

# Won't allow projects that will affect farmers: Jayalalithaa

'Centre delays establishment of bodies to implement Cauvery Tribunal award' THANJAVUR/TIRUCHI, April 6, 2014 - Tamil Nadu Chief Minister Jayalalithaa asserted on Saturday that her government would not allow the implementation of projects that would impact the livelihood of farmers.

Citing the methane extraction project proposed in the Cauvery delta districts, she said the project, if implemented, would turn the rice bowl of Tamil Nadu into a desert, affecting the livelihood of farmers. She held the former Union Minister, T.R. Baalu, and the Dravida Munnetra Kazhagam responsible for clearing it.

"It was Mr. Baalu, as Union Minister of State for Petroleum in 1996, who decided to implement the project. Later, the Congress-led government at the Centre, in which the DMK was a partner, entered into an agreement with Great Eastern Energy Corporation for methane extraction. In 2011, M.K. Stalin, the then Deputy Chief Minister, presided over the signing of a Memorandum of Understanding with the company for methane extraction in an area of 691 sq.km in Thanjavur and Tiruvarur districts for four years," she alleged at a campaign meeting in Thanjavur.

"My government has put the project on hold and appointed an expert committee to go into the details and submit a report," she added.

Ms. Jayalalithaa said Mr. Baalu also had vested interests in implementing the Sethusamudram project, which would not yield any economic benefit to the country. On the contrary, it would affect the livelihood of fishermen and damage coral reefs.

Addressing a rally in Tiruchi, she accused the UPA government of deliberately delaying the constitution of the Cauvery Management Board and the Cauvery Water Regulation Committee, which were necessary for effective implementation of the final award of the Cauvery Water Disputes Tribunal. She had to wage a legal battle to get the award gazetted and approach the Supreme Court for the constitution of the management board and the regulation committee. Both the Congress and the DMK betrayed the interests of Tamil Nadu and Tamils, she said.

She also criticised the Centre for permitting field trials of 200 varieties of genetically modified crops. "This may make multi-national companies happy, but will spell doom for farmers," she said. Her government would not allow the trials in the State.

Only a change of government at the Centre would help put Tamil Nadu at the forefront of development and uphold the rights of Tamils, she said.

# Drought relief to farmers pending for two years

THIRUVANANTHAPURAM, April 6, 2014 - Even as another drought-like situation stares at farmers in the district, like elsewhere in the State, farmers who have lost their crops due to drought in the past two years are yet to get compensation.

Sources in the district panchayat and Krishi Bhavans in the district told *The Hindu* that around 5,000 marginal farmers in the district were yet to get the compensation announced by the government. The compensation amounting to Rs.6 crore, a part of it flood relief, was yet to be disbursed to the farmers, a source in the Agriculture Department said.

The compensation could not be disbursed as the State government was yet to release the amount. The reason cited by the State government was that it was yet to receive the amount from the Union Agriculture Ministry, the official said.

The delay in getting the compensation in time has forced the farmers to turn to local moneylenders in order to carry forward farming activities.

Also, farmers are finding it difficult to get water for farming. Water shortage was likely to become acute in the coming months as water sources were fast drying out, the official added.

When contacted, Rufus Daniel, vice-president, district panchayat, said the civic body had taken up the issue with the District Collector and Agriculture Department on several occasions. The situation, he said, would become worse if the amount was not disbursed immediately.

"In Venganoor panchayat alone, there are around 1,000 applications pending for drought assistance. Already drought has started affecting cultivation and those involved in banana cultivation are complaining of crop loss," Mr Daniel said.

- 2 5,000 farmers yet to get benefit
- Drought has started affecting farming

### Mango lovers may have to wait longer

CHENNAI, April 7, 2014 - Summer is here. But mango lovers are still waiting for the king of fruits to arrive in large numbers.

Various varieties of mangoes have just started trickling into the Koyambedu wholesale market, the hub of mango trade in the city.

At present, only a few retail chains selling fruits have mangoes. As the stocks are limited, it may take a while before Chennaiites are able to bite into the succulent fruit at an affordable cost.

Wholesale mango traders said the market normally receives about 50 tonnes of mangoes every day in April. But this year, the market is receiving only 10 tonnes of mangoes daily, mostly from Kerala and the Salem-belt.

#### Another week's wait

While many customers complain that mangoes are expensive and not of good quality, traders said consumers will have to wait for another week for good quality mangoes to arrive in sufficient numbers from Andhra Pradesh.

The first truck load of mangoes usually arrives in the city by mid-March. Traders cite the lack of rains as the main reason for the delay in arrivals.

A.S. Ganesh Babu, a wholesale mango merchant, said the Koyambedu market gets nearly 10 varieties of mangoes, including 'banganapalli', 'imampasand' and alphonso.

"We are getting most of the varieties but in small numbers. While 'imampasand' and alphonso cost Rs. 130 a kg in the wholesale market, they are priced at Rs. 150 per kg in the retail market.

Last year, they were sold for just half that rate," he added.

With the season for some other fruits like grapes, Indian apples and oranges coming to an end, they too are priced high.

S. Srinivasan, president of Koyambedu wholesale fruits merchants association, said mangoes may cost less from next week.

Mosambis (sweet lime) and oranges are priced about 20 per cent more than last year. Sapota and watermelons, however, are available at nominal prices.

## Food Safety officials plan drive against spurious soft drinks

COIMBATORE, April 7, 2014 - Come summer, people flock towards one or the other of the numerous soft drinks lured by the ubiquitous commercials and a need to beat the unbearable heat.

This year, as the city faces a heat wave more intense than any in recent years, soft drinks sales are sure to go through the roof.

However, Food Safety Wing officials are urging the local populace to be cautious owing to the proliferation of spurious drinks being sold in the bottles of major soft drink brands. A senior official told *The Hindu* here on Saturday that the Food Safety Wing would soon launch a drive against spurious drinks, mainly sold on roadside shops and eateries. The public must remain vigilant even while consuming branded soft drinks in 500 ml/one/two litres PET bottles, as the shelf life was now two-and-a-half months from the earlier six months.

This change was effected after the Food Safety and Standards Act (FSSA) came into force. The shelf life for soft drinks sold in glass bottles, which are sterilised, was six months. Most shopkeepers in rural areas failed to check the product for the expiry date, either by design or mostly because of negligence.

However, under the FSSA, they were liable to face heavy fines and possible imprisonment for selling food products that had crossed the expiry date, the official added.

Major soft drink companies have been instructed to keep a close watch on their supply

They have also been told to watch out for decline in orders. This could indicate that retailers in that area were buying spurious drinks, which were cheaper, the official said.

#### Water level

The water level at the Mettur Dam stood at 46.26 feet on Sunday against its full level of 120 feet. The inflow was 382 cusecs and the discharge 3,000 cusecs.

Water level in the Papanasam dam on Sunday stood at 43.45 feet (maximum level is 143 feet).



chain to prevent their bottles from being misused.

Mamabazathuraiyaru.

The dam had an inflow of 64.58 cusecs and 204.75 cusecs of water is discharged from the dam. The level of Manimuthar dam stood at 70.21 feet (118 feet). The dam had an inflow of 11 cusecs and 100 cusecs of water is discharged.

Kanyakumari - The level in the Pechipparai dam stood at 11.15 feet, while it was 36.65 feet in Perunchani, 2.92 feet in Chittar 1, 3.02 feet in Chittar 11, 2.20 feet in Poigai and 41.75 feet in

# Annual flower show at Ooty likely to be put off by a week

UDHAGAMANDALAM, April 7, 2014 - The 2014 Annual Flower Show is likely to be put off by a week, according to Satyabrata Sahoo, Commissioner of Horticulture and Plantation Crops. Speaking to *The Hindu* at the Government Botanical Garden, the venue of the event here on Saturday, he said that conventionally the show coincides with the third weekend of May. However since the election process will not be over by then and the counting of votes is scheduled to take place on May 16, it has been proposed to hold the show on May 23, 24 and 25.

Stating that the proposed postponement is only on security grounds, he said that will not affect the quality of the show. Pointing out that efforts are on to add something novel to the show, he said that four or five proposals are under consideration.

As usual 15,000 pots with a variety of flowers would be displayed in the galleries.

Arrangements for private garden competitions would commence soon.

He added that in consultation with the election authorities the dates of the other shows like the Rose Show at the Government Rose Garden here, the Vegetable Show at the Nehru Park in Kotagiri, the Spices Show at Gudalur and the Fruit Show at the Sim's Park in Coonoor will be finalised.

To a query, he said that except the flower show all the other shows are not in need of heavy security. Though rainfall has been inadequate so far this year, the plants have not been affected, he said.

The show will be held on May 23, 24 and 25

### Fish kill can recur, warns scientist



Recent fish death in Periyar could be classified as major one by global standards

KOCHI, April 7, 2014: With the water quality in the upstream of Pathalam bund in the Periyar deteriorating, fish kills could recur more frequently, warned a marine scientist.

The fish death that happened in the river the other day could be classified as a major one by the international standards, said Bijoy Nandan, Associate Professor of the School of Marine Sciences of the Cochin University of Science and Technology.

Dr. Nandan is a member of the expert committee appointed by the State government to look into the incidents of fish death in the Periyar.

He said water quality had deteriorated

considerably in the area and there seemed to be no let-up in the situation. There was the

possibility of water quality deteriorating further, leading to more incidents of fish death. Large number of black balls of leachet, which was formed by the accumulated effluents, could be seen floating in the water in the region, he said.

Incidentally, protestors had blocked a team of researchers from the university who had reached the area after fish death for collecting water samples as part of the regular rapid water quality monitoring programme.

Environmental activists had protested against the incidents and tension was prevailing in the region following the incident. The officials of the Kerala State Pollution Control Board (KSPCB) had also filed police complaints following the violent incidents.

Mr. Nandan said the university would write to the authorities for providing protection to the researchers. Water samples had to be collected at different depths at least thrice a week for detailed analysis. The data of Dissolved Oxygen (DO) level provided by the government agencies needed to be critically evaluated, he said.

The government-appointed committee headed by the Chairman of the KSPCB has been asked to look into the reasons for fish kill and suggest measures to prevent its recurrence. Meanwhile, the officials of the Kerala State Pollution Control Boardsaid all the fish kills that took place in the region were linked to the operations of bunds constructed in the river. All the fish deaths in the region coincided with the opening of the shutter. In the latest incident too, one of the shutters of the bund was lifted a couple of days ago and the water in the upstream area with low dissolved oxygen content mixed with water down streams, leading to fish kill. The board had been regularly monitoring the water quality of the region. The DO level recorded in the region was zero during the past few days, he said.

water quality had deteriorated considerably in the area and there seemed to be no let-up. There was the possibility of water quality deteriorating further, leading to more fish kill Bijoy Nandan, Associate Professor of the School of Marine Sciences of CUSAT

### Organic fair in city a big draw



KOCHI, April 7, 2014 Around 30,000 people
visited the 9th Organic
Kerala Fair in the city. The
focus of the 4-day fair this
year was rice and tuber
crops.— Photo:Vipin
Chandran

: The four-day ninth Organic Kerala Fair that ended here on Sunday at the Rajendra Maidan was a big draw with an estimated 30,000 people visiting the different exhibits and participating in discussions on organic agriculture and produces. Organised jointly by the Organic Kerala Charitable Trust; Sacred Heart College,

Thevara and the Rajagiri Outreach, the fair focussed on the special rice varieties in Kerala and the place of tuber crops in Kerala's food basket.

A spokesman for Organic Kerala Charitable Trust said the number of visitors to the exhibition was much larger than in the previous years despite the fact that campaigning for the Lok Sabha elections was in full throttle.

More than 200 organic produces and products, including farm produces like mango, jackfruit, bananas, vegetables and rice, were on display at the stalls. The organisers' only complaint was of shortage of fruits as visitors were eagerly looking to buy the produces on display.

Rice varieties like Njavara, Jeerakasala, Gandhakasala and varieties of Matta from Palakkad were on display. Besides rice, the exhibition had its focus also on tuber crops like cassava and different varieties of yams that have traditionally been part of the Kerala food habit. Over the years, the place of the tuber crops have receded due to neglect and lack of awareness, said the spokesman for Organic Kerala Kerala Charitable Trust. He said the organisations behind the Organic Fair planned to focus on the importance of these crops over the next two years.

A class on adopting organic methods of cultivation and the potential for organic cultivation in the State was part of the four-day proceedings.

Exhibition of locally produced seeds and a food fair under the aegis of the district mission of Kudumbashree poverty eradication mission were also part of the programmes over the four days. A seminar on green policy and interactions with farmers who have adopted organic methods of cultivation were some of the highlights of the four-day programme.

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### Weather

#### Chennai - INDIA

Humidity: 66

Wind: normal

Today's Weather Tomorrow's Forecast Monday, Apr 7 Tuesday, Apr 8 Max Min Max Min Sunny 33° | 26° Sunny 33° | 27° Rain: 0 Sunrise: 06:04

Extended Forecast for a week

| Wednesday  Apr 9           | Thursday Apr 10            | Friday Apr 11              | Saturday Apr 12       | Sunday<br>Apr 13      |
|----------------------------|----------------------------|----------------------------|-----------------------|-----------------------|
| ₫ <sup>*</sup>             | Š                          | ₫                          | Č                     | Č                     |
| 33°   27°<br>Partly Cloudy | 35°   25°<br>Partly Cloudy | 36°   25°<br>Partly Cloudy | 31°   26°<br>Overcast | 31°   26°<br>Overcast |

Sunset: 06:20

Barometer: 1005

#### THE TIMES OF INDIA

## Garbage piles up as KMC plan fails to convince farmers

KOLHAPUR: The civic body has an uphill task in hand - the problem of dumping of piles of garbage with its plan to distribute decomposed waste as fertilizer to farmers free of cost finding no takers.

About three lakh tonnes of garbage are piling up at the Kasba Bawada site for the last three years - the chunk of the waste being inert material and fertilizers decomposed from the garbage. To facilitate fast clearing of the ground for setting up a waste-to-energy plant, the Kolhapur Municipal Corporation (KMC) had proposed distribution of the decomposed garbage free of cost among the farmers. But with no one coming up to collect the decomposed garbage, the civic administration is in a spot finding space to dump the waste.

On Saturday, it was found that the civic administration was dumping the inert material along the decomposed garbage in a lagoon located near a sugar factory in Kasba Bawada. The Maharashtra Pollution Control Board has directed the KMC to remove the garbage dumped in the lagoon, as the action violates the environment protection act.

Burhan Naikawadi, a civic activist and secretary of Prajasattak Samaj Seva Sanshta, said, "The civic administration is supposed to dump the decomposed garbage at a safe place. It had decided to distribute it among the farmers but has actually done nothing to convince them to use the fertilizers. The KMC is now dumping the waste in the lagoon. This action is environmentally hazardous as the leachate from the garbage may seep into the ground and pollute water resources."

The civic administration had identified an unused quarry in the Takala area to dump the inert material. But according to the guidelines of Municipal Solid Waste Management Act 1999, the quarry should be prepared by scientific land filling methods. "The landfilling site at the Takala is not ready because of the KMC's apathy. It will take around three to four months to complete the process. The quarry should be prepared immediately to ensure that incidents such as dumping of waste in the lagoon is not repeated," said Naikawadi.

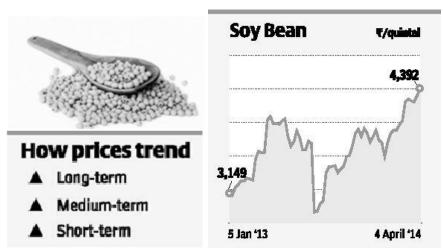
During a recent meeting of the city monitoring committee, the civic administration has decided to use the decomposed garbage as fertilizer in its 54 gardens. But this plan also failed to take off because of lack of manpower with the garden department.

P D Padalkar, the acting sanitation inspector of KMC, said, "We have started removing the garbage dumped in the lagoon. Also, we have identified the temporary site near Mudshingi village till the Takala landfill sites gets ready. We will once again to appeal farmers from nearby villages to collect the decomposed garbage, which is a quality fertilizer."

The city generates about 160 tonnes of garbage a day. According to the Environment Status Report 2012-13 of KMC, compostable matter in the garbage amounts to about 45%, while about 43% is inert material or construction debris. The reaming 12 % of the matter consists of rubber, metals, glass and paper.

## Business Line

### Weather gods to soyabean's rescue



Damage caused by excess monsoon and the recent hailstorm have reduced the output The soyabean futures contract on the NCDEX has rallied 55 per cent from the lows in July last year. In the past few months, projection of lower output from Brazil and Argentina following dry weather has helped prices surge.

Brazil's share in global soyabean exports is about 40 per cent, while Argentina contributes 8 per cent.

However, in spite of the expected fall in production in South America, the US Department of Agriculture (USDA) expects global soyabean production to rise in the 2013-14 crop year ending September.

It has estimated production to increase by 6.7 per cent in 2013-14 to 285.4 million tonnes. This is only a tad lower than the earlier estimate of 287.7 million tonnes. This suggests that the impact of the dry weather could be temporary and further sharp rise in the soyabean price could be limited.

In India, soyabean production in 2012-13 is estimated to have been higher by 20 per cent. But in 2013-14, there could be a 15 per cent drop in production (to 124.5 lakh tonnes) from the first advance estimates, says the Indian Agricultural Ministry.

Damage to the crop from excess monsoon rains and the recent hailstorm are cited as the cause for the lower output estimate. On the demand side, the USDA expects soyabean consumption in India to come down by a per cent to 112.5 lakh tonnes in 2013-14 from 113.5 lakh tonnes in 2012-13.

Though consumption is expected to come down slightly, lower production could keep domestic prices under pressure.

#### Outlook

**Long-term view**: The long-term trend for the NCDEX soyabean futures contract is up. The price has sharply recovered after tumbling about 44 per cent from the high of Rs. 5,064.5 in July 2012 to Rs. 2,838 in July 2013. Key long-term support is at Rs. 3,250. The outlook will remain bullish as long as the contract trades above this level and it can target the previous high of Rs. 5,064 in the coming months.

**Medium-term view**: The medium-term trend is also up. However, there is only little room left for the contract to rise further. An important medium-term resistance is at Rs. 4,700 which could halt the rally.

A reversal from this resistance will drag the contract lower to Rs. 4,000. On the other hand, if the contract manages to breach Rs. 4,700, then it can move to Rs. 4,900.

The 100-week moving average currently at Rs. 3,667 is an important support. Only a decline below this level will turn the medium-term outlook bearish.

The subsequent target on such a fall will be Rs. 3,400.

**Short-term view**: NCDEX soyabean futures contract, which was trading in a sideways range between Rs. 4,150 and Rs. 4,350, witnessed a bullish breakout from this range last week. However, the contract has not gained enough momentum for a strong rally. If it can sustain above Rs. 4,350, a rise to Rs. 4,500 and Rs. 4,600 looks likely in the short term.

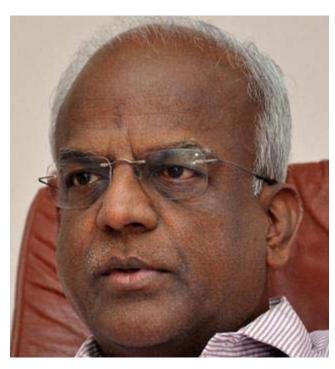
On the other hand, a decline below Rs. 4,350 can put the contract back into its Rs. 4,150- Rs. 4,350 range once again.

Only a break below Rs. 4,150 will turn the outlook negative which looks less probable now. The target on such a break will be Rs. 4,000.

#### **REALLY?**

The US is estimated to plant a record 81.5 million acres of soyabean in 2014 surpassing the previous record of 77.5 million acres planted in 2009

## 'Agriculture should emulate dairy sector'



Name RG Chandramogan Designation Chairman & MD Company Hatsun Agro Product

### WHAT should be the agenda for the new government?

·It should be corruption free

### WHAT would you like the new government to focus on?

·Agriculture needs renewed focus; water management, fertiliser management and increasing productivity per hectare and per worker must be focus areas ·Agriculture should emulate the dairy sector by procuring from the small and marginal farmers who should be provided with technical and knowledge

support

#### WHAT would you like the new government to do differently?

- ·Freebies have eroded the value systems of people. The new government should give people the means to a livelihood and ability to be independent
- ·Creating employment opportunities must become an absolute necessity

### WHAT are the pressing issues you would like the new government to solve with utmost priority?

- ·Speed up the process of getting justice
- ·Should move away from bureaucratic approach and enable faster systems and processes
- ·Income-tax laws must be simplified

#### WHAT are the signals that the new government should send out?

•Demonstrate that it will be consistently transparent and dependable for domestic and foreign players

### **Business Standard**

# Tea production up 7% in Apr-Feb to over 1.15 million kg



India's <u>tea production</u> in the April-February period of last fiscal rose by 7% to 1,152.91 million kg on account of higher output in Assam and West Bengal.

Production in the same period of 2012-13 was 1,073.93 million kg, according to the <u>Tea Board</u> data.

Output in Assam, the largest tea-producing state, was up by 5.19% to 608.89 million kg in the April-February

period of 2013-14, from 578.06 million kg in the comparable period.

Similarly, in another major tea producing state, West Bengal, production rose by 11% to 293.73 million kg from 265.36 million kg, during the period under review.

The combined production of tea in the south Indian states of Tamil Nadu, Kerala and Karnataka increased by 13% to 226.93 million kg in the April-December period of 2013-14 fiscal from 199.86 million kg in the previous year period.

Assam, West Bengal and South India are the major regions that account for about 90% of total tea output in the country.

Meanwhile, as per the Indian Tea Association latest estimates, tea production in the country has increased by 6.5% to 1,200 million kg till December in the the 2013-14 financial year, against 1,126.33 million kg in the same period of 2012-13 fiscal.

India is the world's second-largest producer and biggest consumer of tea.

## Maize prices decline on lower domestic demand: USGC



Maize prices continued to decline on the futures as well as spot centres last week by an average 1.2% to Rs 13,174 tonne, mainly due to lower demand, according to the US Grains Council.

"Corn continued to tumble as there is lower demand from poultry due to lower price realisation. On all India average prices have moved lower last week by 1.2% to Rs 13,174 per tonne," <u>USGC</u> India Representative Amit

Sachdev said.

Prices were reported to be down in Andhra Pradesh by 1.39% to Rs 12,572 per tonne, in Gujarat by 5% to Rs 12,804 per tonne, Rajasthan 2.96% to Rs 13,600 per tonne and Uttar

Pradesh 0.31% to Rs 14,197 per tonne.

However, prices were reported to be marginally up in Karnataka by 0.11% at Rs 12,014 per tonne, Madhya Pradesh by 0.34% at Rs 12,014, Maharashtra 0.40% at Rs 13,283 per tonne and Tamil Nadu 1.59% at Rs 13,404 per tonne.

In the futures (NCDEX) maize April contract was down by 2.98% to Rs 11,380 per tonne, May by 1.60% to Rs 11,670 per tonne and July down 1.05% to Rs 12,290 per tonne.

Spot prices were down in Karimnagar by 0.16% at Rs 12,780 per tonne and in Gulabbagh by 0.78% at Rs 13,720 per tonne.

There is anticipation of a large crop, which is leading to lower prices, Sachdev added.

However, maize prices were reported up in Nizamabad by 1.89% to Rs 12,657 per tonne, Davangere 0.39% to Rs 12,800 per tonne and Sangli 0.44% to Rs 12,850 per tonne.

Meanwhile, maize prices moved up in the US on higher domestic and international demand.

# Onion prices to rise on crop damage, stock building



Onion prices are likely to start rising in two-three weeks, when the <u>rabi crop</u> hits mandis. This is because groups of traders and stockists may start building large inventories to book profits, owing to fears of a shortage following damage to the onion crop by unseasonal rains and hailstorms.

The increasing focus on storage, however, will help farmersrecord high prices for their produce.

"Unlike past years, when stockists were the only ones building stocks for release during the lean season, this year, farmers have also joined the bandwagon. Therefore, the quantity of release to mandis is unlikely to hit any remarkable high this year. Farmers will steadily release the quantity in small lots and wait for price appreciation. It is, therefore, sure prices will not go down from current levels. In fact, it will start moving up in a few weeks," said R P Gupta, director, Nashik-based National Horticulture Research & Development Foundation.

Onion prices have remained range-bound, being traded at Rs 9.5 a kg, almost unchanged through the past month. "Onion prices have held their levels and this indicates stockists are very sensitive this year; they anticipate prices to rise in the coming weeks, in the manner seen last year," said Atul Shah, director, Agricultural Produce Marketing Committee, Pimpalgaon.

Before the rains and hailstorms, India's onion output was estimated to hit a record 19 million tonnes (mt) in 2013-14, against 17.51 mt in 2012-13 and 16.8 mt in 2011-12. But now, the output is expected to decline by 10 per cent, owing to the damage to the crop.

"Late-season kharif crop, which has a shelf life of up to three months, saw severe damage—15-20 per cent—in Maharashtra, Madhya Pradesh and parts of Karnataka. There is no report of damage to the onion crop in other parts of the country," said Gupta.

Last year, a sudden spurt in prices had forced the government to import onions. Despite that, retail prices hit Rs 100 a kg. To lower prices, the government had raised the minimum export price to \$1,200 a tonne; subsequently, this was withdrawn completely, as prices fell to Rs 9-10 a kg in retail markets.

### Grain stocks at 4-yr low



The Food Corporation of India (<u>FCI</u>) has started <u>wheat</u>procurement for 2014-15. <u>Stocks</u> are at a four-year low. The procurement drive is expected to gather steam in the coming weeks.

According to FCI data, <u>foodgrains</u> stocks in the central pool were 38.11 million tonnes (mt) on April 1, 2014, against 59.75 mt on April 1 last year. The last time FCI had less stocks than current levels was on April 1, 2009 — at 35.58 mt.

Notably, while the stock levels are lower compared with previous years, the stocks are higher than the required quantity of 21.2 mt as on April 1.

According to experts, this could save FCI from storing stocks in excess of its storage capacity

as and when the procurement season draws to a close, some time in June.

The drop in overall foodgrains (wheat and <u>rice</u>) stocks in the central pool has been largely due to lower-than-anticipated wheat procurement in 2013-14 and a 30 per cent drop in procurement of rice against the target, which pushed down

the foodgrain stock in the central pool.

In 2013-14, FCI purchased about 25 mt of wheat against a target of 40 mt, while rice procurement till date was estimated

Although rice procurement continues till September (rice crop year is from October to September), bulk of the purchases would be over by March. The corporation has self-owned and hired storage capacity of over 72 mt.

From the 38.11 mt of foodgrains stock, wheat were estimated to be around 17.83 mt, while rice was estimated at 20.27 mt. April is the crucial month for FCI, as this is the time when procurement of wheat starts in full swing across the country and the stock position shows signs of deteriorating. It also signals the way things would move in the coming months.

at about 26 mt against a target of 34 mt.

Meanwhile, in a related development, FCI has procured the highest quantity of <u>maize</u> since 2009-10 as bumper harvest pulled down market rates.

According to a senior government official, till March 31, 2014, FCI procured around 109,000 tonnes of maize, which was among the highest since 2009-10. In 2012-13, FCI procured just 2,243 tonnes of maize.

Other officials said apart from a drop in price due to bumper harvest, the Corporation is also purchasing maize to meet the requirement of coarse cereals under the National Food Security Act.

Industrial grade maize, used by the feed meal and processing industry, is priced at Rs 1,145-1,200 a quintal in the open market - much below the government-fixed maximum selling price of Rs 1,310 a quintal. India's maize production in 2013-14 kharif season is estimated to be around 18 million tonnes and for the full year, it could be over 23 million tonnes.

| Foodgrains Stocks in Central Pool (in million tonnes) |        |  |  |
|---|--------|--|--|
| Date  | Stocks |  |  |
| 1-Apr-14  | 38.11  |  |  |
| 1-Apr-13  | 59.75  |  |  |
| 1-Apr-12  | 53.39  |  |  |
| 1-Apr-11  | 44.31  |  |  |
| 1-Apr-10  | 43.3   |  |  |
| 1-Apr-09  | 35.58  |  |  |

Note: foodgrains include both rice and wheat

Source: Food Corporation of India

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