

RAIN-GRAIN EQUATION



Sowing Area under kharif 2012 season (in lakh hectare)

Crop	Area on July 20, 2012	Normal area this time of year
Rice	145	153
Coarse cereals	95	126
Pulses	40	52
Oilseeds	109	110
Sugarcane	53	47
Cotton	84	90
Jute and mesta	8	9

Worries for government

1 To distribute locally at near-market prices or export when global prices are low, which would need subsidising exporters. Politically-tough call because Europe uses grain as cattle-feed

2 Pulses and oilseed production to take a hit. How to control speculation and prices

3 Marginal farmers growing coarse grains in distress across states

Foodgrain situation (in mn tonnes)

Procured so far
82

Distribution to poor
52

Additional grains to be given under PDS
BPL 5 APL 1

- Grains to be sold in domestic market at small subsidy: **3 mn tonnes**
- Requirement for National Food Security Bill by 2013: **62 mn tonnes**
- Grains exported so far without subsidy to exporters: **57 lakh tonnes non-basmati rice and 13 lakh tonne wheat. Further 6 lakh tonnes on way**
- Grains planned to be exported by giving Rs 1500 crore subsidy to exporters: **2 million tonnes**