

## Need to revive paddy cultivation stressed

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KALPETTA, April 23, 2014 - The need for reviving paddy cultivation in the district was stressed at a workshop on 'Land Utilisation and Agriculture Biodiversity' held here on Tuesday.

The programme was organised by the BioDIVA, a four-year joint project initiated by the M.S. Swaminathan Research Foundation (MSSRF) and Leibniz University, Germany, for revitalising rice cultivation in Wayanad.

Delivering the keynote address, Nidhi Nagabhatla, senior scientist, Institute of Environmental Planning, Leibniz University, and Scientific Coordinator of the project, said that a drastic change had taken place in the land utilisation of the district in three decades. Close to 1,600 hectares of land had been utilised for paddy cultivation in Vellamunda panchayat of the district alone in 1970s, but nearly 50 per cent of the land was diverted to banana cultivation at present. Such a change had taken place in most parts of the district. This would adversely affect the food security of people, especially of the Kuruma and Kurichya tribes, Dr. Nidhi said.

The massive loss of paddy fields would also affect water recharging capacity of the soil, ecological connectivity, and the cultural identity of the people in the district, she said. The talk presented remote sensing data-based analysis to show how change in area under rice cultivation could impact socio-economic dependence and disrupt ecological services derived from rice farming.

Integration of scientific analysis with local knowledge was important for planning long term sustainable land use strategies and to ensure local level food security, conservation of social and cultural practice of rice cultivation and preservation of local agro biodiversity, Dr. Nidhi said.

Delivering the presidential address N. Anilkumar, director, MSSRF, said that his organisation would apply the findings of the project in its rice development programmes in the district. N.K. Rasheed, district panchayat president, inaugurated the programme.

## Heavy rain in Nagercoil

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NAGERCOIL, April 23, 2014 - Heavy rain lashed different parts of the district on Tuesday by bringing cheers to the people from all walks of life who suffered under scorching sun for the last one month.

The inflow of water in to Pechipparai dam was 156 cusecs and 34 cusecs in to Perunchani.

## Water level

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The water level in the Mettur dam stood at 38.03 feet on Tuesday against its full reservoir level of 120 feet. The inflow was 617 cusecs and the discharge 5,998 cusecs.

Water level in the Papanasam dam on Tuesday stood at 37.40 feet. The level of Manimuthar dam stood at 66.29 feet (118 feet).

**Kanyakumari** - The water level in Pechipparai dam stood at 14.30 feet, 36.95 feet in Perunchani, 2.92 feet in Chittar 1, 3.02 feet in Chittar 11, 1.90 feet in Poigai and 41.34 feet in Mamabazathuraiyaru.

**Heavy rain** - Heavy rain lashed different parts of the district on Tuesday. Thiruvattar witnessed the maximum rainfall of 58 mm followed by 12.5 in Thirparappu, 8.4 in Eraniel, 5 in Koziporvilai, 3.8 in Perunchani, 2.4 in Puthen Dam and 2 in Adayamadai. The inflow of water to Pechipparai dam was 156 cusecs and 34 cusecs to Perunchani.

## Summer paddy crop may be affected

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*Water being released from the KRS for 15 days in a month*

*Farmers transplanting paddy crops in Mandya. Agriculture Department officials say the farmers may lose summer paddy crop this year.*

MANDYA, April 23, 2014 - The recent spell of rain in the district came as a boon to farmers and the sowing of

summer crops, particularly paddy, millets and ragi, has picked up momentum.

However, officials from the Agriculture Department say that paddy crops may be affected this year as the water-level in the Krishnaraja Sagar reservoir (KRS) in the district is declining. The district received 70 mm rainfall in the past few days. K. Sangaiah, Joint Director of Agriculture Department, said that farmers have already completed sowing of various crops including paddy on 26,000 hectares, as against the target of 25,000 hectares. Though rainfall has not been widespread, it has given a push for resumption of sowing of summer crops.

The farmers have already completed the transplantation of the paddy crop in hundreds of hectares in Melkote, Pandavapura, Srirangapatana, Maddur, Mandya and Malavalli regions. The transplanted summer paddy crop depends on the water-level in the KRS. However, the water-level has declined to 89 ft.

The KRS supplies drinking water to several districts in Karnataka and Tamil Nadu and some parts of Puducherry. Mr. Sangaiah said, "We had requested the farmers not to sow summer paddy crops due to shortage of water."

Meanwhile, the Agriculture Department said that there is no shortage of fertilizers in the district and asked farmers not to panic.

The department has stocked 19,000 tonnes of fertilizers. Thirty-one Raitha Samparka Kendras have been established to distribute fertilizers, vermicompost, city compost, Agrigold and micro-nutrients to farmers, Mr. Sangaiah said.

### **Water release**

The Irrigation Department has been releasing water from the KRS to major canals and their distributaries for 15 days in a month on alternative days (on-and-off basis). This was decided at the meeting of the Irrigation Consultative Committee of the KRS, the Cauvery command area, held last year.

Lesser quantum of water is going to be released through the canals. As a result, the paddy crop will be severely affected, said an officer at Cauvery Neeravari Nigam Ltd. told *The Hindu*.

# Model Code creates uncertainty over paddy procurement

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*No new centres will be opened till election is over, says Election Commission*



*Paddy growers selling their produce to private traders at Pulla in West Godavari district. — Photo: A.V.G. Prasad*

ELURU, April 23, 2014 - An air of uncertainty looms over the process of paddy procurement in the Krishna-Godavari delta areas in the current rabi, thanks to the Election Commission of India (ECI)'s model code.

The office of the Chief Electoral Officer, Hyderabad in a memo No. 3204/elects/BA2/2014-1 dated 3-4-2014 to the Andhra Pradesh State Cooperative Marketing Federation has directed that, "...the process of food grains be made from the existing centres at the existing rates (only), as had been announced before the model code of conduct came into existence."

The CEO, in his directive, further quoted the letter circulated by the ECI (Lr. No. 437/AP-HP/LA/2014) dated 2-4-2014 and stated, "no new procurement centres shall be opened till the completion of the election process on 28-5-2014."

As a result, the official machinery keeps itself away from the paddy procurement leaving the market open to the private agencies in the two delta regions spread over 23 lakh acres in the current season.

Even as the administration is supposed to have initiated the procurement process by April 4 by opening paddy procurement centres, there are no traces of State intervention whatsoever till date anywhere in the two delta regions, according to Yerneni Nagendranath, president of the Andhra Pradesh Rytanga Samakhya.

For instance in West Godavari district, Mr. Nagendranth said that there were 72 procurement centres and it was proposed to have another 30. But nothing came forth till date even as the current month is to close within a week reportedly in view of the official machinery's preoccupation with elections, he added.

The euphoria among the farmers over the bumper yield proved to be short lived. The growers resorted to distress sale as the traders are reportedly taking the model code-induced situation to their advantage. The traders are said to be offering hardly Rs 1,200 for a quintal of fine variety as against minimum support price of Rs 1,345.

When contacted, V.D. Krupadas, Assistant Director, Agriculture Department, said the average yield has been in the range of 45-50 bags per acre over the previous record of 35 bags in the district. Peddireddy Chengal Reddy, secretary general, Consortium of Indian Farmers Association (CIFA), in a letter to V.S. Sampath, Chief Election Commissioner, took objection to bringing the paddy procurement, a 'routine administrative process,' under the purview of the model code and sought removal of curbs.

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📌 ***There is no news of State intervention till date anywhere in the two delta regions***

📌 ***Farmers are resorting to distress sale, as traders are taking advantage of the situation***

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# Weather

Chennai - INDIA

## Today's Weather



Partly Cloudy

**Wednesday, Apr 23**

Max 33° | Min 25°

Rain: 0

Humidity: 84

Wind: normal

Sunrise: 05:52

Sunset: 06:22

Barometer: 1009

## Tomorrow's Forecast



Partly Cloudy

**Thursday, Apr 24**

Max 33° | Min 26°

## Extended Forecast for a week

Friday  
**Apr 25**



35° | 25°

Partly Cloudy

Saturday  
**Apr 26**



35° | 25°

Partly Cloudy

Sunday  
**Apr 27**



32° | 27°

Overcast

Monday  
**Apr 28**



32° | 28°

Cloudy

Tuesday  
**Apr 29**



31° | 28°

Cloudy

THE TIMES OF INDIA

## FDA raids 42 veggie farms for sewage contamination

BHOPAL: Vegetables grown on the outskirts of Arera Colony and being sold in the nearby vicinity are possibly being irrigated by contaminated sewage water, according to Food and Drug Administration (FDA). An unprecedented 42 farms in the area are under FDA investigation, with half a dozen having been raided on Tuesday.

FDA inspectors took samples of vegetables grown on Arera Colony (E8 extension) farms and vegetable samples have been sent to a private laboratory in Indore for investigation, said chief medical and health officer (CMHO) Dr Pankaj Shukla. Vegetables include tomato, spinach, potato, coriander, cauliflower and jackfruit.

According to experts, wastewater is rich in nutrients, it increases crop yield substantially but at the cost of food quality. Heavy metals in soil and its subsequent transfer to crops is a matter of microbiological investigation. Investigations will reveal if these vegetables are a source of dangerous bacterium like E. coli (Escherichia coli) found in the intestines of warm-blooded organisms.

# Climate favours Muzaffarpur litchi, growers clamour for better market

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MUZAFFARPUR: By the time a new Lok Sabha is formed at the Centre after the ongoing elections, the famous Muzaffarpur litchi will flood the market with all its sweetness and aroma. Although the fully-ripe 'shahi' variety of litchi would be available by May 20, farmers and traders will start plucking the fruit from May 15 itself for early profit like previous years.

According to the director and principal scientist of horticulture department of National Litchi Research Centre (NLRC), Vishalnath and Sushil Kumar Purve respectively, production of China variety of Muzaffarpur litchi is likely to be more than 30% this season in comparison to last year because of favorable climatic conditions. But they fear that nearly 20% of the production of early variety, called 'shahi', has been affected by hot westerly wind which lashed this area during the 'fruit setting' period from March 27 to March 31, when the fruit needed enough of moisture in the air.

The hot wind at this crucial time also adversely affected the production of litchi honey as the strong westerly wind did not allow honey bees to collect nectar from litchi flowers. Its immediate impact fell on the prices of litchi honey. The price has almost doubled just in the beginning of honey season, informed sources added.

However, prospective farmers, who followed instructions from the research centre and irrigated their orchards during that dry season, would get better production. In any case, the production of even 'shahi' litchi is not expected to be less than last year, provided the similar climate continued till harvesting, Vishalnath and Purve hoped.

On the other hand, a prospective litchi grower, Bholanath Jha is happy to claim that litchi production including that of 'shahi' variety is likely to be around 50% more than the last year. Nature has been very kind to farmers this season so far. Initial westerly wind could not damage the fruit extensively as a majority of growers irrigated orchards as advised by scientists. Now, both temperature and humidity are favourable.

Jha said that litchi growers are expecting better marketing facilities from new government at the Centre so as to supply litchi in every corner of the country in refrigerated vans at the quickest possible time. Presently, Muzaffarpur growers sell their produce at Rs. 8 per kg whereas it is being sold at Rs. 250 per kg in distant cities of the country. This is affecting both producers and consumers as well.

If refrigerated vans are made available in plenty both for road and rail transport, the fruit would reach southern states also. In Chennai and Bangalore, presently, litchi is supplied from China and Thailand and is being sold there as 'Muzaffarpur litchi', Jha added.

# Coconut oil cos face shortage of copra, working capital

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: Coconut oil manufacturers in Kerala are facing severe shortage of raw material as well as working capital with a nearly three-fold rise in coconut price during the past one year. The sudden spurt in the price has been attributed to a severe summer and a failed north-east monsoon which led to a sharp decline in coconut productivity in Tamil Nadu.

Vasanth Velusamy, a Pollachi-based management graduate who turned to coconut farming, said that only 50% of the coconut trees in Tamil Nadu are yielding now. "Roughly 20% trees died in this summer and another 30% lost nuts due to severe heat," he said and added that normalcy in production is expected to take place only after a couple of years. According to market sources, copra (dried coconut) price, which stood at 44.50 per kg in February 2013, has soared to 110 per kg on Tuesday, and the price of premium coconut oil has touched Rs 180 per kg. This price escalation has forced Kerala Kerakarshaka Sahakarana Federation (Kerafed) to increase the price of one-litre retail pouch to Rs 175 from Rs 160, with immediate effect.

"We used to collect 1,600 tonnes to 2,000 tonnes of de-husked coconut from eight districts on a daily basis, but now we are able to collect only 400 tonnes as supply from Kannur, Kasaragod, Kozhikode, Malappuram and Kollam has gone down below 50 tonnes," said Ashok Kumar Thekkan, managing director of Kerafed.

According to him, the frequency of Kerafed's price revision, which was taking place in a two-month span earlier, has gone up to two weeks to contain the continuing escalation in prices.

Sunny Francis, director of Irinjalakkuda-based KLF Nirmal Industries, said he is revising the price on a weekly basis. "From September 2013, the price of coconut has gone up by three times and this is forcing coconut oil manufacturers to increase their working capital by three fold," he noted.

While major companies have managed to infuse some additional capital into their business, several smaller players have been wiped out of the business temporarily, says Bibin Damodharan, MD of Koothattukulam-based Parisudham Oils Pvt Ltd. Oil mills in traditional coconut growing areas like Kangayam, Erode, Vellakovil and Pollachi are now operating occasionally due to the supply shortage, he added.

Meanwhile, the windfall from the price increase has made farmers happy as they are now getting Rs 9 - Rs 10 for a single de-husked coconut compared to Rs 3.5 - Rs 4 in September 2013, said C M T Bava, secretary of Vettom South Coconut Federation, Malappuram.

High prices in the spot market have impacted coconut oil futures traded at the First Commodities Exchange of India (FCEI), promoted by the Cochin Oil Merchants Association. "May contract, which started with a price of Rs 10,460 per quintal on January 20, 2014, touched Rs 13,570 per quintal on Tuesday," said Nevin Antony, CEO in-charge of FCEI.

Rising coconut oil price has also led to an increase in the market share of other vegetable oils in Kerala.

## Showers likely in isolated places

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AURANGABAD: The district has witnessed unseasonal rainfall of about 56.11 mm during the past three days. The city too witnessed light showers around midnight on Monday.

The India Meteorological Department (IMD) has forecast rains or thundershowers at isolated places over central Maharashtra and Marathwada over the next 48 hours.

The IMD has also warned that thunderstorms are likely to be experienced in the next 12 hours in Konkan, Goa, north-central Maharashtra, south-central Maharashtra, Marathwada, west Vidarbha and east Vidarbha. This is the third such warning issued by the IMD in the last 10 days.

In the past three days, the city has received a rainfall of about 17.5 mm, IMD officials said.

The IMD's daily weather report stated that rainfall occurred at isolated places over Marathwada, north Konkan, central Maharashtra and Saurashtra.

The maximum temperature in the city on Tuesday was 37 degrees celsius, which was about one degree below the normal, while the minimum temperature was 22.8 degrees celsius.

Shrinivas Aundhkar, director, Mahatma Gandhi Mission, Centre for Astronomy and Space Technology, Nanded, said that the region is experiencing such weather due to cloud escalation at higher altitudes due evaporation and convection of land, leading to rains in the afternoon hours.

He also said that, considering the present conditions, the central part of the country and south-central regions are likely to experience the monsoon arrival early.

## THE HINDU Business Line

### Summer showers save mangosteen, nutmeg crops

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**Kochi, April 22:** Continuous summer showers for the past couple of weeks in several parts of Kerala have salvaged mangosteen, nutmeg and cocoa crops which have flowered late this year. In other places, the severe dry spell has inflicted heavy damage to the crop that flowered earlier.

Growers in Konni and Thiruvalla region in Kerala's Pathanamthitta district said most of the immature fruits fell down due to the dry spell. A similar situation has been experienced in other areas also, Joshua Daniel and Radhakrishnan, mangosteen growers told *Business Line* .

They said due to this, an overall drop is expected in the current crop, which is due for harvesting in June.

However, harvesting has started in some areas in Thrissur district, they said.

"We have a normal crop this year", Thomas P Thomas, a Botanist and grower in Kozhencherry in Kerala's Pathanamthitta district said.

"We have 15 fruit bearing trees and traders offer good price for the fruits per tree. We have given them all for Rs. 1.25 lakhs," he said.

The intermediaries sell the matured fruits at Rs. 350-500 a kg to vendors in the markets, who in turn sell them at Rs. 450-550 a kg, market sources said. They said the growers do not know the total volume of the crop per tree and the market trend.

A dealer here said a super market in the city was selling mangosteen imported from Indonesia at Rs. 550 a kg.

Thomas said mangosteen and nutmeg require soil moisture. But drought and a drop in the ground water table are posing problems. Nutmeg has surface roots and hence, the dry spell will affect its trees fast.

Cocoa has also started flowering and bearing fruits in some areas. Many of these fruits and flowers won't be able to withstand the heat and will fall, he said. Production of all these crops in 2014 is likely to halve, growers said.

Dried cocoa beans are fetching Rs. 200 and above a kg, currently, a grower claimed.

## Vietnam pepper lands for re-export

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**Kochi, April 22:** Even as the pepper prices are turning hotter each passing day, about 1,600 tonnes of Vietnam pepper were imported last month for value-addition and re-export. India is among the top five importers of Vietnam pepper. Local arms of multinational companies with multi-origin operations made offers at Rs. 700-715 a kg. Resellers have sold some quantity at these rates.

Meanwhile, growers fear that part of the imported material could slip into the domestic market, given the high domestic prices and the 120 days time to re-export to importers. No trading was reported on Tuesday on the national and regional exchange platforms for want of sellers. There were no arrivals at the terminal market also. The tight supply situation is evident from the imports by the other origins from Vietnam last month, market sources told *Business Line*. Upcountry dealers are actively looking around for material in Karnataka, Kerala's Wayanad and Idukki districts. Primary market dealers are said to have sold at Rs. 700-715 to inter-State dealers from Tamil Nadu.

On the spot, due to non-availability the prices shot up by Rs. 2,500 to Rs. 67,500 (ungarbled) and Rs. 69,500 (MG 1) a quintal.

Export prices remained at \$12,500 c&f for Europe and \$12,750 a tonne c&f for the US.

## Nilgiri Q1 tea output up 8%

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**Coonoor, April 22:** Tea production in the Nilgiris, the largest growing district in South India, increased by 7.88 per cent compared with the same period a year ago and 9.38 per cent over the five-year average for the period.

Tea companies have told the Tea Board that production increased to 3.15 million kg (mkg) between January and March from 2.92 mkg last year.

Factories reported a production of 1.32 mkg against 1.04 mkg in March 2012 and

1.19 mkg as five-year average for the month. This marked a significant growth of 27 per cent over March 2013 and 13 per cent over the five-year average.

However, dry conditions prevail in April. "The soil is dry. The leaf has lost juice. The harvest has reduced. The arrival of crop for processing has come down by 50 per cent compared to last month," Ramesh Bhojarajan, President, Nilgiris Bought Leaf Tea Manufacturers' Association, told *Business Line*.

"Factories are working for only four-to five days a week and that too on single shift due to inadequacy of leaf for processing. This will reduce April production sizably. Unless estates get a few follow-up showers, the crop arrival will be low and to that extent, the 'flush' production in June will also be hit," he said.

"Some fields are infested with red spider mite because of dry weather. This mite is spreading fast. This will also reduce the harvest and hence the production of black tea by factories," Ramesh Bhojarajan said.



# Turmeric gains a tad on new upcountry orders

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## **Erode, April 22:** TURMERIC EDGES UP ON NEW ORDERS

Spot turmeric prices edged up on Tuesday on the back of some upcountry orders. "Arrivals and sales of the spice will be meagre till the polls get over as many farmers are afraid of carrying money with them after the sale. On Tuesday, local traders received some fresh upcountry orders, so they quoted a higher price and purchased 60 per cent of the arrived stock of 4,300 bags. Prices will increase only in mid-May," said RKV Ravishankar, President, Erode Turmeric Merchants Association. At the Erode Turmeric Merchants Association sales yard, the finger variety was sold at Rs. 4,770-7,299 a quintal. The root variety fetched Rs. 4,496-7,069. The finger variety of Salem Hybrid quoted Rs. 6,299-7,860; the root variety Rs. 5,911-7,299. Of the 913 bags that arrived, 569 were sold. Our Correspondent

# Rubber skids to near 5-year low

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**Kottayam, April 22:** Rubber prices fell to an almost five-year low on Tuesday. Heavy imports, a fall in the international markets and oversupply weighed heavily on prices, amidst extremely dull local demand.

Sheet rubber weakened to Rs. 137 (Rs. 140) a kg, according to traders. The grade dropped to Rs. 138 (Rs. 140) and Rs. 135 (Rs. 137) respectively, according to the Rubber Board and dealers. May futures closed at Rs. 138.60 (Rs. 138.44), June at Rs. 141 (Rs. 140.76), while the Rubber Mini May futures concluded at Rs. 139.85 (Rs. 139.04) on the National Multi Commodity Exchange. RSS 3 (spot) declined to Rs. 123.51 (Rs. 128.88) at Bangkok. April futures dropped ¥196.4 (Rs. 116.49) on the Tokyo Commodity Exchange.

Spot rubber rates (Rs. /kg): RSS-4: 137 (140); RSS-5: 134 (136); Ungraded: 129 (130); ISNR 20: 126 (130) and Latex 60%: 112 (114).

# Onset of monsoon may be delayed by up to three days

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**Thiruvananthapuram, April 22:** The onset of the South-West monsoon could be delayed by up to three days from the usual timeline of June 1, says PV Joseph, renowned researcher and scientist.

He attributed this to a lag in the warming of the south-central Bay of Bengal (south of Sri Lanka), a familiar track that the monsoon must tread before precipitating the onset along the Kerala coast.

## **No relevance**

IMD is expected to issue its initial forecast on the Monsoon and also make its observations on the emergence of El Nino on Thursday, reports our New Delhi Bureau.

Delay in the onset has no relevance to the performance of the four-month-long annual rain season that ends in September.

But forecasts of an El Nino year have brought this year's monsoon into focus.

Not all El Nino years have proved a drought year for India but studied caution is the watchword among weather watchers.

The warming of ocean waters during this time of the year sets up rain-bearing clouds over extreme south Bay of Bengal.

Sufficiently warmed waters alone can sustain the cloud band whose crucial presence over south Bay of Bengal indicates the calibrated build-up to the monsoon.

Movement of the band to the north towards the latitudes of peninsula is tracked closely to predict what Joseph calls the 'pre-monsoon rain peak.'

### **Delayed 'peak'**

It is a term used to refer to the light to moderate rain activity over Kerala, Tamil Nadu and south Bay of Bengal usually breaking out around April 22 every year.

"For a normal monsoon onset on June 1, the pre-monsoon rain peak should have formed over Kerala latitudes during April 20-22," Joseph explained to *Business Line*.

In the current year, this has been delayed by a few days which indicates that monsoon onset over Kerala is likely to be delayed by about three days, he said.

The pre-monsoon rain peak is reached when surface temperature of seawaters in the Bay of Bengal off India's east coast rises about 35-40 days before the monsoon, and clouds near the Equator move north.

This year, sea surface temperatures of the central Bay of Bengal began warming above the 30 degree Celsius-mark from April 18 only.

### **Key parameter**

"Today, to the south of the warm Bay, a cloud band has formed covering the whole of south Bay of Bengal between the Equator to five degree north (south of Sri Lanka) as depicted in morning satellite pictures," Joseph explained.

This will now intensify and move north. It will reach the latitudes of Kerala by April 25-27 when Kerala and Bay of Bengal to its east will get fairly widespread rain.

The cloud band will constitute the pre monsoon rain peak, among key parameters that India Meteorological Department uses for its own forecast of the annual rain season.

Joseph has himself been a former director of IMD and professor emeritus in the atmospheric science department at Cochin University of Science and Technology.

## Why don't you stay open field trials of GM crop?'

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**New Delhi, April 22:** Pointing to similar observations by an expert panel and a Parliamentary Standing Committee, the Supreme Court on Tuesday asked the Government why open field trials of genetically modified crops should not be banned till the case is pending in the apex court.

However, the court said it was not

inclined to ban trial in closed environment or isolated conditions.

### **Interim ban**

"We have reports of responsible persons who occupy responsible positions. Don't you think there should be an interim order (against open field trials) till we hear this case?...After going through the Parliamentary committee report we felt representatives of people feel that way, then why not have an interim order?" the bench headed by Justice HL Dattu observed posting the case for further hearing on Wednesday.

### **Expert recommendations**

Petitioner activist Aruna Rodrigues represented by advocate Prashant Bhushan argued that open field trials should be banned till a strong regulatory regime was in place.

Bhushan cited the court-appointed expert committee's report and the report of the Parliamentary Standing Committee to buttress the argument that experts were of opinion that a moratorium should be imposed on open field trials till regulatory regime is put in place.

The Government's counsel contested the argument saying all recommendations of the expert committees were "virtually" in place and the community of Indian and international scientists was in favour of allowing GM crops' field trials.

"We will set the clock at least 10 years back (if field trials are banned). Scientists won't conduct studies in adverse regimes," Additional Solicitor General P Kuhad said.

### **No risk**

He argued that there were no risks in allowing open field trials as the Government has considered all risks and had allowed "confined field trials" only. Confined field trials require maintaining a buffer zone of 200 metres outside the fields. Bhushan, however, argued that confined field trials did not protect gene contamination of other crops through natural pollination.

The apex court-appointed six-member technical expert committee panel had submitted two separate reports, with five of the experts favouring an indefinite ban on field trials till a regulatory system is in place while the sixth member submitted a dissenting report.

The petitioners in the case had sought acceptance of the final report by the five members who recommended an indefinite moratorium on GM crop field trial, and rejection of the dissenting report by RS Paroda, Secretary, Department of Agriculture Research and Education in the Agriculture Ministry, alleging that he had "serious conflict of interest" as he had earlier engaged with Monsanto India in different capacities.

The five members of the committee had stated in their report: "It is apparent that there are major gaps in the regulatory system. These need to be addressed before issues related to tests can be meaningfully considered. Till such time, it would not be advisable to conduct more field trials."

Social activist Aruna Rodrigues and non-government organisation Gene Campaign had filed the petitions in 2005 seeking a ban on field trial of GM crops pending a comprehensive, transparent and rigorous bio-safety regulatory mechanism. The court had earlier allowed farm biotechnology company Monsanto India and Association of Biotechnology Led Enterprises to intervene in the case.

## India's wheat exports to gain from rally in global markets

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**Chennai, April 22:** Wheat was the top gainer among commodities last week, rising five per cent, on Ukraine's problem with neighbouring Russia and a report from the US Department of Agriculture projecting lower plantings and supply this year.

For Indian growers, this comes at an opportune time since the country can

take advantage of the space left by these major exporting nations in the global market.

"There is a threat of sanctions against Russia over its standoff with Ukraine. It has created an uncertainty over supplies," said TPS Narang, former Director of PEC and currently an analyst.

Ukraine is facing unrest after its President Viktor Yanukovich was toppled in February in an uprising. This was followed by Russia's intervention in Crimea separating from Ukraine and Kiev threatening to take action against extremists, mainly pro-Russian supporters, leading to another tiff with Moscow.

With the European Community and members of the North Atlantic Treaty Organisation hinting at sanctions against Russia for its confrontation with Ukraine, unrest is brewing in the former Soviet Union region.

### **Global projections**

Besides, the vagaries of weather in the US as well as the Commonwealth of Independent States Region are also likely to affect wheat supplies. According to the US Department of Agriculture, wheat plantings this year are likely to be one per cent lower, while supplies are projected to be down by five million bushels at 118 million bushels. US ending stocks are seen lower by 135 million bushels at 583 million bushels.

But the main concern for the US is the drought in central and southern plains with conditions in Texas being poor. Overall, weather conditions are projected to be mixed for US wheat this year.

The department, however, estimates wheat prices to range between \$6.75 and \$6.95 a bushel against \$7.77 this season ending June.

On Tuesday, wheat on the Chicago Board of Trade for delivery in July was quoted at \$6.75 a bushel.

### **Indian wheat**

“India stands to benefit from these developments. Except India, no other country can supply during April-July,” said Narang.

Last week, South-East Asian sellers offered wheat at \$313 ( Rs. 19,025) a tonne but buyers did not offer more than \$290 ( Rs. 17,625). “Indian wheat is quoting at \$280-281 (about Rs. 17,100) f.o.b. There is good acceptance of Indian wheat in South-East Asia and the Gulf for milling,” said Pramod Kumar, Director of Sunil Agro Mills in Karnataka.

Depending on exchange rate movement, wheat prices are quoted as high as \$284 ( Rs. 17,300), said Narang.

“Actually, if the Government exports wheat, it can fetch higher prices. Currently, it is the private sector that is exporting the grain. And private exporters are trying to outwit one another, resulting in the advantage being lost,” he said.

### **Exports**

The Centre stopped exporting and also allocating wheat from buffer stocks since last month on fears that unseasonal rains in central and north-western parts could affect production. According to Kumar, deals to export at least 10 lakh tonnes of wheat have been signed by private firms during March-April.

Trade sources said multinational firms such as Glencore, Cargill and Louis Dreyfus, besides domestic firm ITC, have struck deals. Wheat stocks are currently 48 million tonnes, higher than stipulated norms, while the Government plans to add another 31 million tonnes through procurement by its agencies.

“Basically, the government could be left holding 80 million tonnes of wheat.

Therefore, it would be wise to allow exports instead of investing in stocking up wheat,” Narang said.

This has resulted in open market rates ruling higher than the minimum support price of Rs. 1,400 a quintal. Currently, quality arrivals in markets such as Etah in Uttar Pradesh are fetching Rs. 1,425.

On the NCDEX, wheat for delivery in July is quoting around Rs. 1,600. “The problem with wheat now is high moisture, especially regarding crop in Punjab and Haryana. Therefore, most of the arrivals are fetching only around Rs. 1,400,” said Raj Narayan Gupta, a miller in Uttar Pradesh.

“The crop has been affected in Madhya Pradesh, Punjab and Haryana. We expect production to be lower than the Government’s estimate of 95.6 million tonnes,” said Gupta. Last year’s production has been pegged at 93.51 million tonnes but the industry contends the estimate, saying it was lower.

“Gujarat crop was the first to arrive and most of it has been bought by exporters,” said Gupta. If the BJP comes to power, it could allow exports, said Narang. The USDA estimates Indian wheat exports to touch five million tonnes next season starting July.

# Business Standard

## Wheat procurement in 2014-15 may slip, says food secretary

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The government on Tuesday said its [wheat procurement](#) for the 2014-15 marketing year (ending March 2015) is likely to be below the last year's level of 25 million tonnes (mt) due to poor quality of the crop. However, for a government which has been battling lack of storage space during the ongoing wheat procurement season, this has come as a blessing in disguise.

"Last year, [FCI](#) (Food Corporation of India) had procured 25 mt of wheat. As per my own assessment, this year's overall wheat procurement would be lower than the last year's," Food Secretary Sudhir Kumar said at a seminar on flour mills.

Good purchases by private millers might also restrict government procurement to below 25 mt, another official said. If procurement drops below 25 mt, it would be the lowest ever wheat purchased by government agencies in the past three years. However, low wheat procurement would not hamper India's public distribution system, as the government still holds over 48 mt grains (wheat and rice) in its warehouses. The government had set a target of purchasing 31 mt wheat in 2014-15.

According to food ministry data, FCI and state government-owned agencies have procured 7.5 mt wheat so far this year, significantly lower than 11.96 mt purchased in the year-ago period. FCI along with state agencies have around 80 mt of storage capacity with them.

The wheat marketing year runs from April to March but FCI's procurement operation gets completed in three months.

According to food ministry officials, the pace of wheat procurement in Punjab is very slow due to delayed harvesting in the state, following recent unseasonal rains.

FCI has been able to procure 940,581 tonnes in Punjab this year, against 4.3 mt in the same period last year, showed official data. Wheat growers in Punjab have complained of non-procurement of crop by procurement agencies, citing higher moisture content. In Haryana, procurement is down marginally at 3.2 mt as of Tuesday, against 3.7 mt a year ago. Procurement in Madhya Pradesh is at 3.17 mt against 3.6 mt during the year-ago period.

Procurement in Rajasthan, Uttar Pradesh and other growing states is trailing behind the last year's level. [Wheat production](#) in India, the world's second largest grower, is earlier pegged at 95.6 mt for 2013-14 (July-June), but bad weather during the harvesting stage is expected to drag it down by three-four mt. The production stood at 93.5 mt in the previous year.

Highlighting the importance of fortified wheat flour (enriched flour) to address malnutrition in the country, Kumar said the flour milling industry should take proactive steps to promote the product in the country.

"About 30 per cent of world flour is fortified. It is very less in our country. There is nutrition deficiency not only in poor section but also among affluent class," he said.

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