

## Briquetting plant begins functioning at TNAU



Innovation: Vice-Chancellor of Tamil Nadu Agricultural University P. Murugesha Boopathi (third right) taking a look at the briquette plant set up at the university in Coimbatore. Photo: Special Arrangement

It can make efficient use of agro-residues

In order to achieve more efficient use of agro-residues, it is essential to give them density so that one could make them into compact pieces of definite shape and high thermal value.

Briquetting is one of the several compaction technologies, P. Murugesha Boopathi, Vice-Chancellor of Tamil Nadu Agricultural University, said here recently.

Inaugurating a briquetting plant at the university, the Vice-Chancellor said TNAU had developed briquetting technologies using agro-residues for the first time in the country, which were under testing.

“Agro-residues are free, or of low cost, are indigenous, and serve as abundant sources of energy. These are bulky, low in combustion and liberate smoke copiously.

“The direct burning of these in domestic and industrial applications is inefficient and is associated with wide scale air pollution. Hence, the need to put them to efficient use is essential,” Mr. Boopathi said.

S. Santhana Bosu, Dean (Agricultural Engineering), TNAU, said the project on “Value Chain on Biomass based Decentralised Power Generation for Agro Enterprises” was being operated by the Department of Bio-energy of the university, and funded by the National Agricultural Innovation Project.

The main objective of the project was to make briquettes from agro-residues and to use them to generate producer gas for thermal and power generation.

“Almost all agro-residues can be briquetted. Agro-residues such as tapioca waste, groundnut shell, cotton stalk, pigeon pea stalk, and castor husk can be briquetted and used instead of wood or coal,” Mr. Bosu said.

For details, contact P. Venkatachalam, Head, Department of Bio-energy, TNAU, Coimbatore – 641003; or call 0422-6611276; e-mail to [bioenergy@tnau.ac.in](mailto:bioenergy@tnau.ac.in)

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**EGoM to discuss Supreme Court order on foodgrain today**



The Hindu Wheat bags stored at an FCI godown in Mysore. The Supreme Court in its recent order has asked the Centre to consider its free supply to the poor instead of allowing it to rot in FCI godowns. Photo: M.A. Sriram

The Empowered Group of Ministers (EGoM) on food will meet on Thursday and it is likely to discuss ways of implementing the Supreme Court order to distribute foodgrain 'free' to the poor instead of letting it rot.

"The EGoM on food is meeting tomorrow," Finance Minister Pranab Mukherjee told reporters on the sidelines of an insurance summit organised by Assocham in Mumbai.

The EGoM will discuss various issues related to foodgrain stock including the Supreme Court's order of August 12, which has asked the Centre to consider its free supply to the poor instead of allowing it to rot in FCI godowns, according to Food Ministry sources.

The EGoM, headed by Finance Minister Pranab Mukherjee, is likely to deliberate on the ways to implement the order as the Supreme Court on Tuesday rejected Food and Agriculture Minister Sharad Pawar's contention that it was a "suggestion" which cannot be implemented.

"It was not a suggestion. It is there in our order. It is part of our order. You tell the Minister about it," a Bench of Justices Dalveer Bhandari and Deepak Verma told the government counsel Additional Solicitor General Mohan.

Published: August 31, 2010 17:28 IST | Updated: September 1, 2010 13:54 IST MEXICO CITY, August 31, 2010

### **Mexico cuts greenhouse emissions by agricultural activities**



AP In this June 13, 2008 file photo a worker displays pellets produced by a prototype for a biomass machine that transforms agricultural waste into pellets that can be burned for cleaner fuel instead of coal, at a machinery factory in Hebei, China. Mexico has reduced 19.5 million tons of greenhouse gas emissions last two years through “green agricultural activities,” the Agricultural Ministry said in a statement.

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Those activities include replacing fishing boat motors with newer less polluting equipment, replanting 298,200 of land, dedicating 250,000 hectares to conversation. There are also governmental programs to reduce the use of fertilizers, which are largely made from hydrocarbons, and to cut the burning of methane, an agricultural waste gas that is 22 times more powerful than carbon dioxide.

Mexico has pledged to reduce greenhouse gas emissions by 50 million tons a year by December 2012, which is the end of the presidency of Felipe Calderon, who has made green issues a top policy priority.

That figure was equal to the amount of gas emissions of all Mexico City's vehicles for four and a half years. Mexico's efforts to cut greenhouse gas emissions have been recognized by the United Nations, which has made Mexico the host of the upcoming 16th Conference of the Parties on Climate Change in Cancun, Mexico's Caribbean resort.

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### **Global food prices highest in two years: FAO**



AP There was a "sudden sharp rise" in international wheat prices because of the drought in Russia and the country's subsequent restrictions on wheat sales. File photo

Global food prices rose to their highest level in two years due to a sharp rise in wheat prices, the Food and Agriculture Organisation (FAO) said on Wednesday.

The FAO Food Price Index (FFPI) averaged 176 points in August, up nearly nine points from July, the UN body said in a statement released from its headquarters in Rome.

“The increase — five per cent — brought the index up to its highest level since September 2008, but still 38 per cent down from its peak in June, 2008,” it added.

FAO said the “sudden sharp rise” in international wheat prices was because of the drought in Russia and the country’s subsequent restrictions on wheat sales. This apart, other drivers which fuelled the price rise are higher sugar and oilseed prices.

Meanwhile, the UN body recently lowered its global wheat production forecast to 646 million tonnes.

“The latest revision reflects a further cut in the estimate of this year’s harvest in the Russian Federation to 43 million tonnes (from 48 million tonnes in August), more than offsetting higher forecasts for crops in a number of other countries, including the United States and China,” it said.

The forecast for world wheat stocks, ending 2011, was also lowered to 181 million tonnes, down nine per cent from their eight year high opening level.

Published: August 29, 2010 23:15 IST | Updated: August 29, 2010 23:15 IST Tuticorin, August 29, 2010

### **Alagiri expected to kick-start resumption of operations at SPIC in Tuticorin**



The Hindu ALL SET: A view of Single Super Phosphate Plant inaugurating on the SPIC premises in Tuticorin on Sunday. Photo: N. Rajesh

Union Minister for Chemicals and Fertilizers, M.K. Alagiri is expected to kick-start the resumption of operations in Southern Petro Chemical industries Corporation (SPIC), Tuticorin, in September, A.C. Muthiah, Chairman, SPIC, said here on Sunday.

The resumption of operations will adequately meet the demands of the farmers, who largely depend on urea and fertilizers. Tuticorin Alkali Chemicals and Fertilizers limited and Heavy Water Plant, a consortium of SPIC will also be made fully operational as a result.

Earlier, S. Krishnan, Secretary (Fertilizers), inaugurated a new Single Super Phosphate production plant (SSP) on the SPIC premises in the presence of Dr. Muthiah and its Vice President R. Muthu Manohar. It has been established at an estimated cost of Rs.3.6 crore.

The production of urea (nitrogenous fertilizer) and Di-Ammonium phosphate (complex fertilizer) would commence from the third week of September and by first week of October, the production would get in to full swing. Mr. Alagiri had made great strides and he was instrumental in resuming the operations here. The State government also extended all its support for the re-functioning of SPIC, he said while addressing a press conference. Referring to the capacity of production per annum, he said urea would achieve 6.5 lakh tons, DAP – 4.5 lakh tons, SSP – 1 lakh tons and Nitrogen, Phosphorus and Potash (NPK) – 2 lakh tons. After production, 60 per cent of urea would be given for consumption in Tamil Nadu. As for DAP and SSP, the percentage of consumption would be 75 and 100, respectively.

Meanwhile, he said that the SPIC would set up a 550 mega watt power plant near Tuticorin Port Trust and the environmental clearance for establishing the plant was accorded. The capacity of the power plant would also be increased to 1000 MW. It would be commissioned in three years. Zinc sulphate and micro nutrients would be manufactured here in due course, he added.

Since naphtha, the key raw material for production of urea was expensive, establishment of gas pipeline for industries, was the need of the hour. The industry was fully equipped with augmenting such facilities but awaiting the connectivity. Due to a technical glitch in turbine, the scheduled resumption of the industries by Mr. Alagiri on May 1, was delayed, he said on a query.

Taking pride in the stand of SPIC, he added that there was no lay off even though the industry had stopped production. Hundred new recruits would be taken for production, he added.



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August 31, 2010

## **NABARD pilot project in State to improve agriculture efficiency**



The National Bank for Agriculture and Rural Development (NABARD) has launched a three-year pilot project in six districts of Tamil Nadu to make agriculture more viable by reducing inputs and labour costs while increasing productivity.

Implemented in collaboration with the State Government, non-governmental organisations and the local community, the project would focus on major crops of the districts, according to R. Narayan, NABARD Chief General Manager, Tamil Nadu Region.

### **Enhancing productivity per acre**

In an interview to *The Hindu* here on Tuesday, he said that the project has begun at Villupuram, Krishnagiri, Coimbatore, Ramanathapuram, Thanjavur and would commence soon at Sivaganga.

The best farmers in the locality would be identified and measures to enhance the productivity per acre of land would be introduced.

These levels would be the benchmark for other farmers in the region, he said.

### **Eliminating middlemen**

The project aims to reduce inputs costs by replacing the chemical fertilizers and pesticides, the indiscriminate use of which reduces soil fertility, with organic farming.



Another initiative was to ensure farmers have better price realisation for their produce by eliminating the middlemen.

Structures that provide a direct interface for farmers with consumers for select crops would be established in these six districts, he said.

“If this succeeds, we can show to the Government that this project, run by the communities, can address food security issues faced by the country and do away with the myth that agriculture is unviable,” said Mr. Narayan.

### **Reducing migration**

This pilot project also aims at reducing farmers' migration to the cities.

He expressed hope that some incremental benefits would accrue from the project as early as the end of first year itself.

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**<http://www.thehindu.com/2010/09/02/stories/2010090261940600.htm>**

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### **Pre-sowing ploughing to increase agriculture productivity in Tirupur**

R Vimal Kumar

*Campaign to stress on the need to opt for preparatory cultivation*

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*Ploughing on dry tracts will facilitate better control of weed infestation It will also help farmers prevent rainwater from 'runoff'*

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Tirupur: Farmers in the district may not have many tales of success to say in the last few seasons as they had been often bothered by various types of pest attacks and weed infestation, which reduced the productivity to a large extent.

To help them overcome such problems in the upcoming rabi season beginning in October, as well as for the last sowing in the kharif scheduled for September end, the agriculture department had launched a special campaign to enlighten the farmers on the need to opt for preparatory cultivation practices like pre-sowing ploughing.

“Since the lands have been remaining fallow after the last harvest, it will be wise to plough the fields well before the sowing begins,” Joint Director of Agriculture S. Muthusamy told The Hindu.

The ploughing, according to Mr. Muthusamy, will bring the pupa of insects to the surface before it gets destroyed by sunlight.

With the district set to receive more rain, the ploughing would also help the farmers prevent rainwater from “runoff” and thereby, retain the moisture of soil on top layers for longer duration.

“Further, the ploughing on dry tracts will facilitate better control of weed infestation on rabi season crops, and help the plant residues get decomposed ,” Mr. Muthusamy said.

In the district, farmers usually opt for great millet, horse gram, lablab, maize and Bengal gram during rabi season.

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**CCI promotes contract farming**

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*Project extended to all cotton growing States Depots opened in Coimbatore and*

COIMBATORE: The Cotton Corporation of India (CCI) is hopeful that the depot sales scheme it started in 2009-2010 cotton season will gain momentum in the future. The CCI opened depots in Coimbatore and Rajapalayam after getting 4 per cent Value Added Tax exemption from the Government of Tamil Nadu for cotton sold through the depots.

Further, the CCI continues to promote integrated cotton cultivation. The corporation has extended the project in all the cotton growing States and has totally 47,734 hectares under contract farming.

According to a release from the corporation, apart from these efforts, it organised 4070 frontline demonstrations under Mini Mission Two of the Technology Mission on Cotton and one frontline demonstration on integrated pest management technology during 2009-2010.

The CCI continues to undertake Minimum Support Price (MSP) operations. During 2009-2010, the volume of MSP operations was lower as the prevailing prices of kapas rules at MSP only for a month and the prices were high throughout the season.

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**<http://www.thehindu.com/2010/09/02/stories/2010090261770600.htm>**

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### **Steps to combat turmeric and rice diseases**

COIMBATORE: The Centre for Plant Protection Studies of the Tamil Nadu Agricultural University has suggested measures to control turmeric rhizome rot disease and paddy tungro virus disease that have been spotted in Erode and Tiruvallur districts.

According to the centre's Director E.I. Jonathan, certain Integrated Pest Management (IPM) measures have been recommended for both the outbreaks.

Farmers have been asked to avoid stagnation of water in the fields, removal of the diseased plants, and treat seed rhizome with 0.3 per cent copper oxychloride for 30 minutes before storage, for controlling the turmeric rhizome rot.

For managing the tungro virus disease in paddy, farmers have been asked to remove affected plants with stunted growth and yellowing symptoms, set up light traps to monitor, and attract and kill the adult green leaf hoppers. They have also been told to control the vector green leaf hopper that transmits the virus by spraying phosphomidon 40 SL 400 ml an acre or fenthion 100 EC 200 ml an acre. It should be ensured that the vegetation in the bunds is also sprayed.

For details, contact the Head, Department of Plant Pathology, TNAU, Coimbatore – 641003; or call 0422-6611226.

**Date:02/09/2010 URL:**

**<http://www.thehindu.com/2010/09/02/stories/2010090260600400.htm>**

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## **Coconut farmers to get technical training**

*Attempt to make domestic coconut industry globally competitive*



**K.V. Thomas to lay foundation stone for farmers block.**

NEW DELHI: To make the domestic coconut industry globally competitive, the Coconut Development Board has decided to impart technological training to farmers, processors, traders and exporters.

To facilitate this, Union Minister of State for Agriculture K.V. Thomas will lay the foundation stone for a 'farmers block' at the board's headquarters in Kochi on September 2, which is being observed as the World Coconut Day. The venue would serve as a centre for the programme.

On the occasion, Kerala government will launch Cocotech Promotion 2010, a national

campaign on application of technology for export promotion. The programme will give impetus to the development of technologies for coconut processing, value addition, product diversification and assistance for setting up coconut processing units, packaging, branding, market promotion and quality testing for various products.

#### Book release

Three books to create awareness on the potential of coconut production and export would be released on the occasion. The books are "Nalikerathinte Nattil" (In the Land of Coconut), "Cracking Coconut" and "In a Nutshell."

Addressing journalists here on Tuesday, the Minister said the board had decided to register exporters of all coconut products. So far, 255 exporters from various sectors had registered with the board and obtained registration and membership certificates. Those who have registered are from Kerala, Tamil Nadu, Andhra Pradesh, Karnataka, Gujarat, Goa, Maharashtra, Delhi, West Bengal and the North-East.

"As a result of these efforts, India could earn a foreign exchange of Rs.442 crore in 2009-10 from export of coconut products, recording an annual growth of 34 per cent. Taking into account the current trend, the board has set a target of Rs.600 crore for the current year," he said.

#### To boost export

Prof. Thomas said after the Commerce Ministry notified the board as an Export Promotion Council, the board could secure relief and concessions for boosting export of coconut products under various schemes. At the same time, quantitative restriction for import of coconut was removed and hence small packs up to 5 kg branded coconut oil to a maximum quantity of 10,000 tonnes had been permitted through the ports. According to the Minister, the packaged tender coconut water had been included in the Focus Product Scheme and should be eligible for two per cent incentive.

**Date:02/09/2010 URL:**

## Paddy agents threaten to boycott procurement

*'If the Food Corporation of India strikes a deal with farmers'*

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*FCI accounts for only 10 % of procurement 'Farmers will lose if agents are removed'*

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Chandigarh: Agents who help Punjab Government procure paddy from farmers have threatened to boycott the exercise this year, if the central government agency FCI strikes direct deals with the peasants.

The FCI currently accounts for only 10 per cent of the total paddy procurement, which means that rest of the procurement could be hit if the agents, numbering around 45,000, stay out.

"We will stay out of the paddy procurement process if the Food Corporation of India goes ahead with its decision of making direct payment to the farmers by leaving out commission agents out of the system," Federation of Arhtiya Associations of Punjab president Vijay Kalra said on Wednesday.

The FCI decided to make direct payment to Punjab farmers for their produce in the coming paddy lifting season 2010-11 as part of its drive to bring more transparency in the payment to foodgrain growers.

Commission agents, also known as 'Arhtiya', also stated that they would organise agitation across the State to protest the FCI decision.

The agents have also urged the Punjab government not to allot grain markets to the FCI for procuring the crop from the state if FCI continues to remain adamant on its decision.

"Now the onus will be on State Government in convincing the FCI not to go ahead with its



move. Otherwise there will be no lifting of crop from grain markets,” he asserted.

The FCI would pay Minimum Support Price or bonus declared by the Centre on the paddy crop through e-payment to the farmers. If farmers do not have any bank account to avail e-payment facility, then the FCI will issue account payee cheques in their names for disbursing the payment.

Under the current payment system in Punjab, the FCI issues cheques to the commission agents and thereafter the agents make the payment to the farmers in return of crop purchase.

Punjab, this year, is eyeing to lift 137 lakh m tonnes of paddy in Kharif marketing season, which will start on either September-end or October 1.

Describing the ‘arhtiya’ system as an integral part of the State’s economy, Mr. Kalra said that farmers would turn financially backward if the commission agents were removed from the system.

“In Uttar Pradesh, where the commission agent system does not prevail, farmers could not even get the MSP for their crops. Therefore, it is the commission agent which ensures full payment to farmers for their produce,” he said.

The Federation also rubbished the latest report of Punjab Agricultural University, which stressed on changing the current payment system by paying directly to farmers through account payee cheques.- PTI

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FARMER’S NOTEBOOK

**Reaping and windrowing machine to minimise grain loss**

M.J. PRABU

It can be used to harvest paddy, wheat, pulses and soyabean



**Multiple uses: Bhagwan Singh Dangi demonstrating his machine.**

Labour shortage during harvesting time remains a major challenge in agriculture.

Depending on the farmers' financial condition, manual workers or machines are hired to complete the work.

Says Mr. Bhagwan Singh Dangi from Sojanawale village in Madhya Pradesh:

“The Governments' National Rural Employment Scheme has further worsened the situation today, with all villages facing severe manpower shortage.

“In many places farmers leave their fields fallow, and in some areas small farmers also join the bandwagon of workers to lay roads or desilt canals.

“But, for the few farmers who want to continue farming in spite of these existing problems, my reaping and windrowing machine should be a good alternative to manual labour,”

Dual purpose

The machine, developed by Mr. Dangi, can be used for both reaping and windrowing and also weeding and drilling operations (by attaching a separate accessory).

Reaping involves cutting the crops and windrowing involves laying the cut stalks in the windrows for easy bundling.

“Some of the machines in the market were self-propelled reapers placing the harvested crop on one side of the machine leading to grain shattering.

“Also large portions of the stalks were left lying on the field, requiring manual clearance before running the machine again in the field. Most of these machines are not suitable for small areas and could not make sharp bends. Many damaged the standing crops in the field while running,” explains Mr. Dangi.

Improved version

“The machine developed by me is an improved reaper-cum-windrower comprising an engine, power transmission system, cutter blade, reel, conveyor, steering system and four pneumatic wheels.”

As the unit moves forward, the rotating hexagonal reel equipped with crop collectors in the front pushes the standing crop towards the cutter bar.

The windrower unit, consisting of two conveyor belts with iron lugs mounted on rollers and moving in opposite direction, drops the crop in the space between the tyres.

“This configuration overcomes the shattering loss as in the subsequent turn; the tyres do not run over the harvested crop,” he says.

The machine requires one person to drive it and 2 persons in the rear to collect the produce. Apart from paddy, it can also be used to harvest wheat, pulses and soyabean, according to Mr. Dangi.

About 15 litres of diesel is required for harvesting five hectares in a day. It can make sharp bends and run in small fields without damaging the standing crop.

The novelty of the reaping and windrowing machine lies in the design and spatial arrangement of the windrowing attachment, which results in minimal grain loss.

Neat row

The gathered crop drops inline between the tyres in a neat row for collection, and facilitates

the next parallel run.

“The cost of harvesting an hectare manually in the region at the rate of Rs 100 for 25 persons comes to Rs. 2,500.

“Using this machine the expenditure can be scaled down substantially, as just three persons are enough to do the job,” he claims.

“Working with the available resources, I developed the first prototype using a 2 hp motor in 2001. Inspired, I decided to start my own workshop and took a loan against my property.”

Engine capacity

The modified prime mover fitted with a 18 hp engine instead of the earlier 2 hp one and a centrally placed reaping and windrowing machine took him over a year and Rs.10 lakh to develop, test, and modify it to the present design.

The device is planned to be priced at Rs. 60,000 (cost of the prime mover -tractor & transportation etc separate).

For more details readers can contact Mr. Bhagwan Singh Dangi, Madhogan, Vidisha, Madhya Pradesh 464001, mobiles: 9617729447 and 9713705195.

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**<http://www.thehindu.com/thehindu/seta/2010/09/02/stories/2010090250041400.htm>**

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### **Diamond back moth: pest on vegetable crops**

It is a major pest of all cruciferous vegetable crops and cabbage and cauliflower are major host crops. The adult is a small, slender, grey brown moth. It is a weak flier. However, they are easily carried by the wind.

The eggs are oval and flattened yellow or pale green in colour, and are deposited singly or in small groups of two to eight eggs in depressions on the surface of leaves.

## Development time

Larva has four instars. Throughout their development, larvae remain quite small and active. Initially, the feeding habit of first instars larvae is leaf mining, although they are so small that the mines are difficult to notice.

The larvae emerge from their mines at the conclusion of the first instars, molt beneath the leaf, and thereafter feed on the lower surface of the leaf. Their chewing results in irregular patches of damage, and the upper leaf epidermis is often left intact. Larval periods last for 14-21 days.

Pupation occurs in a loose silk cocoon, usually formed on the lower or outer leaves. The duration of the cocoon is 7-11 days.

Plant damage is caused by larval feeding. This is particularly damaging to seedlings, and may disrupt head formation in cabbage, broccoli, and cauliflower. The presence of larvae in florets can result in complete rejection of produce.

## Management

— Remove and destroy all debris and stubbles after harvest of crop and plough the field.

— Grow 20 days old mustard seedlings as intercrop at the time of cabbage or cauliflower planting at 1:20 ration to attract diamond back moths for oviposition. Periodically spray mustard crop with Dichlorvos 0.75 per cent at 10 or 15 days interval to avoid dispersal of larvae.

— Instal pheromone traps at 12/ha spray Cartap hydrochloride 0.5 per cent or Bacillus thuringiensis 2 g/l or Carbosulfan 0.225 per cent or Quinalphos 0.5 per cent at primordial stage or head initiation stage.

— Spray NSKE 5 per cent along with Teepol or Sandovit 0.5 ml/l after primordial stage

— Release parasitoids such as *Diadegma semiclausum* in hills or *Cotesia plutellae* in plains. Release of 10,000 adults/ha at 20,000 adults/release commencing from 20 days after planting reduces the damage.

Sunitha N.D.& Jagginavar S.B. Department of Entomology, College of Agriculture, Bijapur

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<http://www.thehindu.com/thehindu/seta/2010/09/02/stories/2010090250031400.htm>

## FARM QUERY

**Vetiver and soil erosion** Is it true that Vetiver (Khus khus) grass prevents soil erosion?

Liffy Thomas Uganda

Yes it is true. For details you can contact Mr. P. Haridas, Coordinator, India Vetiver Network, Thykkat Pannikot House, p.o. Thiruvalli- 679 348, Malappuram district, Kerala, email: pottekadharidas@gmail.com, phone: 0483-2721168, mobile: 94470-60057 and Mr. B.C. Vitoo Aiyamma, email: vitootara@hotmail.com, phone: 044-28330432, mobile: 98412-62546.

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**Economy grows at 8.8 % in first quarter**



In line with industry and market expectations, the Indian economy grew by an impressive 8.8 per cent during the first quarter this fiscal, powered by a robust growth in manufacturing coupled with a turnaround in agriculture and allied activities.

With the size of the economy pegged at Rs.17.12 lakh crore in the April-June quarter of 2010-11, the strong GDP (gross domestic product) performance marked the fastest pace of growth in nearly three years, way above the 6 per cent expansion achieved in the like quarter of 2009-10 and the 8.6 per cent growth posted during the January-March quarter of the same fiscal. In fact, the first quarter growth rate is the highest since the last quarter of 2006-07 when the economy expanded by about 9.5 per cent.

According to the official data release here on Tuesday, the manufacturing sector in particular, which was severely hit by the slowdown in the wake of the global financial crisis, posted a healthy growth of 12.4 per cent in the April-June quarter of 2010-11 as compared to 3.8 per cent in the same period last fiscal.

Alongside, agriculture and allied activities also expanded by 2.8 per cent during the quarter from 1.9 per cent in April-June 2009. Although as yet nowhere near the 4 per cent growth estimated for the farm sector this fiscal, it marks a turnaround and is poised to improve further following adequate monsoon rainfall which is expected to yield a good kharif harvest.

The fact that the GDP figures are in keeping with expectations despite the partial exit of stimulus prompted Finance Minister Pranab Mukherjee and India Inc. to exude confidence that the economy is back on the high growth. Stating that the economy would grow by 8.5-8.75 per cent at the least during the current fiscal, Mr. Mukherjee said: "The numbers are quite encouraging ... more encouraging point is 12.4 per cent growth which has been registered in the manufacturing sector. I think the highest growth rate in the last 11 quarters... I do hope it will be possible to maintain this level of growth."

Echoing similar views, Federation of Indian Chambers of Commerce and Industry President Rajan Bharti Mittal said: "Given this trend in GDP growth, we expect to close the year with an overall performance of close to 9 per cent". A slightly circumspect Assocham President Swati Piramal pegged the current fiscal's growth rate at 8.6-8.8 per cent.



Amplifying on the concern, Planning Commission Deputy Chairman Montek Singh Ahluwalia explained that although the manufacturing sector growth rate was likely to be lower during the rest of the fiscal year owing to base effect, the farm sector would post good growth and help in registering an overall GDP expansion of over 8.8 per cent.

Despite the expectation of better farm sector performance, a slowdown in government and household expenditure is likely to have an adverse effect on the economy.

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**hindustantimes**



**Press Trust Of India**

New Delhi, August 31, 2010

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### **Indian economy grows by 8.8 per cent in April-June**



Economy grew by an impressive 8.8 per cent during the quarter ended June on the back of robust manufacturing growth.

However, certain sectors like financial services restrained the growth in economy, which had recorded 6 per cent growth rate in April-June 2009-10. Agriculture and allied activities grew by 2.8 per cent, higher than 1.9 per cent in the year-ago period, but it is nowhere between the target of four per cent pegged by the government in the medium term.

Manufacturing expanded by strong 12.4 per cent in April-June, 2010 against a mere 3.8 per cent growth rate in the same period last year. Construction too grew by 7.5 per cent compared to 4.6 per cent.

Among services, financial, insurance and real estate services expanded by just 8 per cent, against a growth rate of 11.8 per cent in the year-ago quarter, while community social and personal services growth slowed down to 6.7 per cent, against 7.6 per cent a year ago.

However, trade, hotels and communication services rose by 12.2 per cent, against 5.5 per cent during April-June 2009.

The government expects economy to grow by 8.5 per cent this fiscal. Though the GDP numbers for the April-June quarter are higher than that of 8.6 per cent in the previous quarter, they lag expectations of 8.9-9.4 per cent forecast by various experts.

<http://www.hindustantimes.com/StoryPage/Print/594142.aspx>

## Weather

Chennai - INDIA

### Today's Weather



Partly Cloudy

**Thursday, Sep 2**

Max    Min

29.6° | 23.7°

Rain: 00 mm in 24hrs

Sunrise: 5:57

Humidity: 75%

Sunset: 18:20

Wind: Normal

Barometer: 1006.0

### Tomorrow's Forecast



Cloudy

**Friday, Sep 3**

Max    Min

33° | 25°

### Extended Forecast for a week

Saturday

Sunday

Monday

Tuesday

Wednesday






**Sep 4**

**Sep 5**

**Sep 6**

**Sep 7**

**Sep 8**

				
32°   26°	31°   26°	32°   26°	33°   27°	32°   27°
Rainy	Rainy	Rainy	Rainy	Cloudy

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buzz

*By KS Narayanan*

*02 Sep 2010 02:32:31 AM IST*

### **Fortify foods to combat malnutrition: Experts**

NEW DELHI: To combat malnutrition in India, global experts who had successfully experimented in combating malnutrition in different parts of the world want food in the country to be fortified with various nutrients and vitamins and as well devise an effective legislation and a mechanism to enforce it.

This clarion call from experts came at the 2nd Britannia Nutrition Foundation seminar in the capital on Wednesday.

Since economic reforms began in 1991 Malnutrition in India has fallen only six percentage points, to roughly 46 per cent while GDP per capita boomed by 50 per cent during the same period.

India ranked 65th out of 84 countries in the Global Hunger Index of 2009, below countries including North Korea and Zimbabwe —hindering India's ambitions to channel its demographic dividend to fuel its global economic ambitions.

"I have never seen a country with such fast economic growth with such pathetic levels of nutrition," said Lawrence Haddad, director of the UK-based Institute of Development Studies.

Narrating their experience experts called for fortification of foods children, adolescent girls

and pregnant women. "Fortification is one of the most practical way to combat malnutrition," said Prof Kraisd Tontisirin who pointed out how several food consumed back in his country is fortified with micro-nutrients, iron etc.

A senior advisor with Institute of Nutrition, Mahidol University Thailand, Tontisirin said even noodles are fortified with iron, iodine, and vitamin A, adding that about 10 per cent of population eats noodles everyday.

Mass food fortification programs add specific nutrients (including vitamin A, iron, B vitamins, folic acid, and zinc) to commercially processed staples like wheat flour, condiments, and cooking oil, are underway several countries.

For instance in Morocco, several agro-processors have already gone ahead with voluntary food fortification (vegetable oil fortification with vitamins A and D3 and milk fortification with Vitamins A and D), which suggested a strong commitment from agro-industry.

Explaining to delegates about his experience in Senegal, Western Africa Dr Mohamed Ag Ayoya, Nutrition Specialist with UNICEF said flour was fortified with iron and folic acid, edible oil with Vitamin A etc.

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## THE ECONOMIC TIMES

Thu, Sep 02, 2010 | Updated 11.09AM IST

2 Sep, 2010, 12.18AM IST, Sutanuka Ghosal,ET Bureau

### Tea cos eye huge profits as heavy rains lash Assam

KOLKATA: Tea companies with estates in Assam and West Bengal, such as McLeod Russel, Goodricke Group, Apeejay Tea, Dhunseri Tea, Assam Company and Jay Shree Tea & Industries, are in clover as production gets hit by heavy rains and a pest attack, pushing up wholesale prices by up to `25 per kg. Company officials and market analysts say this could result in a sharp spike in their third and fourth quarter earnings.

Tea companies usually witness a lull in the last quarter and profitability suffers as there are

hardly any buyers for end-season teas produced in November-December. This year, prices are likely to remain firm in these months too. Aditya Khaitan, managing director of McLeod Russel, the largest tea producer in the world with a production base of 100 million kg of tea annually, said production was down by 10-12 million kg by July and the August crop has been lower too. Due to heavy rains, tea estates have been waterlogged which is affecting production now. With only four months of the tea season left, including the tail-end production of November and December, it is likely that the north Indian tea production may fall short of the 735 million kg clocked in 2009. "As things stand today, I feel there will be a shortfall of at least 20 million kg this year," he added.

This means the Indian tea industry may not be able to touch the 981-million kg production that it had achieved in 2009. Mr Khaitan, also the chairman of industry body Indian Tea Association, said a large quantity of quality teas are being bought at prices higher by `20 - 25 per kg compared to last year. Even average quality teas are selling at a premium of `10 -15 per kg.

Marketmen too agree the second half of the current fiscal will be much better for tea firms. Rajesh Agarwal, head (research), Eastern Financiers, an equity broking firm, said: "A substantial decline in tea production in major tea producing countries, a shortage of carry-forward stocks coupled with a continued increase in consumption has helped tea prices to remain strong and going forward we believe the situation is going to be the same for the next two quarters. Take the case of BK Birla's Jay Shree Tea & Industries. Given the fixed cost structure, Jay Shree is well-placed to benefit from the rise in tea prices and the concurrent rise in margins. We are quite bullish on the company and we believe that the valuations are extremely attractive."

CK Dhanuka, chairman of Dhunseri Tea, which has 12 estates with a production of 12 million kg annually, said domestic consumption will continue to grow at 3.5%. DP Maheshwari, MD of Jay Shree Tea, which has 25 estates within its fold including three in

Africa, said good teas are fetching anything between Rs 200 and `245 per kg. "We feel prices will remain firm in the coming months. It should be a profit-earning year for tea companies," he added.

However, the Apeejay Group, which has 17 tea estates with a 25-million-kg production, believed things may not be rosy. "Better price realisation would not be enough to compensate the heavy loss in crop," said an Apeejay Tea spokesman.

1 Sep, 2010, 01.27PM IST,PTI

### **Crude palm oil futures decline 1.53 pc on global cues**

NEW DELHI: Crude palm oil prices drifted by Rs 6.10, or 1.53 per cent, to Rs 393.40 per 10 kg in futures trading on Wednesday, as traders reduced their positions on the back of a weakening global trend.

At the Multi Commodity Exchange platform, crude palm oil for November fell by Rs 6.10, or 1.53 per cent, to Rs 393.40 per 10 kg, with an open interest of 46 lots. The oil for delivery in September also lost Rs 4.30, or 1.05 per cent, to Rs 405.70 per 10 kg, with an open interest of 2,674 lots. Market analysts said besides falling trend at global markets, sluggish demand in the spot market mainly led to a fall in crude palm oil prices at futures market here. Meanwhile, palm oil futures for November delivery lost 2 per cent to USD 803 a metric tonne on the Malaysia Derivatives Exchange.

1 Sep, 2010, 12.36PM IST,REUTERS

### **Coffee exports in Oct-Aug jump 50%**

MUMBAI: Coffee exports from India, the world's fifth biggest producer, between Oct 1, 2009, and Aug. 30, 2010, were at 248,305 tonnes, up 50 percent over the same period a

year ago, the state-run Coffee Board said on Wednesday.

India sold 25.41 billion rupees worth of coffee during the period, up from 18.13 billion rupees a year ago, data showed. The country produces only 4.5 percent of the world's coffee, but exports 70-80 percent of its output. Italy, Russia and Germany are the top three buyers of Indian coffee.

Arabica is mainly used in premium coffees, while robusta, which makes up 70 percent of the country's output, is typically blended with arabica beans for a lower-cost option for brewed coffee, or processed into instant coffee.

India's 2010/11 coffee output may rise 6.35 percent to 308,000 tonnes, the board said in its post-blossom estimate, its first for the year. The coffee year runs from October to September.

## Business Standard

Thursday, Sep 02, 2010

### **Rice mills confiscated in Mysore**

**BS Reporter / Chennai/ Mysore September 02, 2010, 0:58 IST**

Acting further on their warning against errant rice mills, the district authorities of Mysore have confiscated eight rice mills for failing to comply with the rice levy regulation.

Mysore deputy commissioner Harsh Gupta said eight rice mills in the district have been confiscated and cases booked in the deputy commissioner's court for their failure to comply with the levy regulations during 2009-10.



Around 636 quintals of rice and 2,682 quintals of paddy have been seized from the errant rice mills. The seizures are worth Rs 39.88 lakh, the Food and Civil Supplies Department said in a release.

Of the eight rice mills, four are in T Narasipur, two in Nanjangud and one each in T Narasipur taluk and Mysore city.

Last month, the authorities had raided rice mills in the district and seized Rs 67.84 lakh worth rice and paddy for not complying with the state government levy order. Cases had been booked against the rice mill owners under the Essential Commodities Act. The seizure comprised of 5,210.30 quintal paddy, 665.25 quintal rice and 35 quintal broken rice.

The deputy commissioner had warned rice mill owners that if they failed to comply with the levy order and surrendered the levy rice to the government, raids would continue followed by strict action including booking of cases. The levy target set for the district is 17,000 quintals.

#### **Kerala farmers cut cardamom need for labour**

**George Joseph / Kochi September 2, 2010, 0:34 IST**



With a big shortage of labour in the cardamom plantations of Kerala, a new planting method which requires much fewer hands has been welcomed by growers.

Developed by a farmer based in Kattappana, Idukki district, it does not require large pits for planting the cardamom suckers. The pitless planting method is what Regimon ('Reji') Joseph Njallani, founder of the method, calls it. In the method he developed, the sucker is placed over the planting spot and mud mounted around.

He told Business Standard this method had been implemented in 100 acres of plantations during the past two months and more farmers will be shifting to the new method during the next planting season. Reji had started a demonstration plot in Kattappana and the response is

encouraging. With Idukki district, home to half the national annual output of 10,000 tonnes, facing an acute shortage of hands, farmers in and around there are shifting readily to the new method. Reji says the traditional style of planting requires 124 labourers for each hectare (1.5 acres) in a season and the labour cost alone would be Rs 30,000. This can be reduced by Rs 24,000 through the new method, as only 24 labourers are needed for planting the same area.

### **Parliamentary panel against sugar decontrol**

**BS Reporter / New Delhi September 2, 2010, 0:31 IST**



The parliamentary panel on food and agriculture has recommended against sugar decontrol, claiming the move will go against the interest of farmers as well as consumers. The views of this panel, expressed in a report tabled in the Parliament yesterday, are not binding.

“The committee is of the opinion that if the entire control on manufacturing and distribution of sugar is removed, the PDS scheme will be adversely affected, as sugar mills will be under no obligation to supply levy sugar at the ex-factory price fixed by the central government,” the committee headed by Congress Member of Parliament Vilas Muttemwar has said.

The committee is also of the view that sugar mills may take the benefit of decontrol and stock sugar in their godowns with a view to jack up prices, especially when there is a shortfall in production of sugar.

The committee feels the country is already facing a problem of deficit production in and decontrol will add fuel to the fire. The committee, therefore, recommends that the government not adopt the concept of decontrol and deregulation of sugar, as it may not be in the interest of farmers and consumers.

Sugar is one of the most controlled industries in India. Attempts to decontrol it were made in 1971-72 and in 1978-79, only to be rolled back.

The government has over the years eased controls on major industries like steel and cement.

The control on sugar is exercised by way of release mechanism and levy obligation. In June, the government removed control on petrol pricing and expressed an intention to free diesel as well. The Union food ministry has been discussing the issue of decontrol with industry associations for the last couple of months.

Sugar mills can sell in the open market only according to the release mechanism. The Directorate of Sugar in the Union government issues release orders every month and gives mill-wise sale quotas. Mills cannot sell above this quota. A penalty is levied if they fail to sell the quota within the stipulated month.

The government tweaks this system when there is a shortage. This year, for instance, the government resorted to weekly and fortnightly release mechanisms.

Under levy obligation, mills sell a certain per cent (currently 20 per cent) of their produce to the government at lower than the market price. This is supplied to below poverty line families through the public distribution system

### **Indian coffee exports rise 56% in Jan-Aug period**

**Debasis Mohapatra / Chennai/ Bangalore September 1, 2010, 0:49 IST**

Coffee exports from India has registered a 56 per cent rise to 204, 519 tonne during January-August period of this year against 130,672 tonne exported during the corresponding period last year on the back of sound demand growth from European economies like Italy and Germany.

In value terms, exports rose 48 per cent to Rs2,075.07 crore during this period against Rs1,400 crore reported last year.

During this period, exports of robusta variety clocked a 54 per cent growth to 112,027 tonne compared to 72,700 tonne reported last year. Arabica coffee exports have also witnessed a rise of 66 per cent to 39, 077 tonne during this period compared to the same period last year.

As per the data available with the Coffee Board of India, major European geographies like Italy and Germany had contributed towards this export growth.

Total exports to Italy rose 21 per cent to 8,192 tonne during this period, while Germany registered a 20.6 per cent import growth to 8,038 tonnes.

India exported 187,348 tonnes of coffee last year (2009) that stood at Rs2,006 crore in value terms.

As per industry experts, the country is expected to see more export growth in the next crop year on the back of higher estimates of coffee production.

### **Groundnut oil prices surge to a record high**

**Vimukt Dave / Mumbai/ Rajkot September 1, 2010, 0:15 IST**

Increased buying ahead of Janmashtami festival coupled with shortage of groundnut has pushed groundnut prices to a record high of Rs 1465 for a 15 kg tin in Saurashtra region of the state. Groundnut oil prices have increased by Rs 40 per tin during this festive week.

The increased offtake of groundnut oil could be gauged from the fact that retailers sold around 100-125 tins per day this week as compared to average daily sales of 40-50 tins in normal days. The price of groundnut loose too has reached to Rs 875-880 per 10 kg.

A retail shopper in Rajkot, said, "The rise in demand is due to the festival, post which it will normalise." However, other industry players do not see prices coming down in near future. "Price will not ease till the new season starts. New crop of groundnut will come to the market after two months and prices would grow steadily during this period. Even if a few corrections come in, there will be an overall price rise", said Samir Shah of Rajmoti oil mill, Rajkot.

A miller from Jamnagar said, "It is true that use of groundnut oil has gone down but at present there is no availability of groundnut for crushing to fulfill the current demand. That's why price has gone up."

A Rajkot based groundnut trader said, "The Kharif season production of groundnut was around 12 lakh tonnes in 2009-10, almost half compared to the year before. The summer production of groundnut is also down 45 percent to 1.20 lakh tonnes this season. This, together with good exports and buying for other than groundnut oil products like pea nuts and butter has resulted in

low stock of the commodity. Currently 4000-6000 bags (one bag weighing 60 kg) of groundnut are arriving in various mandis of Saurashtra.

Since, the production of groundnut production was around 12 lakh tonnes last year, the supply has gone down this year. Last year, the groundnut cultivation area shrunk by 2 lakh hectares. This kharif season, which began in June, the groundnut cultivation area shrunk by a further 10 percent, indicating a further decrease in output. Shortage of supply has kept the prices of groundnut prices firm at Rs 691-692 per 20 kg.

### **Govt raises onion MEP by \$55 for Sept**

**Press Trust Of India / New Delhi September 1, 2010, 0:09 IST**

The government on Tuesday raised the minimum price for exporting onion by \$55 to an average of \$275 a tonne for September to step up availability of the commodity in domestic markets.

“The Minimum Export Price (MEP) has been increased by \$55 a tonne for September 2010 after three months,” said a senior official with agri-cooperative Nafed, which is the government’s agency to regulate onion export.

After the rise, the MEP stands at \$275 a tonne. Between June-August, the government had kept the MEP unchanged at Rs 220 a tonne, he said.

The official further said, “The MEP was increased because of sharp surge in prices of export-quality onion by Rs 200 per quintal in last one month.” The high MEP may bring down export further, thereby raising domestic supply, he noted.

At present, the prices of export-quality onion are ruling high at Rs 800-900 per quintal, against Rs 600-700 per quintal in the last month, he added.

According to the official data, India exported 1.04 million tonnes of onions, worth Rs 1,141 crore, in the first six months of the current year. Nafed, along with 13 other agencies involved in onion export, decides the MEP every month. No export can take place below the MEP and all contracts are registered with the Nafed.

### **Grain prices to remain upbeat on tighter global supplies**

Dilip Kumar Jha / Mumbai September 1, 2010, 0:01 IST



World foodgrain prices are likely to remain on the higher side through the rest of the current calendar year due to unfavourable weather, says the latest Rabobank report.

It forecast wheat prices would rise 50 per cent from the current level and rice, sugar and soybean would move northward marginally.

Russia, the world's lowest-cost and third largest exporter in 2009, has banned export of all grain till December 31 following a massive crop damage due to drought. It seems likely that Ukraine and Kazakhstan's grain exports will be restricted by quotas or will shift to specific regional trade in the 2010-11 season. Following earlier production setbacks in Canada and the European Union, world wheat demand will now have to be met by the United States, Australia and Argentina. Production setbacks in either of the latter two during the southern hemisphere spring would be extremely bullish for prices, said the report.

As a consequence, the US department of agriculture cut its wheat production estimate for 2010-11 by 16 million tonnes from its July estimate to 645.7 mt. Rabobank lowered its world wheat production forecast for the 2010-11 season by a further five million tonnes to 639 mt.

"India, therefore, should allow foodgrain exports now to cash in on higher global prices. Since the next season is also likely to remain favourable, the country should open exports," said Vijay Setia, president of the All India Rice Exporters Association.

Foodgrain prices have started rising globally. In India, they have risen by 10 per cent, despite adequate availability. Food Corporation of India recently announced total grain storage at 60 mt, sufficient to meet the domestic demand until the next harvest.

"Prices are likely to go up further, at least by 10-15 per cent ,till December. But, if the government allows exports, as is expected by early September, foodgrain prices will rise

sharply,” said V K Chaturvedi, managing director of Usher Agro, one of India’s largest grain processing companies.

The Rabobank report said the major risks for the US and world fundamentals in the corn market “remain skewed to the upside, despite strong price performance in recent months. We accept prices may come under speculative profit-taking and seasonal harvest pressure over the next six to eight weeks”.

Commodity	Unit	4Q'09	1Q'10	2Q'10	3Q'10	4Q'10
Wheat	US cents/bu	523	496	467	650	700
Corn	US cents/bu	386	371	354	385	400
Sugar	US cents/lb	24	25	15.5	17.5	16.5
Soybean	US cents/bu	1,003	956	957	1,000	970
Soyoil	US cents/lb	38	39	38.1	38	37
Soymeal	US \$/tonne	306	279	280	295	285

*Source: Rabobank, bu = bushel (1 bushel = 0.021772 tonne), lb = pound (1 lb = 0.4536 kg)*

Maize prices have staged an impressive 25 per cent rally since June 30 to 425 cents/bu, its second highest level of 2010, falling only marginally short of the calendar-year high set on January 4.

“Pressure points on prices exist only in case of wheat, due to the crop loss in Russia resulting in lower global supplies, and to a certain extent in oilseeds. Higher existing stocks of foodgrain, rice and wheat can effectively counter the shortages. Therefore, prices would remain stable in the next four months. The present shortfalls and use of stocks will probably ensure that prices do not come down, which would have been the case if production was normal,” said Madan Sabnavis, chief economist, C Ratings.

### **Global cereal consumption to surpass output this season: FAO**

**Dilip Kumar Jha / Mumbai September 2, 2010, 0:41 IST**



Global cereal consumption is set to surpass production for the first time in three years due to the impact of the periodic climatic behaviour known as El Nino, which brought floods in one part of the world and drought on another.

Data compiled by the Food and Agriculture Organization (FAO) of the United Nations show world cereal output will be about 10 million tonnes less than consumption. FAO today revised its own forecast downwards, with production revised to 2,238 million tonnes from the 2,280 mt figure set in June. Consumption estimate has also been brought down to 2,248 mt from 2,268 mt earlier.

Even at this lower level, world cereal output in 2010 will be the third highest on record and above the five-year average. This will result in a two per cent contraction in ending stocks from their eight-year-high opening levels, still well above the alarmingly low level witnessed in the 2007-08 food crisis. The deficit is set to be met through carryover stock, also estimated to fall to 527 mt in 2010-11 from 540 mt in the previous year.

Adverse weather in Brazil, Russia and Pakistan cut major cereal output. This year's wheat crop is put at 646 mt, down five per cent from 2009 but still the third highest ever. The latest revision reflects a further cut in the estimate of this year's harvest in the Russian Federation to 43 mt



(from 48 mt in the previous estimate), more than offsetting higher forecasts for crops in a number of other countries, including the US and China.

The world forecast for wheat ending stock in 2011 was also lowered, to 181 mt, down nine per cent from their eight-year-high opening level.

“The whole world is closely monitoring developments in Russia and Brazil, for supplying foodgrains to them at a premium. Pakistan is reeling under its worst-ever flood this year, opening an opportunity for foodgrain-surplus countries to share the pie in supply. India must open exports of foodgrains to cash in on the opportunity,” said V K Chaturvedi, managing director of Usher Agro, an agro processing company based in Mumbai.

The forecast for global rice production in 2010 was also revised downward and is now 467 mt, five mt lower than the June forecast but still three per cent more than in 2009 and a historical record. Much of the revision was the consequence of Pakistan’s floods but also stemmed from lower expectations in China, Egypt, India, Laos and the Philippines.

In India, rice output is estimated to surpass the 99 mt of last year, despite drought in the northeastern states. The monsoon has since revived in these regions and planting of late-sown paddy resumed. A favourable monsoon will also pave a positive way for the wheat crop in the coming rabi season, provided soil moisture stays from late monsoon rainfall.

<b>DIRE FORECAST</b>					
<b>Particulars</b>	<b>'07-08</b>	<b>'08-09</b>	<b>'09-10 (E)</b>	<b>Jun '10 (F)</b>	<b>Sep '10 (F)</b>
Production	2132	2285	2257	2280	2238
Utilisation	2138	2183	2234	2268	2248
Ending stocks	427	517	540	533	527
Source: FAO, E= Estimate, F= Forecast					

World production of coarse grains was forecast to reach 1,125 mt, down six mt from the previous forecast in June but up marginally from 2009 and the second highest on record. Maize production was heading towards an all-time high of 845 mt, with expectation of record crops in China and the US. But world barley production was forecast to fall by 22 per cent to a 30-year low of only 129 mt in 2010, driven mostly by a sharp cut in production in the CIS and in the EU as a result of poor weather.

### **Gur futures gains on increase buying**

**Press Trust of India / New Delhi September 1, 2010, 14:49 IST**



Gur prices surged by Rs 16.20, or 1.54 per cent, to Rs 1,070 per quintal in futures trading today on increased buying by speculators in line with a firming trend in spot market.

Marketmen said less arrivals due to adverse weather conditions amid pick up in demand in spot markets, mainly led to a rise here in futures prices of gur.

At the National Commodity and Derivatives Exchange counter, gur delivery for September shot up by Rs 16.20, or 1.54 per cent, to Rs 1,070 per quintal, with an open interest of 21,600 lots.

January contract also went up by Rs 4.20, or 0.48 per cent, to Rs 882 per quintal, with an open interest of 1,270 lots

### **Soyabean futures shed by 0.76% on renewed selling**

**Press Trust of India / New Delhi September 01, 2010, 14:45 IST**

Soyabean prices lost Rs 15.50, or 0.76 per cent, to Rs 2,018.50 per quintal in futures trading today on continued selling by traders, in tandem with weak global market cues.

Marketmen said weak trends in overseas markets, directed the fall in soyabean prices here in futures market.

At the National Commodity and Derivatives Exchange counter, soyabean prices for mid November contract eased by Rs 15.50, or 0.76 per cent, to Rs 2,018.50 per quintal, with an open interest of 98,030 lots.

Most-active September delivery contract also slipped by Rs 14.50, or 0.71 per cent, to Rs 2,017 per quintal, with an open interest of 1,10,390 lots.

### **Pepper futures fall on sluggish demand**

**Press Trust of India / New Delhi September 1, 2010, 14:43 IST**



Pepper prices tumbled by Rs 370, or 1.79 per cent, to Rs 20,280 per quintal in futures trade today on heavy offloading by speculators and sluggish domestic and export demand. At the National Commodity and Derivatives Exchange counter, pepper for December delivery dropped by Rs 370, or 1.79 per cent, to Rs 20,280 per quintal, with an open interest of 566 lots. Similarly, the spice for delivery in September fell by Rs 205, or 1.03 per cent, to Rs 19,691 per quintal, with an open interest of 11,806 lots. Analysts attributed the fall in pepper prices in futures trade to heavy-loading by speculators, driven by a fall in domestic and exports demand

### **Turmeric futures fall on sluggish demand**

**Press Trust of India / New Delhi September 01, 2010, 14:36 IST**

Turmeric prices moved down by Rs 66, or 0.53 per cent, to Rs 12,310 per quintal in futures market today, as speculators reduced their positions following a decline in spot demand amid expectations of higher production.

At the National Commodity and Derivatives Exchange counter, turmeric for October declined by Rs 66, or 0.53 per cent, to Rs 12,310 per quintal, with an open interest of 1,680 lots.

The spice for delivery in September-month also lost Rs 44, or 0.34 per cent, to Rs 13,040 per quintal, with an open interest of 7,565 lots.

Analysts said offloading of positions by speculators followed by a fall in spot demand and expectations of higher production influenced the turmeric prices at futures market here.

### **Jeera futures trade lower on sluggish demand**

**Press Trust of India / New Delhi September 01, 2010, 14:18 IST**



Jeera prices declined by Rs 22, or 0.16 per cent, to Rs 13,801 per quintal in futures trading today due to subdued demand in the spot market against adequate supply. At the National Commodity and Derivatives Exchange platform, jeera for November delivery fell by Rs 22, or 0.16 per cent, to Rs 13,801 per quintal, with an open interest of 1,848 lots. Similarly, the spice for delivery in September-month lost Rs 15, or 0.11 per cent, to Rs 13,414 per quintal, with an open interest of 11,973 lots.

Analysts said subdued demand in the spot market against adequate stocks position mainly led to a decline in jeera prices at futures trade here.

### **Almond futures rise as demand picks up in spot markets**

**Press Trust of India / New Delhi September 01, 2010, 14:08 IST**



In a range-bound trading, almond prices shot up by Rs 5.50 or 1.66 per cent, to Rs 3,37,175 per kg in futures market today on rising demand in the spot market following ongoing festive season.

Restricted arrivals from producing regions also influenced the almond prices.

At the Multi commodity Exchange counter, almond for September contract shot up by Rs 5.50, or 1.66 per cent, to Rs 337.75 per kg, with an open interest of 46 lots.

Market analysts said sharp rise in almond futures prices was attributed to rising demand in the spot market in view of festive season against restricted arrival from producing regions

### **Chana futures fall on weak trend in spot markets**

**Press Trust of India / New Delhi September 01, 2010, 14:06 IST**



Chana prices declined by Rs 4, or 0.18 per cent, to Rs 2,232 per quintal in futures trading today, as speculators reduced their holdings, driven by weak demand in the spot market.

Ample stocks position on fresh arrivals from producing regions in spot markets also put pressure on the chana prices in futures trade.

At the National Commodity and Derivatives Exchange counter, chana for September-month fell by Rs 4, or 0.18 per cent, to Rs 2,232 per quintal, with an open interest of 1,44,130 lots.

The chana for delivery in October also shed rupee one, or 0.04 per cent, to Rs 2,278 per quintal, with an open interest of 15,040 lots.

Marketmen said positions reduced by speculators due to subdued demand in the spot market,

against adequate supplies in the physical market mainly led to a fall in chana prices at futures market.

# THE HINDU Business Line

Business Daily from THE HINDU group of publications

Thursday, September 02, 2010

Date:02/09/2010 URL:

<http://www.thehindubusinessline.com/2010/09/02/stories/2010090251321800.htm>

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## **Back Sugar surplus estimate for next season cut to 3.52 mt**

*Global output projected at 167.72 mt, consumption at 164.20 mt.*

Our Bureau

New Delhi, Sept. 1

Kingsman SA has revised downwards its estimate of global sugar output for 2010-11 to 167.72 million tonnes (mt) raw value, from its earlier forecast of 170.17 mt.

With consumption pegged at 164.20 mt, the production surplus for the crop year to March 2011 would be 3.52 mt.

This is lower than the 5.17 mt excess that Kingsman had projected on June 1, based on a consumption assumption of 165 mt.

### 'TIGHT GLOBAL BALANCE'

“The global surplus we had expected earlier this year is reducing. This small surplus will help rebuild the earlier depleted stocks, but given the sizeable deficit forecast for the first half of 2011, the global balance would still be tight. And we are assuming no further weather-related production risks,” the head of the Lausanne-based sugar consultancy, Mr

Jonathan Kingsman, said at the 2<sup>nd</sup> Indian Sugar Summit here on Wednesday.

#### Adverse weather

The reduced production estimates follow adverse weather events in Brazil, Russia, China, Pakistan, South Africa and elsewhere. Mills in Brazil's main South-Central region were expected to crush 595.89 mt of cane at the start of the season in April.

The latest estimate, released by the Sugarcane Industry Association or UNICA, is that only 519.19 mt would get crushed, courtesy persistent dry weather.

“Despite this, we will still crush more than the 541.9 mt and 504.9 mt of 2009-10 and 2008-09 respectively. Also, the dry weather has helped in better recovery, compared to last year, when we had excess rains. The total recoverable sugar content this time will be higher, at 141.3 kg/tonne, against 130.2 kg in 2009-10,” noted Mr Marcos Sawaya Jank, President of UNICA.

As a result, Brazil's (South-Central region) sugar production may touch 33.73 mt in the current season, which is higher than the 28.6 mt of 2008-09, but less than the original 34-35 mt projections.

Mr Kingsman said similar downgrades are seen in China (11.5 mt versus earlier estimate of 12.5 mt) and Russia (4.2 mt versus 3.2 mt), with expectations also lowered in Philippines, Indonesia and Pakistan.

The European Union's exports are projected to fall by 650,000 tonnes in the next crop year.

#### The 'positive' territories

That essentially leaves Thailand, Australia and India.

During the 2009-10 season (November-April), Thailand produced 6.923 mt and domestically consumed 2.2 mt, leaving 4.7 mt for exports.

“We don't expect much change next season,” said Mr Prakit Pradipasen, Chairman of the

Thai Sugar Millers Corporations Ltd.

Likewise, Australia's production in the current crop year that began in July is estimated to go up only marginally from 4.4 mt to 4.5 mt, according to Mr Warren Males, Adviser to the Australian Sugar Milling Council.

It all boils down then to India, where a firm picture of production prospects for the 2010-11 season (October-September) is still to emerge. Current projections vary from a low of 22 mt to as much as 28 mt.

“For the moment, we would settle for a consensus of 25 mt. Moreover, the difference between the first estimates and final outcomes can be enormous, amounting to 6.75 mt in 2006-07, 9.25 mt in 2008-09 and 2.27 mt in 2009-10,” Mr Kingsman pointed out.

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**Back Sugar surplus estimate for next season cut to 3.52 mt**

*Global output projected at 167.72 mt, consumption at 164.20 mt.*

Our Bureau

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**Back Economy continues to push volatility in agri markets**

*Only way to reduce it is by designing appropriate policies.*

Pravin Chandrasekaran

While much of the western world is experiencing a mellowed economy, agricultural markets have demonstrated striking volatilities. Since 2006, we have been in a phase of continued volatile markets, and this is a structural change that is likely here to last. There are two key elements that cause higher volatilities in agricultural markets.

Firstly, volatility is a function of the available inventory of a commodity.

While electricity cannot be stored and commands a high volatility, commodities such as potable water can be stored and have relatively lower volatility. Secondly, supply-side economics cause more volatility than demand-side economics.

Agricultural markets are prone to more short-lived supply shocks than long-lasting demand shocks. To illustrate my point, I have considered corn as an example.

## Corn

Corn, which is grown mainly in the US, Argentina and Brazil, has been a steady supply source to countries like Korea and Japan.

While China has been self sufficient so far, its stocks-to-use ratio has dropped from 57 per cent to 32 per cent post 2006, and in 2010, China has become a net importer of corn from the US. Similarly, the world stocks-to-use ratio of corn in 1980s was 33 per cent, in 1990s was 29 per cent, in 2000-2006 was 23 per cent, and in the last 4 years, has reached an average of 17 per cent.

This consistent decline in available inventory has been one of the key reasons for an increase in corn volatility.

From an equilibrium standpoint, while an increase in demand for corn in ethanol has been gradual and predictive, the wide fluctuations in supply have been the key cause for increased volatility.

In the last three decades, the maximum demand change year-on-year has been 6.70 per cent, while the supply change has been 31.60 per cent — an astronomical multiple of five times the demand change — explaining why supply side shocks are more important.

## Economic scenario

The current global economic scenario continues to encourage higher volatility in agriculture markets, which is detrimental to consumers and producers alike.

The only way to reduce volatility is by designing appropriate agriculture policies that attract capital in order to facilitate greater supply of agricultural commodities. That being said, volatility is a strong market signal to the investors for appropriate allocation of capital, and thus, it should actually be used by Governments as a tool to help design better policies, rather than the severe and more myopic approaches of imposing regulatory barriers or

export bans.

These latter decisions only cause more distortions to equilibrium prices.

(The writer is a commodity trader based in New York. He runs the commodities business for the Americas at Rabobank. These are the writer's opinions and do not reflect Rabobank's views in any capacity.)

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**Back Lower Sept free sale quota lifts sugar**

Our Correspondent

Mumbai, Sept. 1

Spot sugar prices on the Vashi wholesale market shot up by Rs 80-100 a quintal on Wednesday on the Government announcing a smaller free sale quota for September. Traders are of the view that prices will witness further rise this week. The sentiment was bullish.

The Government has declared a total 16.72 lakh tonnes (lt), including 3 lt of carry forward from last month as free sale sugar quota for this month compared with last month's 17 lt. It is said to be less than expectations of traders. The Government has also extended the validity for sale and dispatch of balance August quota up to September 15. Mr Ashok Jain, President of Bombay Sugar Merchants' Association, said that on record, quota for September seems to be equal to that of previous month. But it is actually less because last month there was no carry forward stocks, all quota was of normal, processed from imported raw and imported white sugar. This means there is 3.25 lt less sugar for this month. The only way out to curb the rising price is that the Government should strictly direct the mills to sell the quota quantity within the time frame and not allow any extension, he added.

Considering September is a month of festivals, the Government should immediately

declare additional free sale quota and direct mills to offload sugar in the market within time frame, said a trader. On Tuesday evening, mills sold about 2.50-3 lakh bags (100 kg each) at Rs.2500-2540 a quintal for S-grade and Rs 2550- 2580 for M-grade. Arrivals at the Vashi market increased due to month end. a total of 90-95 truckloads (10 tonnes each) entered the market and buying was 75-80 truckloads. Mills tenders were at Rs 2,550-2,570 for S-grade and Rs 2,590-2,625 for M-grade (including excise) a quintal.

According to the Sugar merchants Association, spot prices were: S-grade Rs 2,610-2,710 (Rs 2,555-2,625); M-grade: Rs 2,650-2,760 (Rs 2,585-2,680). Naka delivery rate S-grade Rs 2,615-2,650 (Rs 2,520-2, 540) and M-grade Rs 2, 650-2, 700 (Rs 2, 560/Rs 2,600) a quintal.

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**Back Pepper futures slip on lack of buying support**

G.K. Nair

Kochi, Sept. 1

Pepper futures continued its high volatility and ended below the previous closing for want of buying support. All the buyers and sellers on the spot stayed away from the declining market.

On the futures market some switched over to nearby position while some did some additional purchases. Therefore, the market moved up above the previous closing and then declined and closed 0.56 per cent below the previous closing, market sources told Business Line.

September contract on NCDEX dropped by Rs 112 to close at Rs19,784. October and November fell by Rs125 and Rs142 respectively to close at Rs19,971 and Rs20,175 a quintal.

Total turnover dropped by 1,878 tonnes to 15,860 tonnes. Total open interest declined by 231 tonnes to 16,939 tonnes.

Spot prices remained unchanged for want of activities at previous levels of Rs 19,400 (ungarbled) and Rs 19,900 (MG 1) a quintal.

Indian parity in the international market remained at \$4,450-\$4,500 a tonne (c&f) and remained almost competitive with the main competitor Indonesia. Export sources told Business Line that enquiries were floating from the overseas markets but "we are not able to quote because of the high volatility in the futures market prices."

An overseas report on Wednesday said while Indian prices have eased, other origins remained unchanged. However, they have not been tested yet with a firm bid, it said.

Prices quoted for different origins Sep/Oct shipments in dollar a tonne c&f New York were: MG 1 asta — 4,575-4,675; Vietnam asta — 4,650-4,750; Lampong 500 GL — 4,100-4,150 (fob); Lampong asta — 4,300-4,350(fob); Sri Lanka 500 GL — 3,950-3,975 (fob); Brazil B2 500 GL — 4,150 (fob); Brazil B1 560 GL — 4,250 (fob); Brazil asta — 4,350 (fob).

Prices quoted for Vietnam and Muntok white pepper were \$6,350-\$6,400 and \$5,950-6,000 a tonne (c&f) respectively.

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**Back Karnataka tobacco auctions to begin from Sept 17**

Anil Urs

Hubli, Sept. 1

With tobacco auctions set to commence on September 17, traders and farmers estimate Karnataka's crop size to be around 140 million kg (mkg), but the Tobacco Board's estimate is around 120-125 mkg.

Tobacco being a restricted crop in the country, the board has fixed Karnataka's 2010-11

crop size at 100 mkg, around the same as the previous fiscal.

The State, the second largest producer of tobacco after Andhra Pradesh, has 85,000 hectares under tobacco cultivation, which on an average produces 150 mkg annually.

A senior Tobacco Board official said the quality of the crop this year is expected to be good compared with last year.

“Rains at regular interval in April to July and early August has facilitated early growth. Quality and quantity is also expected to be much better,” he added.

“We need to wait for the rains to stop to take stock of the ground situation,” he further added. In 2009-2010, a total of 95 mkg was fixed for Karnataka and about 112.61 mkg was marketed at an average price of around Rs 110.64.

Bright grades fetched Rs 137.47 a kg and quantity marketed was 32 mkg. Medium Grade was Rs 121.33 a kg and marketed was 48 mkg and low grades Rs 73.08 a kg and marketed 36 mkg.

The following are the quantity marketed and average price fetched at the 2009-10 auctions at different auction platforms. H D Kote quantity fixed 8.45 mkg, quantity marketed 11.15 mkg, and average price fetched was Rs 109.94. Hunsur 1 6.94 mkg, 8.4 mkg and Rs 110.79. Hunsur 2 7.77 mkg , 9.20 mkg and Rs 108.59. Hunsur 3 9mkg, 4.97 and Rs 110.48. Periyapatna 1 4.25 mkg, 12.39 mkg and Rs 110.83. Periyapatna 2 210.68 mkg, 11.61 mkg and Rs 112.85. Periyapatna 3 310.19 mkg, 11.54 mkg and Rs 113.46. Ramanathpura 1 9.69 mkg, 11.67 and Rs 107.90. Kampalapura 1 9.39 mkg, 10.61 mkg and Rs 113.48. Kampalapura 2 8.31 mkg, 9.45 mkg and Rs 111.32. Ramanathpura 3 210.03 mkg, 11.58 mkg and Rs 107.24.

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**Back Turmeric declines amid weak offtake**

K.P. Sethunath

Kochi, Sept. 1

Spice complex on National Commodity and Derivatives Exchange ended generally weak as pepper, turmeric and chilli futures declined on profit sales, while jeera made gains on buying at lower levels, dealers said today.

Turmeric led the downtrend as traders sold off long positions amid subdued demand, they said.

Lack of cues from spot markets also kept sentiments down for the yellow spice.

Spot market in Erode and Nizamabad were closed because of Janmashtami festival. According to trade circles, demand for turmeric is likely to stay weak on expectations of increase in output in 2010-11 (June—July), traders said.

Also, sufficient quantity of carry forward stocks may also keep sentiments down, they said.

Carry-over stocks estimated around 1.1 million bags (1 bag = 70 kg) will be sufficient to meet the demand till fresh supply starts in January, they added.

September turmeric hit intra-day low of Rs 12,562 /100 kg before settling around Rs 12,596, down 3.7 per cent from the previous close. October contract fell to Rs 11,928, down Rs 448 from Tuesday.

Jeera gains

September jeera hit two per cent initial upper limit to reach intra-day high of Rs 13,719/100 kg, before ending at Rs 13,531, up Rs 102 from Tuesday.

October jeera closed at Rs 13,736 from Rs 13,615.

Chilli range-bound

Chilli futures traded in narrow range before closing mixed, dealers said. September chilli closed at Rs 3,996/100 kg, up from Rs 3,987, while chilli October fell to Rs 4,293 from Rs 4,295.



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**Back Arrivals help soyabean rise marginally**

Our Correspondent

Indore, Sept. 1

Soyabean prices improved marginally with decline in arrival and buying at the plant level. Soyabean prices at the Indore mandi on Wednesday ruled at Rs 1,930-1,970 a quintal, up Rs 20 from Tuesday's close.

Plant delivery rates of soyabean were Rs 2,010-2,050 a quintal, down Rs 10. Arrivals of soyabean in State mandis were 45,000 bags.

With comparatively low trading in Mumbai soya oil, soya refined oil prices on the spot market fell by Rs 3 at Rs 457-463. Similarly, soya solvent prices also declined by Rs 3-5 with its prices in spot market quoting at Rs 427-432/10 kg. Prices of edible oil have declined 3-6 per cent, barring groundnut oil .

The other reason which has contributed to fall in edible oil prices is the spurt in its import last month. In the oil year 2009-10 (November-July), the country saw imports of 63.88 lakh tonnes of edible oil.

On NBOT, September futures , closed at Rs 484.30 for 10 kg. September futures on the NCDEX witnessed a correction of Rs 4 at Rs 2,034, while October futures closed at Rs 2,038, up Rs 8.

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**Back Demand from Gulf warms up basmati**

Our Correspondent

Karnal, Sept. 1

Demand from Gulf countries lifted the basmati rice market by Rs 100 a quintal and the market retouched the levels of Rs 5,500, the highest this the season.

On Wednesday, Pusa-1121 (steam) ruled at Rs 5,300-5,500 a quintal, Pusa-1121 (sela) at Rs 4,300-4400, while Pusa-1121 (raw) at Rs 5,300-5,500. Pusa (sela) quoted at Rs 3,200-3,400 a quintal and Pusa (raw) at Rs 4,100-4200.

Mr Parveen Kumar, a rice miller, told Business Line that demand from Saudi Arabia and Dubai lifted the market again. On the other hand, non-basmati market maintained a steady trend despite sluggish demand in the domestic market.

The Sharbati sela variety ruled between Rs 2,800 and Rs 2,900 a quintal; Sharbati steam at Rs 3,000-3100; Permal (PR) sela at Rs 2,200-2250; PR (raw) at Rs 3,300-3400 and PR (steam) at Rs 2,300-2,400. Broken such as Tibar ruled around Rs 3,700-3,800 a quintal, Dubar at around Rs 2,900-3,000 and Mongra at Rs 2,200-2,250.

Around 800 bags of Govinda paddy arrived and were quoted at Rs 850-1,010 a quintal.

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**Back Nabard okays Rs 285-crore aid to Bengal**

Our Bureau

Kolkata, Sept. 1

National Bank for Agriculture and Rural Development (Nabard) has sanctioned Rs 285 crore under Rural Infrastructure Development Fund (RIDF) to the West Bengal government.

Of this, Rs 280 crore is for improving rural connectivity in 18 districts of the State and the balance Rs 5 crore for construction of rural bridges in the Sunderban area.

The amount sanctioned for rural connectivity is to be used for construction of 100 rural roads (i.e. 68 village roads, 24 other district roads and eight major district roads), totalling 702.34 km.

#### Job potential

The non-recurring employment generation is estimated at 104.91 lakh man days and the projects are to benefit 2,083 villages, according to a press statement issued by Nabard.

The non-recurring employment generation from the Sunderban rural bridge project, supposed to benefit a population of 1.3 lakh in 14 villages, is estimated at 1.73 lakh man days, the release said.

Since the inception of RIDF, Nabard has sanctioned 32,998 projects with a loan component of about Rs 6,601 crore to West Bengal.

The major investments which received financial support from Nabard for creation of infrastructure in the State include rural connectivity amounting to Rs.3464 crore, irrigation and flood protection Rs 1,490 crore, social sector Rs 326 crore and other sectors Rs 1,320 crore.

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**Back Tulasi Seeds to raise Rs 150 cr for diversification**

Our Bureau

Hyderabad, Sept. 1

Tulasi Seeds, the Rs 171-crore turnover Guntur-based, a leading producer of Bt cotton hybrids, has decided to divest part equity to raise at least Rs 150 crore to diversify into hybrids in select vegetables and maize.

“We have offers from investment firms to pick up stake and will be closing the deal in the next couple of months. Some are from abroad like Italy. The maximum dilution we are

willing is 20 per cent,” said Mr Tulasi Ramachandra Prabhu, its Chairman.

“We are the third largest producer of Bt cotton hybrids in the country and have the ambition of reaching the top in the next couple of years. Though several large seed companies wanted to buy us out, we have rejected the idea,” he said in response to queries from newsmen here today.

The company sold 23 lakh packets of bt cotton seed at a Government fixed price of Rs 750 a per packet during 2009-10. This year it is on course to sell 29 lakh packets. In 2005-06, its figure was just 3.75 lakhs, Mr Prabhu said. “Our target is to reach 50 lakhs next year and our turnover for fiscal 2010-11 will touch Rs 225 crores,” he added. On diversification, he said the company wants to do research on hybrids in vegetables such as like chilli, brinjal, okra, tomato, gourds and watermelon. The germplasm required has been procured. In addition, work would be done with Korean and Italian researchers with their base material to test in various locations.

Tulasi Seeds has tied up with CIMMYT, Mexico, to work on the development of maize hybrids. The company has established strong R&D in molecular genetics and DNA fingerprinting and has 200 acres of land to undertake trials, explained Dr P.

Chandrasekhar, who heads research. The company won the first prize in the National Awards-2009 for R&D in the MSMEs.

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**Back Coonoor tea auction to see year's lowest volume**

P.S. Sundar Coonoor, Sept 1

A volume of 12.76 lakh kg will be offered at Sale No 35 of auctions of the Coonoor Tea Trade Association on Thursday and Friday, reveals an analysis of the listing by brokers. This is the lowest volume so far in 2010. It is as much as 1.41 lakh kg lower than last week's offer and 77,000 kg lower than the offer this time last year. Of the 12.76 lakh kg on offer, 8.98 lakh kg belongs to the leaf grades and 3.78 lakh kg belongs to the dust grades. As much as 12.20 lakh kg belongs to CTC variety and only 0.56 lakh kg are of the

orthodox variety.

## ORTHODOX SHARE

The proportion of orthodox teas continues to be low in the leaf and dust grades. In the leaf counter, only 0.26 lakh kg belongs to orthodox while 8.72 lakh kg are of CTC. Among the dusts, only 0.30 lakh kg belongs to orthodox while 3.48 lakh kg belongs to CTC.

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### Back Going organic way

— K K Mustafah



**Largeness & muchness:** A gigantic organically cultivated ash gourd (white gourd) kept for sale at an organic retail shop in Thrissur, Kerala. Ash gourd of such size can be grown through organic cultivation. The usual trend is to harvest before full maturity and excessively use fertilisers and pesticides that account for the small size of the gourd, according to farmers. Priced at Rs 15 a kg, the gourd has been cultivated at Malayalam Organic farm in Palakkad.

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