



USDA Foreign Agricultural Service

# GAIN Report

Global Agriculture Information Network

Template Version 2.09

Voluntary Report - public distribution

**Date:** 10/6/2006

**GAIN Report Number:** IN6092

## India

### Agricultural Situation

### Weekly Highlight & Hot Bites, #37

2006

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**Report Highlights:**

\*Farmer suicides blown out of proportion: Agriculture Secretary\*, \*Farm Policy change needed to check suicides\*, \*No duty free wheat imports after December 31\*, \*Modern food retailers go that extra mile to capture unbranded part of shopping basket\*, \*Experts discuss steps to raise wheat output\*, \*TNAU plans field trial of transgenic version of Bt Brinjal\*, \*Supreme Court stays fresh field trials of GM Crops\*.

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Includes PSD Changes: No  
Includes Trade Matrix: No  
Unscheduled Report  
New Delhi [IN1]  
[IN]

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.

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### **FARMER SUICIDES BLOWN OUT OF PROPORTION: AGRICULTURE SECRETARY**

In a recent speech, at the Agri-Marketing Summit 2006, Ms. Radha Singh, Secretary, Department of Agriculture and Cooperation stated that the press has done a good job reporting on the underside of the causes of farmer suicides. Ms. Singh said that recent data "debunks the current perception that there has been an unprecedented rise in the number of farmers' suicides in India". (Source: Business Line, 09/30/06)

### **FARM POLICY CHANGE NEEDED TO CHECK SUICIDES**

The National Commission on Farmers will release its fifth and final report in which it calls for a policy approach to deal with the agricultural situation, which has led to farmers suicides. The panel said the Agriculture Ministry should be restructured and renamed the Ministry for Agriculture and Farmers' Welfare. The panel also called for soft institutional credit to farmers at 4% interest rate. (Source Financial Express, 10/06/06)

### **NO DUTY FREE WHEAT IMPORTS AFTER DECEMBER 31**

Agriculture Minister Sharad Pawar denied any possibility of extending the concession of duty free import of wheat by private trade beyond the scheduled date of December 31, 2006. He added that government will not import any more wheat beyond the contracted 5.5 million tons, and all imported wheat was arriving as per schedule. (Source: The Financial Express, 09/30/06)

### **MODERN FOOD RETAILERS GO THAT EXTRA MILE TO CAPTURE UNBRANDED PART OF SHOPPING BASKET**

Modern retail formats in India are seeking a share of the unbranded portion of the shopping basket, which constitutes as much as 60 percent of total food purchases. Food retailers are offering live-kitchen-formats like home style gravies, kneaded dough, cooked rice, freshly ground coffee, local cheese, cut vegetables, and specialty cuisines. The \$6 billion Indian food industry, which constitutes 44 percent of the food sales, is growing at 9 percent per annum and has set a growth pace for modern retail food formats. Reliance Retail too is looking very closely at this unbranded share of the Indian consumer's food basket. (Source: Economic Times, 09/25/06)

### **EXPERTS DISCUSS STEPS TO RAISE WHEAT OUTPUT**

Concerned over stagnation in wheat production, the Planning Commission held a meeting to discuss steps to increase wheat production to meet growing demand. The meeting attendees included vice chancellors of select agriculture universities, officers of state governments, wheat experts and economists. It was felt that there was not much scope to increase wheat production in Punjab and Haryana. But, there is a need to tap potential areas of Bihar, Uttar Pradesh and Madhya Pradesh to enhance wheat production. It was felt that about 1 million hectares in additional area can be brought under wheat cultivation in states

like Gujarat, Rajasthan, Uttar Pradesh, Chattisgarh and West Bengal because of suitability of agro-climatic conditions, irrigation infrastructure and crop practices. (Source: Tribune, 09/23/06)

#### **TNAU PLANS FIELD TRIAL OF TRANSGENIC VERSION OF BT BRINJAL**

Tamil Nadu Agriculture University (TNAU) has planned to go ahead with its program for the transgenic version of the same crop, wherein they plan to conduct field trials in early 2007. The Director of TNAU Centre for Molecular Biology informed that when these lines are approved, it will be probably the first GM edible crop. The proposed field trial of Mahyco Bt brinjal has faced some controversy and the Genetic Engineering Approval Committee has set up an in-house panel to review the claim. NGOs have set up a panel of independent scientists to study hazards associated with Bt brinjal hybrids. It is not clear whether TNAU's Bt Brinjal or Mahyco's Bt brinjal hybrid would be the first food crop to be approved in the country. According to government sources, a number of transgenic crops like Bt rice, leaf curl resistant and delayed ripening tomatoes, potatoes with enhanced levels of essential amino acids, GM mustard and bollworm resistant pigeon peas are in the making. (Source: Financial Express, 09/30/06)

#### **SUPREME COURT STAYS FRESH FIELD TRIALS OF GM CROPS**

The Supreme Court has passed an interim order, during the first hearing of a case filed by Aruna Rodrigues, to stop granting any net new approvals for the field trials of biotech crops. The next hearing is scheduled for October 13, 2006. The government has also been directed to instruct GEAC to investigate the issue more closely. The ongoing field trials of Bt brinjal and Bt cotton will not come under this order. (Source: The Hindu Business Line, 09/23/06)

#### **RECENT REPORTS SUBMITTED BY FAS/NEW DELHI**

<b>REPORT #</b>	<b>SUBJECT</b>	<b>DATE SUBMITTED</b>
IN6088	Weekly Highlights & Hot Bites, #36	09/29/06
In6089	India: Exporter Guide: Annual	10/06/06
IN6090	India: Grain & Feed: Monthly Lock-up Report - October	10/03/06
IN6091	India: Oilseeds and Products: Monthly Lock-up Report – October	10/04/06

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