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Organic farming is beneficial, say students

Karthik Madhavan

The girls interviewed 100 farmers and collected soil samples from 20

The findings will be submitted at the Children's Science Congress shortly

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PHOTO: S. SIVA SARAVANAN

Findings: PSGG Kanya Gurukulam Girls' Higher Secondary School students explaining the merits of organic farming, based on a project they did recently. —

COIMBATORE: L. Karthikaiselvi, R. Kasthuri, L. Akila, C. Vaishnavi and V. Priyadharisini - all class IX students of PSGG Kanya Gurukulam Girls' Higher Secondary School say that organic farming increases microbial activity on the soil, does not result in decrease in production, is environment-friendly and good for the consumers.

They base their claims on a study, ‘An Analysis of Soil Health in Organic and Chemical Farming' they carried out recently.

The girls will submit their findings at the Children's Science Congress to be held in Coimbatore shortly.

The girls interviewed 100 farmers, collected soil samples from 20 farmers - 10 organic and as many chemical, sent the same for test in laboratories and arrived at their findings. Karthikaiselvi says they learnt soil collection technique from the Tamil Nadu Agricultural University. Kasthuri says they collected soil samples from farmers in Athapagoundenpudur, Kuniamuthur, Arasur, Madukkarai, Shamalapuram and a few other places. The girls' guide and teacher T. Selvi says the soil collected as per procedure was tested for chemical and physical properties, pH, electrical conductivity, calcium, NPK, micro nutrients, microbial activity, etc. at the University, GRD Arts and Science College, and PSG College of Arts and Science.

The girls, who have made beautiful charts to explain their findings, say serial dilution of the soil samples shows that microbial activity in soil from organic farms was much, much more than the soil from inorganic fields.

The girls have not stopped with that. They present a macro picture as well. Akila says the Government imports urea worth Rs. 1.90 lakh crore every year to be supplied to farmers. If that amount is saved, it can be used for building infrastructure.

They have an alternative as well. They have ‘Beejamrutham,' a solution to clean seeds. Vaishnavi says if the seeds are cleaned, they give raise to healthy saplings.

The girls also suggest use of ‘Jeevamrutham' to increase fertility and a pest repellent concoction to protect crops. Priyadharisini says the concoctions they suggest are completely organic and made of items that are easily available.

Not stopping with preaching alone, the girls along with their teacher have taken up organic cultivation on a 25-cent plot on their school premises. The vegetables they grow is used in the hostel.

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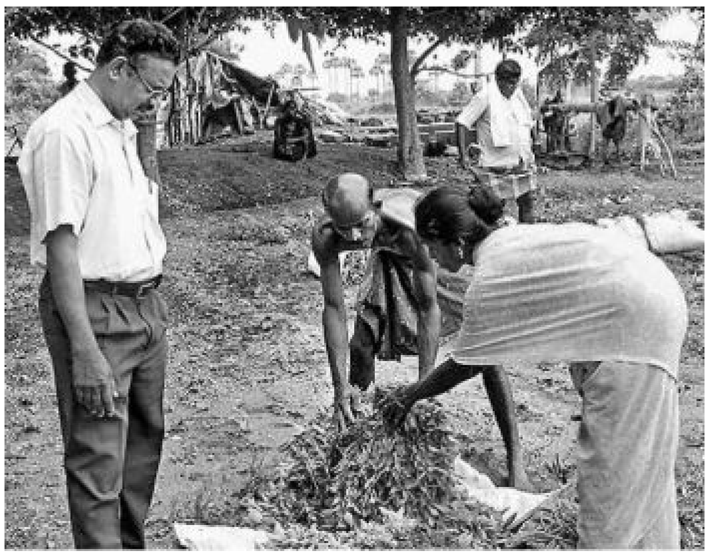
Farmers taste profit trading seedlings

Staff Reporter

They raise chilli nurseries using water from wells at their villages



Yielding:S. Raja Mohamed, Assistant Director of Horticulture, Vilathikulam, inspecting the chilli nursery farm at A.Kumarapuram.

Tuticorin: The agro-climatic conditions prevailing in Vilathikulam block of Tuticorin district have favoured the chilli crop bringing cheers to the farmers of A. Kumarapuram village, who are raising chilli nurseries to make a good profit.

According to S. Raja Mohamed, Assistant Director of Horticulture, Vilathikulam, the progressive farmers, having water resources from their wells, were raising chilli nurseries, as a micro-entrepreneurship venture to generate income through sale of seedlings to the needy farmers of nearby blocks and neighbouring Ramanathapuram district.

By adopting gainful methods of horticulture, farmers could earn about Rs. 7,000 to Rs. 8, 000 as net profit from 20 to 25 cents of land.

With better management practices, the farmers were not only rewarded with profits, but are heralding a new model to the farmers of the neighbouring districts. During the North East monsoon season, farmers of Vilathikulam block used to cultivate ‘round' variety of chillies as rainfed crop in about 6, 000 hectares.

M. Shanmugaraj, a farmer of A. Kumarapuram and a beneficiary of precision farming, said he used to raise ‘round' chilli seedlings in 25 cents, in September end, using water from his well.

“I used to sell about 40 plots of chilli seedlings at Rs. 300 per plot, consisting of 3000 seedlings per plot. It would fetch Rs.12, 000. To raise nurseries on 25 cents, I spend Rs. 5,000 towards nursery management, water management, pest and disease management practices as advocated by the Department of Horticulture. With their periodic advice, I am able to produce healthy seedlings in about 40 to 45 days. Farmers from Ramanathapuram district also come to my field and purchase chilli seedlings during this season,” he added.

M. Karuppiah, a farmer from Kadamangalam near Perunazhi in Ramanathapuram, who had come to purchase chilli seedlings from Mr. Shanmugaraj, said six other farmers from his village had purchased 40 plots of ‘round' variety chilli seedlings for their lands.

“As we don't have wells for raising chilli seedlings in our fields, we come here as a group with a truck for buying the same. Seedlings raised here suit well in our places for rainfed cultivation. Seedlings are adaptive and healthy also,” they claimed.

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25,200 hectares to come under samba cultivation

Special Correspondent

‘Rajarajan 1000 technique gaining popularity among farmers'

field inspection:R.Vijayakumar, Monitoring Officer, inspecting the paddy fields covered under the 'Rajarajan 1000' technique near Ariyalur on Tuesday.

ARIYALUR: A total of 25,200 hectares would be brought under samba cultivation in Ariyalur district this season and the Rajarajan 1000 technique was gaining popularity among farmers, Collector T.K.Ponnusamy said.

He was explaining to R.Vijayakumar, Principle Secretary, Chairman and Managing Director, Tamil Nadu Handicrafts Development Corporation Limited and Monitoring Officer for Ariyalur district, the steps being taken by the agriculture department for the benefit of farmers.

The Collector said a total of 7,000 hectares had been brought under samba cultivation so far. The agriculture department has planned to bring 13,700 hectares under ‘Rajarajan 1000' technique and so far 1,964 hectares had been brought under the method.

At a demonstration plot at Keezhapazhur village, the Collector explained to the visiting official how the farmers have improved productivity by using the ‘Rajarajan 1000' method under the National Agriculture Development Programme.

The Collector said the farmers use just two kg of seeds per acre for raising samba paddy. The use of ‘marker' and ‘cono weeder' has also been gaining popularity among farmers.

While ‘CO-43' variety was being raised in Tirumanur and Ariyablur blocks, farmers of Jayamkondam preferred ‘ADT-39' variety.

R.Raghunathan, Joint Director of Agriculture, said demo plots had been set up on an extent of 1,964 hectares - 1,158 hectares under the National Agriculture Development Programme, 600 hectares under the Integrated Cereals Development Scheme and the rest under the IAM WARM and ATMA schemes.

R.Pitchai, District Revenue Officer and V.Vijayakumar, Deputy Director of Agriculture (central schemes) accompanied the officials. Narayanasamy, a farmer hailing from Keezhapazhur, explained the efficacy of ‘Rajarajan 1000' technique in terms of economy in cultivation cost and rise in productivity.

Published: November 2, 2010 19:01 IST | Updated: November 3, 2010 03:11 IST New Delhi, November 2, 2010

Pranab lauds RBI move to rein in inflation

Though Inflation came down to 8.62 per cent in September, it is still above above the comfort level. Photo: Sushil Kumar Verma

Finance Minister Pranab Mukherjee on Tuesday commended the Reserve Bank of India (RBI) for its monetary tightening measures aimed at containing inflation even as he conceded that the hike in short-term lending and borrowing rates would have a negative impact on growth in the near-term.

In a statement here, Mr. Mukherjee noted that the apex bank had to take the decision at a difficult time of mixed economic signals of rising prices in the wake of slackening industrial growth and exuded confidence that taming inflation now would be good in the long run for higher economic growth.

“This tightening [hike in repo and reverse repo rates by 25 basis points] may have some negative impact on the growth rate, but I expect such an effect to be only a short one. In the medium to long-term, the changes announced by the RBI should actually help the Indian economy do better in terms of growth,” Mr. Mukherjee said.

Explaining why such a step was necessary, even at the expense of growth, he said: “Today is not such an easy time. The signals from the economy have been mixed. Industrial growth showed a slight slowing down in August. Inflation, while less than what it was some months ago, is still not in a zone where we can sit back…I respect this [RBI] decision made in a difficult time. This will create the monetary tightening in the country without narrowing the LAF [liquidity adjustment facility] corridor.”

Hailing the RBI for maintaining the difference between the two rates — known as the LAF corridor — unchanged at one per cent, Mr. Mukherjee said: “I am glad that the RBI has risen to the challenge and used a very careful combination of policies to complement what the government is doing to steer our economy to grow better and harness inflation.”

Earlier in the day, Finance Secretary Ashok Chawla termed the RBI step as a balancing act to tame inflation without hurting economic growth.

“This [RBI measure] should, as we go ahead further, anchor the inflationary expectations which in any case is now moderating from the earlier elevated level…This modest increase [in repo and reverse repo rates] is not likely to impact in any harmful manner the growth that we have been seeing in the recent past. So on the whole, in the macro economic policy parameter, it is an extremely sound and sensible decision,” Mr. Chawla said.

Planning Commission Deputy Chairman Montek Singh Ahluwalia said: “This adjustment [by RBI] is a good balance between responding to inflationary concerns, which is very important and at the same time not doing anything that would in a serious way disrupt growth”.

Mr. Ahluwalia also noted that inflation in future “would be in a comfortable zone” when the WPI data for December would be available in mid-January.

DECCAN Chronicle On The Web

Published on Deccan Chronicle (http://www.deccanchronicle.com)

Why is Centre slow on food supply?

Nov 03 2010

The Reserve Bank of India has done well to spell out in clear terms its concern over inflation continuing to persist across the country. In its second-quarter monetary policy review of 2010-11, the RBI governor D. Subbarao noted that headline inflation was significantly above its medium-term trend and well above the RBI’s comfort zone. Despite the good monsoon in most of the country, the expected post-monsoon moderation had remained “persistently elevated” for over a year — which he attributed to demand-supply mismatches in several commodities. India has the highest inflation among developed and developing nations: it was 9.8 per cent in September. Compare this to China’s three per cent, Russia’s seven per cent and Indonesia’s 5.8 per cent. Even Brazil has recorded just 4.7 per cent. Elsewhere, inflation levels range between 1.1 per cent and three per cent. So why is India unable to bring it down to 5.5 per cent?

Tuesday is the sixth time the RBI has raised policy rates this year to tame inflation, but it rages undeterred. The central bank optimistically pegged the wholesale price index (WPI) inflation for March 2011 at 5.5 per cent. But the real inflation story is not in these figures, it is in the people it affects — particularly those who live below the poverty line or just above it. It also affects workers in the unorganised sector who don’t have the luxury of dearness allowances. While the

WPI inflation rate hovers around nine per cent, the consumer price index is in double digits — and that is what hits the aam aadmi most. Food items, particularly protein segments, register the highest increase. The hike in the price of pulses, milk, eggs, meat and fish was as high as 34 per cent in May 2010, and at 23.9 per cent in September. Cereal, fruit and vegetable prices came down to an extent, but overall the prices are still very high.

All this points to a major weakness: the government's inability to tackle food production and management despite knowing that demand is growing along with the growing economy. The agriculture minister keeps saying that people are eating more chapatis and more food than earlier, so what is his ministry doing to increase supply? RBI figures released on Tuesday shockingly reveal that despite this year's abundant monsoon, the increase in area coverage in the 2010-11 kharif season was marginal compared to 2008-09.

The estimated kharif production in 2010-11 (114.6 million tonnes) is lower than that in 2007-08 (120.9 mt) and 2008-09 (118.1 mt). The demand-supply gap in oilseeds and pulses is also likely to remain, according to the projections. It is also estimated that key food items like fruits and vegetables and protein-based products will remain in short supply due to lower yields and the increase in demand caused by factors like increasing population and changing food habits.

The input cost of items like milk, eggs and meat have also contributed to a hike in their prices. As the government is well aware of all this, it could well have taken specific measures to tackle the supply side. This is the government's job, there is nothing that the RBI can do about it. The mismatch of supply and demand reflects the failure of the agriculture ministry and the department of food and civil supplies.

Source URL:
http://www.deccanchronicle.com/dc-comment/why-centre-slow-food-supply-911

By Express News Service

02 Nov 2010 03:03:18 AM IST

Farmers destroy crops as brinjal prices nosedive

HOSUR: Farmers in Krishnagiri district are destroying the brinjal crop in the fields itself without even harvesting, as the vegetable price has nosedived.

Currently the brinjal prices declined to `2 per kg from Rs 15 kg a month ago. The prices declined suddenly as the supply exceeded the demand in the market. The yield was bumper this season due to adequate rains, said Vinayagam, a farmer in Royakotta region.

In addition, the arrivals of vegetables like carrot, beetroot, cauliflower, cabbage, beans, radish, ladies finger and snake guard into the market also increased in recent times. The people have started taking other vegetables, resulting in brinjal prices crashing down.

In Hosur and Thally region, the farmers are cultivating English vegetable covering around 6,500 acres. The salubrious climatic condition prevailing in Hosur belt is suitable for the cultivation of English vegetables.

"We don't even get the labour charge and transport charge for taking vegetables to the market from the agricultural field," farmers at Karukondapalli village said. Those in T Kothapalli and Thorapalli have also not harvested the brinjal crop this season.

The hybrid variety of brinjal is a three-month crop. The farmers are failing to get proper prices for the produce, particularly for brinjal and tomato in Hosur region often, as they could not understand the market movement. The district agricultural department is also not providing adequate market information over the crops, that confuses the farmers every season, farmers complained. The farmers have appealed to the district administration to provide them with compensation.

THE ECONOMIC TIMES

Wed, Nov 03, 2010 | Updated 06.56AM IST

3 Nov, 2010, 06.23AM IST, Prabha Jagannathan,ET Bureau

UP increases sugarcane SAP by Rs 40/quintal for 2010-11

NEW DELHI: Top sugarcane grower Uttar Pradesh has declared a Rs 40 a quintal higher price for sugarcane for the 2010-11 year.

The state advised price, or SAP, for the unapproved , common and early varieties has been fixed at Rs 200/qtl, Rs 205/qtl and Rs 210/ qtl, respectively.

The Centre had fixed the fair and remunerative price for cane for 2010-11 at just over Rs 139/qtl, up Rs 10/qtl since last year.

UP’s state advised price for the common variety stood at Rs 165/qtl last year while that of unapproved and early varieties were pegged at Rs 162/qtl and Rs 170/qtl, respectively.

The SAP is now expected to serve as a benchmark price against which the negotiations between farmers' groups and sugar mills, which hit an impasse last Friday, will begin.

Crushing has been delayed primarily due to the friction over cane price. It is on the basis of this price that farmers, who took on to the street in the Capital last year demanding higher price, will negotiate their demand for actual cane price to be paid this year. Every other development in the sector , including timely exports to help mills to take advantage of higher prevailing global prices and the much-vaunted ethanol blending implementation , hinge on this price.

Farmers groups from regions such as West Uttar Pradesh, where floods affected several cane growing districts, are battling to get sugar mills to pay them as high as rs 300/qtl against a price

Rs 280/qtl paid last year against a backdrop of perceived shortage.

"Fertiliser , insecticide and labour prices have shot up by 10%, 15% and 40%, respectively , hiking up our input costs to Rs 215. For the government, this could be a hike of Rs 40/qtl but for farmers, this is actually a depreciation compared to last year," Sudhir Panwar of the Kisan Jagriti Manch said.

But the Indian Sugar Mills Association , the private mills platform, has maintained that paying Rs 300/qtl is out of the question.

"At 10% recovery, the price of cane works out to around Rs 25/kg. Including processing costs and incidentals, that goes up to over Rs 30/ kg," an industry official from a UP-based sugar major said. “

"One way to get out of this impasse is really to expedite exports," a food ministry official acknowledged.

3 Nov, 2010, 01.43AM IST, Madhvi Sally & S Sanandakumar,ET Bureau

Depite price rise, no dip in Dry fruits demand

CHANDIGARH/KOCHI: A sharp rise in the prices of dry fruits, a Diwali must-have, has not deterred consumers, raising hopes amongst traders of better business this year. Retailers say more people now afford dry fruits even at these fancy prices.

The scare of poor quality sweets has also led families to shift to safer dry fruits this year.

As a result, a 5% jump in the value-added tax on dry fruits in Delhi has not hampered sales in Asia’s largest dry fruit wholesale market of Katra Ishwar Bhawan in Old Delhi’s Khari Baoli area. The market alone sells three fourths of Rs 2,000 crore worth of dry fruits imported in a year.

“Even though there has been an increase in prices, sales has been better than previous year,” said Shyam Bansal, general secretary of Indo-Afghan Chamber of Commerce, a dry fruit association in New Delhi. Dry fruits are imported from the US, Iran, Australia, Spain and Afghanistan. Almond kernels were being sold at Rs 350 a kg, cashew Rs 500 a kg (a 30% increase from the previous year), walnut with shell at Rs 150 a kg (a 45% increase), raisin at Rs 100 a kg and chilgoza at Rs 1,200 a kg at the Delhi wholesale market on Monday.

In Mumbai, the second-largest market after Delhi, business has remained dull in the run-up to the festival season following a sharp increase in Vat from 4% to 12.5% announced in April this year. “Earlier, a big part of the supplies to nearby regions used to come from the Mumbai market. But now they have started importing directly,” Mr Dinesh R Dang, proprietor, Kandhar Traders, and the vice president of the Mumbai Dry Fruits and Dates Association. He added that Gujarat, where Vat is 5%, has started buying on its own.

But the Bangalore market is upbeat. “Sales in general are as good as last year,” said Mr Kailash Chandra, a dry fruit trader. “There has been a 25% increase in cashew prices and a 20% rise in walnut prices compared to last year,” he said. But this has not depressed the market sentiments, he pointed out. The IT sector has not let down the traders who get their supplies from upcountry markets such as Delhi. “Corporate demand for gifting purposes is also slightly better than last year,” he added.

Raisin supply from Sangli district of Maharashtra is reaching Delhi and Mumbai markets. Walnut supply, largely from Jammu and Kashmir, has been affected by the heightened political unrest this year. Kerala-based Anu Cashews promoter Anu S Pillai said, “A shortage of skilled labour in cashew processing has affected supplies.”

2 Nov, 2010, 12.27PM IST,PTI

Refined soya oil futures remain weak on profit taking

NEW DELHI: Refined soya oil futures prices fell further by Rs 2.95 to Rs 527.80 per 10 kg today, as traders booked profits at higher levels influenced by fall in demand in the spot market.

At the Multi Commodity Exchange counter, refined soya oil for November-month contract fell by Rs 2.95, or 0.55 per cent, to Rs 527.80 per 10 kg, with a trading volume of 45 lots.

Similarly, the refined soya oil for delivery in November declined by Rs 2.50 or 0.45 per cent to Rs 541.05 per 10 kg, in four lots.

The fall in refined soya oil mostly attributed as speculators booked profits at higher levels due to fall in demand in the spot market, traders said.

2 Nov, 2010, 12.28PM IST,PTI

Mentha oil futures hit daily high of 4 pc on rising demand

NEW DELHI: Mentha oil futures prices shot up to hit a daily upper limit by gaining four per cent to Rs 1,292.50 per kg today on firming trend at spot market due to rising domestic and export demand against low arrivals.

All the three running contract hit daily upper limit of four per cent set by the exchange authority to check an unwanted surge in the prices.

At the Multi Commodity Exchange counter, Mentha oil for January delivery surged by Rs 49.70 or four per cent, to Rs 1,292.50 per kg, with a trading volume of just one lot.

Similarly, the oil for delivery in December spurted Rs 49.30, or four per cent, to Rs 1,280.90 per kg, with a business volume of 32 lots, while November-month delivery rose by Rs 48.60, or 4 per cent, to Rs 1,263.10 per kg, with an open interest of 136 lots.

Speculators were bullish in the medium term in mentha trading on pick-up in domestic and export demand at lower levels.

Reports of lower production and rising demand from China further provided support to the prices in futures trade.

Business Standard

Wednesday, Nov 03, 2010

Allow sugar, cotton exports, says Pawar

Sanjay Jog / Mumbai November 03, 2010, 0:11 IST

India will be a major beneficiary due to the rise in global prices of sugar and cotton, said Union agriculture minister Sharad Pawar.

He told Business Standard: “India will benefit a lot, as there are ample opportunities for exports. The Government of India will have to take a decision on exports of sugar after Diwali. Similarly, the government will soon have to take a call on cotton exports.”

Pawar said sugar production was expected to be 25 million tonnes at the end of the current crushing season (2010-11). Similarly, India would have increased cotton production. According to the Maharashtra State Cooperative Cotton Growers Marketing Federation, India is expected to have 32.5 million bales (a bale is 170 kg) of cotton production in 2010-11, against 29.2 mb in 2009-10. Besides, there is a carry forward stock of four mb.

Pawar said the sugar industry has repeatedly made a demand for allowing exports under the open general licence. “Currently, sugar prices in India are the lowest, compared to global prices.

India and particularly growers will benefit when sugar prices are high in the international markets."

Natural calamities, he said, had hit sugar production in China, Pakistan, Russia, Indonesia and Mexico. Similarly, the cotton crop has been severely affected in Pakistan and China. "This is a good opportunity for sugar and cotton growers in India, to meet the increased demand from these countries and thereby benefit due to soaring prices," he reiterated.

Cotton growers have made a fresh appeal to the Centre to allow cotton export under the open general licence. Said N P Hirani, chairman of the Maharashtra State Cooperative Cotton Growers Marketing Federation: "It is high time the Centre removes the 5.5 million bales cap on cotton exports, especially when prices are showing an upward trend."

UP raises cane SAP by Rs 40/ qtl

BS Reporters / Lucknow/ New Delhi November 3, 2010, 0:08 IST

Officials express shock over increase; crushing to start from

November 15.

At a time when the domestic sugar industry is reeling under losses, the Uttar Pradesh state government has announced a record hike of Rs 40 a quintal in the State Advised Price (SAP) of sugarcane for the 2010-11 crushing season (October-September). SAP for the common variety now stands at Rs 205 a quintal while SAP for early variety will be Rs 210 a quintal.

Now, the SAP for common variety has touched Rs 205 a quintal level, which is about midway between what the industry was willing to pay and the farmers' demand. Likewise, SAP for other varieties also stands hiked by Rs 40 a quintal.

Sugar industry officials have expressed a shock over this increase at a time when the country is expecting a bumper crop and sugar price is likely to come under pressure.

“At this price of sugarcane, the cost of producing a quintal sugar will be around Rs 2,800 after factoring in purchase tax, processing cost, interest charges and depreciation. The current sugar realisation is Rs 27.50. We cannot operate at this prices,” said an industry official. After factoring in levy obligation, sugar should sell at more than Rs 3,100 a quintal if the industry is to survive.

SAP is the minimum price to be paid to cane farmers by the mills. Last year, SAP was hiked by Rs 25 a quintal and had stood at Rs 165 a quintal for common variety, Rs 170 for early variety and Rs 162.50 for rejected variety.

For 2010-11, the cane fair and remunerative price (FRP) announced by the centre is Rs 129.26 a quintal on 10 per cent recovery. “The effective FRP for UP cane farmers stands at Rs 133.26 a quintal,” UP chief minister Mayawati told media persons after announcing the SAP here.

She said the hike in SAP was arrived at after considering the farmers’ demand, farm cost, alternative crop prices and current sugar prices.

“In our meeting with the state government, we had submitted that the industry could only pay at last year’s SAP levels of around Rs 165 a quintal,” an industry insider said on anonymity.

Sugar industry body Indian Sugar Mills Association (Isma) is likely to hold a meeting next week to deliberate the issue.

UP principal secretary, sugar industry, Netram told Business Standard that the crushing would start after Diwali, while the industry maintained that crushing could start only after November 15.

Bharatiya Kisan Union (BKU) leader Rakesh Tikait said SAP was ‘reasonable’, however, he demanded that the state government should allow farmers to sell cane to mills, which paid maximum price.

Sugarcane price fixed at Rs 2000 per tonne

BS Reporter / Kolkata/ Berhampur November 03, 2010, 0:05 IST

It's sweet news for the sugarcane growers in Ganjam district. The managing committee of the Aska Cooperative Sugar Industry Limited (ACSIL) on Tuesday decided to buy sugarcane from the farmers during the current crushing season at Rs 2000 per tonne, around Rs 300 more than the last year's rate.

"We have decided to fix the sugarcane price at Rs 2000 per tonne, the highest ever offered", said district collector and chairman, ACSIL, VK Pandian. The price fixation of sugarcane was done after discussion with the office bearers of the Ganjam district sugarcane growers' association.

The factory authorities have also agreed to provide the transport cost for sugarcane hauled from a distance of more than 10 km from the factory. Within the 10-km radius, the farmers have to bear the transport cost.

"We have hiked the price this year to encourage more and more farmers to cultivate sugarcane", Pandian said.

Last year, ACSIL, the oldest sugar factory in the state crushed only 43,000 tonnes of sugarcane. This time, the factory aims to crush around 75,000 tonnes of cane and set aside another 7,000 tonnes for preparation of seed.

The sugarcane growers association had demanded for fixing the sugarcane price at Rs 2500 per tonne this time. But they later agreed to settle at Rs 2000 per tonne. "We have agreed on the price decided by ACSIL and will soon start our supplies as per schedule", said secretary of the association, Samir Pradhan. Besides Pradhan, other officials of the association including its president and former MP, DK Panda, vice president and MP (Aska), Nityanand Pradhan, Rajya Sabha MP, Renubala Pradhan and other members were present in the price fixation committee meeting held at Chhatrapur, about 30-km from here. The leaders of the association have urged the factory authorities to start crushing activity in the factory early so as to ensure higher recovery percentage.

Business Line

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Back **Buying support keeps cashew market buoyant**

Rise in prices gradual, supported by fundamentals.

G.K. Nair

Kochi, Nov. 2

Cashew market was buoyant last week with good activities aiding the prices of main traded grades moving up by 3-4 per cent.

Business was done for W240 from $3.60 to $3.75, W320 from $3.30 to $3.40, W450 from $3.15 to $3.25 (fob) and there were unconfirmed reports of business concluded a few cents higher as well, trade sources said. Importers in almost all markets were buying, mainly for November and December and some volume for shipments up to Mar/Apr 2011, Mr Pankaj N. Sampat, a leading Mumbai-based dealer told Business Line.

“Indian domestic demand was steady but there has not been a significant increase in prices for brokens yet,” he said.

Current situation is “different in two ways from the last time we saw these high price levels. Firstly, the price rise in second quarter of 2008 was sharp and sudden, fed by short covering of defaults and big delays in shipments. This time, the price increase has been gradual supported by fundamentals of lower supplies and steady demand in most markets and growing demand in some others. The price has moved up from 2.30 to 3.40 over a period of more than one year, with short periodic dips and we have seen higher peaks after each move. Secondly, the tipping point for the big decline in the last quarter of 2008 was the financial crisis of September-

October. Although the situation in many countries is not good, it is nowhere near as bad as 2008”.

One view is that kernel prices could soften in the second quarter of 2011 if kernel buyers need to buy lower quantities in the first quarter leading to processor reluctance to pay high prices for 2011 Raw Cashew Nut (RCN), depending on crop expectations.

Kernel may soften

The other view is that that firm trend could well continue till mid 2011 as people will continue to buy to fill empty pipelines.

“If the current high prices are supported in first quarter 2011, it would mean that RCN prices for Northern crops will open high even if crops are normal because processors will need to buy early (and quickly) as 2010 crops have been short. If the 2011 season opens at high levels, it will be difficult to bring prices down later unless there are bumper crops or there is a big fall in kernel demand in several markets together”, he said.

Spot parcels of West Africa RCN in India are trading in the range of $1,100 to $1,400 depending on the quality. Tanzania RCN auctions continued to fetch higher prices. The current levels are approx $1,600, which is the highest in the history of cashews, the trade said. There are no prices for Mozambique as shipments will not start till Jan. “There is very little talk of Indonesia which could mean there is very little available now for export. Reports from Brazil are very worrying — some say that crop may not exceed 2 lakh tonnes, which seems difficult to believe but nobody can be sure whether delayed arrivals will mean an extended harvest and improve the final outcome,” it said.According to Mr Sampat “we have not seen the peak for 2010 — we continue to feel that the peak is still to be seen but we are unable to hazard a guess what it will be and when the market will turn. It will need a major change in fundamentals (demand and supply) or a big external factor to change the trend but one thing is for sure — market is unlikely to decline too much in the near future, although we may see one of the periodic dips after a big jump,” he said.The outlook for 2011, Mr Sampat said, has been hazy for some time and it is becoming cloudy now, and dark clouds bode no good.Sailing in uncharted waters, and that too in cloudy weather, needs exceptional navigational skills, great caution and some luck to avoid hitting unseen obstacles.

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http://www.thehindubusinessline.com/2010/11/03/stories/2010110352162000.htm

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Back **UP to give sugarcane growers Rs 40 a quintal more**

State Advised Price set at Rs 205; exports seen inevitable.

Harish Damodaran

New Delhi, Nov. 2

The Uttar Pradesh (UP) Government has announced an unprecedented Rs 40/quintal increase in the State Advised Price (SAP) of sugarcane to be crushed by mills in the 2010-11 sugar season (October-September).

UP factories will now have to fork out growers Rs 205 for every quintal of ‘normal' cane delivered at their gates, with the corresponding rates of ‘early' and ‘rejected' varieties fixed at Rs 210 and Rs 205 a quintal, respectively. For the previous 2009-10 season, SAPs were set at Rs 162.5 a quintal for ‘rejected', Rs 165 a quintal for ‘normal' and Rs 170 a quintal for ‘early' varieties.

In a statement from Lucknow on Tuesday, the Chief Minister, Ms Mayawati, said that the SAPs fixed by her Government were way above the Centre's fair and remunerative price (FRP) of Rs 139.12 a quintal, which was, in turn, linked to a sugar recovery of 9.5 per cent. Given that the average recovery in UP was only 9.1 per cent last season, the corresponding FRP for the State works out lower at Rs 133.26 a quintal.

New SAP

Mills, on their part, claim that the current realisations from sugar and by-product render it unviable for them to pay the new SAP. For every quintal of cane crushed, mills produce about 9.3 kg of sugar, 4.5 kg of molasses and 30 kg of bagasse (of which 24 kg is burnt to meet in-house steam consumption, leaving a saleable surplus of 6 kg).

Ex-factory sugar prices are now ruling at around Rs 27 a kg. But since mills are also required to surrender 10 per cent of their production as levy at a lower Rs 17.90 rate, the effective realisation from 9.3 kg would be Rs 243. Taking an average realisation of Rs 2/kg on molasses and Rs 1.50/kg of bagasse, gross revenues from processing a quintal of cane comes to roughly Rs 260.

“We can, at the most, pay two-thirds of this gross realisation as cane price, which is Rs 173-174 a quintal. But even this may be difficult to sustain once crushing starts after Diwali. By then, the peak festival demand would also be over, bringing down sugar realisations to Rs 23-24 a kg,” a miller said. The only way out, according to him, is for the Centre to allow exports, which would help boost domestic realisations.

On Tuesday, white sugar in London breached the $ 750-a-tonne mark for the first time, reflecting concerns over adverse weather-induced output reductions in Brazil, Russia, China and Pakistan.

The current export price levels of over Rs 33,000 a tonne free-on-board translates into ex-factory realisations of Rs 30,500 to Rs 31,500, depending on the mills' distance from the coast. “By announcing a high cane price, Ms Mayawati has basically put the onus of its implementation on the Centre. It is for the latter now to take a call,” the miller said.

“We want exports to be opened up,” said Mr Raju Shetty, a cane growers' leader from Maharashtra, who is agitating for a “minimum” Rs 220-a-quintal, first-instalment farmgate price, which excludes harvesting and transport charges of about Rs 35.

“Maharashtra mills are willing to pay only the FRP of Rs 125-130 at the farm-gate. Given that growers got an average Rs 200 as first instalment last time, they deserve at least a 10 per cent hike. We will not allow factories to start unless they give this”, he told Business Line.

Tamil Nadu has fixed the cane SAP for 2010-11 at Rs 200 a quintal, which includes a transport cost of Rs 10 to be borne by factories.

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Back **$100-m World Bank loan for Maharashtra farm project**

Our Bureau

Mumbai, Nov. 2

The World Bank on Tuesday granted a $100-million loan to the Maharashtra for implementation of the Maharashtra Agricultural Competitiveness Project, which aims to increase productivity, profitability and market access for the farming community in the State.

The agreement was signed today by representatives of the Central and State Government and the World Bank.

The project aims to strengthen farmers' capacity to respond to market demands by providing technical knowledge, market intelligence and market networks to support diversification and intensification of agriculture production, a World Bank note said.

“Rather than farmers searching for markets, the project will help in bringing markets to the farmers,” said Mr S.K. Goel, Principal Secretary for the Department of Cooperation and Marketing.

The first component of the project is for intensification and diversification of market-led production.

It will also support agriculture technology transfer, facilitate networking amongst farmers and agri-businesses on emerging marketing opportunities, provide market intelligence using information and communication technology (ICT)-based applications.

Market access

The second component of the project is for improving farmer access to markets. It will promote alternative market opportunities by establishing farmer groups, a warehouse receipts system, upgrading local rural markets, piloting e-trading platforms, and modernising existing wholesale markets and livestock yards, the release said. “It will also promote diversified farm production, disseminate agricultural technologies and empower farmers to better understand, adapt and actively seek out and access existing and alternative markets” said Mr Roberto Zagha, India Country Director of World Bank.

The project will be financed by a credit from the International Development Association, the World Bank's concessionary lending arm, which provides interest-free loans with 35 years to maturity and a 10-year grace period.

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Back **Domestic demand continues to drive up sugar**

Our Correspondent

Mumbai, Nov. 2

Sugar prices on the Vashi wholesale market continued to rise on Tuesday, taking cues from higher demand at mill level. Spot prices rose by Rs 5 for S–grade and Rs 20 for M–grade. Naka prices were higher by Rs 10–15 a quintal. Mill tender rates were higher by Rs 5 on upcountry buying. . The volume eased to some extent on lesser than expected retail demand. Local demand was lower than arrivals and it weighed on the sentiment, said market sources.

Last year during this time spot sugar prices were higher with S–grade quoting at Rs 3,450–3,500 and M–grade at Rs 3,600–3,700 a quintal. Current spot prices are still 15 per cent lower, even after a rise of Rs 70–80 in the last two days.Mills are not keen to sell as they managed to sell a good quantity. About 10–12 mills sold 1–1.25 lakh bags sugar to local stockists on Monday. They sold M–grade at Rs 2,710–2,740 and S–grade at Rs 2,680–2,710 (excise paid). Resellers and speculators were sold below the mill price on completion of their outstanding purchases.

In the evening, tender prices were quoted further higher by Rs 5–10. Good quality M–grade sugar was in demand from bulk consumers. Higher prices in neighbouring States such as UP and West Bengal diverted buying to Maharashtra's mills.On Tuesday, total arrivals in Vashi were 44–45 truckloads (10 tonnes each) and lifting was 40–42 truckloads. Resale pressure in the market arrested fresh buying at mill level.According to Bombay Sugar Merchants Association, spot rates for S–grade were Rs 2,751–2,801 (Rs 2,748–2,800) and for M grade Rs 2,796–2,851 (Rs 2,776–2,831). Naka delivery rates were: S–grade Rs 2,740–2,760 (Rs 2,730 – 2,760) and M–grade: Rs 2,780–2,830 (Rs 2,755–2,800).

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Back **'BhooChetana' helps improve farm yield 20-25%**

Anil Urs Dharwad, Nov. 2

The Karnataka Government watershed and soil enrichment initiative for rain-fed areas, called BhooChetana, has helped to improved farm productivity by 20 to 25 per cent.

“The soil enrichment initiative has helped increase farmers' yields by 20 to 25 per cent. Farmers who implemented this have improved their farm management practices and are experiencing the benefits of intercropping. It has also boosted their earnings,” Mr Suhas P. Wani, Principal scientist-watershed, International Crops Research Institute for Semi Arid Tropics (Icrisat), told Business Line.

Another major reason for higher productivity is through the propagation of efficient water usage and disbursement of improved seeds, micronutrients, seed treatment with bio-pesticide and fungicides, he added.

In 2010-11, about 16 lakh hectares have been covered in 15 districts against the target of 20 lakh hectares. In the first year (2009-10) of BhooChetana, about two lakh hectares were covered in six districts.

With partial success of the initiative, the state agriculture department now plans to roll out BhooChetana in 10 more districts during 2011-2012.

The initiative was launched in Haveri district last year with active technical support from Icrisat.

According to Prof P. Chaidanand Mansur, agronomists at University of Agricultural Sciences-Dharwad, “The initiative at Nirlakatte village near Dharwad, addressed the issue of soil and water and also addressed nutrient deficiency based soil testing.

“Also as part of the initiative, the watershed development scheme introduced in the village as part of BhooChetana yielded good results as yields improved. Now Icrisat is planning to showcase this model at the national level.”

Mr Wani said: “We plan to take the Nirlakatte findings and the experience to other states that have huge land area under rain-fed conditions.”

The BhooChetana initiative in Karnataka has adopted the principles of consortium convergence, capacity building and collective action with the state department of agriculture acting as a nodal implementing agency. For the initiative, Karnataka department of watershed development, University of Agricultural Sciences, Karnataka department of agriculture, Icrisat and a non-government organisation called Bird have been involved.

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Back **Spot sales pull down pepper futures**

G K Nair

Kochi, Nov 2

Pepper futures on Tuesday fell sharply on selling pressure from stockists on the spot and investors on the futures market.

Stockists who were holding farm grade pepper for some time to sell at Rs 200 and above were on a selling spree and an estimated 300-400 tonnes of such material might come out, if the prices remained above Rs 200 a kg.

Similarly, investors bought spot and sold futures which in turn also aided the future's fall. In fact, more sellers appeared on the spot market, sources told Business Line.

At the same time, all the other origins were firmer indicating a “demand outweighing supply situation in the world pepper market scenario”, they said.

November contract on NCDEX dropped Rs 560 to close at Rs 21,265 a quintal. December and January also fell Rs 574 and Rs 575 respectively a quintal to close at Rs 21,490 and Rs 21,643.

Total turn over moved up 805 tonnes to 23,938 tonnes. Total open interest dropped 369 tonnes to 13,881 tonnes.

November open interest dropped by 707 tonnes to 8,477 tonnes. December and January open interest moved up by 293 tonnes and 40 tonnes respectively to 4,622 tonnes and 384 tonnes.

Spot prices on selling pressure dropped Rs 300 to close at Rs 20,400 (un-garbled) and Rs 20,900 (MG 1) a quintal.

Indian parity in the international market is at $5,000 a tonne (c &f) and remained competitive with other origins mainly Indonesia which reported to have quoted $5,000 a tonne.

As a result, international dealers are showing interest to buy Malabar. The material is, however, available at the exchange platform, they said.

According to a report from Vietnam today Brazil traded B Asta at $4,800 a tonne (f.o.b.) while the seller were at $5,000 a tonne (f.o.b.) now. Lampong Asta was quoted at $4,950 a tonne (f.o.b.) and 550 g/l at $4,850 a tonne (f.o.b.), it said.

Another report from the US said other origins were firm. Brazil is closed till Thursday for local holidays. The US buyers are reportedly on a wait-and-watch mode till the Diwali is over, it said.

Prices quoted for different origins of black pepper Nov and Dec shipments in dollar/tonne c&f New York were: MG 1 asta 5,250-5,350; Vietnam asta - ask for offer Feb/Mar; Vietnam 500g/l 4,625-4,725 (f.o.b.); Vietnam 550g/l 4,775-4,875 (f.o.b.); Lampong 500g/l 4,550-4,600 (f.o.b.); Lampong 550g/l 4,650-4,700 (f.o.b.); Lampong asta ask for offer-sellers prefer to respond to bids; Eecuador asta very limited quantity - indicative 4,800; Sri Lanka 500-525g/l limited quantity - ask for offer; Brazil B2 500g/l -indicative 4,450-4,500 (f.o.b.) ; Brazil B1 560g/ indicative 4,550-4,600 (f.o.b.);

Brazil asta indicative 4,650-4,700 (f.o.b.); Spot MLSV asta (asta failed lots) – 4,750-4,800 ex-warehouse New York/New Jersey.

White pepper

Vietnam is understood to have traded Europe at $7,000 a tonne. Muntok was last traded at $6,800 a tonne and the market was reportedly firmer, the report said.

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Back **Rains take toll on paddy in Godavari dists** Kakinada, Nov. 2

Torrential rains during the past four days have caused extensive damage to the standing kharif paddy crop in the two Godavari districts (East and West) and also to Virginia tobacco in West Godavari district, according to official sources.

Mr Ravichandra, collector of East Godavari, the worst-hit district, said here on Tuesday that standing paddy crop on 46,000 hectares in the district was almost totally damaged. “On the whole, paddy crop has been badly damaged on 76,000 hectares, both in the Godavari delta and the uplands in the district. Farmers say they have given up all hopes on the crop in 46,000 hectares and in the remaining area the yields may go down drastically and the quality of paddy may be affected,” he said.

Crop loss

He said the kharif paddy crop was getting ready for harvesting in a month or so when the rains struck. “We are enumerating the crop loss and will make all efforts to help the farmers,” the collector said.

Mr Ravichandra said that poor drainage in the Godavari districts was also compounding the problem and long-term measures would have to be taken to improve the drains. “We hope there is no more rain and water recedes from the paddy fields,” he added.West Godavari: According to initial reports, the damage to paddy crop in West Godavari is bad though not as serious as in East Godavari. Standing paddy crop in more than a lakh acres has been damaged, both in the Godavari delta and uplands.In addition, in West Godavari district, virginia tobacco grown in the northern light soils (NLS) has also been damaged badly and farmers say they may have to go in for replantation of the crop. Tobacco grown in West Godavari fetches the best price in the State.

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Back **Coconut oil gains in Kerala, drops in TN**

C.J. Punnathara

Kochi, Nov. 2

Coconut oil prices increased marginally to Rs 7,050 a quintal against Rs 7,000 last week in the Kerala markets. However, the prices slipped in Tamil Nadu mainly on account of heavy arrivals and weakening demand.

The prices slipped to Rs 6,800 from Rs 6,850 last week mainly as traders liquidate their stocks ahead of the holidays during the coming festive season, sources in the Cochin Oil Merchants Association (COMA) said.

Fair amount of consumption demand is keeping Kerala prices firm, while the price differentials is attracting the flow of coconut oil from Tamil Nadu to the Kerala markets.

The increased arrival from the neighbouring State is also expected to contain price rise in the Kerala market. In Tamil Nadu, the prices are expected to remain firm during Diwali on account of demand for coconut oil and edible copra during the festival season. But the prices could slip marginally in the coming weeks as the industrial demand from North India wanes.

The demand slips during the winter months as coconut oil tends to freeze in the cold climate of several North Indian cities, Mr Prakash B Rao, Director of COMA said. The demand and consumption slackens during the November-December-January months before recovering in the succeeding months. However, the poorer industrial demand is not expected to hit the prices significantly since this also happens to be the lean season accompanied with poor arrivals.

Palm oil and palm kernel oil remained relatively firm during the week at Rs 4,880 and Rs 6,800 a quintal. Although the prices could ease marginally in the weeks ahead, sources pointed out that the low arrivals of coconut oil is expected to limit the bottom levels.

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Back **Higher arrivals crush groundnut oil**

Our Correspondent

Rajkot, Nov. 2

Despite Diwali festivities, groundnut oil price eased on weak demand and heavy pressure of groundnut arrivals. Groundnut oil price has dropped Rs 30-35 for 10 kg in the last two days.

In Rajkot, groundnut oil price ruled at Rs 1,150-Rs 1,160 for a 15–kg new tin, down Rs 70 from Rs 1,215-Rs 1,220 a tin during the weekend. On Tuesday, loose groundnut oil traded at Rs 660–665/ 10 kg against Rs 700-Rs 705 a week ago.

Higher arrivals are putting pressure on spot market in Mumbai too.

The groundnut Telia price for a tin declined further by Rs 45 on Tuesday to Rs 1,025 (Rs 1,070) and loose by Rs 30 to Rs 650 (Rs 680) for 10 kg.

According to traders, groundnut arrivals are flooding markets. Over 1.50 lakh bags (each 50 kg) groundnut arrive in Gujarat and groundnut seeds arrivals at all–India level continue to be over 3 lakh bags.

A Rajkot-based miller said: “Availability of raw material is more than adequate and demand is poor. The trend has changed now. People are buying oil on for their requirement. The trend to buy oil in bulk during festival has got over.”

A month ago, the Saurashtra Oil Mill Association had said that price of groundnut oil should be Rs 2,000/ tin to give a good price to groundnut growers. But after the start of new season, the prices have been gradually decreasing.

Market sources said arrivals of groundnut seeds, soyabean and cotton have increased sharply in the last few days.

Higher arrivals of soyabean, over 3.50 lakh bags (90 kg each) and cotton, over 2 lakh bales leading to higher cottonseed availability, are also adding to the pressure.

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Back **Pulses rule steady amidst dull trading**

Our Correspondent

Indore, Nov 2

Ahead of Diwali festivity that begins from Wednesday, Indore mandis on Tuesday witnessed dull trading with barely half of the traders turning up for routine trading activities. In the wake of decline in trading interest, prices of almost all the pulse seeds and pulses ruled steady.

The reasons for lacklustre trading have mainly been attributed to absence of currency in the market as traders and stockists have invested most of their money in building soyabean inventories.

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Both chana and Chana dal on the spot ruled steady notwithstanding rise in chana futures where November contracts on the National Commodity and Derviatives Exchange (NCDEX) closed Rs 7 higher at Rs 2,404 a quintal. On the spot, chana dal (average) quoted at Rs 2,725-50, chana dal (medium) at Rs 2,825-50 and chana dal (bold) at Rs 2,950-75 a quintal, respectively.

Similarly masoor dal (average) quoted Rs 3,600, masoor dal (medium) Rs 3,700 and masoor dal (bold) quoted Rs 3,800 a quintal. Tur dal also remained steady with lack of trading interest. Tur dal (full) quoted Rs 5,100-5,200, tur dal (sawa no.) quoted Rs 4,500-4,700, while tur dal (markewali) quoted Rs 5,700 a quintal.

Moong dal and urad dal also remained steady. Prices are as under; moong (chilkewali) Rs 4,350, moong dal (bold) – Rs 6,000 a quintal, urad dal (chilkiwali) in the spot quoted at Rs 4,400-4,450, urad dal (bold) at Rs 5,300, while urad (monger) at Rs 6,700-7,000 a quintal.

Similarly pulse seeds also ruled steady. Chana quoted at Rs 2,250-60, masoor Rs 3,150-3,175, tur at Rs 3,300-3,325, urad at Rs 3,800-4,000, while moong at Rs 3,300-3,800 a quintal.

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Back **Food Corpn's stock release pounds wheat**

Our Correspondent

Karnal, Nov. 2

After release of stocks by the Food Corporation of India to flour mills, wheat prices have dropped Rs 20-30 a quintal in the last two days.

On Tuesday, prices of Dara wheat ruled at Rs 1,220-1,230 a quintal against Rs.1,240-1,250 a quintal during the weekend. The fine quality was quoted at Rs 1,240 a quintal. Good arrival from Uttar Pradesh is also a reason behind the drop. Around 250 quintals of dara variety arrived in the Karnal market.

Similarly due to sluggish demand, desi wheat witnessed a downtrend. Tohfa variety ruled at Rs 2,340-2,370 a quintal; Lok-1 Rs 1,900; Kitchen queen new marka Rs 2,080; Parley-G Rs 2,150-2,160; and Nano at Rs 2,130 a quintal.

Mr Gulshan Kumar, a wheat trader, told Business Line that the wheat stock has been released at 1,240 a quintal and 4 per cent VAT would also be charged on top of it. Sluggish demand and good arrivals are also a big reason behind the drop, he said.

Continued weakness in wheat prices pulled flour prices down by Rs 20 (90-kg bag) and they ruled at Rs 1,220 (90-kg bag) on Tuesday. After the drop in wheat and flour prices chokar prices dropped by Rs 20 and ruled at Rs 570 (49-kg bag) against Rs 590 in the weekend.

Paddy Trading

Around 1.60 lakh bags of paddy varieties arrived at the Karnal grain market terminal. The entire stock was lifted by agencies and rice millers.

Around 12,000 bags of PR-13 arrived and ruled at Rs 970–1,010 a quintal.

Grade-A variety arrived in 90,000 bags and ruled between Rs 1,025 and Rs 1,100 a quintal.

Around 5,000 bags of RS-10 were quoted at Rs 1,300-1,330 a quintal.

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Back **Mixed trend in edible oils**

Our Correspondent

Mumbai, Nov. 2

Edible oil prices in the spot market witnessed a mixed trend on Tuesday, with imported oils such as palmolein and soya oil rising by Rs 3 and Re 1/10 kg on cues from firm foreign markets. Groundnut oil and cotton refined oil, under pressure of heavy arrivals at producing centres, fell Rs 20 and Rs 2/10 kg, respectively.

Sunflower oil and rapeseed oils were steady. The volume in the market was high on heavy retail demand for Diwali. Importers/refineries quoted higher rates. Most of the volume was in resale trade.

Malaysian crude palm oil (CPO) futures closed higher on overnight rise in soya oil support. CPO futures closed higher on fresh buying and short covering. Indore NBOT soya oil futures declined marginally in choppy trade.

On Tuesday, raw cotton arrivals at the national level reached more than 2 lakh bales.

In Mumbai market, fresh demand in palmolein by retailers kept volume in resale about 500/600 tonnes in the price range of Rs 484-489. Last resalers were quoting Rs 490-491. In other edible oils, absence of demand kept volume almost zero. Malaysia's CPO futures closed at MYR 3,090

(3,080) for November and MYR 3,093 (3,085) for December. Indore NBOT soya oil November contracts closed at Rs 528.10 (Rs 530) and December at Rs 541.80 (Rs 542.60).

Mumbai commodity exchange spot rate (Rs/10kg): Groundnut oil 700 (720); soya refined oil 518 (517), sunflower expeller refined 635 (635), Sunflower refined 670 (670), rapeseed refined oil 580 (580), rapeseed expeller refined 550 (550), cotton refined oil 515 (517) and palmolein 491 (488).

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Back **Paddy yield may be higher in Madurai district**

Our Correspondent

Madurai, Nov. 2

The Madurai District Collector, Mr C. Kamaraja, said on Monday that despite complaints of shortage of farm labour and delay in water release, among other problems, a majority of farmers were poised to achieve high paddy yield this season, adopting the “Rajarajan 1000 technique”. Launching a campaign to promote the technique, the Collector operated a paddy transplanting machine on a field at Porusupatti in Madurai East block and transplanted seedlings.

He said the introduction of machines, which has replaced workers to a great extent, is the best alternative and a permanent solution.

With shrinking cultivable area, rise in practice of converting arable lands into residential areas and climatic changes, mechanisation had come as a blessing in disguise, he said.

Out of the 272 hectares identified for paddy cultivation under the Rajarajan 1000 in Porusupatti, the technique has been adopted in 247 hectares.

The district administration will release a guide for farmers in about a fortnight containing details of various government schemes, subsidies and loans, he added.

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Back **Paddy's plight**

— Vijaya Bhaskar

Nature's fury:A farmer separates paddy crop damaged due to heavy rain at Paritala in Andhra Pradesh's Krishna district on Monday. Over 1,00,000 hectares of standing paddy crop were damaged in the State. Farmers say they have given up hope on 50,000 hectares of the crop and fear yield from the remaining area may be affected too.

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Back **Spot rubber zooms to new high**

Aravindan

Kottayam, Nov. 2

Spot rubber made yet another record closing on Tuesday. The market continued to explore new highs anticipating further gains in the days ahead ridden by the domestic and international supply concerns.

According to observers, there were no quantity sellers on any grade even at the existing levels and the market made all-round gains on fresh buying and short covering. The price is ruling very high now and it is injurious to all the stake holders in the industry, according to Mr. N. Radhakrishnan of the Cochin Rubber Merchants Association. The Government should change the duty structure as recommended by the Rubber Board and allow import forthwith.

According to official reports, there ought to have been a stock of 2.5 lakh tonnes of rubber in the country. But in reality, the market faces acute shortage of the raw material in all sectors, he said. Sheet rubber improved to Rs 194.50 (193) a kg in the main marketing centres. According to Rubber Board, the grade increased to Rs 194 (192) a kg both at Kottayam and Kochi.

In futures, the November series for RSS 4 concluded at Rs 196.74 (196.49), December at Rs 199.25 (199.51), January at Rs 201.65 (201.76) and February at Rs 203.90 (203.66) a kg on the National Multi Commodity Exchange. The total open interest in all series was 5,331 lots. RSS 3 flared up with November futures rising to ¥324.5 (Rs 178.11) from ¥316.7 during the day session and then to ¥325.5 (Rs 178.69) in the night session on the TOCOM.

Spot rates were (Rs/kg): RSS-4: 194.50 (193); RSS-5: 185 (182.50); ungraded: 181.75 (178.75); ISNR 20: 190 (189) and latex 60 per cent: 126.50 (125.50).

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Back **Advanta, Arcadia biosciences to develop water efficient sorghum**

Our Bureau

Hyderabad, Nov. 2

Advanta, a global seed major headquartered in India and Arcadia Biosciences Inc based in Davis, California, an agri-technology company, have reached an agreement to develop water efficient sorghum.

According to the research and commercial development agreement, Advanta will receive exclusive global rights to the use of Arcadia's water efficiency technology in sorghum, a press release said here.

Arcadia will receive an upfront payment, milestone payments and a share of commercial sales revenue. The agreement builds upon the 2009 tie-up between the two companies for the development of Nitrogen Use Efficient(NUE) and salt-tolerant sorghum.

Sorghum, an important feed crop, is grown on more than 100 million acres globally. The existing varieties demand more land and water resources, which are becoming scarcer. Hence, the ability to reduce reliance on fresh water and maintain high crop yields in multiple environments is critical in Arcadia's water efficiency technology, the release added.

Mr V.R. Kaundinya, Chief Executive Officer and Managing Director of Advanta, said there is a need for greater role of technology in sorghum and the agreement with Arcadia is a step in fulfilling it.

Considering the global importance of sorghum as a food source and the increased interest in the crop as a renewable energy source, the use of new agricultural technologies that maximise the crops potential and minimise its environmental impact becomes imperative, said Mr Eric Ray, President and Chief Executive Officer of Arcadia.