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## Vegetable prices shoot up in Karur

Staff Reporter

KARUR: Prices of vegetables soared in Karur market as rain impeded free arrival of fresh stocks from various places.

Continuous rain over the past week here as well as in their places of origin elsewhere in the state had a telling effect on the prices, traders said.

In fact the prices have shot up in particular in the past week due to the slump in arrivals.

While brinjal and onion are being sold for Rs.40 per kg apiece, chillies go for Rs.30 a kg. Carrot too is being sold at Rs.40 for an equal quantity while beans is a bit dearer at Rs.45 a kg.

The same quantity of potato is being sold for Rs.30 and all vegetables are being sold at prices that are 15 to 20 per cent higher than what they were last week.

Even tomato costs Rs.20 a kg while ladies finger costs Rs.22 and radish is being sold at Rs.20 a kg.

The traders fear that if the planned transport strike next week really takes off then the prices might rise again or stabilise there itself without coming down adding to the pressure and burden of the common man.

While the series of auspicious dates pushed up prices at the beginning of last month, the torrent allowed the prices to linger there. Now the threat of lorry completes the chaotic scene at the vegetable market.

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Imported parasitoids to control papaya mealy bug menace

Staff Reporter

MADURAI: Three Parasitoids imported from Costa Rica and Mexico were released in the Papaya plantation as inoculative to biologically control the papaya mealybug infestation here at Erampatti Village in Alanganallur Block near Madurai on Wednesday.

Papaya mealybug Paracoccus marginatus (Pseudococcidae. Hemiptera) is an exotic pest which was first noticed in the southern districts of Madurai, Dindigul, Sivaganga and Virudhunagar during July, 2009 and later spreading to other districts. Apart from papaya, plants found infested included guava, hibiscus, neem, jatropha, banana and sapota. The pest has a high reproductive potential especially during summer times and the dense, waxy secretions around the body protect the pest from adverse environmental conditions and pesticides. Chemical application of pesticides has only failed in eradicating this pest.

Hence, the Tamil Nadu Agricultural University in collaboration with The National Bureau of Agriculturally Important Insects (NBAII), Bangalore, imported the three species of parasitoids, viz. Acerophagus Papaye, .Pseudoleptomastix mexicana and Anagyrus loecki from Costa Rica and Mexico for its biological control.

Releasing the parasitoids, P.Murugesa Boopathi, Vice-Chancellor, Tamil Nadu Agricultural University said that even after systemic pesticides were used, the mealybug menace continued to affect the papaya, so TNAU scientists were asked to find a solution and it was then we came to know the importance of biological control using natural enemies.

R.J. Rabindra, Director, NBAII, said we have a precedence in the form of controlling white aphids in sugarcane in Maharashtra, Karnataka, Andhra Pradesh and Kerala. He also said farmers prefer mainly chemical measures to obtain instant results without perceiving their adverse impact. Hence, emphasis on integrated application of following biological control is the need of the hour.

These three parasitoids are cultured on papaya mealybugs for field release in the Department of Agricultural Entomology, Agricultural College and Research Institute for the past two months and as a first step. District Collector C. Kamaraj aksed the farmers to cooperate with the Agriculture Department and called for closer interaction between farmers and agricultural scientists and also asked them to instil confidence in the system. The Collector's effort to find a solution to the menace was much appreciated.

P.Moorthy, MLA, Sholavandan, K.Vairavan, Dean, Agricultural College and Research Institute, Madurai, M. Paramathma, Director of Research, TNAU, Coimbatore E.I. Jonathan, Director, Centre for Plant Protection Studies, TNAU participated in the event.

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## Farming operations gain momentum thanks to rain

Staff Reporter

*Plan to bring 11,000 hectares under paddy cultivation*

Photo: A. Shaikmohideen

Well-prepared:A farmer preparing the paddy field at Aalur near Nagercoil.

Nagercoil: The farming operations are picking up in different parts of the district following heavy rain, which lashed the district in the last week.

According to the Joint Director for Agriculture, N. S. Ganesan, it had been decided to cover paddy crop on over 11,000 hectares in the second season in the district. The farmers had raised paddy on over 7,250 hectares. In the remaining areas, farmers had raised banana and tapioca, which were profitable than paddy. Harvest was over in almost all parts of the district except for a few areas in the tail end areas, at Agastheeswaram taluk. It had been decided to distribute 30,000 coconut saplings and of that 18,000 had already been given to the farming community.

The district was primarily agriculture-oriented with a sizable population depending on food crops and other commercial crops. The major contribution to the agricultural economy of the district was from the seasonal crops like paddy, banana, tapioca and plantation crops like coconut and rubber.

Haseena (14) of Thiruvananthapuram came to the Mathur hanging bridge in Kanyakumari district along with family members. However she was washed away by the flash floods at Mathur hanging bridge. The fire and rescue service personnel were trying to trace the body.

The water level in Pechipparai dam stood at 45.60 feet, 75.13 feet in Perunchani, 16.56 feet in Chittar I, 16.66 feet in Chittar II and 25 feet in Mukkadal dam.

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**6,000 hectares to come under SRI method**

Special Correspondent

*Awareness rally on Rajarajan 1,000 technique flagged off*

Overview:Collector T.N. Hariharan (left), inspecting the paddy transplantation being

RAMANATHAPURAM: As many as 6,000 hectares will be brought under the “Rajarajan 1000” cultivation technique this year in the district, according to Collector T.N. Hariharan.

Inspecting the paddy transplantation at Solandur village near here on Wednesday, he said it was implemented in 2020 hectares in 2009-10.

The new target had been fixed based on the interest shown by the farmers of the district during the last year.

The farmers, who followed the new technique, which was then called as System Rice Intensification, got an average yield of 3,940 kg as against 2,331 kg of yield derived from the traditional cultivation method.

The incidents of pest attack and other deceases in paddy cultivation under the new method were very less when compared to the traditional paddy cultivation.

He said the atmosphere was conducive for starting the cultivation process under the new technology in the district.

There were reports that a large number of farmers from all 11 blocks of the district had come forward to switch over to the technology.

N. Sathiamoorthy, Joint Director of Agriculture, said all agricultural officials had been asked to achieve the target.

Necessary inputs would be distributed to the eligible farmers at a cost of Rs.24.57 lakh for promoting Rajarajan 1000 technique.

Rally

Earlier, the Collector flagged off an awareness rally on Rajarajan 1000 technique at Solandur village. A large number of farmers from different parts of the district took part in it.

They also witnessed the functioning of the paddy transplantation machine, nursery culture and method of field preparation and others.

K. Sakthimohan, S. Rajendran, Deputy Directors of Agriculture, Mohamed Abdul Nazeer, Assistant Director of Agriculture, R.S. Mangalam and other officials participated.

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## Collector asks farmers to insure crops

Special Correspondent

THANJAVUR: Collector M. S. Shanmugham has appealed to farmers of the district to insure their samba and thaladi crops under the National Agriculture Insurance scheme before December 15, which is the last date.

He said that heavy rain lashes the district for the past few days. Crop inundation has been reported from various areas. If the farmers insure their crops they may get compensation in case of a crop damage and loss.

In 2008-09, compensation to the tune of Rs.88.38 crore has been given to 71,136 farmers in the district. The premium is Rs.260 per acre. Out of this small and marginal farmers are given a subsidy of Rs.117 per acre. While premium is deducted for loanee farmers when they take crop loans from co-operative and nationalised banks, non-loanee farmers have to pay the premium by themselves and insure their crops.

Only 37 non-loanee farmers have so far insured their crops. The Collector appealed to all the non-loanee farmers to pay the premium before December 15 and insure their crops.

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**Onion growers in three blocks of Tiruchi district rooted out**

M. Balaganessin and Syed Muthahar Saqaf

*Crop in about 700 hectares has developed roots*

Photo:M.Moorthy

food for thought:An agricultural worker showing the damaged onion at P.K. Agaram village near Tiruchi on Tuesday.

TIRUCHI: Onion is yet another cash crop which has suffered extensive damage during the incessant rainfall continuing in the district for the past few days.

The farmers of the Thuraiyur, Uppiliapuram and Pullambadi blocks are the worst hit and the crop raised in about 700 hectares of the total area of 2,000 hectares has developed roots, thereby affecting the growth of the bulb.

“We have suffered total crop loss and are waiting for government compensation to make good a part of the loss”, observed a cross section of the onion farmers.

Onion is raised in abundance in Venkatesapuram, Okkarai, Chikkatambur, Kannanur, Palayam (Thuraiyur block); Pachaperumalpatti, Govindapura and Koppampatti (Uppiliapuram block); Ootathur, Nambukurichi, Sirukalapur, Peruvalapur, Peria Kurukkari Agaram and Kanakiliyanallur (Pullambadi block). Chinna vengayam (Co-5) raised in about

660 hectares and bellary raised in about 40 hectares have suffered damages unable to withstand the brunt of the rain havoc.

Many farmers lament that the damage has come just a couple of weeks ahead of the harvest of the crop raised during Purattasi pattam season. The initial spell of rain in the early Purattasi raised their hope of a higher harvest this season. Untimely and widespread showers has caught the onion farmers on the wrong foot.

K. Kannusamy of Peria Kurukkai Agaram says that he had utilised all his onion seed for the Purattasi season and had also spent about Rs.90,000 for raising the crop in three acres. He raised the crop on a limited extent of just three acres, expecting monsoon rainfall midway. Now the entire crop has suffered damage with deep growth of roots below the bulb, damaging the quality and deliciousness of the crop.

“The price of the onion is fixed only based on the size of the bulb. The rain played spoilsport in diminishing the bulb size, thus causing the plant to develop roots. Now I have pressed into service a dozen labourers to pluck the damaged plants and salvage them to the extent possibly,” he says with sadness writ large on his face. Although he is quite sure about that he would not make any profit this season, he attempts to protect the soil and its texture, lest the crop should decay. Against his usual harvest of five tonnes per acre, he anticipates a very meagre yield of poor quality. What worries the farmers most is the fact that they have lost all their seed in the recent rainfall. They have to invest an additional expenditure for the purchase of seeds next season.

The Horticulture Department officials visited parts of the three blocks, besides Manachanallur, since Saturday to assess the loss.

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### Farmers to get ample relief: Minister

Staff Reporter

*Says compensation will surpass existing calamity relief norms*

ALAPPUZHA: Compensation that will surpass existing calamity relief norms will be given to farmers who have suffered heavy loss due to untimely rain in the State, Agriculture Minister Mullakkara Ratnakaran has said.

Addressing the media after a review meeting here on Wednesday, Mr. Ratnakaran said farmers who suffered 50 per cent or more loss to paddy crop that was ripe for harvesting, would be paid Rs.10,000 per hectare instead of the Rs.4,000 per hectare that was permissible as per norms. Farmers who suffered damage to fields that were prepared for the ‘puncha' round of cultivation would be given Rs.4,000 per hectare for preparing the fields again while whatever financial assistance was required would be provided to farmers who had to re-construct bunds that were breached during the rains.

Farmers who suffered losses after sowing would be given seeds free-of-cost. At the same time, there were several cases of harvested paddy sprouting or reporting high moisture content after being submerged by rainwater. District Collectors would hold discussions with rice mills to procure this paddy as well. Since the moisture content was high, the farmers would not get the declared minimum support price of Rs.13 per kg, but the government would compensate their losses, the Minister said.

With the State setting an example by surpassing existing norms, a request for a similar effort would be made to the Centre when the State submits its report by December 5, asking the Centre not to treat this calamity as a regular calamity and to allow compensation without any restrictions, he said. Stating that the State would also take up with the Centre the issue of farmers not benefitting from the prevailing crop insurance system, Mr. Ratnakaran said the present damage was caused by unusual climate changes.

A meeting of experts and agriculture officers would be convened in Thiruvananthapuram on December 8 to discuss the setting up of a system wherein farmers could be warned at least five days in advance of such possible climate changes.

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Handbook for farmers

ALAPPUZHA: The district wing of the State Agriculture Department, in association with the Rice Research Institute at Mankombu here, is preparing a handbook for farmers, which will help them tackle pests, inclement weather and also market their products.

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Farmers stop repaying loans taken during 2008-2010

K.V. Subramanya

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*They are expecting another debt waiver scheme*

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CHICKBALLAPUR: Agricultural Debt Wavier and Debt Relief Scheme (ADWDRS-2008), which was introduced by the Union Government in 2008 to provide debt relief to farmers, has backfired in Chickballapur district.

Under the belief that the Government would come out with a similar debt wavier/relief scheme in the future, a majority of farmers have stopped repaying fresh agricultural loans they have taken during 2008-09 and 2009-10, subsequent to the implementation of ADWDRS-2008.

Thereby, many farmers, who have now turned defaulters, and are thus ineligible to get any loans from banks, are back at the doorsteps of private moneylenders. Seed suppliers, fertilizer traders and prospective buyers of farm commodities were lending loans to farmers at exorbitant rate of interest, according to senior officials in the district administration as well as bankers. A similar situation is said to be prevailing in most of the districts in the State.

At the Block Level Bankers Committee (BLBC) meetings held in all the blocks in the district recently, bankers have said that “their hands were tied” in regard to sanctioning fresh agricultural loans and renewing crop loans as farmers were “averse” to pay agriculture loan instalments and also they did not evince interest in renewing crop loans. The views expressed by the bankers at BLBC meetings were discussed at the District Consultative Committee meeting convened by the District Lead Bank here on Tuesday.

Chickballapur Deputy Commissioner N. Manjula, who chaired the consultative committee meeting, said that the situation was “alarming” as farmers were approaching private moneylenders instead of obtaining loans at lower/subsidised rate of interest from banks.

The purpose with which agriculture loan schemes and debt relief schemes were implemented by the Government seems to have been defeated, Dr. Manjula said.

Joint Director of Agriculture would be asked to convene a meeting of farmer leaders next week to chalk out strategies to bring the farmers back to banks, she announced. According to District Lead Bank Manger Chandrashekar, advances and recoveries under the agriculture and allied sectors in the district had come down drastically as on September 30, 2010 leading to an increase in non-performing assets in the branches.

Mr. Chandrashekar said that the banks had surpassed the target (105 per cent) in disbursement of loans under agriculture and allied sector in 2009-10. However, the achievement was only 66.13 per cent at the end of the second quarter this fiscal.

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Sirsi farmer develops low-cost dryer for arecanut

COST EFFECTIVE:Progressive farmer and engineer Raghavendra M. Hegde with his dryer.

Sirsi: A low-cost druer to dry tender arecanut has been innovated, which is considered a boon to areca growers by agriculturist and engineer Raghavendra M. Hegde of Balegadde near Sirsi. It is a boon because it could save tender areca from unpredictable rain in Malnad this year.

The cost of the 15-foot long drier will not exceed Rs. 1,000, says Mr. Hegde.

He has named the drier as Surya Solar Drier. Common plastic sheets available in the market and PVC pipes have been used to make the drier, says Mr. Hegde.

A display of the drier model was held at Sonda Swarnawalli and at Totgars Cooperative Sales Society, Sirsi, and Yellapur recently under the auspices of Swarnawalli Krishi Pratistana. for the benefit of areca growers.

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White arecanut price touches Rs. 115 a kg

Raviprasad Kamila

MANGALORE: Prices of old stocks of white arecanut called “chol” has jumped by Rs. 10 a kg in a week, with the price touching Rs. 115 in Dakshina Kannada market on Wednesday.

Agrarian economy of the district is primarily based on the price of white arecanut.

Growers and marketing agencies speculate prices might rise to Rs. 125 a kg shortly.

They attribute the increase to scarcity in the arrivals of new stocks of white arecanut because of continued rain this year, reduction in imports, demand from gutka manufacturers, and shifting from using traditional red variety, and shortage of old stocks harvested in 2009-10.

Growers Ramesh Kainthaje from Mani and Louis D'Souza from Uli told The Hindu that increase in price would not help a majority of farmers as they did not have old stocks. November to April was the season to dry harvested arecanut. Extended rain last year and early rain in March and April this year hit farmers as they could not dry it properly. A majority did not take the risk of stocking the produce fearing reduction in quality and sold “hosa adike” (new arrival).

Hence there was shortage in the arrival of old stocks.

Mr. D'Souza said early rain this year resulted in button shedding (dropping of nuts from areca bunches) in many plantations. Hence there was a slump in production this year resulting in shortage in the arrivals of new stocks too.

A.S. Bhat, managing director of Central Arecanut and Cocoa Marketing and Processing Cooperative Limited (Campco), said the price was hovering between Rs. 85 and Rs. 105 a week ago. It started scaling up from November 25. Mr. Bhat, quoting market sources, said that imports had come down.

Manchi Srinivasa Achar, president, All India Areca Growers Association, Puttur, said the present market trend appeared “like an invitation price to tempt farmers to release remaining old stocks to the market."

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## Paddy farmers worried over early flowering

Staff Reporter

*Crop in over 600 acres affected; ‘sub-standard seed to blame'*

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*Flowering has occurred in sixty days itself whereas the crop duration is 130 to 150 days*

*We have already lodged a complaint with the Agriculture officers concerned, says ryots' leader*

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— Photo: kommuri srinivas

A paddy grower showing early and uneven flowering in Chinna Madhavaram village in Tallur mandal of Prakasam district

ONGOLE: Though the southwest and northeast monsoons had brought bountiful rains this years, paddy growers in two mandals of Prakasam district over “sub-standard seeds” leading to early flowering in over 600 acres.

Unperturbed by excess rains, farmers had begun cultivation in a record eight lakh acres during rabi, though there was some delay due to damages caused to seedlings in coastal mandals because of the cyclonic storm JAL.

However, “substandard seeds” have dampened their hopes of getting a good crop among paddy growers, especially in the mandals of Tallur and Tripuranthakam in the district.

“We are worried over early pinnacle initiation as the same will hit production by at least a half,” paddy growers in Chinna Madhavaram village said while talking to The Hindu.

Narrating their tale of woes, 42-year-old farmer T. Venktaramana Reddy, who has taken up paddy cultivation in 2-1/2 acres, lamented that “flowering has been quite early and uneven.”

“Flowering has occurred in sixty days itself whereas the crop duration is 130 to 150 days.

The yield is likely to come down by at least fifty per cent,” added another farmer T. Shiva Reddy, who has taken up CR 1009 paddy variety in six acres.

A delegation of CPI-led Andhra Pradesh Rythu Sangham leaders who visited the paddy fields in the villages of Rajanagaram, Ilepalem, Gangavaram Vitalapuram, Belamkondavaripalem and Bakkireddypalem in Talur mandal found that “early pinnacle formation has been witnessed in over 400 acres in these villages.”

APRS Prakasam District President K. V. V. Prasad said the farmers in these villages had purchased the seeds from a trading firm Venkatsai Rice Depot, which had in turn purchased them from the AP Seeds Corporation.

“Farmers in Rajupalem, Srinivasanagar and surrounding villages of Tripurathakam mandal are also facing early flowering problem,” Mr Prasad said, adding they had purchased the BPT 5204 variety of seeds from a private trader for cultivation in over 200 acres.

“We have already lodged a complaint with the Agriculture officers concerned. We want the

Government to send a team of agriculture scientists to assess the extent of crop loss and ensure compensation to the ryots," the farmers' leader said.

He pressed for early pasage of the National Seed Bill pending for a long time, to increase penalties for poor quality seeds.

MoU

The memoranda of understanding initiated by the State Government earlier to ensure compensation from seed companies for poor quality seeds, were also not working satisfactorily, he lamented.

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FARMER'S NOTEBOOK

**Sericulture: production does not meet country's demand**

M.J. PRABU

Bivoltine cocoons can fetch about Rs. 6,000 to 10,000 from an acre

— Photo: special arrangement

Higher return: S.M.H. Qadri, Director, CSRTI, Mysore, inspecting a bivoltine cocoon farmer's shed.

“Though India ranks second in global silk production and leads in silk consumption, the silk production in the country does not meet the country's requirement,” says Dr. S. M. H. Qadri, Director, Central Sericultural Research and Training Institute (CSR&TI), Central Silk Board, Mysore.

“Converting traditional farming system or existing popular conventional practices to advanced technologies is not an easy task though the need of the hour lays emphasis on competing in terms of globalized marketing,” he says.

Switch over

“Indian silk industry needs to switch over to bivoltine hybrid silkworm rearing for production of superior quality silk and higher returns to farmers, as the quality of silk produced by indigenous breeds and cross breeds (CB) is low and cannot compete in the international market,” he adds.

The CSR & TI Mysore, evolved a number of silkworm hybrid breeds capable of higher yields and international quality silk during the last decade enabling India to meet the global competition and to sustain the sericulture industry, according to him.

Indian farmers mainly rear cross breeds (CB) that are multivoltine in nature, (produce silk throughout the year) whereas the bivoltine hybrids (BV) completes only two generations per year and yet yield silk more superior than multivoltines.

“Initially the bivoltine silkworm rearing could be done only during winter season under tropical conditions. Now scientists are evolving several silkworm breeds suitable for rearing under all climatic conditions,” he explains.

“Several projects funded by the World Bank assisted National Sericultural Project and 'Promotion and Popularizing Practical Bivoltine Sericulture Technology' (PPPBST) Project strengthened bivoltine production,” adds Dr. Qadri.

Leading state

“Today we can say proudly say that among the States Tamil Nadu leads in bivoltine hybrid silk production in the country. Though PPPBST demonstrates success of bivoltine cocoon production among limited number of farmers in Gobichetipalayam, Erode district, it has still to make a big impact among many sericulture farmers," he says.

The regional research station at Salem and the Directorate of Sericulture (DOS) are taking steps to popularize bivoltine sericulture among farmers and the result today its rearing increased from 0.1 per cent to 22 per cent.

Higher literacy of the farmers, usage of sericulture industry as self employment tool, large scale operation, easy acceptance, and adoption of advanced technologies are additional strengths for promoting the rearing in Tamil Nadu, he explains.

Good example

Mr. M.S. Vasudeva Ramkumar a sericulture farmer in Manupatty village, Udumalpet, says, that he hesitated to rear bivoltine silkworm hybrids mainly due to their susceptibility to diseases and need for quality mulberry leaf.

"Thanks to the scientists, who provided disease and temperature tolerant silkworm hybrids and rearing package to farmers like us, we are able to get a good price for bivoltine cocoons and earn an additional income of about Rs. 6,000 to 10,000 per acre," he says.

CSR, Mysore is striving to promote bivoltine sericulture in Tamil Nadu, Karnataka, Andhra Pradesh, and Maharashtra through cluster promotion programmes augmented by recently launched video conferencing system for sericulture farmers towards effective extension support.

Need for better scope

The industry needs better scope for further development that can offer scope for a lot of self employment opportunity in different sectors particularly to rural educated youths, feels Dr. Qadri.For more details contact The Director, Central Sericultural Research & Training Institute, Central Silk Board, Mysore, Karnataka email: director@csrtimys.res.in, phone 08212362757 and Central Silk Board, Salem, Tamil Nadu,phone: 0427- 2295374 & 2296374.

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## Management of sapota seed borer

Sapota seed borer is an invasive pest that might have been accidentally introduced in India from Sri Lanka a decade back.

The seed borer attacks immature fruits and it is difficult to distinguish between infested and uninfested fruits prior to the emergence of larvae.

### Tiny holes

Fruits with tiny exit holes are the only indication of seed borer infestation. During the tunnelling process, the larva drags out the excreta from the seed to the pulp.

Majority of the larvae emerge from the seeds after feeding on the cotyledons completely and prior to ripening of the fruit.

Small black ants inhabit such damaged fruits. The larva on exiting from the fruit cuts a leaf and folds it over to make a fine shell-like structure within which it pupates.

The adult is a small delicate greyish white moth with bell shaped wings and resembles bird droppings.

The seed borer incidence depends on the variety and availability of susceptible stage of fruits (marble-lime size fruits).

There is no variety that is completely resistant to the seed borer infestation.

### Management

After main fruiting season, the pre-seasonal stray fruits serve as source of survival during off season.

Thus, Sanitation is to be maintained for eliminating the sources of seed borer infestation.

Collection and destruction of the off season stray mature fruits after main harvest till November will bring down the pest incidence.

Erecting light traps in the field during cropping season will attract adult moths and will minimize the incidence.

Effective management of seed borer relies primarily on the stage of spray intervention. The time of application is crucial in the management of seed borer.

Spraying

First spray intervention should be made when the fruits are of small lime size and thereafter the sprayings should be repeated at fortnightly intervals during main fruiting season.

Alternating the sprays of Deltamethrin 2.8 EC at 1 ml/l and Bt at 1 ml/ at fortnightly interval will bring down the seed borer infestation.

P. D. Kamala Jayanthi& Abraham Verghese

Division of Entomology and Nematology, Indian Institute of Horticultural ResearchHesseraghatta Lake POBangalore

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Farm Query

Sheep varieties Whom should I contact for information on Dorper, Bannur and Rambullet sheep varieties?

B. Narasimham Andhra Pradesh

You can contact Mr. Veerakempanna, Anoor village, Sidlaghatta taluk, Chikkaballapur, Karnataka, phone: 08158-256117, mobile: 09449730563 and 09986000833, email:

vkempannasheepbreed@rediffmail.com for your requirements. Mr. Veerakempannan techniaue of cross breeding exotic varieties with local breeds has reduced the mortality rate and increased the weight of the animals and better quality wool.

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## Method to control invasive beetle

After 21 years of work, Cornell researchers are spreading the word about an on-farm biocontrol method to solve the problems caused by the destructive invasive species alfalfa snout beetle (ASB).

### Available for free

The 30-page ‘Rearing and Applying Nematodes to Control Alfalfa Snout Beetle' manual that condenses the Cornell research on the pest is available online free of charge. More than 13 per cent (500,000 acres) of the New York's agricultural land has been infested by ASB, which can destroy entire fields in one year.

Research has shown that treating fields with native insect-attacking nematodes that feed on the ASB larvae can cause alfalfa snout beetle populations to drastically diminish, according to a Cornell University press release.

“The nematodes naturally recycle within the alfalfa snout beetle host, persist in the soil, and effectively self-disperse creating the opportunity for sweeping and perpetual control across treated fields,” says Antonio Testa, a Cornell research support specialist.

The treatment combines two types of nematodes that coexist well.

One prefers shallower soil, the other burrows deeper, broadening the effectiveness of the Cornell protocol.

The mass-produced the native nematodes and the nematodes were sprayed onto field surfaces. “Growers are able to inoculate their fields just one time to achieve long-term control. This saves the cost of annual applications of the more costly commercially produced nematodes that persist in the field for less than a single growing season," Testa says.



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2 Dec, 2010, 01.14AM IST, Sutanuka Ghosal,ET Bureau

## Chana prices may firm up in retail market

KOLKATA: Chana prices may firm up in retail market in view of the ensuing marriage season in the north. In addition, the late arrival of chana in wholesale market due to heavy rains in the south may have an impact on prices as well.

Chana is produced in Madhya Pradesh, Rajasthan, Uttar Pradesh, Maharashtra, Andhra Pradesh, Karnataka and Gujarat. Its sowing starts in October and lasts till December. First arrivals start in Karnataka during November-end while the last arrival in north Rajasthan is during April.

Total annual consumption of India is nearly 50-55 lakh tonne that fluctuates with the price movement. Besides domestic output, India also imports around 3-4 lakh tonne chana per year. India imports chana from Canada, Australia, Iran and Myanmar.

Ashok Sahu, owner of Madhya Pradesh-based Tula Dal Mill, said, "The requirement for chana will go up from this month as the marriage season will kick off. The south Indian production enters the market a little early while the rest of the crop is available from February-March."

The crop from Andhra Pradesh and Karnataka has been damaged due to heavy rains. "However, in the north, rains in Rajasthan will benefit the crop but the expected increase would be difficult to judge till the sowing is completed," chana traders said.

On the international front, contrary to the expectations of a bumper crop in Australia, weather has played a spoilsport and damaged the crop to a large extent. Market is expecting a crop of 4.5 lakh tonne against an expectation of 8 lakh tonne. India imports close to 2 lakh tonne chana from Australia which arrives in India by November-end each year.

"But this year, due to unfavourable weather, we still haven't received any imports, creating a fear of supply shortage which has been one of the key factors behind the recent surge in prices," the traders added.

On Wednesday, the December futures closed at `2,545 a quintal at NCDEX. The January contract closed at Rs 2,603 a quintal.

2 Dec, 2010, 01.09AM IST, Madhvi Sally & Sutanuka Ghosal,ET Bureau

Potato prices likely to remain stable

CHANDIGARH/KOLKATA: Potato prices are expected to remain stable between Rs 5.50 and Rs 6 a kg for a month, till the arrivals from potato-producing states of Bihar, West Bengal and Gujarat reach markets.

West Bengal, the second-largest producer of potato in the country, may see a drop in production this season as winter is yet to set in. Cold climate is needed for good potato cultivation.

In Jalandhar mandi on Tuesday, a bag of 50 kg potato was sold for Rs 270-Rs 300. Traders said that daily 125-130 trucks were leaving from Punjab for Delhi's Azadpur mandi. Also, potato is being loaded on rakes for the Northeast and West Bengal markets. “The current potato prices compared with that of previous year are higher as there will be a delay in new crop arrivals from Uttar Pradesh and Gujarat this month. Prices are likely to stabilise in January,” said Jalandhar-based Confederation of Potato Seed Farmers (POSCON) chief Sukhjit Bhatti.

Farmers are worried that unseasonal rains in Gujarat’s potato belt of Deesa, Palanpur and Himmatnagar may destroy 50% of the crop. Over 30% of the crop is for processing varieties. Prices of processing varieties like Chipsona, Atlantic, Lady Rosetta, which were ruling at Rs 12.50 to Rs 14 per kg a month ago, are now being sold for Rs 18-20 a kg.

“Potato prices should have come down to Rs 10-12 with the arrival of new crop. With deficient rainfall in West Bengal and unseasonal rains in Madhya Pradesh and Gujarat we have to adopt a wait and watch policy,” said Pepsico executive vice president (agro) Nischint Bhatia. The company processes 1.5 lakh tonne potato annually across its three factories in India .

Potatoes that have been in cold storage are being used to meet the demand in the West Bengal market. “The cold storage potato was supposed to be offloaded by November 30. But that didn’t happen due to procedural delay on part of the state government. Now the date has been extended by another 15 days and the cold storages are charging an additional Rs 15 per quintal for this period. The new crop has already been delayed and is expected to enter the market by December-end or early January. The production in the new season may also be affected as the winter is yet to set in,” said Gautam Sinha, secretary, Greater Kolkata Potato and Onion Merchants’ Association.

Major processing companies are now sourcing potatoes from farm gates and mandis in Punjab and Haryana. A few trucks from Punjab have also entered West Bengal, Mr Sinha said, adding that the state has enough potatoes to meet the demand in December. In West Bengal, potatoes are being sold at Rs 600-650 per quintal in the wholesale market.

2 Dec, 2010, 01.12AM IST,ET Bureau

## Govt suspends cotton yarn registration

COIMBATORE/AHMEDABAD: The Centre has suspended registration of cotton yarn after capping exports at 7.2 lakh tonne on Tuesday, triggering mixed reactions from the textile industry .

With Shankar-6 costing Rs 44,000 per candy (of 356 kg each) against Rs 29,000 per candy same time last year, cotton yarn (40 count) had gone up to Rs 250 per kg against Rs 150 kg a year ago.

Tirupur Exporters Association president A Sakthivel said that the ban on cotton yarn exports would bring down prices of cotton yarn and availability of yarn in domestic market and would ease pressures in the downstream players comprising garmenters, handloom-powerloom weavers and madeups.

While the domestic consumers of cotton yarn, the knitwear manufacturers, have welcomed the suspension of cotton yarn exports registration, the spinners have termed it as a bad move.

“It will send wrong signals to the international market,” said an industry expert. The industry has been exporting 19% to 21% of cotton yarn produced in the country for the past 15 years as the domestic consuming industry has no capacity to absorb this 20% of production, said GTN Textiles chairman BK Patodia. “We make enough yarn for the domestic end-users. This sudden stopping of export registration will upset the entire value chain. It will affect the price of yarn as well as raw cotton,” he added.

According to him, the government should have waited for shipment figures. According to Office of Textile Commissioner, Mumbai, only 4.57 lakh tonne of cotton yarn have been shipped from the country. “Even if another 3 lakh tonne gets exported in the next three months, it wouldn’t be more than 7.5 lakh tonne. But this stopping of export registration will affect the continuity of business," Mr Patodia added.

1 Dec, 2010, 01.10PM IST,REUTERS

Oilseeds, soyoil rise on meal exports, palm

MUMBAI: Indian oilseeds and soyoil futures edged up on Wednesday afternoon on rising meal exports and as concerns over dry weather in Argentina, the world's third largest soybean exporter, lifted world markets, analysts said.

However, gains were capped by hopes of an increase in acreage under rapeseed and rising soybean arrivals in the local physical market, they said.

"Oil millers were active in spot market. Export demand for soymeal is there and now soyoil prices are also rising. It is giving one more reason to them to buy and crush soybean," said Radha Vallabhaji Purohit, a dealer based in Nagpur.

The country's oilmeal exports in October rose 61 percent from a year earlier, its fourth straight monthly gain, due to higher demand from traditional buyers in Japan and China, data from a trade body showed.

Malaysian crude palm oil futures hit a fresh 28-month high on Wednesday, extending gains for the third day, driven by concerns over lower output in the monsoon season and firmer overseas agricultural commodity markets.

At 12:48 p.m., U.S. soy futures were up 0.74 percent at $12.52-¼ per bushel.

December soybean futures contract on India's National Commodity and Derivatives Exchange (NCDEX) was 0.76 percent higher at 2,248 rupees per 100 kg.

December soyoil jumped 1.42 percent to 576.8 rupees per 10 kg, while rapeseed for December delivery edged up 0.54 percent to 568.7 rupees per 20 kg.

Higher-than-normal rainfall this year in key rapeseed growing areas in north India has raised soil moisture levels, prompting higher sowing.

# Business Standard

Thursday, Dec 02, 2010

**Govt may cut rubber import duty**

**Bloomberg / December 02, 2010, 0:59 IST**

India, the fourth-biggest producer of natural rubber, may allow imports of as much as 100,000 tonnes at a lower duty to meet surging demand for tires as rising incomes boost car sales, Trade Secretary Rahul Khullar said.

The finance ministry may make a decision after the end of the current session of parliament which runs to December 13, Khullar said in an interview in New Delhi yesterday. The trade ministry has recommended imports at a concessional rate for a maximum of 100,000 tons and tax changes on tire imports, he said, declining to elaborate. Rubber imports are taxed at 20 per cent.

Rising incomes in the world's second-most populous nation may help more than double annual car sales to 3 million by 2015, according to the government, boosting demand for natural rubber. Prices in India reached a record last month on concern that the low-output season in Southeast Asia will worsen a deficit.

“Domestic production is not going to increase dramatically, demand is going through the roof because factories are being set up to make radial tires,” Khullar said.

“The pressure on prices will continue tight through next year, until you resolve the availability issue.”

Bridgestone Corp and its Indian rivals including Apollo Tyres and MRF are investing $3 billion in plants to meet demand that’s forecast by Automotive Tyre Manufacturers’ Association to expand 10 per cent to 106 million tires in the year to March 31. Rubber makes up 42 per cent of raw material costs, according to the manufacturers’ group.

### Stocks rally

Tire makers’ shares jumped in Mumbai trading. Apollo gained as much as 2.7 per cent to Rs 67.9, after losing 7.7 per cent last month. JK Tyre & Industries added as much as 3 per cent to Rs 149.4 and MRF climbed 3 per cent to Rs 8,100.

Futures on the Tokyo Commodity Exchange reached a 30-year high of 383 yen on November 11 as rain in Thailand, Indonesia and Malaysia, the top three growers, interrupted tapping and lowered production. May-delivery rubber on the Tokyo Commodity Exchange gained as much as 1 per cent to 363.8 yen a kg ($4,351 a ton) before settling at 363.5 yen.

Passenger-vehicle sales in India in October increased 38 per cent from a year ago to a record 231,957 units, the Society of Indian Automobile Manufacturers said on November 10. About 1.4 million units were sold in the April-October period, compared with 1.53 million for the whole of the last financial year, according to the group.

“Demand-supply gap has been widening over the past two to three years because of stagnant rubber production and rising car sales,” said Vaishali Jajoo, an analyst with Mumbai-based Angel Broking. “There will be imports in the coming years if there’s no fresh supply and the auto sector continues to do well.”

She has a “accumulate” rating on Apollo and a “buy” recommendation on JK Tyre.

Imports in the year to March 31 may exceed 200,000 tons, from 170,048 tonnes a year earlier, tire makers association’s Director General Rajiv Budhraja said on November 11. Natural-rubber output may drop for a second straight month in November after falling 7.6 per cent to 82,000 tonnes in October, as rains hinder tapping in Kerala, India's top producer, he said.

Purchases surged 81 per cent in October to 18,148 tonnes, according to the state-run Rubber Board, as tire companies stepped up purchases to bridge the shortage.

White shrimp cultivation to encourage more exports

George Joseph / Kochi December 02, 2010, 0:57 IST

The production of newly cultivated Vannamei (white shrimp) will touch 30,000 tonnes this financial year, said Leena Nair, chairperson of the marine Products Export Development Authority (Mpeda).

India started Vannamei cultivation on commercial basis a year back and the total area under cultivation increased to 2,000 hectares currently. It is mainly cultivated in Maharashtra, Gujarat, Andhra Pradesh and Tamil Nadu.

Nair said this would further push up marine products export from India and the total export in this financial would cross the targeted $2.5 billion. In the first half of the current year, export crossed $1 billion, up 23 per cent against the exports in the same period last year.

The farming of Vannamei species is promising as India can produce large variety of shrimps than the traditional producers like Thailand, Indonesia, Ecuador and Vietnam. The lower price tag of the new species ($10-12 a kg) in the global market than the traditional Indian grades like black Tiger ($14 a kg) is advantageous on the export front especially to the EU, US and Japan. The drop in production in Vietnam and Ecuador gives India an advantage, she said. Production of Vannamei in Vietnam dropped to 40,000 tonnes from 160,000 tonnes in 2006.

She added that the US market is now promising to India as the oil spill in the Gulf of Mexico ha d caused a serious shortage for seafood items in the US market. So, exports to the US picked up in recent months which had been declining considerably for the last five years. Exports to the US market dipped in the past due to the heavy anti-dumping duty imposed in February 2005.

Govt caps yarn exports to cool cotton prices

Dilip Kumar Jha / Mumbai December 2, 2010, 0:53 IST

The Union textile ministry has put a 720-million-kg cap on cotton yarn exports for the current financial year. The move could help soften prices of yarn and cotton.

The ministry said the quota would not be extended under any circumstances. With this, the propensity for further exports to cash in on higher global prices came to an end. Industry sources said the textile ministry had already taken a decision in this regard, while the notification was expected on Thursday.

“The industry has already achieved the quota so far this year and hence there is no further room for exports,” said Sunil Khandelwal, chief financial officer of Alok Industries, a Mumbai-based garment exporter.

The move would also soften cotton and polyester yarn prices in the domestic market due to excess availability, which in turn would cool cotton prices, he added.

While cotton prices have been revised from Rs 2,700 to Rs 4,400 per maund this year (now Rs 4,200 per maund), polyester prices have been revised even sharply; from Rs 63 a kg in September to Rs 110 a kg in November.

Cotton yarn prices have touched an all-time high of over Rs 240 per kg (40s), an increase of over 80 per cent in the last one year.

As a result, fabric prices have also shot up by 38-90 per cent for various counts. Price of cotton has doubled from Rs 23,000 a candy to Rs 46,000 over the past one year despite higher production.

Cotton yarn exports surged 35 per cent in the first half of the current financial year and are expected to surpass 800 million kg this year as against 589 million kg last year.

“Our demand is that the government should keep cotton yarn export quota at 650 million kg like last year. The decision, although late, is a welcome move which will certainly benefit the textile industry," said Premal Udani, chairman of Apparel Export Promotion Council (AEPC).

| BALANCE SHEET<br>Cotton yarn production, exports and domestic availability (in million kg) | | | | | | | |
|---|---|---|---|---|---|---|---|
| | Opening Stock | Production | Imports | Total Supply | Exports | Domestic availability | Exports % (production) |
| 2005-06 | 68 | 2,521 | 5 | 2,594 | 552 | 2,041 | 21.9 |
| 2006-07 | 61 | 2,824 | 8 | 2,893 | 615 | 2,279 | 21.8 |
| 2007-08 | 91 | 2,948 | 7 | 3,046 | 664 | 2,382 | 22.5 |
| 2008-09 | 105 | 2,898 | 5 | 3,008 | 556 | 2,452 | 19.2 |
| 2009-10 | 89 | 3,074 | 5 | 3,168 | 589 | 2,579 | 19.2 |
| 2010-11 | 85 | 3,370 | 5 | 3,460 | 720 | 2,740 | 21.4 |
| *Source: Cotton Yarn Advisory Board (CYAB)* | | | | | | | |

AEPC had earlier convened a one-day nation-wide strike to draw the Centre's attention to the ever rising raw material prices.

While the cost of raw material has increased exorbitantly, final products prices have not surged proportionately. If the government allows exports of only final products, the realisation of such products increases, the benefit will be automatically passed on to downstream players including farmers.

D K Nair, secretary general of Confederation of Indian Textile Industry (CITI), however, said he would suggest the government to allow exports in the future for higher realisation for cotton yarn from the overseas markets.

Natural rubber production declines 5.4% in November

George Joseph / Kochi December 02, 2010, 0:00 IST

The production of natural rubber (NR) decreased 5.4 per cent to 88,500 tonnes in November compared to 93,500 tonnes during the same month last year. The decrease in production was due to excessive rain during the month that affected the tapping and processing. Acute labour shortage also dampened production, according to growers of Kottyam and Ernakulam districts.

Growers had projected 5-10 per cent decline in production for November. The cumulative production during April-November was 546,150 tonnes compared to 530,900 tonnes during the corresponding period of the previous year, recording a growth of two per cent.

The consumption of NR during November was 82,000 tonnes compared to 80,500 tonnes during November 2009. The aggregate consumption during the first eight months of the year 2010-11 was 632,550 tonnes as against 614,815 tonnes, registering a growth of 2.9 per cent, according to the provisional estimates of the Rubber Board.

Import of NR registered a marginal growth during April-November at 143,468 tonnes against 139,321 tonnes in the same period last year. Imports increased as a result of a sharp rise in the domestic price for sheet and block rubber during the first half of the year.

Rubber exports suffered a setback. Cumulative exports in April-November dropped to 4,734 tonnes from 8,030 tonnes in the same period of the last financial year.

Increased local demand coupled with high prices in India affected exports. According to the latest data of the board, India has a total stock of 265,304 tonnes as on November 30, while this was 244,870 tonnes in November, 2009.

Business Line
Business Daily from THE HINDU group of publications

Thursday, December 02, 2010

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Back **Maharashtra sugar output may fall below initial estimate**

*North-West monsoon hampering harvest.*

Harish Damodaran

New Delhi, Dec. 1

Maharashtra's sugar output in the 2010-11 season (October-September) may turn out to be about 15 lakh tonnes (lt) lower than the initial estimate of 95 lt.

Mills in the country's No. 1 sugar producing State have crushed only 92.13 lt of cane during October-November, which is below the 97.71 lt in the opening two months of the previous season. They have also produced less sugar (8.32 lt versus 9.24 lt) along with lower sugar-to-cane recovery rates (9.03 per cent versus 9.46 per cent).

The decline in crushing and production levels is despite the fact that 144 out of the 163 factories expected to take season this time are already operational. As against this, only 130 mills (out of 141) were crushing during the same period last season.

“More mills running and yet crushing less indicates the havoc wreaked by unusual north-west monsoon rainfall activity in the region. These rains have crippled cane harvesting operational and, in turn, affected supplies to mills,” said an industry source.

According to him, 80 per cent of mills in the State are now running on two eight-hourly shifts and 10 per cent on a single shift. Only the balance 10 per cent are able to receive continuous supply of cane, permitting a 24-hour, three-shift operation.

The 95 lt of estimated sugar from Maharashtra during the 2010-11 season has been based on a total cane crushing of 825 lt and an average recovery of 11.5 per cent. According to the original schedule, the State's mills were to crush 150 lt during October-November, whereas they have managed to only do 92.13 lt.

“Now, it looks they may end up crushing about 100 lt less. Moreover, the higher moisture content in the cane will reduce sugar recovery by 50 basis points. These would translate into a sugar output of 80 lt, down from the original 95 lt figure,” the source noted.

The one ray of hope is that the lingering rains have stopped for the last 3-4 days. “The fields are currently in the vapsa (drying process) condition, which allows tractors, bullocks and labourers to jus about enter. It will take another week for the fields to dry sufficiently to enable full-swing harvesting and crushing,” the source pointed out.

But even if it does not rain again, making good the lost time in October-November would not be easy. “Last season, mills ran till June 15 and still managed to crush only 614 lt.

This time, even with increased cane availability and more factories operational, it will be difficult to crush more than 725 lt. The mills will have to close once the South-West monsoon enters Maharashtra in mid-June”, he added.

A lower-than-expected sugar production in Maharashtra could also impact the all-India output for the 2010-11 season, which is officially pegged at 245 lt.

The latter estimate assumes 95 lt from Maharashtra, 64 lt from Uttar Pradesh, 32 lt from Karnataka, 15 lt from Tamil Nadu, 14.5 lt from Gujarat and 10 lt from Andhra Pradesh.

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Back **Professional support that farmers need**

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*Farmers today need assistance in planning cultivation, marketing produce, managing* *finances, not subsidies,says Mr Venkata Subramanian, Founder and Managing Director, eFarm*

Mr Venkata Subramanian, Founder and Managing Director, eFarm

D. Murali

India's agriculture economy is a low-growth sector and, in general, very risky, loss-making , with low contribution to GDP.” While this is the standard accepted economists' view, strangely, with recession, sub-prime crisis, corporate scams, now every sector from information technology to retail, once considered the shining stars of India Inc are cutting an even sorrier figure, says Mr Venkata Subramanian, Founder and Managing Director, eFarm, Chennai (http://bit.ly/F4TeFarm). In comparison, agri sector, in spite of being run by the least skilled labour force, worst risk management in industry, with zero usage of IT is at least surviving, he adds, during a recent interaction with Business Line.

Excerpts from the interview.

Why is Indian agriculture, despite years of government interventions, still ‘economically not viable'?

Forget the economics of it for a moment and think — however successful in service sector (such as ITES/BPO/telecom) we may be, how much ever the foreign exchange we may earn from other sectors, we cannot ‘eat' currency notes. Food, shelter and clothing, time and again, are something which any growing economy cannot do without. Of these, the only sector which is perennially going to be in short supply is FOOD – for the simple reason, people are quitting agriculture and moving to cities, cultivable land is shrinking, productivity is getting lower owing to overusage of chemicals and most importantly, the youth of this nation do not fancy an agri-career !

Most importantly, we don't have valid data to predict this industry correctly. Farmers don't pay taxes. Almost all transactions are in cash. Most investments are through government grants to aid agencies. As it has always been seen as a 'social obligation', we have not given it due recognition as an industry – even after thousands of years and still being the primary breadwinner for an overwhelming majority of our people. On the importance of management in agriculture industry.

It is said, "Agriculture is a very risky business." Can you name one industry which is devoid of risk? Typically 'high risk implies high return.' But how come agriculture has become, or is perceived to be, 'high-risk, low-return' venture?

It is true that the farmer has all the chips loaded against him. If it rains too much, his crops get washed out. If it is too little, the crops have drought impact. Even if the wind is too harsh, some crops break the stems. With more risks such as pests, price fluctuations, political unrest and so on, you have the perfect ingredient for a near disaster. In fact, one is surprised how, in spite of all this, we are actually able to get food on our plates every day.

But risks and unpredictability are there in any industry – even the Tatas had to move their dream project overnight. Lehman Brothers – the financial advisors to Fortune 100 firms – collapsed over a week-end. Satyam, hailed as corporate governance poster-child, failed to live up to its 'truthful' name. Compared to such 'man-made' disasters, the agri economy endures mostly the 'god-made' ones which, however, with modern weather prediction satellites, are far more predictable.

Risks need to be 'managed.' Issues need to be planned for and mitigated. These typically are where managers step in. In 'organised' industries, most of these management tasks are individually handled by professionals with various complementary skills – marketing, sales, technology, corporate strategy, and finance. Ironically, in the agri sector, a rather Utopian concept has prevailed – that a farmer can do all these tasks himself, 'from farm to fork,' and thus has the silver bullet to help him earn more money. In sum, farmers need assistance in planning cultivation, marketing produce, managing finances, but have no one to help. The agri institutions and NGOs have only assisted cultivation, and aren't competent to handle management-related tasks.

As agri industry is still primarily driven by subsidies, don't these skew all financial indicators of growth and success? Can farmers do without subsidies?

A common assertion is, “Agriculture survives on subsidies, hence the returns and profits are often notional.” True. All industries need some subsidy to start off, but once they stabilise and scale, the Government has been able to withdraw the sops. Even the IT industry needed tax-free status, infrastructure support through special zones, to jump-start.

But in the case of agriculture, the subsidy dependency has become extremely high. What is causing worry is that in spite of such high aid, this industry has not shown sufficient improvement, creating a vicious cycle of waivers and grants to stem the losses.

The question, therefore, is whether we can get out of this trap. In the case of other industries, the Government has primarily given subsidies or soft loans to ‘entrepreneurs' and ‘business houses' on public-private-partnership (PPP) model, and not to individuals. Thus through economies of scale and professional management, effects have been felt by the people who work in them. (For example, the government builds IT parks and provides them at subsidised costs to IT companies, which in turn employ thousands of people. It does not offer any subsidy directly to a software developer.) This way, the ROI has also been more tangible and faster.

In the case of agri industry, the Government has retained the predominant ‘business interests' through its own Departments and has been dealing directly with individual farmers for each subsidy scheme. This has not only created huge operational costs for delivering those subsidies, but also overlap and redundancy in the subsidy schemes. To add to confusion, policies differ from State to State making even simple standardisation near impossible. The governments (Central and State) are thus micromanaging the entire industry and have been caught in their own Web.

Even when the Government did involve private players, as it is caught in the subsidy regime, everything had to be pushed down as a subsidy. Thus if a farmer needs to install drip irrigation, he has to apply for a scheme, and is provided materials of a certain company's products in lieu of cash. Strangely, often the manufacturers over-invoice their items when applied through subsidy, which are otherwise available at half the cost in the open market!

Thus farmers, frustrated with the loan bureaucracy and corruption in getting subsidies, find it easier to buy off the shelf. This is why most subsidies never reach the intended users…

Farmer's don't need subsidy. This is not my conclusion but actually is the opinion expressed by several ‘real' farmers. They feel subsidies have reduced them to the state of beggars, without respect to the real value of what they do. They rather have been crying (in deaf ears) to actually bring in better marketing support, so that they can ‘earn' their own decent income, like everyone else.

Why have the government's efforts to market agri produce failed?

There is a Hindi saying, “Jab sarkar baney vyapari, log baney bikahri,” which loosely translates to, “If government runs any business, the people become paupers.”

It is true that the Government has done commendable work in certain areas of industry, but as farmers' issues are always prime political topics, sentiments rule over sensible business decisions.

The Government has thus been dragged into many roles and competing interests, that it has often been caught on the wrong foot: like having excess grains rotting in its storage, but unable to even distribute it for free, in spite of Supreme Court intervention, and on the very same day, discussing the Food Security Bill.

To put things in perspective, the IT Minister doesn't attend the ‘World Java Developers Forum' and try to promote India's Java developers; rather, the IT companies do. But in the world agri trade forums, strangely the ‘Coffee Board' is the one putting up stalls.

The Prime Minister doesn't get dragged into deciding what the ‘salary of a .Net programmer' or ‘how many paise per minute should talk time in a cell phone plan be.' The various market mechanisms and prevailing demand/supply determine that. But sugarcane price determination was done by the Prime Minister on the Delhi expressway with farmers blocking the entire road traffic. Just think if every commodity price has to be negotiated like this.

The Government doesn't create ‘car bazaars' so that poor factory workers can directly sell BMWs to end consumers and make more money, cutting the middlemen. The companies ‘create' a distribution chain, where each individual/ stakeholder is compensated for the efforts put in.

Other industries, such as pharmaceuticals, also have ‘middlemen' – the distributors/ stockists/retailers who do take 40 per cent of the price. But the chain is well-regulated and recognised as a necessary mechanism to ensure distribution and marketing reach. But in agri, the best that the Government has done to avoid middlemen is to create a ‘farmers market,' which is so Utopian, that even farmers don't patronise it.

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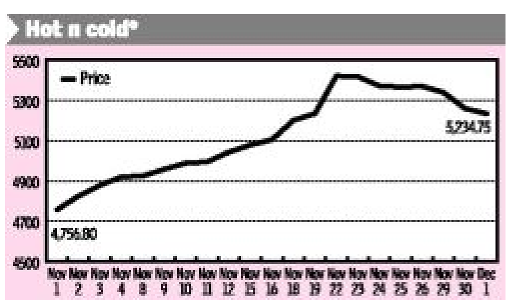
Back **Chilli continues to fall on subdued trading**



Price Rs/quintal at Guntur
Source: NCDEX

M.R. Subramani

Chennai, Dec. 1

The downtrend in chilli prices continued for the third consecutive day on Wednesday on subdued trading in spot and futures markets.

“No buying is taking place. Nor are sales happening. A sort of dullness has crept in the market,” said Mr Abhishek Bhandari of Rajendra Spice Products from Guntur in Andhra Pradesh.

“The demand has slowed on the expectation that the new crop will arrive in the new market from next month and prices will drop,” said Mr Nandyala Satyanarayana, an exporter.

On Wednesday, spot prices for chilli in Guntur dropped to Rs 5,234.75 a quintal from Rs 5,260 on Tuesday.

Chilli prices have dropped by Rs 150 a quintal in the last 10 days after fears over the standing crop in Andhra Pradesh have receded. Rain in the growing areas sparked doubts over the standing crop that is expected to arrive from mid-January. “We are seeing a sort of correction in prices since they increased Rs 700 a quintal within three weeks,” Mr Bhandari said.

Chilli prices hit a high of Rs 5,421.70 a quintal on November 22 before beginning to drop.

Exports

Chilli prices have also gained on higher exports. Chilli exports during April-October totalled 1.41 lakh tonnes valued at Rs 865 crore against 1.11 lakh tonnes valued at Rs 701.76 crore during the same period a year ago. “We are getting good orders from Pakistan, Bangladesh and Malaysia. Shipments to Pakistan and Malaysia are higher,” said Mr Bhandari.

“Demand from Far-East countries has been good. It is likely to continue next year too,” said Mr Satyanarayana.

The standing crop is reported to be good and its quality the same as last year.

Production this year is expected unchanged like last year. During the last few years, chilli production has been averaging around 13 lakh tonnes. Of this, 7.5 lakh tonnes come from Andhra Pradesh. “The rain has not affected the quality, though we fear it could affect the yield,” said Mr Satyanarayana.

On NCDEX, December contracts pared losses to end 0.26 per cent lower at Rs 5,010 a quintal, while February contracts ended 0.33 per cent down at Rs 5,448.

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Back **Rain, bearish futures drag chana**

Our Correspondent

Indore, Dec 1

Chana prices tumbled in the spot market on slack physical trading and bearish futures. Chana December contracts closed Rs 40 lower at Rs 2,511 a quintal.

Chana spot prices that had zoomed to Rs 2,400-Rs 2,410 a quintal on Tuesday on demand from retailers and millers saw a drop in buying interest at higher rates. Prices on the spot at the close of trading ended Rs 30-Rs 40 down at Rs 2,370-Rs 2,375 a quintal.

Traders attribute the sluggishness in chana as a temporary phenomena. The fact that almost 75 per cent of carryover stock of chana in Madhya Pradesh has been exhausted, and the delay in arrival of the new crop of chana almost by a month due to the recent unseasonal rain in Madhya Pradesh and adjoining regions, are bound to cause a rise in chana prices.

According to a chana trader Mr Sanjay Bansal, the other reason for sluggishness in chana was also because of the fact that traders hold stock that can last the next 5-6 days.

Among other pulse seeds, the downtrend continues in tur as arrival of new tur from Karnataka and other regions has gained pace. On Wednesday, tur (Maharashtra Line) quoted further decline of Rs 100 at Rs 3,300 a quintal, while tur (red) quoted at Rs 2,800-Rs 3,000 a quintal. Similarly moong and urad are also witnessing downtrend because of sluggish demand.

On Wednesday, moong quoted at Rs 3,000-Rs 4,200 a quintal, while urad quoted at Rs 3,400-Rs 4,200 a quintal. Masoor remained steady at Rs 3,150 a quintal.

Dollar chana or chickpea gained Rs 100 on improved domestic/export demand and weak arrival. In the spot, Dollar chana on Wednesday quoted at Rs 4,500-Rs 4,800 a quintal.

**Date:02/12/2010 URL: http://www.thehindubusinessline.com/2010/12/02/stories/2010120252121700.htm**

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Back **Sugar declines on lower retail demand**

Our Correspondent

Mumbai, Dec. 1

Sugar prices on the Vashi wholesale market declined Rs 35-40 a quintal on higher free-sale quota for December and less-than-expected retail demand on Wednesday. Naka delivery rates softened by Rs 50-60 a quintal. Mill tender rates were almost steady at low levels after a sharp decline on Tuesday evening.

Market players await an announcement on regular sugar export as the Centre said the decision in the regard will be taken at the end of the month after assessing the production and supply scenario. Mills were not keen to offload sugar at low prices.

Mr Ashok Kataria of Ashokkumar and Co said that in the spot market fresh retail demand is expected within a day or two. Mills are not ready to sell at lower price and kept tenders open. On the other hand, more-than-expected sugar quota weighed on the market sentiment. Once the resale selling pressure gets over and retail demand picks up, market may see some upward movement.

On Tuesday, only 2-3 mills came forward with new tender offer and sold about 9,000-10,000 bags sugar only.

Trade took place in the range of Rs 2,840-2,870 for S-grade and Rs 2,900-2,930 for M-grade including excise duty. Demand from neighbouring states, upcountry buying was absent.

On Wednesday, total arrivals in Vashi markets were 38-40 truckloads (10 tonnes each) and lifting was about 34-36 truckloads.

According to the Bombay Sugar Merchants Association, spot sugar rates were: S-grade: Rs 2,921-2,981 (Rs 2,961-3,011) and M-grade: Rs 2,960-3,051 (Rs 3,001-3,071). Naka delivery rates – S-grade: Rs 2,880-2,920 (Rs 2,930-2,950) and M-grade: Rs 2,930-2,985 (Rs 2,990-3,030).

Date:02/12/2010 URL:

http://www.thehindubusinessline.com/2010/12/02/stories/2010120252091700.htm

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Back **Futures grind spot turmeric**

Erode, Dec. 1

Spot turmeric prices decreased by Rs 200 a quintal on Wednesday."This decrease for the past two days was due to drop in futures price. In the futures market, turmeric was quoted at Rs 15,700 a quintal. Local traders quoted lower price leading to fall in spot market.

"Further, the demand from North India had petered out as buyers there are not interested to buy turmeric at Rs 16, 000 a quintal. They are looking for lower quotes," said Mr R.V. Ravishankar, President, Erode Turmeric Merchants Association.

At the Erode Turmeric Merchants Association, the finger variety was sold at Rs 9,810-16,109 a quintal and the root variety at Rs 9,515-16,100 a quintal.

At the Gobichettipalayam Agricultural Cooperative Marketing Society, the finger variety was sold at Rs 15,766-16,166 a quintal and the root variety at Rs 15,518-16,019 a quintal.

Out of the 252 bags that arrived, 208 were sold.

At the Erode Cooperative Marketing Society, the finger variety was sold at Rs 15,229-16,020 a quintal and the root variety at Rs 15,468-16,008 a quintal. Of the 1083 bags kept for sale, 820 were sold.

In the regulated market, the finger variety was sold at Rs 15,817-16197 a quintal and the root variety at Rs 15,889-16,279. Out of the1,944 bags that arrived, 1,878 were sold.

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**http://www.thehindubusinessline.com/2010/12/02/stories/2010120252101700.htm**

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Back **Buying lends fragrance to aromatic rice**

Our Correspondent

Karnal, Dec. 1

A mixed trend was seen in the rice market on Wednesday with prices of aromatic rice rising Rs 20-30 a quintal and that of non-basmati varieties ruling at previous levels.

Mr Praveen Kumar, a rice trader, said due to some buying, aromatic rice varieties witnessed an uptrend whereas due to low trading non-basmati varieties' prices ruled steady.

Prices of Pusa-1121 steam (new) ruled between Rs 5,250 and Rs 5,320 a quintal, while the old variety ruled around Rs 5,370. Pusa-1121 sela (new) ruled at Rs 4,200-4,320, whereas the old variety was around Rs 4,350.

Pusa-1121 raw (new) ruled between Rs 5,180-5,225, while the old variety quoted around Rs 5,320. Pusa (sela) ruled at Rs 3,320-3,350 and Pusa (raw) at Rs 4,200-4,225.

Basmati sela ruled around Rs 6,225, while basmati raw was around Rs 7,150-7,230.

Brokens such as Tibar ruled at Rs 3,100, Dubar at Rs 2,260 and Mongra Rs 1,920.

Prices of non-basmati varieties ruled steady. Prices of Permal Sela ruled at Rs 2,150-2,180, while Permal steam ruled between Rs 2,150 and Rs 2,200 a quintal.

Sharbati sela ruled between Rs 2,700 and Rs 2,800 and Sharbati steam at Rs 2,900-2,950 a quintal.

Around 5,000 bags of PR-13 arrived, priced between Rs 930 and Rs 970.

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Back **An enduring pest of a problem**

K.G. Kumar

As the debate over the pesticide endosulfan continues to rage in Kerala and outside, several shades of the issue are surfacing. These include the better known arguments against the use of pesticides, which can be traced to Rachel Carson's pioneering work on DDT, chronicled in her classic work “Silent Spring”, and which has been supplemented around the world by the contemporary green movement as well as the back-to-nature organic farming and eco-labelling fashion.

Another shade of the issue comes from beyond Kerala's borders with the Union Minister of State for Environment and Forests, Mr Jairam Ramesh, stating that the Kerala Government was unnecessarily politicising the issue, and that a ban on endosulfan will have national implications. The Minister was also quoted as attributing the health effects of the chemical to faulty mode of application.

The history of endosulfan use in Kerala dates to almost a quarter of a century. Since 1976, the Government-owned Plantation Corporation of Kerala has been aerially spraying endosulfan on cashew plantations in an area of nearly 4,700 acres in Kasaragod district. The main manufacturers of endosulfan in India are Excel India, Hindustan Insecticides and EID Parry.

## Highly toxic

The main reason for the application of this highly toxic organochlorine pesticide – regularly, thrice a year for 26 years – was its potential to kill and contain the spread of the tea mosquito bug, which destroys cashew trees. Endosulfan is also used as a contact poison to kill a wide range of insects and mites that attack cereals, coffee, cotton, fruit, oilseeds, potato, tea, vegetable and other crops. Endosulfan can also be used as a wood preservative.

According to the pesticides database updated and enhanced by the Pesticide Action Network North America (PANNA), endosulfan is an organochlorine compound that displays symptoms of poisoning that include hypersensitivity to stimulation, sensation of prickling, tingling or creeping on the skin, headache, dizziness, nausea, vomiting, lack of co-ordination, tremors, mental confusion and hyper-excitability. In severe cases, organochlorine compounds can cause convulsions, seizures, coma and respiratory depression.

The World Health Organisation (WHO), the directing and coordinating authority for health within the United Nations system, classifies endosulfan in Category II (moderately hazardous). However, the US Environmental Protection Agency (EPA) classifies it as a Category 1b (highly hazardous) pesticide.

The International Chemical Safety Cards (ICSC) lists the route of exposure as inhalation, via the skin and eyes, and ingestion. The toxicity information for endosulfan characterises it as a PAN (Pesticide Action Network) Bad Actor chemical. PAN Bad Actors are chemicals that are one or more of the following: highly acutely toxic, cholinesterase inhibitor, known/probable carcinogen, known groundwater pollutant or known reproductive or developmental toxicant.

## Residents complaints

Residents of Kasargod reported stunted growth and deformed limbs among new-born calves as early as 1979. By the 1990s they were reporting serious and chronic ailments relating to the central nervous and reproductive systems. Congenital anomalies among children, including mental retardation, physical deformities, cerebral palsy, epilepsy and hydrocephalus, were also noticed. One study found alarmingly high values of endosulfan residues in blood, fruits and tissues.

Environmentalists also point to the ecological effects of endosulfan resulting from its toxicity to flora and fauna,including birds and bees and aquatic organisms.

Clearly, as long as there are insistent viewpoints on both sides of the endosulfan fence – those in favour, mainly corporates and marketing outfits, and those opposed to the chemical's use, mainly the local citizenry of Kasargod and environmentalists around the country – the issue is unlikely to be resolved soon.

But it must – through dialogue preceded by a participatory and democratically constituted scientific study on the pros and cons of endosulfan. This requirement acquires greater importance in view of the growing international movement and negotiations under the United Nations Environment Programme (UNEP) to ban Persistent Organic Pollutants (POPs).

The writer can be contacted at kgkumar@gmail.com

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Back **Edible oils sustain uptrend**

Our Correspondent

Mumbai, Dec. 1

Edible oil prices continued to rise in line with the world market's uptrends. On Wednesday, Malaysian markets closed higher for the third consecutive day as speculative buying was spurred by a bullish outlook for palm oil prices. Spot palmolein prices rose Rs 15/10 kg on higher local demand and poor supply position at refinery level. Groundnut oil and soya oil increased Rs 5 each. Cotton refined oil price was up Rs 9 and rapeseed oil increased Rs 3. Fresh retail demand for the new month supported the firm trend. Wholesalers were active buyers.

In Saurashtra, with increased buying by brands, groundnut oil prices gained further by Rs 10 at Rs 1,165 a tin and Rs 10 to Rs 760 for 10 kg (loose). Cottonseed oil increased sharply in Gujarat. With the weather clearing, arrivals increased at production centres, said market sources.

In world market, Bursa Malaysia Derivatives crude palm oil futures advanced for a third day. Overnight gains in soya oil futures amid concerns of the effect dry weather would have on South American soybean crop led to a spillover of buying interest. Soybean futures on China's Dalian Commodity Exchange also settled higher, led by a sharp rally in palm oil. In line with Malaysian markets, Indore NBOT soya oil January futures gained over Rs 6/10 kg. In Mumbai local market, the total volume was about 700–800 tones in resale and direct sale.

In groundnut oil, brands were active buyers for good quality. Refineries have increased their palm / soya oil rates in line with world markets.

Malaysia's CPO January contracts ended up at MYR 3528 (MYR 3438) and February at MYR 3486 (MYR 3412). Indore NBOT soya oil December contracts finished at Rs 575.80 (Rs 568.10) and January at Rs 590.30 (Rs 584)

Mumbai commodity exchange spot rate (Rs/10kg)

Groundnut oil Rs 770 (Rs 765); soya refined oil Rs 562 (Rs 557), Sunflower expeller refined Rs 675 (Rs 675); Sunflower refined Rs 730 (Rs 720); Rapeseed refined oil Rs 608 (Rs 605); Rapeseed expeller refined Rs 578 (Rs 575); Cotton refined oil Rs 557 (Rs 548) and palmolein Rs 545 (Rs 530).

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Back **Import curbs lift white areca prices**

A. J. Vinayak

Mangalore, Dec. 1

Arecanut growers now have a reason to smile as the price of the old stocks is now almost near their production cost. The price has now reached Rs 113-114 a kg in the different terminal markets in the arecanut-growing region.

In fact, a recent report by a committee appointed by the Arecanut Research Development Foundation (ARDF) had fixed production cost of white arecanut at Rs 114 a kg.

The shortage of old stocks of white arecanut and restrictions on the import of arecanut are seen as the main reasons for the recent upward trend in the market.

Mr A.S. Bhat, Managing Director, Central Arecanut and Marketing and Processing Cooperative (Campco) Ltd, told Business Line that prices of the old stocks of white arecanut reached a level of around Rs 113-114 a kg on Tuesday.

The restrictions on the import of arecanut and shortage of old stocks in the market have helped in boosting the prices of the commodity. Arecanut prices are also increasing in the exporting countries such as Indonesia, he said.

Mr M. Srinivasa Achar, President, All-India Arecanut Growers Association, said that arecanut production was down by 20 per cent last year, resulting in the short supply of old stocks this year.

Unseasonal rainfall this year has made the situation worse. There could be a quality loss of around 20 per cent this year in arecanut. This has led to the increase in the prices of new stocks also, he said.

The ARDF-appointed committee, which was headed by economist Prof G.V. Joshi, had taken into consideration annual maintenance cost of the arecanut plantation, interest expenses, and establishment cost while calculating the production cost.

Old stocks of white arecanut had reached an all-time high of Rs 150 a kg in 1999.

**Date:02/12/2010 URL: http://www.thehindubusinessline.com/2010/12/02/stories/2010120251701900.htm**

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Back **Pepper futures gain on buying support**

G. K. Nair

Kochi, Dec. 1

Pepper futures recovered today on the back of buying interest and limited supply.

It had fallen yesterday, brought down by bearish reports that appeared to have failed in their objectives, market sources said. Meanwhile, the weather conditions have changed, with several growing areas experiencing rain, making drying difficult. Besides, harvesting has been further delayed, they told Business Line.

Investors holding farm-grade pepper wanted to liquidate and buy back December. Hence, they were offering farm-grade material at Rs 10 below the December delivery price. However, with buyers seeking a higher discount, no business was undertaken.

**Date:02/12/2010 URL: http://www.thehindubusinessline.com/2010/12/02/stories/2010120252991800.htm**

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Back **Little change in spot rubber prices**

Our Correspondent

Kottayam, Dec. 1

Physical rubber prices finished unchanged on Wednesday. The market lost direction as there were no quantity sellers or buyers on either side to set the trend. Sharp gains in domestic futures failed to make any visible impact on prices, possibly since most of the traders preferred to wait and watch before expanding their commitments.

Sheet rubber closed flat at Rs 195.50 a kg, according to dealers. The grade was quoted steady at Rs 196 a kg in the Board's official Web site.

Futures rebound

RSS 4 bounced back with the December series rising to Rs 198.50 (Rs 193.75), January to Rs 201.20 (Rs 196.71), February to Rs 204.50 (Rs 199.68) and March to Rs 207.98 (Rs 202.85) a kg on the National Multi Commodity Exchange.The December futures for RSS 3 declined to ¥ 354.5 (Rs191.89) from ¥ 359.1 during the day session but then recovered marginally to ¥ 355.4 (Rs 192.38) a kg in the night session on Tokyo Commodity Exchange (TOCOM).RSS 3 (spot) improved to Rs 200.84 (Rs 199.44) a kg at Bangkok.Spot rubber rates (Rs/kg) were: RSS-4: Rs 195.50 (Rs 195.50), RSS-5: Rs 184.50 (Rs 184.50), ungraded: Rs 179.50 (Rs 179.50), ISNR 20: Rs 191 (Rs 191) and Latex 60 per cent: Rs 128(Rs 128)

**Date:02/12/2010 URL: http://www.thehindubusinessline.com/2010/12/02/stories/2010120252981800.htm**

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Back **Volumes at Coonoor tea auction fall**

P. S. SundarCoonoor, Dec. 1

A volume of 12.39 lakh kg will be offered for Sale No: 48 of the auctions of Coonoor Tea Trade Association to be conducted on Thursday and Friday, reveals an analysis of the listing by brokers.It is 2,000 kg lower than last week's offer but as much as 1.59 lakh kg more than the offer this time last year.Of the 12.39 lakh kg on offer, 8.82 lakh kg belongs to the leaf grades and 3.57 lakh kg belongs to the dust grades. As much as 11.60 lakh kg belongs to CTC variety and only 0.79 lakh kg to the orthodox variety. The proportion of orthodox teas remains low in both the leaf and dust grades.In the leaf counter, only 0.44 lakh kg belongs to orthodox while 8.38 lakh kg is CTC. Among the dusts, only 0.35 lakh kg belongs to orthodox while 3.22 lakh kg is CTC.

In the 12.39 lakh kg, fresh tea accounts for 10.95 lakh kg. As much as 1.44 lakh kg comprises teas remaining unsold in previous auctions. “Winter high grown quality Nilgiri teas are a premium product in the portfolio of both exporters and domestic buyers. If the demand sustains, the volume is adequate to keep the market buoyant,” an auctioneer told Business Line.



*By Express News Service*
*01 Dec 2010 04:12:19 AM IST*

## Agriculture focus of banking model

CHENNAI: Indian Bank will follow a different kind of banking model in the resettlement of Sri Lankan Tamils in its three branches of Jaffna, Batticaloa and Humbatota, with the focus being on comprehensive area development.
Addressing a press conference here on Tuesday, Indian Bank chairman and managing director T M Bhasin said the new branches in Sri Lanka would not be the usual brick and mortar branch. Instead, it would focus on agriculture and small and medium enterprises, besides building 50,000 houses for displaced Tamils in the region, he revealed.
While the first branch will start operating in Jaffna from January 15-20, the other two will open at Batticaloa and Humbantota soon.
Bhasin also assured people not to press the panic button over the housing finance racket and said there was no systemic failure nor any risk to banking system. It was isolated and individual acts of misdemeanour by a handful of people in some other banks, he added.
His statement comes in the wake of the CBI uncovering a multi-crore rupees corporate housing loan racket involving several public sector lenders, including LIC and Bank of India.

Reiterating that Indian Bank has no such problem, he said the bank's punitive and vigilance system was strong and effective.Bhasin said the online borrowal account tracking system was useful and successful in stemming the rot of non-performing assets, which account for `550 crore as against `382 crore during the same period last year.



hindustantimes

Thu,02 Dec 2010

## Weather

Chennai - INDIA

| Today's Weather | |
|---|---|
| Cloudy | **Thursday, Dec 2** Max Min 31.3° \| 23.9° |
| Rain: 14 mm in 24hrs | Sunrise: 6:14 |
| Humidity: 89% | Sunset: 17:40 |
| Wind: Normal | Barometer: 1008.0 |

Tomorrow's Forecast

Rainy

**Friday, Dec 3**

Max Min

30° | 23°

Extended Forecast for a week

| Saturday | Sunday | Monday | Tuesday | Wednesday |
|---|---|---|---|---|
| **Dec 4** | **Dec 5** | **Dec 6** | **Dec 7** | **Dec 8** |
| 28° \| 25° | 27° \| 25° | 26° \| 25° | 28° \| 25° | 27° \| 25° |
| Rainy | Rainy | Rainy | Rainy | Rainy |