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# Management of banana pseudostem weevil

The banana pseudostem weevil is a monophagous pest. Adults are strong fliers and move from one plant to another.

Eggs are laid singly, at the base of the outermost leaf sheath. The incubation period ranges from 3 to 8 days. Emerging grubs are fleshy, yellowish white in colour and pass through five instars. The entire life cycle takes around 45 days.

Initially the young grubs burrow extensive tunnels in the leaf-sheaths. Tunnels are roughly circular and can reach up to about 8 mm in diameter.

The important symptoms of infestation are small pin head size holes on the lower leaf sheath, gummy exudation, yellowing and withering of leaves, and decaying of peduncles resulting in the immature fruit ripening.

The ascending flower bud and the peduncle inside the pseudostem can be eaten and damaged, resulting in non-emergence of the flower bud.

Infested plants have dull yellow green and floppy foliage. Heavily infested plants produce small bunches, and are easily blown down by the wind.

# Management

The planting material should be trimmed to reduce the number of eggs and grubs.

Disc-on-stump traps and old pseudostems can be used for trapping weevils.

Disc-on-stump traps consist of corn slices placed on top of harvested plants cut at the rhizome.

Old pseudostems can be cut into lengths of 20 to 60 cm and split each length, and placed on the ground near the corn bases with the cut surface downwards.

Adult weevils are attracted to the cut stems or corns for shelter, to feed and to lay eggs. When the eggs hatch the life cycle cannot continue as the cut pieces dry out and the grubs die from desiccation.

Manual collection

The weevils can be collected by hand and destroyed. The efficiency of the traps depends on their numbers and frequency of trapping.

Disk-on-stump traps collect 3 to 7 times as many weevils as pseudostem traps.

Administer stem injection of neem Azal at 4:4 with water, swabbing with neem Azal 4 per cent, pseudostem injection of dimethoate at 1:5 with water can be recommended for the effective pest management.

# A.Suganthi & P. Pretheepkumar

Department of Entomology Tamil Nadu Agricultural University, Coimbatore

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FARM QUERY

# Women SHG and Trichoderma

Can you kindly guide me as to whom I should contact for doing a project on women self help groups manufacturing Trichoderma in and around Bangalore?

Lissy Thomas

#### Karnataka

You can contact Dr. M. Shivamurthy, Professor, Department of Agricultural Extension, College of Agriculture, UAS, GKVK, Bangalore, 560 065, India, emails: murthy\_sandhya@yahoo.com and murudaiah.shivamurthy@gmail.comPhone: 080-3330153 Extn. 368 (O), mobile: 094490-44975 for your details.

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http://www.thehindu.com/2010/09/23/stories/2010092351100300.htm

# Farmers demand restoration of lands to Dalits in Reddipatti village

# Staff Reporter



Seek justice:S. Thirunuvakkarasu, Vice President, All India Kisan Sabha, addressing the dharna in front of the Taluk Office in Uthangarai on Wednesday.

KRISHNAGIRI: Tamilnadu Vivasayigal Sangam, affiliated to Communist Party of India (Marxist), staged a demonstration in front of the Uthangarai Taluk Office in Krishangiri district on Wednesday demanding restoration of lands to the Dalits in Reddipatti village, near Pochampalli.

Presiding over the dharna, S. Thirunavukkarasu, Vice-President, All India Kisan Sabha, affiliated to the CPI (M) said that about 500 acres in Reddipatti were cultivated by the Dalits for more than 50 years.

These lands were categorised in the revenue records as 'Thotti Uzhiyam', distributed

during the British rule. The Reddipatti village is situated between SIPCOT in Bargur and Vanipatti Lake. Most of these lands are rainfed tracts and uplands and farmers used to cultivate only dry crop.

As a result, many Dalit families were not economically sound. Many farmers migrated to Karnataka and Andhra Pradesh to earn for their livelihood.

It was alleged that a certain Chettiyar family ruled the village for over 50 years. During the period, the Chettiyars exploited the Dalits and surreptitiously transferred their lands to Chettiyar family in 1985. As the Dalits did not have the money to fight the Chettiyars they kept quiet all these years.

A. Duraisamy, a Dalit, submitted many memoranda to the government urging it to cancel the illegal pattas given to the Chettiyar family.

In 2001 the then Collector of the combined Dharmapuri district K. Balachandran directed the Revenue Divisional Officer to inquire into the alleged scam and file a report in 30 days. But the Chettiyar family managed to block the inquiry. Earlier, on January 27, the members of the Sangam took out a 40 km padayatra from Reddipatti village to the Collectorate and submitted a memorandum to P. Prabhkar, District Revenue Officer. They were led by P. Shanmugam, State Secretary of the Sangam on the next day. The members squatted just outside the office of the District Collector when they were not getting proper response from the DRO.

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# Farmers seek reservoir across Pungaru

Staff Reporter

KULITHALAI: Farmers in the Kulithalai region of Karur district have urged the State government to consider constructing a reservoir across River Pungaru, a jungle stream that floods several thousand acres in Karur and Tiruchi districts in times of monsoon and

especially when it rains in Kadavur hills in Karur district.

"When it rains hard in the Kadavur hills area, the water from the hills hurtles down through Pungaru which carries water only during that period.

The flooded Pungaru submerges fertile fields in Panjapatti, Saravanapuram and Vengampatti areas in Karur to reach Tiruchi district. During the course, it fills thousands of acres of fields in Pudupatti, Kulithalai and Pettaivaithalai regions with rain and flood water," points out Mahadanapuram V.Rajaram, working president of the Cauvery Delta Farmers Welfare Association.

In the course of the Pungaru between Vengampatti and Udayapatti, there are about 750 acres of Poromboke lands and it was here a reservoir or a check dam was planned to harness the flood water.

The Public Works Department followed up the study with a detailed project report that estimated the cost to be Rs.6.26 crore.

The farmers in the Kulithalai region would be greatly benefited if the government gives it a serious look.

While a reservoir across Pungaur would save crops in several thousands of acres, another 500 acres of rain-fed fields and manavari fields nearby would get a permanent irrigation source.

Drinking water table in the region would also improve feeding into the open wells thereby helping garden lands, Mr. Rajaram has pointed out in petition submitted to the Karur Collector recently.

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Social security to aged farmers sought

Staff Reporter

Ryots worried by progressive reduction of agricultural land

Linking of the Mahanadi and Rushikulya rivers sought



making a point: Meeting being held by the Orissa Chasi Surkhya Abhiyan in Berhampur on Wednesday.

BERHAMPUR: The Government should provide social security to aged farmers, demanded farmers' representatives at a meeting organised in the city on Wednesday.

The meeting was organised by Chasi Sukshya Abhiyan (CSA) and Rushikulya Rayat Mahasabha (RRM). It was attended by convener of CSA and former Union Minister, Brajakishore Tripathy, president of Lokshakti Abhiyan Prafulla Samantra, and peasants' leader Chittaranjan Mohanty among others. It was attended by farmer representatives from different parts of Ganjam district.

Most peasant representatives were worried about the continuous reduction of agricultural land in the country and lack of irrigation facility. Mr Tripathy said unless the government provided adequate security to farmers the country would get dragged into a major food

shortage in future.

Aid sought

Mr Samantra in his address said it was high time the government provided financial help to farmers directly rather than handing over the entire fertilizer subsidy to chemical fertilizer companies. "In this era farmers should also get financial help to do organic farming and they should have free hand to decide whether they would use chemical fertilizers or biofertilisers," he said.

The farmers were of the opinion that they should also get social security. "If MPs, MLAs and government officials are getting pensions we farmers should also be provided some kind of social security in our old age as we are vital element of country's economy," they said. As per Mr Samantra the government was providing Rs 5 crore worth of tax concession to private companies but not thinking of farmers. He said rather than providing this concession to the capitalists it could be used to build up a social security system for farmers.

The RRM leaders demanded enhancement of irrigation facility in Ganjam district and linking of the Mahanadi and the Rushikulya rivers to end threat of droughts and floods in the state.

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Labour shortage affects paddy harvest

Sruthisagar Yamunan

Demand for higher wages, job guarantee scheme cited



Changing trend:With increasing cost and shortage of farm labour, farmers are forced to mechanise their work. A scene at a paddy field in Bahour.

PUDUCHERRY: Farmers in Puducherry are facing a peculiar problem this year. Despite the Swarnawari crop being ready for harvest in many of the fields, shortage of labour has made it difficult to reap the produce.

According to several farmers, the demand for higher wages by farm labourers, coupled with the availability of work for them under the Mahatma Gandhi National Rural Employment Guarantee Scheme for 100 days a year, has resulted in this acute shortage of labour. This is now forcing the farmers to take up mechanisation in order to harvest the crops.

The impact of NREGA has been most severe in the availability of women farm labourers. "The wages that women get under the scheme is far higher than what we are able to pay. Thus very few women come for farm work in the area these days," said Agni Ramamurthy, a farmer from Bagur. Also, the fact that women get the same rate of wages as men under the scheme is an added attraction, he said.

The farmers claim that though cost of labour has increased several folds in the last few years, there has been no corresponding increase in the minimum support price for paddy. Thus cultivation has become increasingly unviable.

According to officials of the Agriculture Department, higher wage is not the only reason for

people opting for NREGA work.

"The work under the scheme is far easier in these areas than a day of farm work. When someone pays you a higher amount for lesser work, why would you opt for farm work?" said a senior official.

Officials maintain that the choice of paddy variety is also adding to the farmers' loss. "They invested heavily in the White Ponni variety last season. Because of huge supply, the crop did not fetch the right price and was left to dry. With shortage of labour now, the loss will only increase as grains without moisture fetch very low prices in the market."

Mechanisation of farm work also has its own drawbacks. Though labour cost is taken out of the picture by using harvesting tools, the damages to the paddy straw from the use of machines result in lower price for the produce, the farmers said. This negates the advantage that the machine provides.

They are hoping that the situation would improve during the Sambha cultivation in the coming weeks.

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# Call for more corporate farm investment

Special Correspondent

KOLKATA: President Pratibha Patil has called for increased corporate investment in agriculture, saying that this can offer a new frontier of growth in rural areas. Industry partnering with agriculture particularly in rain-fed areas can be a win-win option she said.

"India's capacity and necessity to increase agricultural growth which is the backbone of the Indian economy must be discussed in your convention," she suggested while delivering the inaugural address at the 37 {+t} {+h} National Management Convention of the All-India Management Association.

"Agriculture in India needs a fresh approach to enhance its productivity and profitability,"

she said. The areas which needed attention were: achieving economies of scale through

advanced farming models, effective distribution systems to reduce the gap between farmer

and end-customer and food-security.

Emphasising on the need for ethics in business she cautioned that while business is for

profit, but it could not be divorced from ethics. "This basic principle should be the guiding

principle for business houses and their management. For corporate India to become a

credible partner in India's progress, a trust based relationship between government,

organisations and society at large is a must." "India's objectives were clear."

It is to work for sustainable development, capacity and skill building and creating fair

opportunities.

"With all this, most importantly, we need a system that respects values of honesty and

hard-work as also our rich cultural heritage."

Ms. Patil felt that viability of public-private-partnerships (PPPs) and their potential can be

explored further in the development of the physical and social infrastructure that India

needs today.

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Millennium Development Goals: challenges and the way ahead

Kofi Annan

The achievement of the goals is not optional, but an essential investment in a fairer, safer

and more prosperous world.

- PHOTO: AP



TARGET: This borehole in Dertu, Kenya, may look no different from thousands of villages that dot the landscape of sub-Saharan Africa. But it is one of the 'Millennium Villages' envisioned as launch pads for a mass leap out of poverty.

People often ask me what I consider to be the highlight of my career with the United Nations. While there were many wonderful moments, hosting the largest collection of world leaders ever assembled to sign the Millennium Declaration in New York is certainly among the top. The can-do-spirit in the room was infectious. And, for once, the gulf between rich and poor, between countries often at loggerheads with each other, seemed to be bridged by a genuine partnership among nations and people. Development issues were finally elevated to the highest political level. And, for the first time, developing countries were challenged to translate their development vision into nationally-owned plans.

# The eight goals and the results

There is no doubt that the eight Millennium Development Goals (MDG) and their framework of accountability have served the world well. They have not only provided a much-needed sense of direction to national plans and international cooperation, they have also delivered measurable results. We have seen primary school enrolment rates double in Ethiopia and Tanzania. Countries like Malawi and Algeria transform themselves from food importers to food exporters. We have seen HIV infections fall significantly in Sub-Saharan Africa, and the number of reported malaria cases halve in high-burden countries such as Rwanda and Zambia. All around the world, we have seen efforts to achieve MDG-

based targets improve the lives of millions of people.

However, we are still far from achieving what we set out to do. Too many people remain caught in extreme poverty, too many remain hungry and sick, too many mothers die in childbirth, and too many children still do not go to school. We are also not yet doing enough to meet basic needs and fulfil basic rights, to protect the environment, to build effective international partnerships for development, or to harness private entrepreneurship to deliver public goods and services to those in need.

The challenges are still great and the circumstances have not become any easier since the Millennium Summit. Back then, there was palpable confidence that the world's problems could be addressed collectively and an open acknowledgement that, in a world of plenty and astounding technological progress, the poverty, hunger, and relative depravation that so many of our fellow human beings still faced was intolerable.

That confidence has now faded, and the international consensus on development is in danger of crumbling under the weight of successive crises and a changing world order — even as the true significance of our growing interdependence is becoming increasingly obvious. The disappointing Climate Change Summit in Copenhagen was an unfortunate example of this paradoxical trend. On the one hand, the appreciation that global problems cannot be solved in one country or continent alone is growing. On the other hand, this is not translated into decisive action and overdue reform of global governance. Lack of concerted leadership and cumbersome institutional arrangements on the international level and a growing array of financial and political pressures on the national level are proving to be formidable obstacles.

# Serious investors needed

I am worried that these obstacles risk may have made the September 20-22 MDG Review Summit in New York a futile exercise, characterised by grand speeches and carefullyworded promises, but followed by little meaningful action.

Several important donors have already reneged on their commitments, or at least relaxed their development efforts. They have used a variety of justifications ranging from concerns about aid efficiency to the need for a more comprehensive approach to achieving

development objectives. As a result, the latest projections predict an aid shortfall of around \$21 billion against the global targets. While I agree that a more coherent and results-oriented approach to development is needed, this should not be used as an excuse to cut financial assistance at the first sign of difficulties. The MDGs do not need fair-weather friends, but serious investors in for the long haul.

#### Political will

Revitalising the political will to achieve the MDGs, and scaling up proven interventions, is the linchpin to success. As instigator and guardian of the MDGs, the U.N. has an important role to play in this process and the High Level Advocacy Group created by Secretary-General Ban Ki Moon is a welcome step in the right direction.

The primary responsibility, however, rests with national leaders. Their challenge is to rearticulate a compelling case for global solidarity and equitable growth. One that embraces but goes beyond aid. One that addresses the growing inequalities between male and female, rural and urban, rich and poor. One that does not measure development and progress purely in terms of gross domestic product (GDP) but also of the quality and sustainability of growth. The message must be that the achievement of the MDGs is not optional, but an essential investment in a fairer, safer and more prosperous world.

But achieving the MDGs is only the first step. For even if we succeed and meet all the eight goals by 2015, almost a billion people will continue to live below the poverty line. Hundreds of millions will remain hungry. Millions will continue to die from preventable diseases or unnecessary complications.

We will certainly need to take the MDGs to the next level after the initial deadline. While there is some scepticism about the utility of naming specific goals as basis for development strategies and institutional arrangements, I remain an advocate. After all, who can argue with an objective as simple and powerful as access to food and clean drinking water, jobs, health care and education for everyone?

(Kofi Annan was U.N. Secretary-General between 1997 and 2006. He now chairs the Africa Progress Panel (www.africaprogresspanel.org) and the Alliance for a Green Revolution in Africa (www.agra-alliance.org), and heads the Kofi Annan Foundation

(www.kofiannanfoundation.org).)

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# Access to energy seen as vital to fighting worst poverty

**David Jolly** 

'Without electricity, social and economic development is much more difficult.'

More than \$36 billion a year is needed to ensure that the world's population benefits from access to electricity and clean-burning cooking facilities by 2030, the International Energy Agency said on September 21.

In a report prepared for the U.N. Millennium Development Goals meeting in New York, the agency said the goal of eradicating extreme poverty by 2015 would be possible only if an additional 395 million people obtained access to electricity and one billion gained access to more modern cooking facilities that minimise harmful smoke in the next few years.

"Without electricity, social and economic development is much more difficult," Fatih Birol, the energy agency's chief economist, said by telephone. "Addressing sanitation, clean water, hunger — these goals can't be met without providing access to energy."

The problem of energy inequality mirrors the gap between rich and poor countries, Birol said.

"The amount of electricity consumed by sub-Saharan Africa, with 800 million people, is about the same as that used in New York state, with about 19 million people," he said. The agency, which produced the report in conjunction with the U.N. Development Programme and the U.N. Industrial Development Organisation, looked at both the lack of access to electricity and the reliance on and use of traditional biomass like wood as cooking fuel. In sub-Saharan Africa, the report notes, the electrification rate is 31 per cent, and 80 per cent of people rely on biomass for cooking.

About 1.4 billion people lack electricity, and they are overwhelmingly in rural areas, the report said, while 2.7 billion rely on traditional biomass to cook. In addition to contributing to deforestation in poor nations, traditional cooking fuels degrade air quality, causing serious health problems and premature deaths, the energy agency report says.

Birol played down concerns that bringing more of the global population into the modern energy economy would be bad for the environment.

He predicted that meeting the development goal would raise global oil consumption just one per cent, while raising carbon emissions only 0.8 per cent.

Companies are reluctant to invest in many areas because the return is not guaranteed, he said, so seed money is needed from wealthier countries.

In Nigeria, a major oil exporter with a population of about 155 million people, 76 million do not have electricity, he said. "If only 0.4 per cent of their oil and gas revenues were invested in power production, they would solve the problem," he said.

'Clean Cookstoves' project

Separately, Secretary of State Hillary Rodham Clinton announced that the United States would provide about \$50 million in seed money over five years for a project known as the Global Alliance for Clean Cookstoves. More than a dozen other partners, including governments, multilateral organisations and corporate sponsors, are to contribute an additional \$10 million or more. — © New York Times News Service

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FARMER'S NOTEBOOK

Improved agronomic practices drive India's Bt cotton revolution

M.J. PRABU

In seven years India has become the second largest producer and exporter

— Photo: Special Arrangement



Rapid increase: Gurtej Singh, Punjab, in his cotton field.

Amidst the challenges in agriculture, India's Bt cotton success story stands out even in the controversy over Bt and GM crops.

Take the case of Mr. Gurtej Singh, from Ghragna, Punjab. The farmer constructed a new home costing Rs. 20 lakh, purchased one acre (he already owns 16 acres), invested in an education policy for his son and bought a new car.

Another cotton farmer Mr. Nandkishore Raut, from Bhambraja village, Yavatmal, Maharashtra, purchased 2 acres land (already owns 6 acres), built a new pucca home, and took a life insurance policy worth Rs. 1.75 lakh for his son.

Similarly Mr. Botla Kumara Swamy, Sivaji Nagar village, Warangal, Andhra Pradesh,

cultivates Bt cotton in four acres.

He constructed a home costing Rs. 1.5 lakh, bought a second-hand motorcycle for Rs. 20,000, and installed a pipeline for irrigation. In addition he started a small milk collection-cum-analysis business and earns approximately Rs. 15,000 a month.

#### Higher living standards

"Families of bt cotton seed farmers in India enjoy a higher standard of living such as purchasing cars, motorcycles, building pucca and larger houses, enrolling their children in English medium schools, or sending them abroad for education, investing in agricultural land, and farm equipment such as tractors and drip irrigation," says Mr. Jagresh Rana, Director – Mahyco Monsanto Biotech, Mumbai.

"As farmers upgrade to newer technologies, it is becoming evident that they are experiencing immense value from insect- protected Bt cotton which also provides higher yields, ease of farming convenience, in addition to better insect resistance management," says Mr.Jagresh.

Within seven years of its introduction of Bt cotton (2002-08), it made India the world's second largest producer and exporter of cotton (ahead of U.S. and China).

# Facts based on study

"According to a study by University of Agricultural Sciences, Dharwad, frequent health concerns such as giddiness, nausea, itching etc. experienced by farmers/farm workers due to higher number of pesticides applications in non-Bt cotton fields are reduced considerably in cultivating Bt cotton," claims Mr. Jagresh.

Research by Indian Market Research Bureau (IMRB) in 2007 on the benefits of Bt cotton concluded that Bt cotton farmers earn on an average, 64 per cent higher income (Rs. 8,669) per acre than conventional seed farmers.

#### Yield details

On an average, Bt cotton seeds provided cotton farmers with yields of 700 - 900 kg. per

acre vs. 300-400 kg. per acre with conventional seeds.

"Indian farmers are astute determinants of value. Farmers determine value based on quality of yield, fair price, and convenience.

"Give a farmer higher good quality cotton yields, better returns (fair market price), and more convenience when farming – and he is likely to adopt a new product," says Mr. Jagresh.

"Within eight years of introduction, India's cotton farmers have adopted bt cotton seeds on approx. 90 per cent or over 192 lakh of India's total 225 lakh cotton acres.

"While in the first five years of 2002-06, farmers adopted the first-generation single- gene insect-protected bt cotton seeds on 39 per cent of India's total cotton acres (87 lakh acres in 2006 vs. 72,000 acres in 2002); since then, farmers have been upgrading to the second-generation double-gene insect-protected Bollgard II bt cotton seeds over the next four years of 2006-2009 at a much faster pace," he explains.

# Major market

India is the world's most competitive cotton seed market. The introduction of bt cotton technology re-catalyzed cotton seed research in India and farmers now choose from 350+ insect-protected Bt cotton hybrid seed varieties offered by 30 plus Indian seed companies with six bt cotton technologies.

# New technologies

"Rapid increase in the number of farmers and acreages cultivating Bt cotton seeds is testament to Indian farmer's faith and trust in this technology, and their willingness to embrace new technologies," adds Mr. Jagresh.

Whatever the controversy over Bt brinjal, Bt cotton remains a major success story in India.

For more information readers can contact the farmers Mr. Gurtej Singh, Ghragna, Punjab, mob: 9872104955, Mr. Nandkishore Raut, Yavatmal, Maharashtra, mob: 9881378484, Mr. Botla Kumara Swamy, Shivaji Nagar village, Warangal, Andhra Pradesh, mob:

9642260356.

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# THE ECONOMIC TIMES

Thu, Sep 23, 2010 | Updated 07.27AM IST

23 Sep, 2010, 01.37AM IST, S Sanandakumar, ET Bureau

Cashew processors now bet on flavoured nuts to expand reach

KOCHI: Companies are ready to encash India's enduring love affair with cashew nuts through new products that range from chocolate-coated and flavoured cashew to cashew soups and drinks. And that is changing the game for existing players caught in the time warp of simple roasted and salted nuts.

Growing appreciation of value-added products in both domestic and global markets has attracted even foreign players to the Indian cashew industry.

AMES Foods Processors India, a subsidiary of the US-based AMES International, has already started shipping two containers of roasted, salted cashew per month to retail chains in South East Asia. "In the second stage, we will be exporting chocolate-coated cashew nuts," says Mr Iyju Jacob, general manager, AMES India. AMES is also planning to enter the domestic retail market with a network of company-owned shops.

What prompted most companies to begin value addition was the high volume of broken nuts. "Whole cashew will get a good price. But lower varieties of cashew or the 'brokens' fetch only a less price," says Mr KA Retheesh, managing director of the Rs 175-crore Kerala State Cashew Development Corporation.

It is estimated that 40% of cashew produced falls under the "broken" category. The company was among the first to enter the value-added segment in 2006-07 through a tie-up with Central Food Technology Research Institute, Mysore, to develop a range of products such cashew soup, cashew powder, a health drink named Cashew vita and low-

priced cashew bits under the CDC brand name. The company sells 70% its products in the domestic market while the rest is exported to the Middle East. It is currently developing chocolate-coated cashew and cashew noodles.

India Food Exports, another player in the value-added segment, has introduced a unique marketing model in the industry. The company that sells cashew in nine flavours under the brand name 'Delinut' has discovered a major market in the budget airlines. According to the company spokesman, the market in no-frills airlines is growing by close to 20%.

22 Sep, 2010, 12.41PM IST,PTI

Cardamom remains higher 1.95 pc on strong demand

NEW DELHI: Buoyed by strong demand in the spot markets, cardamom prices rose by Rs 20.90, or 1.95 per cent, to Rs 1,047 per kg in futures trade today.

Besides, tight stocks in the spot markets also influenced the cardamom prices at futures trade.

At the Multi Commodity Exchange platform, cardamom for November-month contract gained Rs 20.90, or 1.95 per cent, to Rs 1,047 per kg, with a trading volume of 60 lots.

Cardamom for October month contract surged by Rs 20.60 or 1.93 per cent to Rs 1,042 per kg, with a turnover of 102 lots.

Traders said pick up in demand in the spot market, triggered by ongoing festive and marriage season, attributed to the rise in cardamom prices at futures market.

# **Business Standard**

Thursday, Sep 23, 2010

# Wheat, non-basmati rice up on fresh demand

# Press Trust of India / New Delhi September 22, 2010, 14:39 IST



In thin trading, wheat and rice (non-basmati) gained up to Rs 10 per quintal in the wholesale grains market today on increased demand from flour mills and local parties.

Other commodities, however, remained steady in the absence of worthwhile activity.

Wheat dara (for mills) and wheat MP (deshi) traded Rs 10 each higher at Rs 1,220-1,225 and Rs 1,650-1,750 per quintal, respectively.

In the rice segment, permal raw, wand and sela were up by Rs 5 each to Rs 1,995-2,045, Rs 2,070-2,220 and Rs 2,295-2,345 per quintal, respectively.

Following are today's quotations in Rs per quintal:

Wheat MP (deshi) 1,650-1,750, wheat dara (for mills) 1,215-1,2205 chakki atta (delivery) 1,225-1,230, atta Rajdhani (10 kg) 175, Shakti bhog (10 kg) 175, Roller flour mill 630-650 (50 kg), Maida 750-780 (50 kilos) and Sooji 840-860 (50 kg)

Basmati rice (Lal Quila) 9,300, Shri Lal Mahal 9,300, Super basmati rice 9,000, Basmati common 5,500-5,600, rice Pusa-(1121) 4,500-5,000, Permal raw 1,995-2,045, Permal wand 2,070-2,220

Sela 2,2950-2,345 and Rice IR-8- 1,825-1,850, Bajra 1,000-1,010, Jowar yellow 1,200-1,300, white 2,300-2,350, Maize 1,100-1,110, Barley (UP) 1,070-1,090 and Rajasthan 1,080-1,090

Refined palmolein slips on low demand

Press Trust of India / Mumbai September 22, 2010, 16:49 IST

Refined palmolein prices moved down further at the oils and oilseeds market here today due to reduced stockists off-take amid a fall in retail buying. Other edible oil, groundnut oil, however held steady in the absence of buying support.

Elsewhere, castorseeds bold and castoroil commercial declined owing to subdued industrial demand coupled with higher supplies.

Castorseeds futures also dropped owing to sustained off-loading by speculators, following weakening trend in spot markets. Linseed oil held steady in the absence of market moving factors.

In edible segment, refined palmolein fell by Rs 5 per 10 kg to Rs 460 from overnight closing level of Rs 465, while groundnut oil closed unchanged at Rs 890 per 10 kg.

Turning to non-edible section, castorseeds bold lost Rs 40 per 100 kg to Rs 4,185 from Rs 4,225 yesterday and castoroil commercial fell by Rs 8 per 10 kg to Rs 867, as against Rs 875 previously.

Linseed oil closed unaltered at Rs 550 per 10 kg.

Moving to futures section, castorseed's October contract resumed lower at Rs 3,900 and drifted further to Rs 3,865 before ending at Rs 3,880, as against Rs 3,926 yesterday, showing a loss of Rs 46 per tonne.

Similarly, the December contract opened lower at Rs 3,712 and later moved in range of Rs 3,740 and Rs 3,690 before closing at Rs 3,720 from Rs 3,765 previously, registering a fall of Rs 45 per tonne.

USDA pegs India's 2010 rice output at 99 mn tn

Press Trust of India / New Delhi September 22, 2010, 15:30 IST



Ahead of the summer-sown paddy's harvesting season, starting next month, the US Department of Agriculture (USDA) has estimated India's rice output at 99 million tonnes, close to the 2008 level.

Rice output in India, the world's second biggest producer, is seen higher than last year at 99 million tonnes but almost near the 2008 level of

99.18 million tonnes, the USDA said in its latest grain report.

Last year, rice production had dipped to 89.13 million tonnes owing to severe drought, it said.

Rice, when it is still covered by the brown hull is known as paddy, is cultivated twice a year during summer (Kharif) and winter (Rabi). The country's 80 per cent of rice requirement is grown in the Kharif season and currently the crop is ready. Its harvesting begins next month.

While sowing of winter (Rabi) crop of paddy will begin from October, this year.

Recently, Food and Agriculture Minister Sharad Pawar had expressed confidence about the bumper harvest of foodgrain crop in the 2010-11. He had said that rice production would be better than last year despite deficient rainfall in West Bengal, Jaharkhand and Bihar.

According to USDA estimates, India's production of wheat, sowing of which will start from next month, is seen to be higher at 80.7 million tonnes in 2010-11, against 80.58 million tonnes in 2009-10.

Similarly, corn production is also expected to be at 20 million tonnes this year, against 19.73 million tonnes last year. While that of barley output is seen to be lower at 1.3 million tonnes this year, against 2 million tonnes last year, it said.

The US body on agriculture announces the forecast on foodgrain crops of major growing countries on a regular basis. It estimates global supply and demand situation of foodgrains besides trade issues.

Refined soya oil remains weak on profit-taking

Press Trust of India / New Delhi September 22, 2010, 13:51 IST



Refined soya oil remained weak and lost Rs 2.25, or 0.45 per cent, to Rs 488.35 per 10 kg in futures trade today, as traders booked profit at higher levels, influenced by fall in demand in the spot market.

Soya refined prices fell in the line with international markets. At the Multi Commodity Exchange counter, refined soya oil for November-month

contract fell by Rs 2.25, or 0.45 per cent, to Rs 488.35 per 10 kg, with a trading volume of 36 lots.

Similarly, the refined soya oil for delivery in October contract declined by Rs 2.20, or 0.44 per cent, to Rs 484.25 per 10 kg, with a business volume of 77 lots.

The fall in refined soya oil attributed to speculators, who indulged in profit-taking at higher levels due to fall in demand in the spot markets, traders said.

# Business Line

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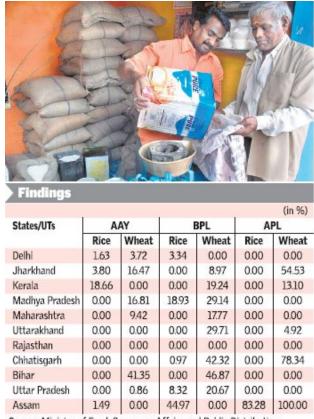
Thursday, September 23, 2010

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Back Study finds large diversion of rice, wheat from PDS, welfare schemes

Grains leakage in the range of 40-100% across 11 States.



Source: Ministry of Food, Consumer Affairs and Public Distribution

#### M.R. Subramani

# Chennai, Sept. 22

The leakage of foodgrains under public distribution schemes and for development programmes, where a portion of wages is paid in food grains, ranges from 40 to 100 per cent across a cross-section of States, a Government sponsored research study has revealed.

According to an evaluation undertaken in 11 States by the National Council for Applied Economic Research in 2008, diversion of wheat and rice takes place in cereals meant for all categories — Antodaya Anna Yojana (AAY), below poverty line (BPL) and above poverty line (APL).

In the case of Assam, the diversion is total in the case of wheat for APL and 83 per cent in the case of rice. In Bihar, diversion of wheat meant for AAY and BPL is above 40 per cent, while in the case of Chhattisgarh 78 per cent of the wheat for APL is

diverted. (See table)

The evaluation is, more or less, in tune with the findings of ORG-Marg in 2005. The findings showed total diversion of wheat in Assam meant to be distributed through ration shops. It also showed high percentage of diversion in Arunachal Pradesh (64.1 per cent rice and 96.2 per cent wheat). In Chhattisgarh, too, the diversion of wheat is as high as 71 per cent but more surprising is the diversion of wheat in Haryana being 74.2 per cent.

The leakage from the public distribution system is due to the inclusion of people who were not eligible for concessional price and exclusion of those deserving of issue of such food grains on concessional terms. In Kerala, for example, the inclusion error or enrolment of wrong people for the benefits is 80 per cent, while in the case of Delhi and Rajasthan it is 50 per cent.

These details were made available during the meeting of the core group of Central Ministers and State Chief Ministers on prices of essential commodities on April 8.

A Project Evaluation Organisation study in 2005 showed that total food grains leakage from the public distribution system is 36.38 per cent with nearly 20 per cent of coming at the ration shops and the rest through bogus ration cards.

#### 9-point action plan

Ironically, these findings have come up in the backdrop of the Centre's decision to increase the allocation by an additional 2.5 million tonnes (mt) of wheat and rice through the public distribution system, responding to the Supreme Court's criticism of rotting food grains. While the Centre plans to make the cereals available to the below poverty line people in six months, there seems to be a more serious issue — that of leakage and diversion of food grains that are subsidised and distributed through the ration shops.

The Government distributes annually a total of 43.86 million tonnes of food grains (wheat 19.71 mt and 24.15 mt rice).

The Food Ministry came up with a nine-point action plan to strengthen the public distribution system, including computerisation of the entire process, at the meeting.

Three working groups were set up at the meeting with the Deputy Chairman of the Planning Commission, Mr Montek Singh Ahluwalia, heading one on Food and Public Distribution with the Chairman, Economic Advisory Council to the Prime Minister, and the Chief Ministers of Chhattisgarh and Assam as its members.

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Back Dry spell may lead to lower coffee production

White stem borer menace continues to haunt estates.

M.R. Subramani

A. Srinivas

Chennai/Bangalore, Sept. 22

An unusual dry period during June-July in the growing areas is likely to result in coffee production estimates for the new season starting October being pruned.

Also, if the rainfall continues to lash Kodagu and other such areas, the crop could face problems, while the white stem borer menace is seen continuing to hit the output. "The dry period during June-July led to stagnation of growth in robusta and the rain now is a source of worry, especially if it continues," said a Coffee Board official who did not wish to be identified.

"As it is, there is always at least six per cent difference between post-blossom and post-monsoon estimates," the official said.

Pruning estimates

In the last couple of years, the board has been pruning its post-blossom estimates that are made after the flowers bloom. The post-monsoon estimates are made during October-November after monsoon ends. This takes into account all factors that could either affect or help production.

This year, the board in its post-blossom estimate has pegged the production at a record 3.08 lakh tonnes (lt). Arabica is likely to make up nearly one lt and robusta the rest. Last year, the production was cut by over five per cent in the post-monsoon estimated at 2.89 lt from 3.06 lt in post-blossom. Arabica made up 94,600 tonnes and robusta the rest. Similarly in 2008, the output estimate was cut by 5.6 per cent in the post-monsoon estimate to 2.76 lt from 2.93 in the post-blossom estimate. Arabica was around 90,000 tonnes and robusta made up the rest.

The official said that there has been no serious worries on the crop front with monsoon picking up in August and September. The drop in relation to the post-blossom estimate will not be more than the usual 6-8 per cent. But if the rain continues, there could be some problems.

However, Mr Bose Mandanna, former Vice-Chairman of Coffee Board said: "The post-blossom arabica estimate of close to one lakh tonnes looks difficult to achieve. White stem borer has been a major problem. As a result, the replanted crop over the last four or five years could account for 25 to 30 per cent of a plantation. These low yielding or non-bearing plants will affect output."

He said the 30 per cent rainfall deficit in Kodagu district since June 1 is unlikely to have impacted robusta adversely. "In fact, wet foot conditions wherein the plant activity comes to a total halt and droppings have reduced this time," Mr Mandanna said. Mr Shaji Philip, Chairman of the United Planters' Association of Southern India's Coffee Committee, said though there had been no aberrations with the crop, it would be an early crop this year. "The robusta crop looks good in Chickamagalur but it had not been for the January rain, it would have been better. Let's go by the Coffee Board estimate for now," he said. Dr N.K. Pradeep, Chairman of Karnataka Growers' Federation, said: "Coffee output is unlikely to touch three lakh tonnes this year. As a result of two blossoms in the case of robusta, the density in fruit formation might have

been affected. There could be 10-15 fruit in a bunch against the ideal 25-30."

He said that the arabica crop has already started ripening and 'fly picking' has already begun.

"Full-scale harvesting may start after October 15. The prolonged wet spell, after a delayed start to the monsoon, helped contain the incidence of white stem borer. However, 90,000 tonnes looks like a better estimate than one lakh tonnes, as many plants are still to mature," he said.

Mr M.G. Medappa, General Manager of Balanoor Plantations and Industries Ltd, said: "Weather has not had an adverse effect this year, as the early rainfall deficit was made up. Stem borer in arabica should be lower than last year, because the rainfall got extended. Fly picking has started in areas that received rain in January this year."

Mr Anil Bhandari, Member of Coffee Board, said that the rain has been enough to hold the crop, and there has been no damage.

Mr K.M. Nanaiah, Chairman of Karnataka Planters' Association said the situation in robusta was satisfactory, but arabica was a cause for concern. "However, robusta may not be more than last year. The damage was done during sparse rain during the blossom period. White stem borer seem to have hit arabicas in northern Kodagu. It could be in the region of 20-25 plants an acre for a round of borer tracing," he said.

Come October, the crop's situation will be clear with the board likely to come out with its post-monsoon estimate.

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Importers may exercise caution before making commitments.

#### G. Chandrashekhar

Washington DC, Sept 22

Given the sheer volume of business, the Asian pulses market, in general and India in particular, has always been exciting for exporters of pea and lentils in Canada, the US and elsewhere.

This year (2010-11), while the focus of global attention remains on Canada's Saskatchewan region which has been hit by too much of wet weather, many seem to lose sight of the fact that there is a healthy rebound of the pulses crop in India.

This is even as the US has finished harvesting a larger crop, holds significant inventory from last season and is looking for large and ready marketing opportunity.

On current reckoning, there is no major shortage of pulses in the world; and in the world's largest import market (India) there is a huge rebound in production. The price implication of this development cannot escape anyone's attention.

Jump in acreage

India is poised to harvest record kharif pulses crop this year given the fact that as per latest estimates, acreage under pulses has expanded by a whopping 20 lakh hectares from last year.

Major kharif season pulses – arhar/toor (pigeon pea), urad (black matpe) and moong – have all been planted in larger acreages, with pigeon pea alone accounting for over half the additional acreage for pulses.

Total acreage for all pulses, according to the Ministry of Agriculture, is 110 lakh hectares this season, up from last kharif's drought-hit 90 lakh hectares.

Reports of some damage to crop in some regions because of extended rains are doing the rounds; but the extent of loss is yet to be quantified; and there is broad consensus that such damage, if any, would be limited.

Even assuming an average yield of 500 kg a hectare, India may harvest an additional quantum of close to 10 lakh tonnes, a huge increase by any reckoning.

Importantly, soil moisture conditions are turning increasingly favourable for rabi season planting.

It is well known, the rabi crop in India – planted in October/November and harvested in the following February/March – accounts for 60 per cent of annual pulses production.

The domestic pulses market has already taken cognisance of the emerging situation and prices have corrected downward.

#### TAKING COGNISANCE

Unlike last year, Indians have a choice this year and can enjoy their traditional indigenous pulses, rather than overly depend on imports of peas, beans and lentil.

To be sure, despite large domestic output, Indian imports are likely to continue. As overall satisfactory agricultural outlook leads to higher rural incomes, there will also be rise in consumption demand as prices become more affordable and purchasing power rises.

While one may not like to hazard a guess at this point of time about the volume of India's total import during 2010-11 (it was 35 lakh tonnes in 2009-10), it is becoming increasingly clear that Indian importers are sure to exercise abundant caution before making commitments.

#### Price factor

So, the message is clear – price is the key. If overseas suppliers want to service the world's largest import market, it is imperative they offer peas and lentils at prices that are consumer-friendly.

It is also necessary to realise that the quality of supplies from Canada is likely to be

below par because of aberrant weather.

In the US, pea crop quality is not exactly up to the mark. Some of the lower grade material may find a market in India. One can already sense the competition between Canadian and the US suppliers to meet India's needs.

World pulses prices will be under downward pressure despite Canada's output woes.

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Back Futures lead spot turmeric to near Rs 15,000/quintal



Our Correspondent

Erode, Sept. 22

Following a rise in prices of futures contracts, spot turmeric prices have increased Rs 400 a quintal in two days. The demand for the golden spice has increased and the price is near Rs 15,000 a quintal.

The spot price that ruled at Rs 14,400 a quintal two days ago is currently quoted at Rs 14,700–14,800 a quintal on Wednesday.

In the Erode Turmeric Merchants Association sales yard, the finger variety was sold at Rs 9,519–14,819 and the root variety sold at Rs 9,306–14,360 a quintal. Out the 1,743 bags that arrived, 529 were sold.

In the Erode Cooperative Marketing Society, the finger variety was sold at Rs 14,380–14,860 and the root variety was sold at Rs 14,189–14,549. Out of arrival of 573 bags 519 were sold.

In the Gobichettipalayam Agricultural Cooperative Marketing society, all the 164 bags that arrived were sold. The finger variety fetched Rs 12,070–14,789, while the root variety was quoted at Rs 12,410–14389.

In the Regulated Market Committee, the finger variety was sold at Rs 14,169–14,829 and the root variety was sold at Rs 14,019–14,599 a quintal. The sales were very high with 1,271 bags of the total 1,461 bags that arrived being sold.

"Now the ball is in turmeric farmers' court, as the price of turmeric is increasing every day. Because of the rise in the futures contract to Rs 13,446 a quintal on the National Commodities and Derivatives Exchange, the spot price hasincreased Rs 400 a quintal in two days.

Further, there is very heavy demand from the traders, as they are getting a number of orders for the spice from all over the country. The traders also quote good price in the tenders. This increase in price is a boon to the growers," said Mr RV. Ravishankar, President of Erode Turmeric Merchants Association, on Wednesday.

He said that the uptrend will continue for another 10 to 15 days. "I am of the opinion that turmeric will touch Rs 15,000 a quintal in the next couple of days. It may touch Rs 15,000 a quintal on Thursday."

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Back AP farmers to get Rs 700 cr compensation

Our Bureau

Hyderabad, Sept. 22

About 11.5 lakh farmers in Andhra Pradesh will get a compensation of Rs 700 crore from

the Agriculture Insurance Company for crop losses in 2009. "The Union and State Governments will contribute Rs 260 crore each. The farmers had paid a premium of Rs 180 crore during that year," Mr N. Raghuveera Reddy, Andhra Pradesh Minister for Agriculture, said in New Delhi on Wednesday.

Mr Reddy, who was in the Capital to discuss fertilisers and insurance with officials concerned, said the amount would be paid in a week.

IISC campus

He also said Indian Institute of Science (IISc), Bangalore, will set up its second campus in Anantapur district at the Lepakshi Knowledge Park.

About 1,000 acres were allotted to the institute for setting up the campus, he said.

The 10,000-acre park is coming up at Kodikonda Check post, 70 km from the Bangalore International Airport.

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Back India Inc urged to invest more in agriculture

Our Bureau

Kolkata, Sept. 22

The President, Ms Pratibha Patil, today called for increased corporate investment in agriculture sector, in order to ensure modernisation of rural economy which in turn would fuel India's rapid yet inclusive economic growth.

Inaugurating the 37 th national management convention organised by the All India Management Association (AIMA), here today, the President said that agriculture needed "a fresh approach" to enhance its productivity and profitability.

"Industry partnering with agriculture, particularly in the rainfed areas, can be a win-win

option," she said.

According to Ms Patil, "Increased corporate investment in this key sector (agriculture), can offer a new frontier of growth across myriad areas. Some of these areas are: economies of scale through advanced models of farming; effective distribution systems so as to reduce the gap between the farmer and the end customer and, food security."

The President reminded the corporate India about its responsibilities in partnering India's growth story. "The world's most successful organisations as also the admired ones are those which have committed not only towards the shareholders of their company, but to a wider body of stakeholders including employees, customers and indeed the society at large," she said.

For corporate India to become a credible partner in India's progress, a trust-based relationship between the Government, organisations and the society at large is a must.

"Business is for profit but it cannot be divorced from ethics," she felt.

Earlier speaking at the occasion Mr B. Muthuraman, Vice-Chairman of Tata Steel and Chairman of the Convention, said that India should focus on two key areas of education and healthcare to ensure empowerment of her citizen.

Mr Muthuraman particularly invited attention on primary education, education of girl child, primary healthcare and women healthcare.

Addressing a morning session, Mr Nandan Nilekani, Chairman, Unique Identification Card (UID), said that a lack of certifiable identity is acting as a barrier especially for the poorer sections in accessing the social benefits.

He informed that a system of online authentication on real time basis has been developed to make identification fast and convenient.

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G.K. Nair

Kochi, Sept. 22

Pepper futures on Wednesday ended nearly steady with a marginal decline on limited activities, profit booking and buying back of sales.

Investors were offering 4-5 years old pepper held by them at Rs 2.5-3 a kg below the October delivery price. But there were no buyers. Some quantity of validity expired stocks were traded at Rs 1.5-2 below the October price. Additional purchases also took place.

Interstate traders were buying pepper from Idukki and Wayanad and small quantities were traded.

October contract on NCDEX declined by Rs 13 to close at Rs 19,497 a quintal. November contract slipped by Rs 7 to close at Rs 19,705 a quintal. December contract was up Rs 33 to close at Rs 19,943 a quintal.

Total turnover dropped by 5,929 tonnes to close at 12,813 tonnes.

Total open interest moved up by 143 tonnes to close at 16,381 tonnes indicating additional purchases. October open interest was down by 45 tonnes to 13,450 tonnes. November and December were up by 168 tonnes and 13 tonnes respectively at 2,091 tonnes and 664 tonnes.

Spot prices remained steady at the previous levels of Rs 19,200 (un-garbled) and Rs 19,700 (MG 1) a quintal.

Indian parity in the international market remained nearly steady at \$4,525-\$4,550 a tonne (c&f). The actual price trend could not be discerned as the overseas reports have been giving conflicting trends, market sources told Business Line.

According to an overseas report from Vietnam, the market there was inactive there today. Vietnam pepper indications were faq min 500 g/l \$4,040 a tonne (fob) HCMC Prompt shipment and faq min 550 g/l \$4,270.

Brasil asta was quoted at \$4,100 (fob), B1 \$4,000-\$4,050 (fob) and B2 - 500 g/l \$3,900-\$3,950 (fob) Oct and Nov shipment. Lampong asta \$4,250-\$4,300 (fob) Oct shipment (origin sellers).

Meanwhile, another report from the US markets said very small quantities of Ecuador black pepper asta was reportedly traded \$4,300-\$4,325 (c&f) USA.

Prices quoted for different origins of black pepper per tonne in dollars c&f New York Sep/Oct shipments were: MG 1asta – 4,625-4,725; Vietnam asta – 4,425 (Feb/Mar); Lampong 500g/l – 4,100 (fob); Lampong asta – 4,250 (fob); Ecuador asta – 4,325-4,350; Sri Lanka 500g/l – 3,950-4,000 (fob); Brazil B2 500g/l -4,150 (fob); Brazil B1 560g/l – 4,250 (fob) and Brazil asta – 4,350 (fob).

White pepper prices quoted were Vietnam \$6,350-\$6,400 and Muntok \$6,050-6,100 a tonne (c&f).

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### Back Lack of export orders cools basmati



Our Correspondent

Karnal, Sept. 22

Sluggish demand pulled aromatic rice prices down by Rs 100 a quintal, while the market of non-basmati rice witnessed a steady trend. On Wednesday, Pusa-1121 (steam) ruled around Rs 5,300 a quintal, Pusa-1121 (sela) around Rs 4,350, Pusa-1121 (raw) at Rs 5,300-5,350.

Pusa (sela) quoted at Rs 3,300-3,350 a quintal and Pusa (raw) at Rs 4,200.

Basmati sela ruled at Rs 6,200 a quintal, while basmati raw was quoted around Rs 7,200.

The Sugandha-999 sela was quoted around Rs 2,700 and PR14 (old) was at Rs 2,200-2,250. The Sharbati sela variety was quoted at Rs 2,750 a quintal; Sharbati steam was quoted around at Rs 2,900.

PR11 sela quoted at Rs 2,150, PR (raw) at Rs 2,180-2,200 and PR (steam) at Rs 2,300 a quintal. Brokens such as Tibar ruled around Rs 3,600 a quintal; Dubar at Rs 2,700 and Mongra around Rs 2,000.

Mr Amit Kumar, a rice trader, told Business Line that as the export season ends this month the demand is low and because of this the prices of basmati variety are witnessing a downtrend.

On the other hand, because of floods and heavy rainfall, paddy crop in many areas have been damaged. Mature crops have not been harvested and loss of crop is feared. The future for the non basmati market is good, he further said.

As the paddy is not being harvested in Uttar Pradesh, the market is witnessing low arrivals this week.

Around 8,000 bags of different paddy varieties arrived in Karnal mandi, on Wednesday.

PR arrived with a stock of around 5,500 bags. The stock with high moisture ruled between Rs 600 and Rs 800 a quintal, while the fine quality was quoted at Rs 800-1,075 a quintal.

Around 1,500 bags of Sugandha-999 arrived and it was lifted at around Rs 1,150-1,500 a quintal. About 1,000 bags of Sharbati variety arrived and the stock was lifted around Rs

900-1,420. With low arrival and good demand of Sugandha-999 and Sharbati, paddy prices rose. Paddy of old 1121 was at Rs 1,900-2,200 a quintal. Stock was lifted by the rice millers.

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Back Canadian growers may switch harvest plans

G. Chandrashekhar

Washington DC, Sept 22

Weather-induced farm woes in Canada seem to be going on for longer than anticipated. Initially, wet weather delayed plantings and now, continuous rains have left planted fields flooded in many areas making it almost impossible for harvesters to enter the field. No wonder, harvest has been inordinately delayed.

As for pulses, just about a third had been harvested by mid-September.

Wet weather

Continuing wet weather in Canada's Saskatchewan region is forcing growers to think about newer ways of responding to the crisis.

Many are reportedly changing their harvest plans because of the extended harvest delay.

Some growers have reportedly decided not to harvest lentil crop, but wait for weather to allow planting of canola (rapeseed).

"I have heard from producers in some areas who are planning to leave their lentil fields sit and concentrate on their canola when the weather finally allows", Mr Harry Siemens, well known radio commentator on farm issues, told Business Line. He was speaking from Winnipeg.

Lentil crop

Reports from growing area suggest that the lentil crop is going to be hard to scrape off the ground and in many cases, it is going to be sprouted, wrinkled and bleached.

Frost conditions are likely to set in soon which can further affect output and quality, it is feared.

In other words, the quality of produce that may eventually come to the market (primarily for export to markets such as in Asia) is expected to be sub-standard.

But some exporters are betting on opportunity to dispose of inferior quality pulses to price-sensitive markets such as India.

Rather than spending precious time churning away on low-grade lentils or switching to wheat that has a relatively low value, some producers with canola ready to harvest will turn to that instead, according to Mr Siemens.

#### Canola scene

There is belief that canola swathed well in advance of the frost should be good quality and it will combine a lot faster than lentils. There will be some lentils never combined (harvested) this year and there are likely to be many producers in a crop insurance claim situation on the crop, goes a report in the marketplace.

Eventually, of course, producers will turn their attention to salvaging what they can of the lentil crop; but not everybody with lentils to harvest will be turning to the crop right away, Mr Siemens remarked, adding that could further affect the quantity of lentils available to the marketplace.

In case of wheat too, Canada is facing threat to production and quality from poor weather conditions. Canadian production areas received first frost of the season last week posing threat to any late developing fields. According to Prudential Bache Commodities Research, harvest progress and problems in Canada bear watching as wet weather can reduce production and quality from the July official production figure of 22.6 million tonnes of which 16.9 mt was spring wheat and 3.1 mt durum.

Global wheat market is also closely watching developments in Argentina and Australia

where dry conditions are reportedly stressing crops. This comes in addition to the known crop losses in Russia. No wonder, world wheat prices have rallied

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## Back Lower arrivals dog Karnataka tobacco sale



Anil Urs

Hubli, Sept 22

Only 1.68 lakh kg of Flue Cured Virginia (FCV) tobacco variety have been marketed at the end of third-day of tobacco auctions at various platforms in Karnataka.

Of the quantity marketed, bright grades comprised 52.49 per cent and traded at an average price of Rs 124.97 a kg. Medium grades comprised 44.71 per cent traded at an average price of Rs 108.49 a kg and low grades comprised the rest traded at an average price of Rs 72.24 a kg.

Arrivals are yet to take-off at the auction platforms. Currently, arrivals are in the range of 700-800 bales as against 1,000- 1,500 bales reported in the same period last year.

"The reason attributed for low arrivals is due to flat prices witnessed at various auctions platforms in the last two days," said T. Vikramraj Urs, Secretary, Karnataka Tobacco Growers' Forum, Periyapatna.

"Also, auction is still going on in Andhra Pradesh. Due to this, only six buyers are active in Karnataka market as against a full strength of 20-25 buyers," he added.

According to Mr K.N. Vishakantaiah, Regional Manager, Tobacco Board, Karnataka, the quality of the crop this year is good and is reflecting in good quantity of brights and medium getting sold instantly at previous years rate.

Tobacco being a restricted crop, the board has fixed Karnataka's crop size for 2010-11 at 100 million kg.

Following are platform-wise auction details as on September 21: H.D. Kote total quantity marketed 17,903.80 kg (average price Rs 113.36 a kg), Hunsur-1 7,399 kg (121.76/kg), Hunsur-2 15,580 kg (120.63/kg), Periyapatna-1 14,892 kg (119.49/kg), Periyapatna-2 18,451 kg (118.63/kg), Periyapatna-3 12,196 kg (116.85/kg), Ramanathapura-1 36,978.60 kg (118.38/kg), Kamplapura-1 10,196.60 kg (121.96/kg), Kamplapura-2 8,737.30 (116.42/kg), Ramanathapura-2 9,734.20 kg (122.53/kg) and Hunsur-3 16,896.10 kg (119.08/kg).

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## Back Drop in offtake crushes soyabean



Our Correspondent

Indore, Sept 22

Soyabean witnessed restricted private trading with Indore mandi remaining closed on Wednesday on account to Anant Chaturdashi.

With the arrival of soyabean declining to about 15,000-17,000 bags from 95,000 bags on Tuesday, soyabean in was quoted Rs 1,900-1,920 against Rs 1,925-1,980 quoted in the physical market on Tuesday.

A meagure 5,000-6,000 bags soyabean arrived in Indore on Wednesday. Notwithstanding the weak arrival, plant deliveries of soyabean quoted Rs 5 lower at Rs 2,010-2,050 a quintal.

Sluggishness was seen in soya oil prices as well with prices ruling steady in the local market because of drop in demand. Soya refined oil quoted Rs 452-455 for 10 kg, while soya solvent quoted at Rs 422-426, unchanged from the previous day.

Price factors

According to traders, soyabean price is likely to remain either subdued or trade lower once inflow of soyabean in mandis gathers momentum after the inauspicious period of gets over. The factors that will affect soyabean prices in the near future are bumper production likely at 95 lakh tonnes (It) and higher carryover stocks this year. Of this, Madhya Pradesh alone will contribute 60 lt.

However, in the short–term, soyabean prices may trade slightly higher on firm overseas market because of unfavourable weather condition in Brazil, Canada and China.

Currently, farmers and stockists are releasing about 6-7 lt of held over stocks of soyabean every monthto accommodate the new crop.

According to SOPA spokesperson, Mr Rajesh Agrawal, due to sudden spurt in arrival of new crop, the crushing units are able to utilise only 50 per cent of their capacity.

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### Back Bearish global trend weakens edible oil



### Our Correspondent

Mumbai, Sept. 22

Edible oil prices witnessed a weak trend on Wednesday with normal trading volume and bearish trend in Malaysia.

Imported oils palmolein and soya refined oil declined by Rs 5/10 kg.

Sunflower oil fell by Rs 10. Rapeseed oil fell by Re 1 on weak demand. Most of the retailers were closed due to the Ganesh Visarjanfestival. The wholesale oilseeds and oils market was open for half a day.

Sources said all were in a festive mood and in the absence of fresh demand, the volume was nominal. Arrivals of new crops have begun in some of the producing areas and they influenced the sentiment.

Palm oil October futures in Malaysia were unchanged. November and December futures were marginally up. Volume was at a nominal level.

In palmolein, 450–500 tonnes were traded in the markets. Of this, Liberty sold about 300 tonnes in the 459–460 range and resale in the market was 150–200 tonnes in the Rs 460–461 range. Soya refined oil was quoted by the refineries at Rs 472–474. Groundnut

oil was steady on weak reports from Saurashtra.

On Malaysia's BMD crude palm oil October contracts closed unchanged at 2735 Malaysian ringgits (MYR), and November at 2680 MYR. Indore NBOT soya oil October contracts were steady at Rs 485.50.

Mumbai commodity exchange spot rates: Groundnut oil Rs 890 (Rs 890); soya refined oil Rs 472 (Rs 477); sunflower expeller refined Rs 540 (Rs 550); sunflower refined Rs 590 (Rs 595); rapeseed refined oil Rs 569 (Rs 570); rapeseed expeller refined Rs 539 (Rs 540), Cotton refined Rs 500 (Rs 500) and palmolein was at Rs 460 (Rs 465) for 10 kg.

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# Back Profit booking takes a toll on castor



Our Correspondent

Rajkot, Sept.22

Castor price declined on the spot and futures markets on Wednesday on profit booking.

Good rain in the growing regions, brightening the prospects for a better crop next season also led to the fall.

On the Rajkot Commodity Exchange, castor October contract traded at Rs 3,688 a quintal, down Rs 32 from Tuesday's close of Rs 3,720 a quintal.

Arrivals were normal and stable. About 1,500-2,000 bags (50 kg each) arrived in Gujarat and the price quoted was Rs 800-815 for 20 kg. In the Saurashtra region, 600 bags of castor arrived and they ruled at Rs 790-817.

According to market sources, castor has come under pressure following profit booking. Prices may come down further this week as demand is waning.

A trader at RCX said: "Good monsoon is pulling down the price of castor as the crop prospect is seen brighter. In the last few weeks, the price had reached an all–time high and therefore, profit booking was expected."

According to the Agriculture Ministry data, castor coverage this year is 7.69 lakh hectares (6.73 lakh hectares).

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Back Sell arecanut in Dec-Jan, Dharwad varsity tells farmers

Our Bureau

Hubli, Sept 22

In order to protect the arecanut farmers from distress sale, the Domestic and Export Market Intelligence Cell (DEMIC) of University of Agricultural Sciences, Dharwad, has advised farmers to store the crop upto December and then sell in December 2010 and January 2011 months to realise better prices.

DEMIC in a release said trade in arecanut is always a gamble and farmers are the worst hit. The price advantages are not transformed to farmers and the traders exploit this situation. Also, lack of market information and intelligence has pushed the farmers to the state of price takers.

Analysing the monthly price data of arecanut crop for the past 20 years collected from Kumta, Sirsi and Siddapur regulated markets showed that in September a quintal of areca is traded as follows: in Kumta Rs 6,350, Sirsi Rs 7,870, and at Siddapur Rs 7,800.

Forecast

According to DEMIC price forecast expected for the next four months (October 2010 to

January 2011) is as follows: Rs 6,400-6,600 in Kumta regulated market, Rs 6,400-6,800

in Sirsi market and Rs 6,100-6,300 in Siddapur market.

The prices are further expected to go up after January 2011. It is expected to be around

Rs 6,700, Rs 6,800 and Rs 6,400 in Kumta, Sirsi and Siddapur markets, respectively.

Among the markets, maximum price is expected is in Sirsi, followed by Kumta and

Siddapur markets.

Advising the farmers in the areca growing region, DEMIC said the price differentials

should be taken into account while selling their produce.

"If price difference covers the cost of transportation, then it would be better for farmers to

sell in Sirsi market than in Siddapur market. Well dried and graded nuts is expected to

fetch better prices. Hence, farmers are advised to keep these things in mind while

preparing their arecanut for market," the release added.

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Back The odd citrus

— P. V. Sivakumar



Rarity: This is one of those fruits that's an old favourite but increasingly, a rare find. The pommelo or the pampelmousse is a different delightful citrus altogether. Unlike its smaller cousins, the oranges and the tangerines, this citrus fruit has a pale pink flesh, distinct from the sweet-sour tang of its ilk. Extensively used in making pommelo marmalade, it is grown in East Godavari district of Andhra Pradesh. It arrives during September-October and is available for Rs 20-25 a piece in Hyderabad.

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Back Coonoor tea auction to see year's lowest volume

P.S. Sundar

Coonoor, Sept. 22

A volume of 11.64 lakh kg will be offered for Sale No: 38 of the auctions of the Coonoor Tea Trade Association to be held tomorrow and Friday, reveals an analysis of the listing by brokers.

This is the lowest volume offered so far in 2010. It is 1.22 lakh kg less than last week's offer and as much as 3.07 lakh kg lower than the offer this time last year.

Of the 11.64 lakh kg on offer, 7.98 lakh kg belong to the leaf grades and 3.66 lakh kg to the dust grades. As much as 11 lakh kg belong to CTC variety and only 0.64 lakh kg, orthodox variety. The proportion of orthodox teas continues to be low in both the leaf and dust grades. In the leaf counter, only 0.32 lakh kg belong to orthodox while 7.66 lakh kg, CTC. Among the dusts, only 0.32 lakh kg belong to orthodox while 3.34 lakh kg, CTC.

### Fresh tea

In the 11.64 lakh kg, fresh tea accounts for 10.88 lakh kg. Only 0.76 lakh kg comprise teas remaining unsold in previous auctions.

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