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“National Action Plan formulated for climate change”

Staff Reporter

Meet on ClimaRice held at Tamil Nadu Agricultural University

Subodh K. Sharma, Adviser, Ministry of Environment and Forests, speaking at the stakeholders' conference on ClimaRice at Tamil Nadu Agricultural University in Coimbatore on Monday.

COIMBATORE: The greatest challenge that mankind is facing is climate change. It is a major threat affecting all spheres of economic activity. There are two ways of effectively responding to climate change, Subodh K. Sharma, Adviser, Ministry of Environment and Forests, said here on Monday.

Inaugurating a stakeholders' conference on ClimaRice at the Tamil Nadu Agricultural University, he said the response could either be by reducing causes that bring about climate change or by adopting strategies to combat the changes that were likely to occur as a result of climate change.“The Central and State Governments are very sensitive to climate change and reacting well to the challenges. The Government of India has formulated a National Action Plan for climate change. This comprises eight Mission Mode Projects, of which some are under implementation and others are in the pipeline to take off under the next Five Year Plan," Mr. Sharma said.

One of the projects dealt with sustainable agriculture. It studied the proposal to minimise losses that occurred due to temperature rise.

At the State level, the Governments were instructed by the Central Government to prepare a State Action Plan for climate change which had to be sent to the Centre by March 31. The Plan would be reviewed and acted upon based on the priority, Mr. Sharma said.

To give an impetus to research on climate change at the national level, the Indian Network of Climate Change under the aegis of the Ministry of Environment and Forests would be set up.

"As many as 127 research institutes across the country have been identified to be part of the network and work in specific aspects of climate change like water, bio-diversity, agriculture, or health. A Network of Climate Change Observatories is also planned to be set up in different regions," Mr. Sharma said.

P. Subbian, Registrar of TNAU, said the Agro Climate Research Centre of the university was carrying out a collaborative research 'ClimaRice' with the goal of sustaining rice productivity amid changing climate. It was a unique project that integrated all aspects of climate change in agriculture, including adaptation, mitigation and socio-economic components.

Ole Rieder Bergum, First Secretary, The Royal Norwegian Embassy, said farmers faced a problem where rice was being produced in places where water was scarce and where there were high incidences of pest and diseases.

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Biotech a boon to farmers and the country: Vice-Chancellor

Staff Reporter

"India still faces challenge of meeting food grain requirements of rapidly growing population"

Cotton area "has doubled owing to introduction of Bt cotton since 2002"

COIMBATORE: India is self-sufficient in food grain production with a total production of 234 million tonnes. Also, Bt cotton has enabled India become a potential cotton-exporting country. This has been possible with use of biotechnology which has helped farmers and the country, Vice-Chancellor of Tamil Nadu Agricultural University (TNAU) P. Murugesa Boopathi said here recently.

Speaking at a training programme on 'Bioinformatics and Tools for Genomics Research' organised by the Department of Biotechnology, Government of India, at the TNAU, he said that India still faced the challenge of meeting the food grain requirements of the rapidly growing population which was about to cross 1.3 billion. "While globally India is ranked high in production of rice, fruits, vegetables and cotton, in respect of pulses and oilseeds, the situation is not favourable. There is a dire need to increase the production which is possible only through bio-technological tools," Mr. Boopathi said.

Pointing out that Bt cotton had made a huge impact on the country, he said the cotton area had doubled owing to introduction of Bt cotton since 2002. As a result, cotton production had jumped from about 15 million bales to 33 million bales.

TNAU had developed four Bt brinjal varieties by incorporating the Bt gene inside the brinjal varieties, viz., CO2, KKM1, MDU1 and PLR1. As they were not hybrids, farmers were at an advantage. The university had also released the Anna 4 rice variety with drought tolerance capacity, capable of yielding 3.7 tonnes per hectare on an average. This three-fold increase was made possible only through effective application of biotechnology tools.

R. Samiyappan, Director of the Centre for Plant Molecular Biology, TNAU, said the biotechnology industry growth was pegged at about 30-40 per cent at the national level indicating its enormous potential. “At present, thousands of genes are available in the gene banks in different countries and with the advancements happening in biotechnology there is a possibility for this to increase to millions of genes. Hence, understanding the data, analysing them, making applications, genomics, proteomics, etc., are important, which underlines the need for bioinformatics,” he said.

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Adopt new technologies to enhance productivity, farmers told

Staff Reporter

Collector inaugurates three-day agricultural exhibition

— PHOTO: M.GOVARTHAN

For farmers:Farmers taking a look at the vegetables displayed at the three-day district-level agricultural exhibition, which began in Erode on Tuesday.

ERODE: Collector T. Soundiah has called upon farmers to adopt new technologies to enhance crop productivity.

He was speaking after inaugurating the three-day district level agricultural exhibition, organised by the Agricultural Technology Management Agency of the Department of Agriculture at Malligai Arangam here on Tuesday.

Mr. Soundiah said the rapid economical growth and urbanisation had led to sharp reduction in the area of cultivation in many parts of the country.

At the same time, the food requirement in the country was growing fast due to the burgeoning population. The only way to meet the growing food requirement was to increase crop yield.

This could be achieved through the effective utilisation of modern cultivation technologies, the Collector pointed out.

The State government, the Collector said, had launched a number of initiatives to help farmers adopt modern cost-effective cultivation technologies. Farmers could approach the officials in the government departments to learn about these initiatives and get assistance for implementing the modern methods on their fields, he added.

A number of new technologies had been introduced in the areas of water management, pest control, application of fertilizer and post-harvest management.

The exhibition would help the farmers in the district learn about these technologies, he said.

Seminars on various topics are being organised as part of the exhibition.

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3.5 tonnes of sea cucumbers seized

Special Correspondent

RAMANATHAPURAM: In a major haul, naval personnel in Rameswaram on Tuesday seized 3.5 tonnes of sea cucumbers and arrested 15 fishermen. Four trawlers have been seized.

Area Commander (South), Naval Detachment in Rameswaram, Commander S. Agarwal told TheHindu that a patrol team intercepted a group of trawlers near the shore. The fishermen were brought to the detachment along with their catch.

Interrogation revealed that a strong network of fishermen and agents engaged in smuggling of sea cucumbers is operating in the region. The information provided by the arrested has been passed on to the marine police, Mr. Agarwal said. It is believed that smugglers have field-level splinter groups along the Rameswaram-Tuticorin coast. They smuggle sea cucumbers to Sri Lanka from Rameswaram or Tuticorin.

The agents there, in turn, send them to Singapore, Indonesia, Philippines, Hong Kong, Malaysia and Thailand.

Tuticorin Staff Reporter writes:

In Tuticorin, 40 kg of sea cucumbers were seized on Tuesday.

A joint operation carried out by wildlife authorities and the marine police effected the seizure from two vehicles near the old harbour.

Date:23/02/2011 URL: http://www.thehindu.com/2011/02/23/stories/2011022363150500.htm

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Grape growers demand waiver of loans

Staff Correspondent

‘Growers incurring losses due to varying conditions'

BIJAPUR: The Karnataka Grape Growers Association (KGGA) has submitted a memorandum to Chief Minister B.S. Yeddyurappa demanding various concessions from the Government, including waiver of loans.

Addressing presspersons here on Monday, association honorary secretary K.H. Mumbareddi said that in the past few years, grape growers had incurred heavy losses due to varying climatic conditions. He said the State Government had not taken any steps to address their problems even after several pleas were submitted.

In the memorandum, the association asked the Government to include grape in the crop insurance scheme for farmers, conduct a detailed survey of crop loss and start calculating the compensation amount at the panchayat level. Also, they demanded a waiver of sales tax on raisins, inclusion of raisins in the midday meal scheme for schoolchildren and the inclusion of labourers working in grape farms under the Mahatma Gandhi National Rural Employment Guarantee Act. Mr. Mumbareddi demanded loans up to Rs. 5 lakh at an interest rate of one per cent for grape growers. .

The association urged the State Government to release funds to set up a wine park in Bijapur, saying that the district administration had acquired land for this. “Growers are also incurring losses because of the lack of proper marketing facilities. A wine park would permanently solve their problem,” he added. Association president B.M. Kokare and administrative board members T.K. Hangaragi, Prakash Gani, Mallu Tungal and A.S. Nandrekar were present.

Date:23/02/2011 URL: http://www.thehindu.com/2011/02/23/stories/2011022363890800.htm

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Pest control advice to farmers

Staff Reporter

COIMBATORE: Farmers have been asked to restrict use of chemical insecticides as the incidence of pests and diseases was found below economic threshold levels in the districts of the State.

Light traps

According to experts from Tamil Nadu Agricultural University, farmers should monitor the movement of adult insects by setting up light traps, yellow sticky traps and pheromone traps.

They can also use neem seed kernel extracts of per cent concentration to manage the pests in the early stage itself.

Date:23/02/2011 URL:
http://www.thehindu.com/2011/02/23/stories/2011022364781700.htm

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Twin challenges in agriculture

Gargi Parsai

NEW DELHI: The major challenge in the agriculture and food sector is to increase production and productivity (yield per hectare) so as to provide all citizens with food security and to contain domestic food inflation that has remained high for an entire year till November-December last when it peaked.

It is expected that the outlay for food and public distribution will reflect enhanced food subsidy to meet the requirements under the proposed National Food Security Bill if only to display the government's intent of giving citizens food security.

The food subsidy now stands at about Rs. 82,000 crore, including the Rs.12,000 crore “carried forward” from the previous year. This is expected to go up substantially, if wheat and rice are to be made available to Public Distribution System beneficiaries at Rs. 2 and Rs. 3 a kg. There is no official word yet on the number of beneficiaries, but the government will have to make a much higher food subsidy allocation. In fact, the allocation might have a clue to the government's intentions.

That the government has been unable to rein in price rise is obvious from the increase in onion prices in December. Responses to such situations have mostly been ad hoc: when onion prices zoomed to Rs.80 a kg, there was a hasty announcement on the setting up of vegetable clusters around cities. Again when foodgrains were damaged because they were kept in open-air cap-and-plinth storage, the government declared that storage and warehousing capacity would be enhanced, but there was no adequate financial support. For that, the government wants the private sector to come forward.

Therefore, in this year's budget, the Finance Minister is expected to allocate adequate funds for enhancing storage capacity. As per one assessment, about Rs.4,000 crore is required for creating the storage capacity needed to store grain under the food security bill.

At the same time, money would have to be set aside for the proposed vegetable clusters. This will be in addition to the demand for farmers' markets that sell perishables directly to consumers without the licensee or the ‘cartelised system' of artiyas in mandis set up under the Agriculture Produce Marketing Committee Act.

The onion crisis exposed the role of the middlemen as never before. Even when prices have fallen to Rs.4 to Rs.8 a kg at the traditional growing centres in Nashik in Maharashtra, the consumers are still paying up to Rs.25 a kg.

As the number of farmers who committed suicide increased last year, making farming remunerative also needs attention. There is no solution yet to the high input costs, pressure on land and water and farmers' borrowings from the informal sector. There is a pressing demand to lower the interest on farm credit to four per cent.

In this final year of the 11 {+t} {+h} Plan, the government is expected work towards consolidation of the Agriculture Ministry's flagship programmes for enhancing farm growth. The Rashtriya Krishi Vikas Yojna, the National Food Security Mission, the National Horticulture Mission, the Integrated Scheme of Pulses, Oilseeds and Maize and the Technology Mission for Integrated Development of Horticulture in North-East and Himalayan States have started showing results: the farm growth expected to increase from 0.2 per cent last year to 5.6 per cent this year. However, much of it is projected to come from the dairy, fishery and horticulture sector rather than from foodgrains.

With 60 per cent farming centred in rain-fed areas that dependent on monsoon, it is imperative that higher investment be made to bring more areas under irrigation. Linked to this is the crop insurance scheme, which, even after several years, remains at the experimental stage in a few districts and covering a few crops. This needs to be strengthened to adequately compensate rain-fed farmers for losses from the vagaries of weather.

There should be higher investment in improved assessment of weather and crop conditions for timely action and management of markets. At the same time, the allocation for agriculture research and development has to be enhanced to increase grain productivity and tackle the challenges of climate change.

hindustantimes

Wed,23 Feb 2011

Weather

Chennai - INDIA

Today's Weather

Cloudy	**Wednesday, Feb 23** Max Min 31° | 21.5°
Rain: TRACE	Sunrise: 6:28
Humidity: 79%	Sunset: 18:16
Wind: Normal	Barometer: 1011.0

Tomorrow's Forecast

Rainy	**Thursday, Feb 24** Max Min 31° | 24°

Extended Forecast for a week

Friday	Saturday	Sunday	Monday	Tuesday
Feb 25	**Feb 26**	**Feb 27**	**Feb 28**	**Mar 1**
28° | 21°	28° | 19°	29° | 21°	29° | 21°	30° | 21°
Cloudy	Cloudy	Cloudy	Cloudy	Cloudy

THE ECONOMIC TIMES
Wed, Feb 23, 2011 | Updated 05.26AM IST

23 Feb, 2011, 05.03AM IST,ET Bureau

Fertiliser firms eye supplies on hope govt would allow imports

PUNE/BARAMATI: Fertiliser companies are talking with global urea suppliers, anticipating that the government would allow urea import in the next few months. “We have started talks with suppliers to import two million tonne urea hoping that government would allow us to import it in another four to six months. We will be able to sell three million tonne as against two million tonne we sold last year,” said HS Bawa, executive vice chairman, Zuari Industries , Goa.

Zuari is part of the KK Birla group that has Chambal Fertilisers and Paradeep Phosphates in its stable. He was speaking after inaugurating the Zuari Rotem Speciality Fertiliser Plant in Baramati near Pune.

23 Feb, 2011, 05.00AM IST, PK Krishnakumar,ET Bureau

Spices Board expanding cultivation in new areas

KOCHI: The European Union’s recent warnings about rising pesticide levels in chillies and nutmeg have spurred Spices Board, under the Union commerce ministry , to encourage their farming in new regions. Chillies have often been turned down in overseas markets because of heavy pesticide residues. “The main chilli-producing belt of Guntur is a cotton-growing area and hence the pesticides used in cotton sometimes affect chilli too. We are looking at Rajasthan for chilli cultivation,” said Spices Board chairman VJ Kurien. The board has decided to focus on chillies because it is an important spice, accounting for a quarter of total spice exports.

“One reason for spreading the cultivation to new areas is that it is difficult to change the farming methods of traditional chilli growers in Guntur and Byadagi,” said Dr J Thomas, director (research) at Spices Board.

Thomas said nutmeg cultivation, currently concentrated in Kerala, will be expanded to some parts of Tamil Nadu, such as Palani. The Spices Board is trying to grow organic spices in the north-eastern states and its efforts at cultivating ginger in these regions have been quite a success.

Pepper yield is declining in Kerala and this year's production is estimated at 45,000 tonne. Apart from re-planting in Kerala, the board is trying to extend the crop to Tamil Nadu and Andhra Pradesh.

Ajay Mariwala, MD of Vallabhdas Kanji, an exporter of spices, said although the initiative was good, it should involve exporters who have firrst-hand knowledge of quality.

the pioneer

Pawar rules out direct purchase of vegetables from farmers

February 23, 2011 10:38:53 AM

Pioneer News service | New Delhi

Despite facing flak from the Opposition and UPA ally Trinamool Congress for 'unbearable' food inflation, Agriculture Minister Sharad Pawar on Tuesday ruled out any possibility of purchasing and managing vegetables directly from farmers as it does with regard to other commodities such as wheat and rice.

"The Government has some limitations. We cannot purchase vegetables and fruits. Steps are being taken to enhance productivity of these items to keep their prices under check," Pawar said in the Lok Sabha during Question Hour.

He blamed the untimely rains in some parts of Maharashtra, Gujarat, Madhya Pradesh and Rajasthan during November and December for the damage caused to Kharif, which pushed up onion prices to a high of Rs 3,800 per quintal.

The Government had banned export of onion while permitting free imports to enhance domestic supply, the Minister said adding exports have been allowed. He justified the steps saying allowing exports was essential so that farmers could sell their produce at right price in view of prevailing low prices in the domestic markets.

Incidentally, Pawar’s Ministry admitted in the Lok Sabha that as many as 278 debt-ridden farmers have committed suicide in the first 10 months of 2010 while similar cases in 2009 was a whopping 897. Maharashtra and Karnataka reported maximum number of such incidents in 2010.

Maharashtra witnessed 234 farmers’ suicides in the first eight months of 2010. In the entire 2009, 503 farmers in the State had ended their lives due to agrarian crisis. In Karnataka, 22 cases of farmer suicides were reported as on October 30 last year, while the number of such incidents was 114 in 2009. In Andhra Pradesh, 18 such incidents were reported till October 2010. In the previous year, 248 farmers had ended their lives.

Business Standard

Wednesday, Feb 23, 2011

Sugar factories face credit troubles

Kunal Bose / Kolkata February 23, 2011, 0:29 IST

First, the good news. In spite of losing money, sugar factories have not stopped clearing cane bills within the statutory period. What is, however, disturbing is that the factories are fast using up their credit limits for the season with banks and once the limits are exhausted cane dues will start building up.

It is not proving easy for factories to get credit accommodation in line with their handling a much bigger crop in their respective areas as the banks expectedly are also factoring in the industry's poor financial records in the recent past. Banks have reasons to wonder, if factories could not make money in the past two short crop seasons, how will their fortunes improve in times of plenty now!

Industry official Om Prakash Dhanuka says, "Whatever losses the ex-factory sugar prices may be inflicting on factories, there is no running away for the factories to handle an additional 12 million tonnes of cane that the second advance crop estimate of 336.7 million tonnes shows. Incidentally, we are seeing much less cane diversion to gur and khnadsari this season, their prices too being uneconomic. Farmers being the final arbiter of raw material supply to factories, we dread the prospect of cane dues accumulation."

According to Abinash Verma, director general of Indian Sugar Mills Association (Isma), factories in Maharashtra and Uttar Pradesh, the country's two leading sugar producing states, are finding their cost of production at least Rs 100 a quintal more than the ex-factory selling price of the sweetener. Production cost for UP factories with recovery rate of 9.4 per cent and cane price of Rs 210 a quintal and after providing for loss on levy supply account and whatever realisations from by-products works out to Rs 2,900 a quintal. Due to late rain, cane productivity in UP has taken a beating and the state's sugar output is now pegged lower at 6.4 million tonnes.

But Maharashtra where sugar recovery from cane this season is found to be 11 per cent should have production of 9.4 million tonnes. Production cost of mills in Maharashtra is Rs 2,700 a quintal while their ex-factory realisation is between Rs 2,550 and Rs 2,600 a quintal. It is somewhat quizzical that while the government itself has revised the crop estimate by 12 million tonnes in the second review, it has now pegged sugar production for the season ending September 2011 at 24.5 million tonnes, down by 500,000 tonnes from its earlier projection. Not surprising Verma does not agree. “I will stick to 25 million tonnes. Cane diversion is less this season and sugar factories will have to process almost the whole of extra 12 million tonnes,” says Verma.

Going by the more realistic production estimate of 25 million tonnes plus the season’s opening stocks of nearly 5 million tonnes, the country this time has been spared supply side concerns after two short production seasons. In fact, Dhanuka says, “Take bountiful cane plantation in October and excellent field activities this month, the industry will have to be geared up to likely crush a record volume of cane in the next sugar season. So we will be in a situation where management of overflowing stocks will remain the challenge.”

This is where exactly the government has tripped having kept to itself the powers, among other things, to signal exports, make monthly releases of sugar and regulate stocks that the trade may hold. Food prices remain a big concern for the embattled government. But sugar is no longer a culprit being sold ex-factory at a discount to production cost. Verma says the market perception of sugar being in big surplus has made its prices uneconomic for the industry. What certainly has not helped supply management is long dithering by New Delhi in actually allowing the 500,000 tonne exports under open general licence which the then food minister Sharad Pawar allowed in mid-December citing “considerable demand from the industry as well as farmers.” The quotas were also distributed among factories.

As if these were not enough of bad tidings for the industry, the demand for the commodity was further suppressed when the government in its wisdom decided to maintain stock holding limit of traders and other intermediaries at 200 tonnes till at least March 2011. This translates into factories being obliged to hold stocks in their godowns about to overflow and bear the interest cost of holding. Much to the industry’s discomfiture, traders anticipating price falls are on occasions going back on their commitments to lift sugar from factories, says Dhanuka.

A sizeable portion of the free sugar quota given to the industry for January remained unsold and the government had to allow 300,000 tonnes to be carried forward to this month for selling. In the meantime, most of the 1.8 million tonnes released for exports under advance licensing scheme has been shipped. Verma wonders when supply is not at all a concern, why should the industry be denied the opportunity to export at world white sugar prices around $730 a tonne and earn handsomely. In fact, the gains from exports would have been more had the country made exports soon after the announcement by Pawar.

Bt cotton seed production dips 35%

K Rajani Kanth / Chennai/ Hyderabad February 23, 2011, 0:13 IST

The production of Bt cotton seeds dipped 30-35 per cent in Andhra Pradesh, owing to high production costs. As a result, while the demand was about 45 million packets of cotton seed per year in the state, producers supplied only 35 million packets this year, according to the National Seeds Association of India (NSAI).

“Production costs have gone up substantially, but the government refused to increase the prices last year. We will once again approach the AP chief minister and make a representation to look into this issue,” said K Vidyasagar Rao, member of NSAI and managing director of Vibha Agrotech Limited.

Speaking to Business Standard on the sidelines of Indian Seed Congress 2011 here on Tuesday, Rao said the association would also make a representation to Gujarat and Maharashtra governments to study the issue and raise Bt cotton seed prices accordingly. In February 2010, NSAI first approached Andhra Pradesh seeking a 30 per cent hike in the prices of Bt cotton seed, which is also the country’s first genetically-modified (GM) seed variety.

The state government, however, issued a government order not to increase the prices. Currently, Bt cotton seeds are priced at Rs 650 and Rs 750 per packet each for single and double-gene technologies respectively. NSAI has requested the state government to increase it to Rs 850 and Rs 1,050 per packet each.

“Agriculture input costs including fertilisers, insecticides and labour costs increased 31 per cent since 2006, while the cost of Bt cotton seeds reduced around 16 per cent from Rs 750 and Rs 925 per packet in 2006,” Rao said.

AP accounts for 75 per cent of the seed production in India and provides direct and indirect employment to about 2.5 million people.

The seed industry is about Rs 7,000 crore of which Bt cotton seed market is pegged at Rs 2,000 crore. About 90 per cent of the total cotton cultivation is under Bt cotton, which has resulted in increase in farmers' income to Rs 25,000 crore nationally and about Rs 4,000 crore in Andhra Pradesh alone, he said.

"The total acreage under Bt cotton production will also decline if companies continue to reduce production. This year, the total acreage was not under stress due to carry-over stocks from previous year," Rao said.

THE HINDU Business Line

Seed firms now see gold in hybrid rice

Business Line Stalls exhibiting hybrid and organic farm produce at the Indian Seed Congress (ISC) - 2011 organised by the National Seed Association of India (NSAI) in Hyderabad on Tuesday - Phot o: P V Sivakumar

Hyderabad, Feb. 22:

The seed industry, of late, is seeing gold in rice, a crop in which for long hybrid seeds were resisted. It was largely because of the unbeatable taste and flavour, the two attributes hybrid rice always failed to offer. Now things seem to have changed with the Directorate of Rice Research (DRR) and some other seed companies coming out with hybrids that come closer, if not equal, to the popularly accepted varieties.

The fact that less than 2.5 per cent of the total rice area of about 44 million hectares in the country is under hybrid cultivation shows how big an opportunity is in the offing. In the last 20 years, however, both area under rice and yield have been virtually stagnant. While the area has been in the 42.69-43.77-m-hectare range, yields have stagnated at 1,800- 2,200 kg/ha.

High potential

While seed companies see business in hybrid rice, policymakers and researchers say that the country will have no option but to embrace hybrid rice to feed the ever growing population.

“The Green Revolution has given us a quantum jump in yields. We need another bout of increase in yields, which is possible only through hybrids,” Dr B. C. Viraktamath, Project Director, DRR, told *Business Line*.

Despite being the world's leading rice producing country and the fifth largest seed industry in the world, the Indian seed industry is still hovering at Rs 8,000 crore.

“Reasons for the non-spread of hybrid rice can be attributed to lack of suitable products in different agro-climatic conditions, particularly for grain quality and crop duration,” Mr S. V. R. Rao, Senior Vice-President (Coordination and Strategic Planning), Nuziveedu Seeds Private Ltd, said.

NSL is among the leading seed companies that has of late developed interest in rice. It joined a consortium to fund a hybrid rice project with the International Rice Research Institute (IRRI), the Philippines.

“Two of our varieties — Sonal and Motigold — have been notified by the Government of India,” he said.

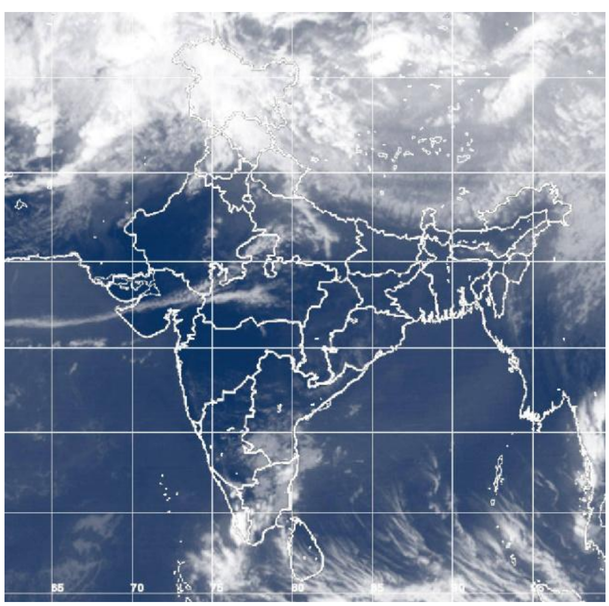
Mahyco, which has set its eye on the promising business in rice, has said that research to develop hybrid rice was initiated in India way back in 1970s but with no success. “By the end of 2001, a total of 19 hybrid rice varieties were released,” a Mahyco spokesperson said.

“Incorporating resistance to some major pests and diseases, increasing average seed yields on a large scale to reduce seed costs are the research priorities,” he said.

Aggressive popularisation of hybrids and assured procurement of hybrid rice at a minimum support price are needed to promote these high-yielding seeds.

“If these problems can be solved, hybrid rice can be cultivated in 3-4 million hectares in the next 10 years. Mahyco, which began hybrid rice work in the mid-90s, had hybrids that range from early to medium maturity with good tillering ability,” he said.

Westerlies may drive wet weather into 1st week of March



India meteorological dept satellite picture at 16-00 hrs

Thiruvananthapuram, Feb. 22:

Localised disturbances are forecast to sustain the churn in south peninsular India until March 1 while their better known counterparts across the northwest border could keep the pot boiling in the north till as far as March 9, say latest available outlook by global weather models.

In the south, the confluence of northeasterlies-to-easterlies from the Bay of Bengal and southerlies from equatorial Indian Ocean has created some unstable weather and resultant thundershowers around the peninsular south.

EASTERLY CAULDRON

In east and east-central India, a western disturbance that just exited the region has set off its tail wagging as indicated by formation of trough, confluence of opposing wind streams and convection.

This is at a time when a fresh ‘active' western disturbance has set up a perch over north Pakistan and its steamy front-end has set up clouds and snow over Jammu and Kashmir and the rest of the hills.

A number of models have picked the Comorin seas between equatorial Indian Ocean and southeast Arabian Sea to be the hot spot that would drive weather into the adjoining landmass of south Tamil Nadu, Kerala and parts of Karnataka during the rest of the week.

WIDESPREAD RAIN

Some of them also saw persistent westerly flows scooping up a circulation from east-central Arabian Sea into the Mumbai coast and onward into Madhya Pradesh.

An India Meteorological Department update said on Tuesday evening that fairly widespread rain or thundershowers occurred over coastal Andhra Pradesh and Tamil Nadu during the previous 24 hours.

It was scattered over Kerala, south interior Karnataka, Orissa and Gangetic West Bengal while being isolated over Sikkim, Manipur and Jharkhand.

Clear skies on Monday night brought minimum temperatures to below normal by 2-3 deg Celsius over parts of central India. Lowest minimum temperature of 5.2 deg Celsius was recorded at Adampur in Punjab in the plains of the country.

Bengal cold storages face shutdown over rent row

Kolkata, Feb. 22:

Nearly 40 lakh potato farmers and crores of consumers may fall victim to a row between the West Bengal Government and over 400 cold storages in the State in the ensuing season.

In response to the State government's indecision over increase in rentals, the cold storages have refused to accept booking for fresh crop.

West Bengal is the second largest potato producing State in the country. The harvesting season begins in February and peaks in March.

25% hike sought

The West Bengal Cold Storage Association (WBCSA), an umbrella organisation, has demanded approximately 25 per cent increase in rentals from the existing Rs 101-109 a quintal.

According to Mr Patit Pawan De, immediate past President of WBCSA, the increased rentals were demanded to make up for the sharp rise in cost of power and labour charges.

“An expert committee set up by the state government itself, also suggested an increase in rentals. However, the state government appears to be insensitive to the cause,” he added.

Meet called

The association has called a general meeting of its members to decide on its future course of action. The association has already written to the Minister of Agriculture Marketing, Mr Mortaza Hossain, over the issue.

According to market sources, if the cold storages do not start operating soon, the farmers may opt for distress sell. In the long run, however, it is the end consumer who may have pay for the supply shortfall. When contacted, a senior official of the State Agricuture Marketing department admitted the gravity of the situation and promised corrective measures.

Shortage feared

Meanwhile, market sources said the potato output for the season may be affected by the end-season water shortages in several areas. “In different places across the state shortage of water has affected crop plantation. The expected production this year will be much lower than the government estimates,” said Mr Arup Kumar Ghosh, managing director of a private cold storage. Last year, the state produced around 95 lakh tonnes of potato. This year the government estimates production to be around 90 lakh tonnes while market sources expect a production of around 75 lakh tonnes.

Centre's fertiliser subsidy rationalisation plans go haywire

FERTILISER SUBSIDY RATES

	01.04.2010	01.04.2011*	01.04.2011+
Di-Ammonium Phosphate	16,268	12,960	18,437
Mono-Ammonium Phosphate	16,219	12,770	18,284
Triple Super Phosphate	12,087	9,340	13,511
Muriate of Potash	14,692	12,831	14,746
Single Super Phosphate	4,400	3,378	4,885
16:20:0:13	9,203	7,431	10,473
20:20:0:13	10,133	8,236	11,567
20:20:0:0	9,901	8,083	11,348
23:23:0:0	11,386	9,295	13,050
28:28:0:0	13,861	11,316	15,887
10:26:26:0	15,521	12,850	16,763
12:32:16:0	15,114	12,332	16,615
14:28:14:0	14,037	11,495	15,496
14:35:14:0	15,877	12,916	17,552
15:15:15:0	11,099	9,270	12,197
15:15:15:9	11,259**	9,376	12,349
16:16:16:0	11,838	9,888	13,010
16:44:0:0	-	12,152	17,302
17:17:17:0	12,578	10,506	13,824
19:19:19:0	14,058	11,742	15,450
24:24:0:0	11,881**	9,700	13,617
Ammonium Sulphate	5,195	4,413	6,026

(in Rs/tonne)
The ratios refer to Nitrogen, Phosphorus, Potash and Sulphur
*Original proposal; +Likely new levels; **From 01.10.2010

New Delhi, Feb. 22:

High global prices, along with electoral compulsions, have put a pause to the Centre's plans of rationalising fertiliser subsidies.

The Department of Fertilisers had, on November 19, announced sharp cuts in subsidy rates on individual nutrients – nitrogen (N), phosphorus (P), potash (P) and sulphur (S) – that go into various non-urea fertilisers, with these effective from April 1, 2011 (i.e., the ensuing fiscal).

The concession on N was slashed to Rs 20.111 a kg (from Rs 23.227), with these correspondingly being lowered from Rs 26.276 to Rs 20.304 for P, from Rs 24.487 to Rs 21.386 for K, and from Rs 1.784 to Rs 1.175 for K.

Subsidy rates

If the proposed subsidy rates were to be implemented from the coming fiscal, the concession payable to companies on di-ammonium phosphate (DAP) – containing 18 per cent N and 46 per cent P – would stand reduced from Rs 16,268 to Rs 12,960 a tonne.

Similarly, for muriate of potash (MOP, with 60 per cent K), the subsidy would fall from Rs 14,692 to Rs 12,831, just as it would for other fertilisers covered under the nutrient-based subsidy (NBS) regime instituted from the current fiscal.

But with the hardening of international prices – plus forthcoming assembly elections in Tamil Nadu, West Bengal, Kerala and Assam, which make retail price increases politically unpalatable – it looks certain that the proposed higher subsidy rates will not take effect from 2011-12

The NBS rates for the current fiscal were benchmarked to landed prices of urea (for N), DAP (for P), MOP (for K) sulphur (for S), which were taken at $310, $500, $370 and $190 a tonne, respectively. For arriving at the 2011-12 NBS rates, the benchmark global prices were assumed at lower levels of $280, $450, $350 and $125 a tonne.

"These rates were totally unrealistic *vis-à-vis* the prevailing international prices. Imported urea today will not land at below $ 400 a tonne, while it would be $620 for DAP, $420 for MOP and $220 for sulphur," sources said.

“If the concession rates are set way below these levels and companies are also not allowed to charge higher farm-gate prices, there will be no incentive to import. That could impact availability for the new kharif planting season. The situation could be serious in DAP, where not a single grain has been contracted so far,” they added.

Keeping these in view, a Group of Ministers under the Finance Minister, Mr Pranab Mukherjee, is understood to have raised the benchmark prices for computing the NBS rates for 2011-12 to $350 a tonne for urea, $580 for DAP, $390 for MOP and $180 for sulphur.

Based on the revised benchmark prices, the new NBS rates (which are yet to be notified) are likely to be Rs 27.366 a kg for N, Rs 29.372 for P, Rs 24.577 for K and Rs 1.69 for S. The subsidy on each tonne of DAP and MOP sold would, accordingly, work out to Rs 18,437 and Rs 14,746. These are higher than even the existing levels and would, in turn, translate into increased fertiliser subsidy outgo for the Centre.

Price rise: Govt says ‘no’ to buying vegetables directly from farmers

Business Line The Agriculture Minister, Mr Sharad Pawar. (file photo)
New Delhi, Feb 22:

Asserting that the price rise of some vegetables like onion in the past one month was "temporary", the Government today ruled out any possibility of purchasing and managing the perishable produce directly from farmers in line with other commodities like wheat and rice.

"There are certain limitations about perishable items...

The Government cannot purchase and manage vegetables and fruits. Steps are being taken to enhance the productivity of these items to keep their prices under check," the Agriculture Minister, Mr Sharad Pawar, said in the Lok Sabha during the Question Hour.

He said price rise in the case of onion was temporary as it was due to damage to kharif onion crops as a result of untimely rains during November-December 2010 in Maharashtra, Gujarat, Madhya Pradesh and Rajasthan.

Mr Pawar also justified the steps to lift the ban on exports saying the farmers were losing heavily after the situation became normal and the prices crashed in most onion producing states.

Onion prices, which touched a peak of Rs 3,800 per quintal in December 2010, have now come down to as low of Rs 200 a quintal, forcing the Government to reverse certain decisions taken to control prices.

With a view to increasing the production and productivity of fruits, vegetables and other horticultural crops, the Government is implementing Horticulture Mission for North East and the Himalayan states, and National Horticulture Mission in the remaining states.

To a suggestion for setting up a corpus like 'Price Stabilisation Fund' to help farmers in the case of extreme volatile price situation like in onions, Mr Pawar replied in the negative but said the Government was aware of farmers' plight and was taking steps accordingly.

Pawar rules out setting up vegetable cooperatives

New Delhi, Feb. 22:

The Government today ruled out establishing vegetable cooperatives, on the lines of milk cooperatives, for perishable items like vegetables and fruits with the added difficulty of managing such operations to help shore up the prices in the retail markets.

Responding to a flurry of supplementaries on the main question raised by RJD member Dr Raghuvansh Prasad Singh and BJP member Mr Kachhaida Naranbhai during the question hour in the Lok Sabha, the Union Minister of Agriculture, Mr Sharad Pawar, said the government has a procurement policy for wheat, rice and some coarse cereals only to insulate the farmers from fluctuations in farm produce price through minimum support price and make available grains to the poor through the public distribution system (PDS). But this cannot be extended to vegetables and fruits as the government cannot buy and manage perishable produce like vegetables.

Productivity boost

However, Mr Pawar hastened to add that being a ministry for production, the government has been implementing two missions — Horticulture Mission for North East and Himalayan States and the National Horticulture Mission — to augment the production and productivity of fruits and vegetables.

He said the government had spent Rs 2,000 crore on the creation of infrastructure facilities such as nurseries, tissue culture units, disease forecast units, plant health clinic, water tanks, tube wells, greenhouses and shade nets, and mechanisation. These steps, he said, helped in production and supply of quality planting material and also in improving the production and productivity of horticulture crops.

Mr Pawar said the implementation of the mission has helped in bringing in an additional area of 21.75 lakh ha of identified horticulture crops, while 3.4 lakh ha of senile and unproductive orchards had been rejuvenated to raise productivity. As a result, he added, the production of horticulture crops has increased from 170.8 million tonnes (mmt) in 2004-05 to 223 mmt in 2009-10

When Dr Prasad said that due to the recent high prices of vegetables and fruits the common man was being looted and the producers did not get the remunerative returns, Mr Pawar said that the government did its best to bring down the prices of onion. He said the wholesale prices of fruits and vegetables — which include onion, tomato, apple and garlic — have come down from the level of 205.8 on January 8 to the level of 173.3 on February 5, registering a decline of 15.8 per cent.

‘Limitations'

But Dr Prasad said that onion prices were today ruling at Rs 2 a kg in rural areas, Rs 10 in small cities and Rs 40 in metro areas, which also hit the growers as they could not realise the right price for their produces. He said the fall of onion price from a level of Rs 3,800 a quintal in the third week of December to as low as Rs 200 a quintal in February — in just 45 days — was also harmful to the growers' interests as the beneficiaries were not the farmers.

A Congress member, Mr Samba Siva Rao, suggested a sort of price stabilisation mechanism to insulate the growers from the wild swings in produce prices. But Mr Pawar said this is not feasible because of "certain limitations" on the government to purchase and manage perishable items on a large scale.

When a Trinamool Congress MP, Dr Kakoli Gosh Dastidar, sought to know what de-hoarding operations the Government and the States were doing to bring down prices of vegetables from skyrocketing, Mr Pawar said recently the Prime Minister convened a meeting of Chief Ministers to impress upon them de-hoarding drives and the powers vested with the States to proceed on this.

Spot rubber prices decline

Business Line Rubber tapping is in progress at a plantation in Kerala. - Photo: K.K. Mustafah
Kottayam, Feb. 22:

Domestic rubber prices lost ground on Tuesday. In spot, the market fell following sharp declines on the National Multi Commodity Exchange. Reports from the trend setting Japanese markets were also disappointing though they ruled much higher than the Indian rates. According to observers, prices remained under pressure on moderate selling from dealers and growers.

Sheet rubber weakened to Rs 237 (240) a kg according to Dealers. The grade moved down to Rs 238 (240.50) a kg both at Kottayam and Kochi as per Rubber Board.

In futures, the March series nosedived to Rs 232.50 (242.18), April to Rs 241.62 (251.68), May to Rs 247.90 (257.62), June to Rs 252.99 (262.59) while and July to Rs 254 (263.06) a kg for RSS 4 on the NMCE.

The February futures for RSS 3 expired at ¥518.8 (Rs 283) a kg while the March futures declined to ¥522 (Rs 285.19) from ¥539 during the day session and then to ¥517.6 (Rs 282.74) a kg in the night session on the Tokyo Commodity Exchange. RSS 3 (spot) slipped to Rs 292.05 (292.98) a kg at Bangkok.

Spot rates were (Rs/kg): RSS-4: 237 (240); RSS-5: 230 (232); ungraded: 225 (228); ISNR 20: 238 (240) and latex 60 per cent: 146 (147).

Cardamom prices drop on bearish sentiments

Business Line Grading of cardamom at a small scale commodity collection centre, near Kochi in Kerala. (file photo): K.K. Mustafah

Kochi, Feb 22:

Cardamom prices declined last week at auctions held in Kerala and Tamil Nadu on bearish sentiments. North Indian buyers were slow in buying on the assumption that good quantities are held by growers and dealers and the prices would decline further once they start releasing the stocks.

Exporters bought some 15 tonnes as the prices were workable for them, market sources said.

The market is expected to become active pushing the prices up once the north Indian demand picked up in the coming days, they claimed. High prices of large cardamom is likely to push up the demand for small cardamom which is said to be currently ruling below the former, they said.

Arrivals

The present arrivals are from the current harvesting and the capsules are of medium size and that factor also kept the prices at lower levels. According to a dealer in Bodi, good colour 8mm bold was fetching Rs 1,400 a kg but its arrival is very thin. There has been a continuous decline in the arrivals as the harvesting is in the closing stages. According to growers, there will be one or two round of picking. Total arrivals during the week stood at 165 tonnes.

The individual auction average price dropped to below Rs 1,100 a kg last week. The average price at the Sunday auction dropped to Rs 1,080 a kg from Rs 1,130 a kg the previous Sunday. Total arrivals at the KCPMC auction on Sunday stood at 41 tonnes and the entire quantity was sold out , Mr P.C. Punnoose, General Manager, CPMC, told *Business Line*.

According to him, the material arriving at the market, at present, is of medium size and from the current picking. “It is also one of the reasons for the decline in the current prices”, he said. Green bold capsules are being held back by the major growers who would release it only when the prices moved up to their expected levels, he said.

Total arrivals during the current season from Aug 1, 2010 to Feb 20, 2011 stood at 7,196 tonnes. Of this 7,043 tonnes were sold. Arrivals and sales in the same period of the previous season were 7,262 tonnes and 7,186 tonnes respectively. Weighted average price as on Feb 20, 2011 was Rs1,036 a kg, up from Rs 738 same day last year.

Prices for graded varieties in rupees/kg in Kumily on Monday were: AGEB 1,235-1,250; AGB 1,110-1,120; AGS 1,035-1,050 and AGS1 1,025-1,035. Prices according to trade sources in the open market in Bodinayakannur in rupees a kg were: AGEB (7mm-8 mm) 1,225-1,250; AGB (6mm – 7 mm) 1,100-1,150; AGS (5mm – 6mm) 1,025-1,050 and AGS1 1,015-1,025.

Bulk was being sold at Rs 1,000-1,150 a kg. Export enquiries were there at the current levels and some business is likely to take place in the coming days, they said.

Some of the growing areas received scattered rain fall. However, dry weather prevailed in most of the growing areas for the past couple of weeks.

Hit by frost, M.P. wheat quality suffers

Business Line A woman farmer reaping the wheat crop at a field. (file photo): Sushil Kumar Verma

Mr Uday Singh, a 65-year-old farm worker, of Kitodah village in Indore district of Madhya Pradesh is cleaning up the land of his owner that wears a look of a dried one. "This is the effect of frost that has affected many farms in this area," he says

Recently in Indore:

Mr Uday Singh, a 65-year-old farm worker, of Kitodah village in Indore district of Madhya Pradesh is cleaning up the land of his owner that wears a look of a dried one.

“This is the effect of frost that has affected many farms in this area,” he says, collecting wheat straw for his landlord's cattle. “Our wheat crop is only half of normal and we fetched lower rates because of poor quality,” Mr Singh says.

Around middle of last week, wheat on the farm bordering Ujjain was sold around Rs 1,100 a quintal. “The buyers said it is only of milling quality and therefore, the low price,” he said.

Elsewhere in Dewas, 30 km from Indore, Mr Ramchandraji Patel, a farmer holding 12-acre is somewhat happy having sold the wheat from his farm at Rs 1,450 a quintal.

“The kernel is lighter and hence, a lower price. Otherwise, I would have got Rs 1,550 a quintal,” said Mr Patel.

Some 10 km from there at Dhonk Khurd village, Mr Daud Patel, says his wheat on five acres has been affected by the frost that affected many crops in December.

According to Madhya Pradesh Agriculture Department officials, 46 of the 50 districts in the State have been affected by frost.

“At least 50 per cent of the wheat crop in and around our area has been affected,” says Mr Singh. Both the Patels, too, report significant damage to wheat crop.

Madhya Pradesh accounts for a little over 13 per cent of the area under wheat in the country and its contribution to the production is eight per cent. This year, wheat has been covered on 42 lakh hectares and production was expected to top seven million tonnes.

“There is damage in 2-3 lakh hectares of wheat,” said Mr R.G. Rajak, Assistant Director of Madhya Pradesh Agriculture Department. However, farmers and a section of traders are of the view that the damage could be higher.

Traders are reporting higher arrivals compared with last year but say the crop's kernel is light. This could lead to lower yield.

Madhya Pradesh mainly grows the Lokwan variety and it is important to whole wheat flour production in the country.

“If Madhya Pradesh wheat is lower, it could have an impact on chakki atta (whole wheat flour) production,” said a miller in South India.

On Tuesday, the Lokwan was quoted around Rs 1,250-1,300 a quintal, down Rs 5 from last week on higher arrivals.

Our Karnal Correspondent reports: Some buying and good quality stock lifted the prices of dara wheat variety by Rs 30, which ruled at Rs 1,230 a quintal against the levels of Rs 1,200 quoted last weekend. For the finer quality, it was around 1,255-1,260 a quintal, on Tuesday.

Around 500 quintals of dara wheat arrived from Uttar Pradesh and about 100 quintals were offloaded by the local stockists. Around 700 quintals were procured from the Food Corporation on India by the flour millers.

Aaj Tak, desi wheat variety dropped on low demand and was quoted at Rs 2,350 a quintal against the levels of Rs 2,400 quoted last weekend.

Flour Prices

Despite an uptrend in wheat prices, flour prices ruled steady and quoted at Rs 1,250-1,255 for a 90-kg bag. On the other hand, Chokar prices dropped by Rs 25 and ruled at Rs 540 for a 49-kg bag against the levels of Rs 565 quoted last weekend.

Tea industry seeks continuation of orthodox subsidy scheme

Kolkata, Feb 22:

The tea industry has urged the Finance Ministry to continue with the orthodox subsidy scheme for sustaining exports.

In a pre-Budget memorandum to the Finance Ministry, the Indian Tea Association (ITA) said the subsidy scheme had helped in correcting the product-mix and enabled the availability of more orthodox variety.

The association said the Tea Board under the Commerce Ministry was yet to release the subsidy amount for 2008-09. In this context, it said the subsidy backlog for 2008-09 and 2009-10 be released, so that producers were encouraged to continue production.

The association noted that the consultancy firm appointed by the Tea Board had advocated continuance of the subsidy scheme for the balance of the 11th Plan period as well as during the 12th Plan period.

It also said the concessional duty on specified tea machinery items be reduced from 5 per cent to zero for a period of three years starting April 1, 2011. This would make the Indian tea industry competitive globally, he said.

Referring to Section 33AB of the Income Tax Act, ITA said migration to the proposed Direct Tax Code should contain provisions of the section.

The section requires that tea companies set aside a certain portion of the profits in good years for deployment in development activities in bad years. It allows for a deductible allowance of up to 40 per cent of pre-tax profits.

ITA has also called for sharing of social costs incurred by tea companies. It suggested that the Government should evolve a suitable mechanism, whereby the high social costs were substantially mitigated.

It had also suggested that the high security costs incurred by the gardens in Assam due to insurgency be also shared by both the state and Centre.

No plan to fully decontrol sugar sector: Govt

Business Line The Minister of State for Agriculture, Mr K.V. Thomas. (file photo)

New Delhi, Feb 22:

The Government has said that there is no proposal to decontrol the sugar sector totally.

“No, madam,” the Food Minister, Mr K.V. Thomas, said in a written reply in the Lok Sabha to a query on whether the Centre has any proposal for freeing the sugar industry completely.

The Prime Minister, Dr Manmohan Singh, in September 2010, had already made it clear that the issue of sugar decontrol would hinge on the approval of the state governments.

Last year, the Government had started working on a proposal to decontrol the sugar sector taking confidence from the bullish production forecast for the current year.

“We have discussed (the issue of sugar decontrol) with states. Unfortunately, many states like Uttar Pradesh, Punjab and Karnataka are not ready,” the Agriculture Minister, Mr Sharad Pawar, had said last month after he shed his food portfolio.

The Food Ministry had then proposed doing away with controls like monthly sugar quota that mills can sell in the open market and through ration shops.

“If only three-four states accept, it is difficult to implement. And the Prime Minister had always told that for this kind of policy, states should be taken into the confidence,” Mr Pawar had pointed out.

Asked if the Government will put the proposal of decontrolling the sector on the backburner, he had said: “You can’t say for now. If there is more production and prices come down, they (states) may rethink and accept (it) also.’’

In August 2010, Pawar had said that the time had come to decontrol the sector, as sugar production in 2010-11 season was expected to be higher than the annual domestic demand and the prices had softened from nearly Rs 50 a kg in January 2010.

At present, the sugar industry is under government control, right from the level of production to distribution. Besides a fixed monthly sales quota for sugar mills, the factories are required to sell 10 per cent of their output to the government at cheaper rates for supply to consumers via ration shops.

However, the Ministry has held that it would continue to fix the fair and remunerative price (FRP) of sugarcane, which is the minimum rate that mills are required to pay to farmers.

Sugar production is estimated to rise to 24.5 million tonnes in 2010-11 (October-September) from 19 mt in the previous year. The domestic demand is pegged at 22 mt.

Coconut exports surge on Lanka ban

They are priced a shade higher, selling at Rs 1,200 for hundred coconuts. (file photo)
New Delhi, Feb 22:

India’s coconut exports have increased by 30 per cent this year, triggered by the export ban on shipments of the produce by Sri Lanka.

The Coconut Development Board (CDB) is expecting an export growth of 30 per cent this year over last year.

CDB is a statutory body established under the Ministry of Agriculture, Government of India for the integrated development of coconut cultivation and industry in the country with focus on productivity increase and product diversification.

Many new exporters are registering themselves with the Board to cash in on the trend, CDB sources said.

During the last couple of months, the export of fresh coconuts from India to Middle East has increased considerably, they said, adding previously Sri Lanka was the main exporter of fresh coconuts to Middle East.

“Now their (Lanka) domestic price is much higher than our domestic price,” the sources said, adding the supply constraints in other major coconut countries like Philippines, Indonesia, Thailand, and Malaysia are also working in favour of India’s surge in exports.

“Our own ethnic population prefers Indian coconuts if it is available at a competitive price”, they added.

Sri Lanka has imposed ban on coconut export possibly to control local prices of the product and fulfil domestic requirement of coconut oil, CDB’s Chief Coconut Development Officer Thomas Mathew told PTI over the phone from Kochi.

Sri Lanka has been the main competitor to India in the export of coconut and its products, but exports from Lanka have been hit by a sharp shortfall in production and the island nation’s loss has turned out to be India’s gain.

“Our export of coconut to Middle East and Mauritius has increased by 50 per cent in the last 20 days,” owner of Krutika Exports, Mr Manoj Gaitonde, told PTI.

He said the coconut crop in Sri Lanka has been affected by disease and floods.

Another exporter, Mr Kamlesh Shah of Kunal Corporation said his company achieved record export of dry coconut this year to Mauritius because of increased demand in the Mahashivratri festival.

Coconut is grown in more than 86 countries worldwide, with a total production of 54 billion nuts per annum. India occupies the premier position in the world with an annual production of 13 billion nuts.

In India, coconut is cultivated mainly in the coastal tracts of Kerala, Tamil Nadu, Karnataka and Andhra Pradesh.