

Date:14/10/2010 URL:

<http://www.thehindu.com/2010/10/14/stories/2010101451220300.htm>

Milk procurement centre inaugurated

Special Correspondent

1,530 persons provided with milch animals under 'Vazhnthu Kattuvom' scheme

— Photo:M.Srinath



Reaching out: U.Mathivanan, Dairy Development Minister, handing over assistance to a beneficiary under the Vazhnthu Kaattuvom Scheme at Kappanamangalam village on Wednesday. Collector M.Chandrasekaran, second from left, is also in the picture.

TIRUVARUR: Aavin has been procuring milk from the producers at a reasonable price, said U. Mathivanan, Dairy Development Minister, at Kappanamangalam village in Koradachery panchayat union on Wednesday.

He inaugurated an Aavin Milk procurement centre in the village for the benefit of those who possess milch animals under 'Vazhnthu Kattuvom' scheme and distributed a sum of Rs.18 lakh to eleven Milk Producers Federation.

The Minister said that in the last four and a half years, the State government has increased the price for cow's milk by Rs.5.50 per litre and buffalo's milk by Rs.10.50 per litre. A cooling plant has been opened in Tiruvarur to store the milk collected from co-operative milk societies.

He added that Vazhnthu Kattuvom scheme was aimed at removing the poverty of marginalised people.

Under the scheme 1530 persons have been provided with milch animals at a total cost of Rs.205 lakh in Koradachery union.

Six year programme

M.Chandrasekaran, Collector said that 'Vazhnthu Kattuvom' scheme was a poverty alleviation programme introduced by State government. It is a six years programme and is now in the last year of implementation in the district.

A World Bank aided programme, it is implemented in 159 panchayats in Koradachery, Kottur, Thiruthuraipoondi and Tiruvarur panchayat unions in the district.

The target group is poorest of the poor in villages, differently abled persons, destitute women, diseased persons and Thirunangais.

Poverty Reduction Committees are formed in the villages . The members are provided financial assistance for purchasing milch animals, goats, and starting other businesses.

Poverty Reduction committee of Kappanamangalam panchayats has been provided Rs.7 lakh in three instalments.

Bank linkage has been given to 21 women self help groups and two special self help groups in the village under the scheme. Individual loans have been given to 32 differently

abled persons and 17 persons belonging to weaker section.

The village has got Rs.33.50 lakh as fund under various heads of the scheme. They include Poverty Reduction Committee fund of Rs.7 lakh, Panchayat Level Federation Amuthasurabi fund of Rs.7 lakh, milk Producers Federation fund of Rs.18.30 lakh and incentive of Rs.1.20 lakh.

Raghavan, Assistant General Manager, National Bank for Agriculture and Rural Development, Venkatachalam, General Manager of Thanjavur District Milk Producers Union, participated .

Date:14/10/2010 URL:

<http://www.thehindu.com/2010/10/14/stories/2010101450840300.htm>

Fillip to paddy cultivation

Staff Reporter

To benefit 9,500 hectares in Dindigul

DINDIGUL: A total of 9,500 hectares of paddy cultivation area in the district would be brought under 'Rajarajan 1,000' method, a rename for popular method of System of Rice Intensification (SRI) programme this year.

Transplantation has been taking place in thousands of hectares in the district. Total paddy cultivation area in the district was 23,400 hectares. Farmers had raised paddy crops only on 18,400 hectares last year. Technical expertise and campaign on this method was intensified among farmers to increase the area sizably this year.

Agriculture officers have started staging field demonstration to enable farmers to understand the benefits of the method at Agaram and Thadikombu areas. Paddy has been raised on 25 hectares in these areas.

"We have intensified the campaign and imparted advanced training to majority farmers to raise paddy under this new method," according to L. Mayakrishnan, Agriculture Officer,

who inspected the demonstration at Pirakarai near Thadikombu recently. Fourteen-day-old Ponni variety of seedlings was used for transplantation in the demonstration plot. Removal of weeds using Cono weeder on the field was also demonstrated. The "Rajarajan 1,000" method helped in using less water and small quantity of seeds. The main objective of adopting of this technology was to overcome water and labour shortage. "It is very easy to raise seedlings using mat, which was called Madagascar method of paddy cultivation in houses.

Above all, farmers would get sizable profit, owing to high yield. They would get at least 40 per cent higher than yield gained through traditional method of cultivation.

Agriculture officers have been visiting farms that adopted this method to offer technical expertise.

Similar demonstration was done in different parts of the district to encourage more farmers.

Date:14/10/2010 URL:

<http://www.thehindu.com/2010/10/14/stories/2010101450770200.htm>

Syngenta programme for improving paddy yield

Staff Reporter

COIMBATORE: Syngenta India Ltd. has tested crop care programmes to increase paddy production.

A release from the company said it carried out three such programmes at three levels of crop protection inputs in Anaimalai, Coimbatore. The tests were carried out between June and October 2010.

In the three tests, the 'Premium' programme, based on modern chemistry, and 'Value'

programme, based on existing products, were compared with the local farmers' practice.

The release said the result of the 'Premium' programme was that the grain yield was 11 tonnes a ha. The 'Value' programme yielded nine tonnes a ha and the farmers' practice gave five tonnes a ha.

"Syngenta crop care 'Premium' programmes demonstrated good pest control with vigour and lead to a more than 100 per cent increase in yield over farmers' practice."

The 'Premium' programme involved 'Actatra Seed Bed' treatment plus application of Virtako, a novel, broad spectrum insecticide. And it resulted in increase in number of tillers to the extent of 50 per hill.

Such programmes were needed, the company said, if India were to increase paddy production to 129 million tonnes by 2012 to feed a burgeoning population.

Date:14/10/2010 **URL:**

<http://www.thehindu.com/2010/10/14/stories/2010101456030500.htm>

Plant protection measures for farmers

Staff Reporter

TNAU has suggested steps to control pests and diseases

To control jassids in cotton and aphids in red gram, yellow sticky traps have been mooted

Incidences of mealy bug in betel vine, brinjal and guava are found in Tiruchi

COIMBATORE: Tamil Nadu Agricultural University has suggested certain plant protection measures to be undertaken by farmers to control pests and diseases prevalent in the

present season.

According to a university release, leaf fodder, stem borer, leaf hoppers and thrips are found to be crossing the Economic Threshold Level (ETL) in paddy in Salem. Farmers are asked to spray neem seed kernel extract 5 per cent and also set up light traps to monitor the pest population.

To control jassids in cotton and aphids in red gram, yellow sticky traps have been suggested. Spraying of Profenophos or Dimethoate at 2 ml a litre of water is suggested to control mealy bug in sugarcane, groundnut and red gram.

Spraying of endosulfan, dichlorvos or imidacloprid is suggested to control leaf miner in groundnut.

Villupuram and Kanchipuram districts are being plagued by incidence of yellow mosaic virus in black gram and green gram. Farmers are asked to spray monocrotophos or methyl demoton to control this virus.

Combination

To control bacterial leaf blight incidences in paddy, spraying of a combination of streptomycin sulphate and tetracycline and copper oxychloride is suggested.

Release of egg parasitoid to manage shoot borer in sugarcane is suggested for farmers in Nagapattinam district.

In Dindigul and Virudhunagar districts, sugarcane is infested with red rot. Prophylactic treatment and drenching of the affected plant with carbendazin is suggested.

In Ramanathapuram, to combat the internode borer in sugarcane, release of egg parasitoid trichogramma is suggested.

Incidences of mealy bug in betel vine, brinjal and guava are found in Tiruchi. Farmers are asked to spray chlorpyrifos or buprofezin or dimethoate.

Date:14/10/2010 URL:

<http://www.thehindu.com/2010/10/14/stories/2010101454900300.htm>

10,000 cattle to be insured in the district

Staff Reporter

KRISHNAGIRI: With a view to giving a fillip for dairy development, as many as 10,000 cattle in the district will be insured, said a release issued by the Collector, V. Arun Roy here on Monday.

Loss

The release said that the insurance scheme would be implemented jointly by the Union Government and the Tamil Nadu Livestock Development Agency.

The scheme was being implemented to offset the loss incurred by the farmers in case of death of the livestocks and also to improve the dairy development.

Economic conditions

As many as 1.18 lakh milch cows are being reared by the farmers.

The milk and its value added products are being sent to various places in the district and also to Kerala.

The dairy development in the district played major role to improve the economic conditions of the farmers.

Fifty per cent of the insurance premium would be borne by the government through Animal Husbandry Department and the Dharmapuri District Cooperative Milk Producers Federation. The cattle would be insured through the General Insurance Corporations.

The premium for Rs. 10,000 insurance policy for a period of one year is Rs. 212 and for

three years is Rs. 453. The policy amount and the premium for one year and three years in brackets were as follows:

Rs. 15,000 (Rs. 317, Rs. 679); Rs. 20,000 (Rs. 423, Rs. 905); Rs. 25,000 (Rs. 528, Rs. 1131) and Rs. 30,000 (Rs. 633, Rs. 11357).

Farmers can approach the Assistant Veterinary Officer in the nearest Veterinary Hospital for insuring their cattle, the release adds.

Date:14/10/2010 **URL:**

<http://www.thehindu.com/thehindu/seta/2010/10/14/stories/2010101452591600.htm>

Management of papaya mealybug in mulberry

Papaya mealy bug is an exotic pest recently invading India. Its extensive spread to neighbouring countries is also reported.

The pest sucks the sap from tender shoot and leaves resulted with deterioration in leaf quality followed by premature drop and stunted growth of plants.

The black sooty mould developed on the honey dew excreted by pest, pollutes the entire garden and makes the leaves unfit for feeding silkworms, in case of severe infestation

High reproduction

The pest has high reproductive potential, i.e. one female can lay up to 600 eggs, and the progeny completes the lifecycle in a shortly less than a month period.

Dense, waxy secretions around the body protect the pest from adverse environmental conditions and pesticides. Papaya mealybug remains as a minor pest in many countries due to presence of adequate population of its natural enemies.

Whereas, indiscriminate application of toxic chemical destroys the natural enemy complex and the pest flares-up after developing resistance to most of the pesticides. The toxic chemicals also cause health hazards to humans and other beneficial organisms including

silkworms.

Farmers prefer mainly chemical measures to obtain instant results without perceiving their adverse impact. Hence, emphasis on integrated application of following non-chemical practices is also a need of hour for effective control.

Control

Collection and burning of infested plant parts, pruned stems, and the weeds harbouring the pest.

Multiple cropping must be avoided to prevent shifting of the pest to pruned gardens at the time of sprouting.

Using rain guns or sprinklers instead of flood irrigation helps control the pest.

Spray of strong jet of water in infested garden by diverting a portion of irrigation water through small hose dislodges and washes out the pest population.

Release of predators such as *Cryptolaemus montrouzieri* *Scymnus* sp, *Spalgis epius* and the parasitoids viz. *Acerophagus papayae*, *Anagyrus loecki* and *A. californicus* is found promising. Suitable sticking agent should be mixed with the pesticide solution and the plants should be drenched thoroughly for high efficacy.

R. Balakrishna

Mukund V. Kirsur

& N. Sakthivel

Regional Sericultural Research Station, Salem
Central Sericultural Research & Training
Institute Mysore & Research Extension Center, Central Silk Board, Srivilliputtur

Tamil Nadu

Date:14/10/2010 URL:

<http://www.thehindu.com/thehindu/seta/2010/10/14/stories/2010101452621600.htm>

FARMER'S NOTEBOOK

“Judicious combination of manures, fertilizers ensures food security”

M.J.PRABU

Growing organic foods is a matter of individual or enterprise preference

- Photo: G.N. Rao



Sustainable: What is needed today for a good yield is a judicious combination of organic and fertilizer inputs.

“Though organic farming today seems a desirable proposition in increasing food production it is not entirely feasible because enough organic manures are not available in our country to meet the requirements,” says Dr. K. Kumaraswamy, former Professor of Soil Science, Tamil Nadu Agricultural University, Coimbatore.

“Growing organic foods are a matter of individual or enterprise preference. If one wants to do organic farming one is free to do it. Organic methods cannot replace conventional farming for improving food security. With an increasing population and a precarious food situation, our country cannot afford to take risks by relying only on organic farming,” he adds.

Discourage

In an overzealous pursuit and concern for protecting the environment, natural farming proponents often discourage the use of fertilizers and chemicals.

Total organic farming is possible only under subsistence farming as practiced in our country under traditional low-productive agriculture a few decades back.

“It might also be possible under certain special situations such as horticultural farming where sufficient organic manures like farm yard manure or composts are available for recycling, and the consumer would be ready to pay an extra premium for the ‘organic products’ to compensate for their comparatively lower productivity and higher cost of production,” he says.

From about 50 million tonnes in 1950 to more than 220 million tonnes today, our country has progressed a long way in increasing food production.

The reasons: raising high-yielding varieties of crops, adopting Integrated Nutrient Management practices involving both manures and fertilizers, and controlling the pests and diseases through integrated pest management practices.

“It would be an unwise and unremunerative proposition to cultivate crops sans fertilizers, using manures alone. What is needed is a judicious combination of organic manures and fertilizers, and not exclusive use of either,” says Dr. Kumaraswamy.

Cannot be sustained

It is true that the quality of the agricultural produces, such as flowers, vegetables and fruits, improves when organic manures are supplied rather than fertilizers. But intensive agriculture on commercial high-productive scale cannot be sustained for long through total organic farming.

“It is because yield levels tend to drop drastically without fertilizers, as the demands of crops for certain nutrients such as nitrogen, phosphorus, and potassium in comparatively higher amounts cannot be met by organic manures alone.

Pollution

Although indiscriminate use of fertilizers and chemicals pollute the environment, the practice does not warrant exclusion of fertilizers altogether from the soil fertility management programmes, as the consequences of such withdrawal tends to be disastrous,” he argues.

The distortion in soil fertility and deterioration in soil health are due to improper and indiscriminate use of fertilizers. This can be corrected only with proper and judicious manure – fertilizer schedules based on soil fertility evaluation results.

Integrated soil fertility management using manures, fertilizers, and bio-fertilizers alone can facilitate restoration, improvement and maintenance of soil fertility, guarantees agricultural production at higher levels with high-quality produces as well,” according to Dr. Kumaraswamy.

Agriculture at high levels of productivity can be made sustainable only through such integrated ways using manures, fertilizers and bio-fertilizers in judicious combinations. It will also safeguard the environment and natural resources from being polluted and exhausted, he says.

The philosophy of sustainable agriculture will become a bitter irony, if fertilizer use is reduced or excluded in the name of quality improvement of produces or environment protection, as such exclusion would lead to subsistence farming over the years in the near future. Fertilizers supply one or a few nutrients only, and not enzymes, vitamins and growth regulators that are essential for the improvement in the quality of the produces. This is the reason for the better quality of the produces obtained with the application of manures and not due to differences in the nature and properties of the nutrients supplied through manures and fertilizers.

Set rule

Neither organic nor inorganic but ISFM (Integrated Soil Fertility Management) must be the set rule of sustainable high-productive, good-quality agriculture, if we are to ensure food security in the years to come, according to him. For details contact Dr. K. Kumaraswamy, former Professor of Soil Science, Tamil Nadu Agricultural University, Coimbatore, email:

kkkswamy9@yahoo.co.in, mobile: 94436 52332.

Date:14/10/2010 **URL:**

<http://www.thehindu.com/thehindu/seta/2010/10/14/stories/2010101452681600.htm>

FARM QUERY **Worms in mango**

My Banganapally mango grafts started yielding fruit in three years. However, all were found to be infected by tiny worms. Though I sprayed 50 per cent Micronised Carbaryl the problem persists. Can you kindly suggest a remedy?

C. M .MOHANANKannur, Kerala State

Proper spraying of either pesticides or bio insecticides especially during the flowering time is important for good fruit sett. You can contact Mr. R. Kulandaisamy, leading mango farmer in Salem at email:tari_hitech@yahoo.com, mobile: 98430-59117 and 98434-39909 for guidance.

© Copyright 2000 - 2009 The Hindu

Business Standard

Thursday, Oct 14, 2010

Cotton rates surge, mills switch to other materials

Press Trust Of India / Chandigarh October 14, 2010, 0:53 IST



Amid criticism over the Centre's move to allow cotton exports, cotton prices have surged by over Rs 400 a quintal on account of low arrivals from producing areas and strong demand from textile mills in Punjab and Haryana.

Though the spurt in rates has brought cheer to cotton growers, garment makers have resorted to using polyester yarn and other materials to reduce their consumption of cotton and rein in input costs.

The prices of ginned cotton have gone up to Rs 4,000- 4,005 per maund (37.324 kg) in comparison to Rs 3,710-3,730 per maund a week ago. Similarly, prices of raw cotton have risen to Rs 4,200-4,400 a quintal from Rs 3,600-4,000 a quintal in the previous week, traders said.

"Prices are rising by Rs 20 per maund every day without any disruption," traders said. "The main reason behind the fresh spurt seen in cotton rates is the delayed arrival of crop and purchasing by spinning mills which have low cotton inventory," Northern India Cotton Association President Rakesh Rathi said today.

Asserting there was no shortage of cotton crop as claimed by spinning mills, Rathi further ruled out the possibility of a further spurt in cotton rates due to increasing crop arrivals in the coming days, thanks to the good monsoon this year.

"Farmers are not holding up their crop as they are already fetching very good rates for their crop this time. In the next few days, the daily crop arrival will pick up considerably," asserted Rathi.

Cotton arrivals in Punjab and Haryana stand at just 180,000 bales in the current year so far as against 400,000 bales in the corresponding period of the previous year.

Blaming the Centre for its "irrational" move to allow cotton exports, spinning and garment makers have increased the blend of polyester with cotton in their products to reduce cotton consumption.

"Industry is reducing cotton consumption by way of using polyester so as to lessen the impact of rising cotton rates," Vardhman Textiles Corporate General Manager I J Dhuria said.

With the increased use of polyester, its rates have also moved northward. "Polyester prices have also surged by 15 per cent in the last one month," he said.

Punjab and Haryana this year brought 530,000 hectares and 474,000 hectares of polyester, respectively. Cotton production in Punjab is pegged at 2.276 million bales this year, while output in Haryana is expected to amount to 1.89 million bales.

UP cane price tussle heats up; farmers demand Rs 325/qtt

NewsWire18 / New Delhi October 14, 2010, 0:51 IST

Uttar Pradesh cane farmers and sugar mills are set to slug it out over cane prices. And, like previous years, it seems that a settlement won't come easy this time too.



While the growers are demanding much higher price than last year's state advised price, the mills don't seem to be in any mood to loosen their purse string.

Sugarcane farmers, at a meeting called by Cane Commissioner Kamran Rizvi on Tuesday, demanded Rs 320-325 a quintal for cane for the 2010 season that commenced October 1.

The new cane price is based on the actual production cost, which has increased sharply due to a rise in the cost of fertilisers and diesel as well as labour costs, said Avdesh Mishra, president of the state cane committees' association.

"The production cost of sugarcane this year is around Rs 306 a quintal. We are asking for Rs 320-325 after including a profit margin of 5 per cent," he said, pointing out that the cane production cost was around Rs 256 a quintal last year.

He argued that the cane price being demanded is unchanged from last year.

“Last year, mills in Kaptanganj, Maharajganj, Khushinagar, Garautha, and Sardarnagar districts paid farmers Rs 320-325 a quintal for cane. We just want all mills to comply with that price this year,” Mishra said.

Many mills in Uttar Pradesh paid about Rs 260-270 a quintal for cane last year, higher than the state advised price of Rs 165, as supplies were tight due to drought.

This year, with bumper supplies expected, mills are unwilling to pay more than Rs 165 a quintal, though there are indications that the state government may raise the state advised price (SAP) to over Rs 200.

Mill officials, however, argued that even in 2009-10 (October-September) they were unable to recover costs as sugar prices were below production costs for most part of the year.

“Cane prices have to be in line with sugar prices. If input costs are higher than the price of the end product, how can we remain in business,” an official with a large mill in Uttar Pradesh argued.

“This year, cane supplies are in abundance. I don’t think any mill is willing to pay more than last year’s SAP,” he said.

In a bid to resolve the issue, state chief secretary has called a meeting with cane growers and mills next week, a state government official said.

“This issue needs to be sorted out at the earliest, or it could delay crushing,” he said.

Mills in Uttar Pradesh usually start crushing cane by October-end or early November.

A delay in cane crushing could hamper supplies in November, when exports are in full swing, and could lead to some flare up in domestic sugar prices, which are currently around Rs 2,840-2,850 a quintal in Muzaffarnagar.

The government has allowed mills to export around 125,000 tonne refined sugar against pending re-export obligations.

It is likely to allow export of another 125,000 tonnes sugar in November after Diwali to ensure prices remain stable during the festival season.

“A surge in prices during the festival season could put a spanner in the government’s sugar export plans. So it is imperative that the price issue is resolved soon,” a Delhi-based sugar trader said.

FCI steps up efforts to clear wheat stocks

Dilip Kumar Jha / Mumbai October 14, 2010, 0:36 IST

Engages spot exchanges for sale through open market scheme.



Faced with states’ reluctance to taking foodgrain from the central pool, the Food Corporation of India (FCI) plans to sell wheat under its open market sales scheme (OMSS) through online spot exchanges. The step by the government-owned grain procurement agency is aimed at clearing the central pool’s massive stocks before the next season begins.

On Monday, FCI signed an agreement with the National Spot Exchange (NSEL), a Financial Technologies-promoted spot commodity platform, for liquidating wheat stocks online. A similar agreement with the NCDEX Spot, an NCDEX-promoted spot commodity trading platform, is due to be signed soon.

Under the agreement, NSEL will start weekly auctions from next Wednesday, at a floor price of Rs 1,252.15 a quintal for ex-godown sale in Delhi.

“Unlike in March and June when 1,700 tonnes and 2,800 tonnes, respectively, were sold, FCI has not fixed any quantity this time. But we are hopeful the sale will be huge this time due to off-season demand,” said Anjani Sinha, managing director and CEO of NSEL.

Prices, allocation

Then, price was a major reason for the “not-so-encouraging” response from the flour mills. This is because prices in the spot market were lower than FCI’s floor price. But spot prices are now higher at Rs 1,280-Rs 1,290 a quintal. Hence, the response would be very encouraging this time, said Sinha.

NCDEX Spot could not participate before due to an FCI rule limiting the amount that can be sold through online exchanges. “FCI has since amended this clause, which will help us take part in online wheat sales,” said Rajesh Kumar Sinha, head of NCDEX Spot.

Against the buffer norm of 14 million tonnes, FCI held 10.287 mt of wheat in its own godowns across the country, while the commodity’s stock in the central pool (including that with state agencies) was 27.777 mt on October 1. The central agency managed over 60 mt of foodgrain during 2009-10.

Such high stocks forced FCI to store wheat in plinths, resulting in spoilage of some quantity, mainly in Punjab. K V Thomas, Union minister of state in the ministries of agriculture and consumer affairs, food & public distribution, said nearly 18,000 tonnes of wheat was spoiled due to waterlogging.

Later, on a Supreme Court direction, the government decided to sell wheat at Rs 2 a kg for people below the poverty line. Still, state governments could not lift the quantity allocated by FCI, resulting in a huge surplus.

The storage problems can be addressed in two ways, through increase in capacity and allocation. The increase in warehousing capacity is a long procedure. Hence, the allocation has been increased substantially in the past two months.

The government has also increased allocations for above poverty line families at a subsidised rate. It has allowed an additional allocation at Rs 8.45 a kg to the states.

“If state governments were to lift the allocations, FCI will not face the storage problem as acutely as it did last year,” said Siraj Hussain, chairman.

Maharashtra Roller Flour Mills Association President Gopal Lal Seth Mohata said buying through spot exchanges was costlier by Rs 100-125 a quintal due to mandi tax, octroi and high transportation cost.

Since wheat was not adequately available in the open market, we would pass the additional cost to consumers, he added.

THE HINDU Business Line

Business Daily from THE HINDU group of publications

Thursday, October 14, 2010

Date:14/10/2010 URL:

<http://www.thehindubusinessline.com/2010/10/14/stories/2010101452191800.htm>

Back Falling trend in tea production may continue

Output down 5.1 million kg in August; exports too slip.



C. J. Punnathara

Kochi, Oct 13

After incessant rain and pest attacks took toll on the north Indian tea output, production

shortfalls are being reported from the southern plantations as well.

While the tea production in the South dropped 5.1 million kg in August, sources in the United Planters' Association of Southern India (Upasi) said they expected the falling trend to continue into September and October as well. Confronting incessant rain and inclement weather, UPASI estimates south Indian tea production to fall 4.5 million tonnes in September and the persistent rains during the first fortnight of October does not augur well for the crop.

Earlier, increased production in the South helped to bridge the crop losses reported from the North.

August was a bad month for the tea sector as production declined 11.6 million kg (mkg) to 122.73 mkg (134.37 mkg). Production till August was down by 10.36 mkg to 584.89 mkg (595.25 mkg).

The output was poor in North and South in August.

The smaller deficit during the first five months of the fiscal was due to increased South Indian production helping to bridge the shortfalls from the North.

Prices look up

With the poorer production setting in over south Indian plantations, the prices have begun to look up.

Sources in the trade said that south Indian auctions were badly affected during the previous months due to high arrivals and low prices, while the north Indian arrivals remained low and prices remained firm and stable.

However, with the lower arrivals in the past weeks south Indian prices have also begun to look up.

exports

Exports have fallen in quantity, price and unit value realisation in August.

Export volumes fell by 21 per cent to 16.84 mkg, while the unit value realisation fell by eight per cent to Rs 134.79 in August.

Similar slippage is also evident during the first five months of the fiscal with volumes falling by eight per cent to 70.15 mkg, while the unit value realisation fell by 12 per cent to Rs 126 a kg.

Global scenario

The global scenario of low prices is likely to continue as some major producers continue to report good crop.

Kenya has reported a production increase of 79 mkg this year, while Sri Lankan production is reported to be higher by 39 mkg.

While Indian production seems to be slipping, there is reportedly sufficient availability in the global markets.

Date:14/10/2010 URL:

<http://www.thehindubusinessline.com/2010/10/14/stories/2010101450791700.htm>

Back Govt agencies, millers lift 24.84 lt paddy in Punjab

Our Correspondent

Karnal, Oct. 13

Government agencies and private millers have procured over 24.84 lakh tonnes of paddy in Punjab and more than 5.65 lakh tonnes in Haryana till Tuesday.

On Wednesday, more than 2.1 lakh bags of different paddy varieties arrived at the Karnal grain market terminal. The entire stock was lifted by the agencies and rice millers.

Around 40,000 bags of PR-13, ruling between Rs 950 and Rs 1,000 a quintal, was

received.

More than 1.40 lakh bags of Grade-A also arrived and the stock ruled between Rs 1,000 and Rs 1,050. Around 20,000 bags of PR-14 was quoted at Rs 1,080-Rs 1,100 a quintal.

About 3,000 bags of Sharbati also arrived and the variety ruled between Rs 1,350 and Rs 1,500 a quintal. Sugandha-999, with around 1,500 bags arriving, was quoted at Rs 1,500-1,575, while 5,000 bags of the RS-10 variety was quoted at Rs 1,300-1,350 a quintal.

There were 2,000 bags of Pusa (duplicate basmati) quoted at Rs 1,850-2,050. Around 500 bags of Pusa-1121 were quoted at Rs 1,800-Rs 2,100 a quintal.

On the other hand, with low buying in the market, the prices of aromatic and non-basmati rice witnessed a steady trend.

The prices of Pusa-1121 (steam) ruled between Rs 5,200-5,250 a quintal, Pusa-1121 (sela) around Rs 4,100; and Pusa-1121 (raw) at Rs 5,200. Pusa (sela) quoted at Rs 3,200 a quintal and Pusa (raw) at Rs 4,100.

Basmati sela ruled at Rs 6,000-6,050 a quintal, while basmati raw was around Rs 7,000.

The Sugandha-999 sela (new) was quoted at Rs 2,750-2,800 and PR14 (old) at Rs 2,200-2,220, while the PR14 (new) was at Rs 2,030; Sharbati sela was at Rs 2,645 and Sharbati steam (new) at Rs 2,800-2,820. PR (new) ruled at Rs 1,900 a quintal.

Procurement in Haryana

In Haryana, over 4.74 lakh tonnes of paddy out of a total of 5.65 lakh tonnes were procured by Government agencies, whereas private traders procured 91,391 tonnes till Tuesday.

According to the Food and Civil Supplies Department, around 1.91 lakh tonnes were procured by the Hafed, over 1.71 lakh tonnes by the Food and Civil Supplies Department, Confed procured 36,583 tonnes, the Haryana Warehousing Corporation procured 28,616, FCI 454 tonnes and Agro procured around 45,853 tonnes of paddy.

According to the reports, of the total procurement in all the centres in the State, the Government agencies procured 24.05 lakh tonnes (96.8 per cent) whereas private traders procured 79,025 tonnes (3.2 per cent) of paddy.

Till October 11, PUNGRAIN had procured 6.54 lakh tonnes (27.2 per cent) whereas MARKFED had procured 5.10 lakh tonnes (21.2 per cent), PUNSUP 5.91 lakh tonnes (24.6 per cent), PSWC procured 3.17 lakh tonnes (13.2 per cent), whereas the PAIC was able to procure 2.10 lakh tonnes (8.8 per cent) of paddy. The Central Government agency FCI procured 1.22 lakh tonnes (5.1 per cent).

Date:14/10/2010 URL:

<http://www.thehindubusinessline.com/2010/10/14/stories/2010101450821700.htm>

Back Demand boosts soyabean, oil

Our Correspondent

Indore, Oct. 13

Notwithstanding higher arrivals, demand from the crushers lifted soyabean prices both in the spot as well as futures.

With a massive upsurge in the demand for soyabean at the plant level, soyabean prices in the spot galloped by Rs 250 at Rs 2,100-2,150.

Similarly at the plant level, soyabean prices jumped by Rs 100 to Rs 2,170-2,200.

Besides, a spurt in demand from crushers and strong global cues was another reason for the bullish trend in soyabean.

A positive trend was also witnessed in soya futures with October, November and December contracts on the National Commodities and Derivatives Exchanges closing higher at Rs 2,193, Rs 2,235 and Rs 2,270, respectively.

Spot markets

Spot markets in the State continue to see higher arrivals, as harvesting is progressing well. On Wednesday, about 4.50 lakh bags of soyabean arrived in various mandis, while arrivals in Indore were recorded at 10,000 bags.

On the other hand, soya oil prices are also increasing on global cues.

Soya refined oil on Wednesday was quoted Rs 7 higher at Rs 490-Rs 495, while soya solvent prices were quoted at Rs 2-5 higher at Rs 462-465.

On the National Board of Trade, soya November contract ended 0.18 per cent higher. It opened at Rs 521 and closed at Rs 525.50.

Demand

According to trade experts, strong soya meal export demand from South East Asian countries is proving to be a major supporting factor for the market.

Concern of South American soya planting due to dryness in key areas is adding support to the market.

Experts say as Indian soya crushing margin is turning into positive and it is prompting crushers to buy soyabeans from the spot and futures market.

Soyabean futures are projected to continue their positive trend on follow through buying.

Date:14/10/2010 URL:

<http://www.thehindubusinessline.com/2010/10/14/stories/2010101452231800.htm>

Back Domestic cashew prices rule higher

G. K. Nair

Kochi, Oct 13

The cashew market continued to rule steady during the week with not much activity and very little change in prices.

Some business was done for W240 from \$3.50 to \$3.60 and W320 from \$3.20 to \$3.30/lb (f.o.b.).

Some Vietnam processors sold at lower end of the range but in general, offers and some sales from other processors in Vietnam and India were at the higher end of the range.

Brazil continues to be very quiet.

Indian domestic market prices for the large wholes and the broken grades continued to rule much higher than the international market, trading sources said.

Traditional buying

The “US and the EU buyers are buying small volumes every few weeks to cover nearby needs. They are reluctant to take large forward cover as demand trends are not clear”, Mr Pankaj N Sampat, a Mumbai-based major trader told Business Line.

Coupled with the traditional spot/nearby buying by Asia and off markets, this has resulted in a more than normal emphasis on spot prices. “It also creates potential of increased volatility with small changes in supply or demand (or sentiment) which can trigger big price movements,” he said.

Lack of forward business is a double edged sword. If demand decline is not as big as feared, buyers will find themselves having to pay higher prices to keep the pipeline filled. If demand decline is big and buyers reduce their buying, processors may find themselves sitting on high priced raw material when supply increases, he said.

“One thing to be kept in mind – although the basic NUT demand will remain, a lost snack sale is irreplaceable.

A snack purchase (demand) is not postponed when a particular product is not available”, he said. If cashews are not available, the consumer will buy some other nut (or for that matter, some other snack) that is available.

Reduced usage in a particular period cannot be made up in subsequent period when supply improves. Regular flow of product is important to provide stability (or more

importantly, reduce volatility).

“Prices will adjust to fundamentals of demand and supply but regular availability of product will keep it in the shopping list, provided its price relative to alternates is not high, and help to maintain market share (and mind/eye share)”, market sources said.

It is, in fact, difficult now to predict how the cashew market will behave in 2011. “Some people expect a large decline in usage in the US and EU in 2011 because of the high prices, but the impact may not be as much as feared if prices of alternates are also high. If there is a dramatic fall in usage in the US and the EU in first quarter 2011, prices will come down before the 2011 crops are harvested and that will lead to a softer market in mid / late 2011”, they said.

Meanwhile, market can be expected to remain steady, Mr Pankaj said. “There seems to be very little chance of price decline in 2010, or even in early 2011. Mainly because there is very little fresh raw cashew nut (RCN) available for the two major processing origins till the arrival of next northern crops starting in March. Plus, the Asian demand will continue till Jan/Feb”, he said.

Indonesian RCN prices came down a bit as the processors are reluctant to pay high prices because quality (out-turn) is low. Weather continues to be bad in most areas but clear picture of overall crop will be available only in November, the trade said.

“There have been no adverse weather reports so far from East Africa. High prices were paid in the first auctions in Tanzania, about 10-12 per cent higher than current kernel parity, and it is to be seen whether these levels can be sustained in coming weeks”, Mr Pankaj Sampat said.

Arrivals from Mozambique have started but since RCN exports will not be allowed till January, buyers will be reluctant to pay high prices as market is delicately poised, he said. Brazil crop prospects continue to be uncertain. “Overall, we can reasonably expect a steady to firm market in the short term with volatility in the medium term and uncertainty for the far forwards”, he added.

Date:14/10/2010 URL:

Back Malaysian cues turn edible oils bullish

Our Correspondent

Mumbai, Oct. 13

Edible oil spot prices in Mumbai witnessed a mixed trend on Wednesday. While soya oil and sunflower declined by Rs 3 and Rs 5 respectively, rapeseed and groundnut oil rose by Rs 5; palmolein went up Re 1 for 10 kg.

Later in the day, sentiment turned bullish on cues from the Malaysian market, which closed higher by 20/30 ringgits (MYR). Lack of retail demand kept volumes thin .

Bursa Malaysia Derivatives crude palm oil November, December contracts closed higher by 28 and 30 MYR on fresh buying support from Asian countries. Upside price movement may be arrested on reports of rise in palm output in Malaysia and China lifting a ban to allow soyabean oil imports from Argentina. A wholesaler said in Mumbai spot market volume of trade was low due to uncertainty and high price volatility. In line with Malaysian market importers/refineries have raised their rates for palmolein and soya oil. But there was no big deals noticed. Very thin volume about 150/200 tonnes of palmolein was resale and traded in the range of Rs 472–475.

Malaysia, NBOT futures

Malaysia's BMD CPO futures closed higher at November 2929 MYR, December utures closed at 2930 MYR. Indore NBOT soya oil futures November was at Rs 526 against Rs 518.90 previous day.

Mumbai spot rates (Rs/10kg)

Groundnut oil 870 (865), Soya refined oil 490 (493), Sunflower expeller refined 565 (565), Sunflower refined 620 (625), Rapeseed refined oil 580 (575), Rapeseed expeller refined 550 (545), Cotton refined oil 510 (510) and palmolein was 475 (474).

Date:14/10/2010 URL:

<http://www.thehindubusinessline.com/2010/10/14/stories/2010101450831700.htm>

Back Castor perks up on lower arrivals

Our Correspondent

Rajkot, Oct 13

Lower castor arrivals in Gujarat this week lifted prices as demand was steady in export and domestic markets.

On the Rajkot Commodity Exchange (RCX), December futures for castorseeds were traded at Rs 3,558 a quintal, up by Rs 35 from yesterday's close of Rs 3,523 a quintal. Spot price also rose by Rs 12.5 to Rs 3,615 a quintal.

On the National Commodities Derivatives Exchange, October futures for castorseeds increased by Rs 30.50 to Rs 3,767 and November futures rose by Rs 38 to Rs 3,677 a quintal.

According to the data provided by RCX, about 1,500 bags of 50 kg castor arrived in Gujarat; the price was Rs 725-735/20 kg. Around 100 bags of castor arrived in Saurashtra region; the price was Rs 690-710.

Arrivals this week almost halved compared with last week. A week ago, about 2,000-2,500 bags of castor arrived in Gujarat.

Spot prices at the Hyderabad mandi were at Rs 2,950 a quintal with fresh arrivals of 20,000 bags reported today.

The industry is hopeful of a bumper production of castor as good monsoon leads to increased sowing area.

Date:14/10/2010 URL:

<http://www.thehindubusinessline.com/2010/10/14/stories/2010101452481900.htm>

Back **Pepper futures rule steady**

G.K. Nair

Kochi, Oct. 13

Pepper futures on Wednesday ruled nearly steady with a marginal decline on almost matching demand and supply with most of the 'weak bulls' switching over while some of the 'bears' also followed suit, market sources said.

Exporters and interstate dealers were buying October delivery graded pepper "at today's dip prices" as farm grade pepper was not available from the investors and from the growers/dealers in the primary markets, they told Business Line.

Many switched over their sales to November while long position holders were not ready to switch over to December, they said.

Spot pepper prices ruled steady as there was a thin trade and with an equilibrium in demand and supply, they said. October contract declined by Rs 39 to close at Rs 18,341 a quintal.

November and December contracts were down by Rs 40 and Rs 32 respectively to close at Rs 18,580 and Rs 18,825 a quintal.

Total turnover increased by 1,669 tonnes to 12,290 tonnes. Total open interest moved up by 68 tonnes to 14,975 tonnes.

Date:14/10/2010 **URL:**

<http://www.thehindubusinessline.com/2010/10/14/stories/2010101452261800.htm>

Back **Less spicy**

— Nissar Ahmed



Higher produce: A Kashmiri woman sorts chillies during the drying process on the outskirts of Srinagar. Chilli prices are ruling at Rs 3,900 a quintal as against Rs 4,100 during the same time last year because of higher production.

Date:14/10/2010 **URL:**

<http://www.thehindubusinessline.com/2010/10/14/stories/2010101452211800.htm>

Back Coonoor tea auction volume down

P. S. Sundar

Coonoor, Oct 13

A volume of 12.39 lakh kg will be offered for Sale No: 41 of the auctions of the Coonoor Tea Trade Association to be held on Thursday and Friday, an analysis of the listing by brokers reveals.

It is 51,000 kg less than last week's offer, and as much as 3.98 lakh kg lower than the offer this time last year.

Of the 12.39 lakh kg on offer, 8.46 lakh kg belong to the leaf grades and 3.93 lakh kg to the dust grades. As much as 11.72 lakh kg belong to the CTC variety, and only 0.67 lakh kg orthodox variety. The proportion of orthodox teas continues to be low in both the leaf and dust grades. In the leaf counter, only 0.32 lakh kg belong to orthodox, while 8.14 lakh kg, CTC. Among the dusts, only 0.35 lakh kg belong to orthodox, while 3.58 lakh kg, CTC.

Fresh tea

In the 12.39 lakh kg, fresh tea accounts for 11.27 lakh kg. As much as 1.12 lakh kg comprise teas remaining unsold in the previous auctions. Reduced volume and quality offer has been helping prices remain steady.

© Copyright 2000 - 2009 The Hindu Business Line