himalayan West Bengal, Sikkim, Assam, Meghalaya, Arunachal Pradesh, Coastal and South Interior Karnataka, Kerala, Tamil Nadu, Coastal Andhra Pradesh and Andaman and Nicobar Islands.

The IMD forecast signalled isolated heavy to very heavy rainfall on Wednesday for the Jammu Division of Jammu and Kashmir, Himachal Pradesh, Haryana, Chandigarh, Delhi and West Uttar Pradesh.

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State Bank of Mysore offers 1% more rebate to speed up crop loan repayment



'Pratiphala Yojana': Mr B. S. Yeddyurappa Chief Minister of Karnataka (right), and Mr Dilip Mavinkurve, Managing Director, State Bank of Mysore, at the launch of the 'Mysore Bank Pratipala Yojana' for farmers in Bangalore on Tuesday.

Our Bureau

Bangalore, Aug. 24

Though nature wreaked havoc last year, today farmer Lingamaiyya is a happy man.

With much difficulty he managed to pay off his last year's crop loan of Rs 50,000 without any delays, and today he is reaping the benefits. His interest rate has today come down to 2 per cent (an interest amount of Rs 1,000) a year against 7 per cent (Rs 3,500) last year.

And so is Vittal Durgappa Kambar, a sugarcane farmer from Ramdurg village in Belgaum district of Karnataka. He has secured a crop loan of Rs 2 lakh at 4 per cent per annum. From an interest amount of Rs 14,000, which he had paid last year, his interest payment has now come down to Rs 4,000, thanks to a new scheme announced by State Bank of Mysore.

Perhaps, the first such initiative in the country, State Bank of Mysore has launched the 'Mysore Bank Prathiphala Yojana' scheme, wherein the bank offers an additional one per cent interest rebate per annum for prompt payment of crop loans. For farmers availing themselves of crop loans up to Rs 3 lakh, which are normally charged 7 per cent interest

per annum, the Finance Minister, in his Budget speech, had announced an interest rebate of 2 per cent on prompt payment of interest. The Karnataka Government in its efforts to encourage a prompt payment culture also provides an interest rebate of 2 per cent on crop loans of up to Rs 50,000.

So, altogether, a farmer in Karnataka, who obtained a crop loan of Rs 50,000 was hitherto paying an interest of 3 per cent, while those who borrowed up to Rs 3 lakh, the interest rate was 5 per cent per annum. With SBM's new scheme, a prompt paying farmer of a crop loan of Rs 50,000 would only pay 2 per cent interest, while for those taking loans up to Rs 3 lakh would have an effective interest rate of 4 per cent.

“This would encourage more and more farmers to avail themselves of loans from the bank, and also improve the repayment culture,” said Mr Dilip Mavinkurve, Managing Director, SBM. The bank hopes to redouble its efforts to increase credit flow towards agriculture especially through crop loans for the ongoing kharif season and the ensuing rabi season, he added. Lauding the bank for this scheme, the Chief Minister, Mr B.S. Yeddyurappa, said that he would convene a meeting of all nationalised banks present in Karnataka and urge them to extend such a facility to farmers in the State.

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Pepper pares losses

G. K. Nair Kochi, Aug. 24

Pepper which showed a downward trend most of the time during trading on Tuesday, recovered in the afternoon on reports of firmer market in other origins and tight supply position and closed marginally below the previous closing.

In fact, since the market has been on the upsurge in recent days, it was on a correcting mode earlier in the day, market sources told Business Line.

All the origins appeared to have realised that the Indian market was moving in the right direction, except for Indonesia, which was misleading the market. As a result, they were all

firmer in recent days, they said.

It appears that some of those players opted for delivery had liquidated on Tuesday , they said. There was switching over to October also.

The FED-wise stock position in the accredited warehouses of the NCDEX as on August 23, 2010, was at 4,306 tonnes. Of this, 290 tonnes are held in Kozhikode and 4,016 tonnes in Kochi. The breakup of the stock with expiry date for validity held in Kozhikode (in brackets) is 140 tonnes (Dec 5, 2010); 70 tonnes (Jan 5, 2011) and 80 tonnes (Feb 5, 2011).

September contract on the NCDEX declined by Rs 11 to close at Rs 21,420 a quintal. October and November Contracts slipped by Rs 20 and Rs 15, respectively, to close at Rs 21,612 and Rs 21,800 a quintal.

Turnover

Total turnover increased by 4,229 tonnes to 25,116 tonnes. Total open interest moved up by 123 tonnes to 18,232 tonnes. September open interest dropped by 246 tonnes, while that of October and November moved up by 335 tonnes and 19 tonnes, respectively, to 2,965 tonnes and 493 tonnes.

Spot prices remained steady at previous levels of Rs 20,200 (un-garbled) and Rs 20,700 (MG 1) a quintal on matching demand and supply.

Those who could not take advantage of the price rise sold small lots on Tuesday at Rs 207- Rs209 a kg, depending upon the quality in the terminal and primary markets. But, there was no selling pressure at all, they said.

Global market

Indian parity in the international market remained at \$4,800 a tonne because of the weakening of the rupee and the marginal decline in the futures market. It was nearly competitive as all the other origins were up in recent days, they said.

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Cardamom prices dip on higher arrivals

G.K. Nair Kochi, Aug 24

Cardamom prices dropped marginally on increased arrivals at the auctions held last week in Kerala and Tamil Nadu.

At the Sunday auction conducted by the KCPMC, arrivals surged to 48 tonnes. The maximum price was Rs 1,613 a kg, while the minimum was Rs 1,155 a kg. Individual average price was Rs 1,320 a kg. The individual auction average price was in the range of Rs 1,325 and Rs 1,350 a kg.

Higher demand

On Sunday, exporters bought about six tonnes of cardamom, Mr P.C. Punnoose, General Manager, CPMC, told Business Line.

According to him, the market may stabilise at current levels.

Supply is unlikely to outweigh demand that is likely to increase in the coming days on account of the festival season and also due to squeeze in supply from the lone other supplier, Guatemala, he said.

The domestic demand is on the rise because of increase in the per capita consumption in the country of late, he said.

At the same time, there has not been corresponding growth in the production, he added. Upcountry buyers were active because of the festival season, which has already begun in North India, he said.

Because of the Onam festival, harvesting was slow last week and early this week and hence the arrivals this week may not show any significant rise.

However, they may go up from the next week when the picking will peak, traders in Bodinayakannur said.

Arrivals, sales

Total arrivals during the current season from August 1, stood at 458 tonnes.

Of this, 456 tonnes were sold. Arrivals and sales in the same period the previous season were 405 tonnes and 398 tonnes respectively. The weighted average price as on August 22 was Rs 1,355.94 a kg, up from same day last year.

Prices for graded varieties in rupees per kg on Monday were: AGEB 1,590-1,600; AGB 1,450-1,460; AGS 1,430-1,440; AGS1 1,390-1,400. Prices quoted in the open market at Bodinayakannur were: AGEB 1,575-1,585; AGB 1,430-1,440; AGS 1,415-1,420; and AGS 1 1,380-1,390. The weather conditions in the growing areas have been good so far and if they continue that way during the rest of the season, then the late crop could improve.

However, the South-West monsoon has been slightly deficient in the main cardamom growing district of Idukki where the crop, however, has not been affected.

But, in Wayanad district, another major cardamom growing area in the State, there was a deficit of around 50 per cent. There the crop is negatively affected and hence the output may be less this season, growers claimed.

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Panel set up to check borer menace in coffee

Move to share knowledge on white stem infestation.

While the broad approach has been formulated, the specifics are yet to be worked upon.



A. Srinivas

Bangalore, Aug 24

A five-member committee of scientists, two from the University of Agricultural Sciences, one each from the Indian Agriculture Research Institute, the Indian Institute of Horticultural Research and the Central Coffee Research Institute (CCRI), respectively, has been set up find a solution to the white stem borer pest that attacks the arabica variety in particular.

The idea is to share knowledge and resources with similar institutions of agriculture research.

For instance, if there is something similar to white stem borer in other crops, on which research has been done, that knowledge would be beneficial to coffee producers. Likewise, the CCRI can assist in research initiatives in other areas, sources close to the Coffee Board said.

While the broad approach has been formulated, the specifics have yet to be worked upon.

The Director, CCRI, is expected to formulate some details in this regard in a month's time, industry sources said.

Extension services

Two members of the committee were of the view that while the techniques have been developed, the issue is to work on the extension services so that they are implemented effectively at the estate level.

Mr K. M. Nanaiah, Chairman, Karnataka Planters' Association, said: "We welcome the formation of the committee to address an age-old problem.

This year, with scanty rain, stem borer infestation is high."

He said: "The temperature and weather have to be at a certain level for the pest to be controlled. Once the pest penetrates the stem, we do not have a fungicide or chemical to act on it. Nor can we create an opening in the stem, as that could give rise to secondary infections to the stem. Besides, we cannot afford to use chemicals that might leave behind a residue in the coffee."

'No uniformity'

Mr Anil Bhandari, Member, Coffee Board, said: "Pests are hard to control and despite the Coffee Board's extension efforts, there is no uniformity in the upkeep of plantations. A number of small growers are absentee landlords, and are unable to devote time to cultural operations, as they are gainfully employed elsewhere. The key to pest control lies in good estate practices — removing and burning of plants for white stem borer. However, climate change has rendered the task of pest management more difficult. The flight period of the pest has become unpredictable. The idea behind involving more agencies is that somebody might find a silver bullet."

Dr N. K. Pradeep, President, Karnataka Growers' Association, said: "The Coffee Board has been saying the same thing for so many years. There has not been enough research into why the white stem borer attacks arabica and not robusta."

Mr Ajoy Thipaiah, Member, Coffee Board, said: "Rather than focus only on extension services, more research has to be done with respect to isolating the genome in robusta. Planters are aware of the cultural practices that need to be adopted, but climate change

nullifies their efforts.”

It is just as well that the Coffee Board is at the forefront of this coordinated research effort, some former board members said.

A similar effort was attempted in the late 1980s when planters from Kodagu requested the Indian Council of Agricultural Research to work on the white stem borer pest.

A major corporate player then offered its land for the research effort.

However, the project was discontinued after the Coffee Board, which was not involved in it, reportedly raised objections over the role of ICAR.

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