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Voluntary - Public

Date: 8/6/2010

GAIN Report Number: IN1069

India

Post: New Delhi

Weekly Highlights and Hot Bites No. 31

Report Categories:

Agriculture in the News

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Report Highlights:

* Kharif sowing sees shift from oilseeds to pulses*, *Maharashtra sugar output may jump 18 percent in 2010-11*, * July oilmeal exports up: sea*, *Russian crop failure a boon for India wheat exporters*, *Food grain position to be exceptionally well: Pawar*, *India, Argentina ink pact for co-operation in agriculture*, *Monsanto explores partnerships with government to offer new biotech traits*, *Best July in 5 years as rains pound north*, *Rich families outnumber poor in growing India*, *Paddy sowing gathers pace with rains*.

General Information:

Welcome to Hot Bites from India, a weekly summary of issues of interest to the U. S. agricultural community. The report includes information that has been garnered during travel within India, reported in the local media, or offered by host country officials and agricultural analysts. Press articles are included and summarized in this report. Significant issues will be expanded upon in subsequent reports from this office. Minor grammatical changes have been made for clarification.

DISCLAIMER: Any press summary contained herein does NOT reflect USDA's, the U.S. Embassy's, or any other U.S. government agency's point of view or official policy.

KHARIF SOWING SEES SHIFT FROM OILSEEDS TO PULSES

According to the Agriculture Ministry's latest kharif crop acreage data, the progressive area sown under pulses (red gram, green gram and black matpe) is up almost 1.2 million hectares compared with last year. Agriculture Ministry officials say that timely rain along with promise of better prices have led farmers in Maharashtra to divert a large area that would have been normally sown under soybean to pulses. In fact, soybean area in Maharashtra is lower at 2.4 million hectares compared with 2.7 million hectares planted last year. In Madhya Pradesh soybean acreage declined marginally to 5.08 million hectares vis-à-vis 5.1 million hectares last year mostly due to poor rains. Oilseeds area in general is lower this year, with the only real increase taking place in groundnut.

[The Hindu Businessline](#)

MAHARASHTRA SUGAR OUTPUT MAY JUMP 18 PERCENT IN 2010-11

According to the Maharashtra State Cooperative Sugar Factories Federation (MSCSFF), sugar production in Maharashtra is likely to increase by 18 percent to 8.5 million tons in (October-September) 2010-11 crop year as farmers received a record price for their cane in the 2009-10 crop year. Apart from a likely increase in area by 200,000 hectares to 1 million hectares IN 2010-11, yields are expected to improve to 83 tons per hectare from 78 tons per hectare in the review period. In the current crop year (2009-10) ending in September, Maharashtra is estimated to produce 7.2 million tons of sweeteners as against 4.6 million tons in the previous year.

[Business Standard](#)

JULY OILMEAL EXPORTS UP: SEA

According to the Solvent Extractors Association (SEA) of India, oilmeal exports rose an annual 39 percent to 241,182 tons in July and were 52 percent higher than the previous month. A weaker Indian

currency helped boosted sales to China, Japan and South Korea. Soymeal exports nearly trebled to 166,632 tons in July from 58,268 tons last year. Total oilmeal exports during the first quarter of Indian fiscal year 2010/11 dipped marginally to 777,882 tons vis-à-vis 787,857 tons last year.

(Source: Business Line, 08/06/10)

Sea of India

RUSSIAN CROP FAILURE A BOON FOR INDIA WHEAT EXPORTERS

As Russian wheat prices rally, a rare opportunity is knocking at India's door for exports of wheat, maybe without a subsidy. Wheat of Russian origin may soon touch \$280 fob from prevailing \$180 fob prevailing at the end of June. Indian policy makers may consider authorizing 4 to 5 million tons of wheat exports from FCI as this will not only generate cash revenues but will make space for coming kharif rice crop. FCI has around 33 million tons of wheat stored as of July 01, 2010 (buffer norm is 17 million tons). (Source: Economic Times, 08/06/10)

FOOD GRAIN POSITION TO BE EXCEPTIONALLY WELL: PAWAR

According to union agriculture minister Sharad Pawar, the food grain position in India should be exceptionally well due to satisfactory rainfall across the country. According to the Weather Bureau Forecast, there is going to be approximately 102 percent rainfall in August across the country. Pawar also hoped that growth of Indian agriculture and allied sectors to be substantially higher than four percent this year, largely due to satisfactory progress of monsoon and government programs.

(Source: Business Standard: 08/01/10)

INDIA, ARGENTINA INK PACT FOR CO-OPERATION IN AGRICULTURE

India and Argentina signed a joint agreement agreeing on Monday, August 2, 2010 to develop technical and professional cooperation in the agricultural sector and foster the trade of plant and animal products between the two countries. The two countries signed a joint agreement recognizing the benefits of cooperation in the field of agriculture and its allied sectors, including the agro industrial sector, towards economic and social development of the two countries.

The Economic Times

MONSANTO EXPLORES PARTNERSHIPS WITH GOVERNMENT TO OFFER NEW BIOTECH TRAITS

The seeds and agrochemicals division of Monsanto India is in talks with the government to offer

biotechnology traits like weed control, draught tolerance, and nitrogen applications in varietal crops like wheat, sugarcane, mustard and soybean. According to the director of Mahyco Monsanto Biotech (India), “To innovate and discover biotechnology traits like increased draught tolerance traits in soybeans or lesser applications of nitrogen in wheat and reduce insect damages, the company will need to invest more than USD 100 million for a span of 10 years and this can happen with the support of the government”.

Business Standard

BEST JULY IN 5 YEARS AS RAINS POUND NORTH

India has just had the best July in five years in terms of recorded monsoon rainfall (302mm). The last time it rained more than 300 mm (all India area weighted) was in 2005. But the similarity ends there. In 2005, a surplus July was followed by a deficient August. This year the Indian Meteorological Department (IMD) is predicting August and September to be surplus. So, it is probably going to be a repeat of 2006, where the monsoon began weak only to gradually gain strength in later months. A common denominator deciding the course of events, five years apart, is the redoubtable game-changer located to the east – a La Nina in the East Equatorial Pacific. By the look of things, La Nina may already have started impacting weather this side of the Pacific as evidenced in heavy rains and floods in China, India and Pakistan. It could expectedly get worse going forward, with the IMD predicting rainfall at 107 per cent above the long-period average (LPA) for the country. A Fresh monsoon surge has brought widespread rainfall over parts of central and adjoining Northwest India during 24 hours ending Sunday morning.

The Hindu Businessline

RICH FAMILIES OUTNUMBER POOR IN GROWING INDIA

The growing economy has spun a wheel of fortune for Indians, with high income household outnumbering those in the low category for the first time at the end of 2009-10, according to estimated made by think-tank National Council of Applied Economic Research (NCAER). India has 46.7 million high income households as compared to 41 million in the low income category, as indicated by the NCAER estimate on earnings and spending. The data shows how the country has come a long way in the last 10 years in raising income standards. In 2001-02, the number of high income families was only 13.8 million out of 188.2 million households, whereas those in the low income category stood at 65.2 million.

Asianage

PADDY SOWING GATHERS PACE WITH RAINS

Paddy transplantation is in full swing in key rice growing states barring a few pockets in Bihar and Jharkhand, as the monsoon has gathered steam in most parts of the country. Paddy sowing has been slack in some areas of Bihar and Jharkhand because of insufficient rains. Key agriculture scientists said even in regions where rainfall has been less, transplantation would start in the next few days as the Indian Metrological Department (IMD) has already predicted widespread showers in the next two days across the main rice- growing states. The director of Cuttack based Central Rice Research institute said “We will take stock of the situation after August 15 to ascertain the final acreage situation.” A few districts of Haryana and Punjab, where paddy transplants have been damaged in the recent floods, are expected to transplant the Basmati variety which can be sown till end of August. Paddy production in 2009-10 fell by around 14% to 89.13 million tons because of delayed and deficient rains. Last week agriculture secretary PL Basu expressed the hope that rice production in 2010-11 could touch 100 million tons because of normal monsoon.

[Financial Express](#)

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