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THE HINDU

Showing them a new way of life



Imagine a 3D printing shop in a small town or a farmer using a pilotless plane to monitor crop health in his remote village.

These are no modern fairy tales, but active ideas that have set some rural places in Karnataka abuzz in recent months.

In Gadag's Nargund taluk, Prakash (28) is ready to invest Rs. 50,000 and be the first to offer 3D printing service at his hometown.

Cotton farmer S.S. Hatibada, from the same place, dusted his idling smartphone and learnt how to use Facebook and WhatsApp. He now checks commodity prices and weather forecasts on his phone.

It all started when the two, along with thousands of rural folk across Karnataka, were treated to a day-long 'Internet Santhe' at the local school auditorium a few months back.

They were among the 8,000 students, pensioners, self-employed, housewives, and farmers from 10 taluks of Gadag, Tumakuru, Bagalkot, Bidar, Yadgir, and Koppal districts who, in separate sessions, learnt basic computer skills and how to access the Internet, search, browse and e-mail.

Bengaluru-based social enterprise Head Held High Services, in partnership with Idea Cellular and Microsoft, hosted the programmes between November last year and March.

The participants got to dabble in social media and applications for e-commerce, fitness and finance on their phones. Not to mention their brush with digital games on the Xbox 360 Kinect, Google Goggles and new technologies like robots, agricultural drones or 3D printers.

Digital drive

“India has a digital footprint of 205 million users. However, only 60 million are from rural India,” Madan Padaki, co-founder and CEO of Head Held High Services, told *The Hindu*. “The idea behind the santhe was to take Internet to Karnataka’s villages and create a network of entrepreneurs, who can use technology to transform the way they live and work.”

Mr. Padaki, who wants to take the santhe across the country, said 700 of those who came to the programme were keen on taking the next step. “Prakash wants to start a 3D printing business by [renting] some space in the local grocer’s shop. A few want to start gaming kiosks. Some farmers are keen on selling agricultural drones that we demonstrated to control pests and monitor crop health,” he said.

His next target — covering 200 taluks in Maharashtra, Madhya Pradesh, Telangana, Orissa, Gujarat, and Rajasthan over the next 12 months, along with NGOs and corporate partners.

Tobacco ryots pin hopes on CM’s China visit

Farmers' WISH LIST Given the lacklustre e-auctioning, farmers look forward to special export orders from China

- 1 Direct participation of international tobacco majors in e-auctioning will bail out the market, they say
- 2 Market intervention of Tobacco Board can ensure good profit for tobacco growers
- 3 Promotion of Indian tobacco free of pesticide residue and NTRM in new markets such as UK, Poland and Thailand

Naidu should make use of his China visit to bag special export orders of at least 20 million kg from Beijing

BEAR MARKET

- 1 The ryots, who contribute 50 p.c. of the 185 million kg produced in AP, have sold only 3.31 million kg till this week
- 2 Average price of e-auctioning stands at Rs. 119.32 per kg

Farmers bring mixed styles of tobacco to an auction platform in Ongole. - PHOTO: KANWAL SAINI/ANNA

Tobacco growers of Prakasam district have urged Chief Minister N.Chandrababu Naidu to bail them out by getting special export orders from China, with the e-auctioning remaining lacklustre even three weeks after the commencement of trade.

The ryots, who have contributed to more than 50 per cent of the State's total tobacco production of around 185 million kg this year, could manage to sell only 3.31 million kg of 'mixed styles' of the produce till this week, with a handful of buyers actively taking part in the e-auctions. "Mr. Naidu should make use of his China visit to bag special export orders of at least 20 million kg from Beijing," a group of farmers at the Ongole-II platform pleaded. They are pinning high hopes on the trade delegation to be led by Tobacco Board Chairman K. Gopal to Egypt later this month to promote Indian tobacco free of pesticide residue and non-tobacco-related material (NTRM).

"We expect the Chairman to explore new markets," they said, referring to the Board's efforts to woo international buyers from England, Poland and Thailand this marketing season.

The growers, who have produced 13 million kg of tobacco more than the authorised crop size of 172 million kg, could get an average price of Rs 119.32 per kg. While 2.32 million kg of bright grade tobacco fetched Rs. 122.60 per kg, buyers offered Rs. 111.99 per kg for trading 0.97 million kg of medium grade of the produce, Tobacco Board sources said, adding that 0.02 million kg of low grade produce got the ryots Rs. 90.36 per kg.

Trading in neighbouring Karnataka is yet to be completed, with 12.17 million kg of the total authorised crop of 101.65 kg remaining unsold. "The market is expected to pick up, once the e-auctions in Karnataka closes by April third week," said Tobacco Board Regional Manager G. Bhaskar Reddy.

"Farmers are a worried lot, with the traders forming into a cartel, denying fair prices to the bright grade tobacco," Virginia Tobacco Growers Association president Ch. Seshiah said.

The Centre should allow international cigarette manufacturing companies and international tobacco merchants to directly take part in the auctions, former Tobacco Board member Ch. Ranga Rao opined.

The Union Ministry of Commerce and Industry should ask the Tobacco Board to intervene in the market, said Mr. M. Bangara Babu, a farmer from Nagulapupadu.

Farmer weaves saree from rice straw



A 70-year-old farmer has garnered the attention of agricultural scientists at the Indian Council for Agricultural Research (ICAR) by turning useless rice straw into sarees and other decorative artefacts, including models of an agricultural plough.

Hailing from Venkannapalem of Parchur mandal in Prakasam district, Muvva Chinna Krishnamurthy's innovation got him an award from the ICAR here on Sunday.

At the Indian Institute of Rice Research here, he unveiled his latest – a saree made entirely of rice straw and weed. Among those who helped hold up the six-yard wonder for the audience to see and appreciate, were internationally-acclaimed scientists Robert S. Zeigler, International Rice Research Institute, Philippines and S. Ayyappan of ICAR.

When asked, he said that during harvest time on his 12-acre stretch of land, it was always a problem finding labour to bunch the paddy stalks and beat the grain. Then it would be bunched into a haystack for disposal. "In my childhood, I was told how the stalk could be dipped in water and after cutting it into thin strings, they could be rolled together to be used as rope. I added waste weed in my land to this and made strong thread," he explained.

It was then a matter of weaving it into fabric - in this case, a saree. It took him slightly over 30 months to end up with a saree that would make people look up and say 'wow'! And when he spread the six-yard wonder for the audience, jaws did drop.

His friend Bandaru Srinivas Rao, who is an ICAR awardee from Guntur, took the microphone and announced that he was offered Rs. 2 lakh for the sareebut did not part with it. Mr. Chinna Krishnamurthy has plans to weave other accessories including a blouse, handbag, shawl and even a whip.

Banana ripening chamber to be ready in May

Capacity of the ripening unit would be 50 tonnes and the refrigeration unit, 100 tonnes

The banana ripening chamber will be ready by May this year. The ceiling and air-conditioning works had been completed and the chamber will be thrown open to banana farmers, said N. Subbaiyan, District Collector.

Accompanied by officials, the Collector inspected the progress of the work on the erection of the chamber at Mannarsamuthiram village near Tiruvaiyaru on Friday.

He said the chamber was set up at an estimate of Rs. 1.74 crore, which was shared equally by the Centre under the National Agriculture Development Programme and the District Market Committee. Explaining the advantages of the chamber, the Collector said the capacity of the ripening unit would be 50 tonnes and the refrigeration unit 100 tonnes.

Scientific ripening with uniform yellow colour free from dust and fungus would ensure value-addition of the produce.

The Collector hoped that the chamber would benefit the banana growers in the district in a big way.

Horticulture

The Collector said the Horticulture Department was implementing a special subsidy-based programme under the Integrated Horticulture Development Programme in the district. High yielding saplings of vegetables and other species estimated at Rs. 47.22 lakh had been distributed with a 50 per cent subsidy to 3,825 farmers so far.

This apart, 539 farmers had adopted drip irrigation in 823 hectares of land at an estimate of Rs. 3.59 crore.

Under the National Bamboo Mission, 83 hectares of land would be brought under bamboo cultivation benefiting 110 farmers. The Collector inspected the inter-crop strategy adopted by a coconut farmer Kesavan at Tiruvalampozhil village . He had raised banana and cocoa in the grove.

Corporation tweaks road alignment to save trees



In a bid to save 80 trees, the Chennai Corporation has decided to alter the alignment of a road network that is to be developed near Ramanujan IT Park in Taramani.

Senior officials of the Corporation inspected the neighbourhood of Ramanujan IT Park on Saturday, exploring the possibility of saving the trees. “We have decided to drop the plan to remove the trees. The road alignment will be changed instead, leaving 80 trees untouched,” said an official.

The Corporation Council had passed a resolution on March 23, permitting the removal of 84 large trees for the project implemented under the Self Sufficiency Scheme, with a minimum public contribution of one-third of the project estimate.

Under the scheme, individuals, groups, institutions, public or private companies or the community is permitted to request the Corporation to construct roads, toilets, burial grounds, buildings or other civic facilities. Tata Realty and Infrastructure Ltd., one of the developers of Ramanujan IT Park, has contributed 50 per cent of the project cost, estimated at Rs. 7.1 crore.

The Corporation will contribute the remaining share, for the work covering road, stormwater drains, footpaths, medians and streetlights. “The work order for the project will be issued next week. Just four of the 84 trees will be removed from the area and replanted elsewhere,” said the official.

Tata Realty and Infrastructure Ltd. had requested the Corporation to permit widening of the road on December 8, 2014. The 750-metre-road

network, connecting the IT Park with Rajiv Gandhi Salai, will have an alternative alignment with many of the 80 trees serving as medians.

Previously, the Corporation removed hundreds of large trees on stretches such as Swami Sivananda Salai and Walajah Road for major projects.

Following protests by activists who complained of inadequate replacement of new saplings and large-scale failure of technology used for replanting, the civic body started putting off removal of trees for civic projects.

Solid waste management goes to the villages

While solid waste management (SWM) is still a problem in cities, including Chennai, the government has decided to initiate SWM practices in 2,000 village panchayats across the State.

The SWM activities will include collection, removal and safe disposal of waste with the participation of every member of the village using a habitation or cluster-based action plan, say Rural Development officials. Initially, villages with a population of more than 10,000, peri-urban panchyats, those with tourist/pilgrim/industrial centres and those abutting national highways will be covered on a priority basis.

About 200 villages in Kancheepuram and 130 in Tiruvallur — Chennai's neighbouring districts — will start SWM. As many as 140 villages in Vellore and 100 in Coimbatore districts will also implement the activities. In every habitation, Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS) workers are likely to be selected and involved in the SWM activities depending upon the need, as a major component of the funding – Rs 80 crore for 200 days for the first year of implementation – will be going towards workers' wages.

In any case, the total number of workers should not exceed the ratio of one worker per 150 households, the guidelines state. The government will also spend about Rs. 20,000 each for one tricycle per 300 households. Shredding and cleaning machines will be purchased in all districts.

Sensing the need for a sustainable solid waste management system in all the villages expeditiously in a phased manner, the government has realised that implementation of solid and liquid waste management on a project mode was a time-consuming process.

Any such project involved preparation of Detailed Project Reports (DPR) through technical experts, scrutiny of its sustainability and sanction at State level and creation of necessary infrastructure as per the project requirements.

Therefore, the Director of Rural Development and Panchayat Raj has suggested SWM with recycling and waste disposal facilities initially in 2,000 village panchayats.

A committee to monitor the day-to-day activities would be constituted. The grama sabha will conduct the social audit. The entire operations with budget and expenditure should be placed in all the grama sabha meetings to ensure transparency and also for suggestions and improvements, said Gagandeep Singh Bedi, secretary, Rural Development Department.

Krishna water, in the nick of time



With Poondi reservoir reaching dead storage, Krishna water, on its way to Chennai from Andhra Pradesh (A.P.), will be transferred to other reservoirs.

Water from Kandaleru reservoir was released into the 152-km-long Kandaleru-Poondi canal on Friday, as promised earlier by the A.P. government.

It is expected to touch Poondi reservoir by Tamil New Year's Day. While A.P. authorities have stepped up the discharge to 1,600 cubic feet per second (cusecs) of water, the Water Resources Department (WRD) here expects to receive about 500 cusecs as some quantity may be drawn enroute to meet the drinking water needs of Tirupati.

As Poondi reservoir is nearly dry, storing water there would mean more loss due to evaporation. Hence, the water received will be directly sent to reservoirs in Chembarambakkam and Red Hills.

The timely release of Krishna water comes as a relief to Chennai, facing severe water shortage as storage levels at the primary sources have hit rock bottom and will last only till mid-June.

Chennai is supplied with 600 million litres of water a day from other sources such as the desalination plant and the Veeranam tank in Cuddalore district. At present, the city reservoirs have a combined storage of less than 25 per cent of their capacity.

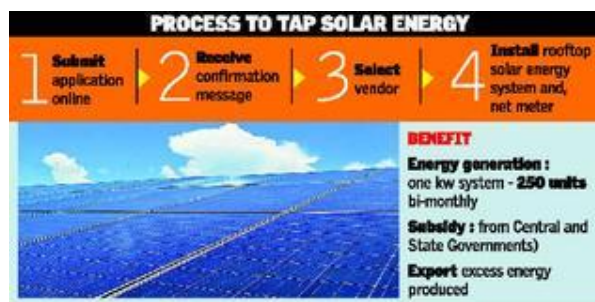
Patrolling

To ensure Krishna water reaches Chennai without much hassle, a joint team of Tamil Nadu and A.P. officials will patrol the canal and prevent illegal drawing of water.

Officials of WRD expect to receive 1,600 million cubic feet of water (mcft) in this spell. During the liaison meeting held in January, the A.P. government had agreed to release 3,000 mcft. However, city received only 1,300 mcft till March 21, after which the supply was suspended.

Meanwhile, WRD has taken up long-pending work to repair the damaged shutters at Poondi reservoir and link canal through which water is distributed to other reservoirs. Repairs costing nearly Rs. 3.5 crore are expected to be completed in a few months.

More houses in Coimbatore go in for rooftop solar energy systems



About 100 consumers in the city have submitted applications in the last six months to the Tamil Nadu Energy Development Agency for installation of rooftop solar systems. Almost 90 per cent of them are domestic consumers.

Sanction

Officials in the agency and Tamil Nadu Generation and Distribution Corporation (Tangedco) told *The Hindu* that nearly 50 per cent of the applicants had received sanction and installed the systems.

For the remaining, a fresh set of net meters (which are used to register energy export and import) were expected to be delivered only next week. There were software problems in the set of meters received earlier and hence the Tangedco was waiting for the new meters.

Subsidy

The Government gives subsidy for an electricity service connection for one kw solar energy system.

Apart from the applications received from the city, another 100 had come from different parts of the district.

Majority of the installations in the State were in Coimbatore district. It was getting about 15 applications a week.

The officials said that independent bungalows here were going in for rooftop solar energy systems.

There were applications from the Coimbatore Corporation and some commercial establishments too.

Response

The response was good because of better awareness, they said. This system was advantageous as a consumer can use the required solar energy generated and export the rest to the grid.

Move to use school ground for constructing bio-methanation plant condemned

The Coimbatore unit of the Marumalarchi Dravida Munnetra Kazhagam has condemned the Coimbatore Corporation's move to construct a bio-methanation plant in the civic body's R.S. Puram Boys' Higher Secondary School.

In a release, the party's State Young Wing Secretary V. Eswaran said that the party would not tolerate the misuse of school grounds for other purposes as the ground was students' property.

There were several instances in the past where the Corporation had misused school grounds: Amma eatery in Masakalipalayam school premises, and commercial complexes in R.S. Puram Girls' Higher Secondary School and Tatabad Middle School.

Instead of "misusing" Corporation school grounds, the civic body should focus on issues such as increasing student strength, improving quality of education, etc.

If the civic body were to go ahead with the construction of the plants, it would result in lorries very often entering the school premises with wet waste and that would result in students sitting amidst foul odour and a disturbing environment.

Mr. Eswaran further said that given the fact that the Corporation and government schools were the last resort of students from economically weaker sections of the society, the civic body should decide against setting up the plant on the school premises.

If not, the party would resort to agitations and knock on the doors of the judiciary for justice.

‘Know Your Forests’ programme

The Tamilnadu Forest Department has invited “young wilderness seekers”, aged between 14 and 18 years (Class VIII to XII), to explore the beauty of the Shola Forests of Kothagiri.

According to a press release, the programme, called “Know Your Forests” will take students for one day forest visit to Longwood Shola on April 19 and it will include a short trek inside the Shola Forest, bath at Kallar river and a bird’s eye view of the forest from Kodanadu view point.

“This is an attempt to bring youngsters closer to Nature and instil in them a love for forests,” said Anwardeen, Conservator of Forests, Coimbatore Circle. The Coimbatore Forest Division, the Nilgiris Forest Division and Oli Awareness Movement will organise the programme.

Contact number

For details and registration, contact: District Forest Office, Coimbatore Forest Division (0422-2456911) or Oli Awareness Movement (9486637403). Entry is restricted to first 50 members and registration closes by 5 p.m. on April 15. The entry fee is Rs. 500 and the students should pay the fees and submit a passport size photograph at the time of registration.

Award to Paddy Breeding Station

Paddy Breeding Station attached to the Tamil Nadu Agricultural Institute has been recognised as the best All India Coordinated Rice Improvement Project (AICRIP) institution.

According to a press release from the institution, Robert Zeigler, Director General, International Rice Research Institute, presented the award to the Station's head S. Robin at a ceremony held in Hyderabad on the eve of the golden jubilee of the AICRIP.

Improving rice varieties

The release said that the Station had contributed to improving rice varieties in the last 50 years.

TNAU Vice-Chancellor K. Ramasamy congratulated the team of scientists, researchers and workers in the Station.

Dindigul Corpn. to offer 30,000 water connections

Minister for Power R. Viswanathan laid the foundation stone for a new drinking water scheme, drawing water directly from Athoor dam for Dindigul Corporation, at an estimated cost of Rs. 70.5 crore here on Sunday.

Briefing media persons after laying the foundation stone, he said Dindigul Corporation would offer 30,000 new drinking water connections on completion of this project. It would also ensure water supply to all residents on a daily basis. (At present, water is supplied to the residents within the corporation limits once in eight days.)

The work would be executed in two years. But the contractors were advised to complete it within 18 months, the Minister said.

One overhead tank with a capacity of 10 lakh litres and three overhead tanks with a capacity of six lakh litres each would be constructed under this plan. Pumping main would be laid for a 24.88-km stretch and distribution pipelines would be laid for a total distance of 227 km.

He said a water treatment plant would be constructed in the dam site to process 16.8 MLD (million litres per day) of water. The 19.86-km-long existing main pipeline would be replaced with new 600 mm diameter pipes.

At present, the corporation had been drawing 9.6 MLD of water from Athoor Kamarajar dam through the existing scheme and 13.27 MLD of water from Cauvery Comprehensive Drinking Water Scheme.

The new scheme would ensure supply of 135 litres of water per person per day. The population of the city corporation would increase to 2.75 lakh in 2045 from 2.15 lakh at present. The new scheme would supply 29 MLD of water to the corporation immediately and 37 MLD of water in 2045.

Project to crowdsource solutions to farmers' problems launched

The district administration launched 'Idea Sangama', a project to crowdsource technical solutions to problems faced by farmers and others on Sunday.

Students of veterinary colleges, horticulture colleges, engineering colleges and first grade colleges participated and each student was asked to come up with at least one common problem and suggest solutions.

P.C. Jaffer, Deputy Commissioner, said that college students who come up with innovative ideas to address everyday problems will be supported.

Problems

Farmers suffered from problems like scarcity of custom-made farm equipment, damage to appliances due to low-quality power, wastage of agriculture and horticulture products due to lack of processing facilities and cold chain storage.

Simple solutions

But the good news is that most of these can be solved by timely application of simple ideas, he said.

"If you can come up with simple, workable projects the district administration will support you," he said.

The government will facilitate the development of technology by logistics support and mentoring by professionals. He hoped that some of the students could turn entrepreneurs if their ideas had potential for scaling up and commercialisation.

Crowdsourcing

Omshivaprakash H.L spoke about successful examples of crowdsourcing. Veerendra Patil, bio technology consultant, spoke about frugal innovation.

Khaja M., secretary, Rotary Club of Bidar , Subrahmanya Prabhu , director of Sharada RUDSETI , and others were present.

Rising mercury level brings cheer to tender coconut sellers



With the temperature rising steadily by the day, the price of tender coconuts is also increasing by the day in Maddur of the district.

The tender coconut market on the premises of the Agricultural Produce Marketing Committee (APMC) at Maddur is among the largest in Asia, even as over 100 merchants sell at least 3.5 lakh tender coconuts a day.

As per the data made available, over 1.4 crore tender coconuts have been sold at the Maddur market yard of 6.3 acres of land, since March 1 this year.

The demand and supply of tender coconuts have reached peak level because of increasing temperature. Owing to a similar rise in the demand for tender coconuts from other States, the entire produce is being sold out every day and yielding good returns to the merchants too, say the officials at the market.

13 crore coconuts

The merchants in the market yard had sold over 13 crore tender coconuts during 2014-15 and they are expecting to sell at least 16 crore tender coconuts this year.

On an average, merchants transport at least 3.5 lakh tender coconuts every day to Mumbai, Goa, Pune, New Delhi, Gujarat and other places. The demand has surged by at least 15 per cent in the past three weeks, according to Nanjunda, a coconut merchant.

Rs. 121 crore

The value of tender coconuts sold during the last fiscal was Rs. 120.72 crore, Jameer Saab, assistant secretary of the market, said. Nevertheless, the growers say that the benefits of rising demand for their produce were not reaching them.

It is middlemen/merchants who buy tender coconuts from growers at prices ranging between Rs. 6 each for relatively smaller ones and Rs. 10 each for larger ones. However, the tender coconuts are sold at Rs. 18 to Rs. 25 each to merchants in other States,” Kari Gowda of Somanahalli, told *The Hindu* .

Farmers grow coconut on nearly 1.5 lakh hectares of land in Mandya and produce around 15 crore tender coconuts a year. About 60 per cent of the produce is transported to other States and the rest is supplied to Mandya and other districts of Karnataka.

Farmers told to take up noni cultivation

Nagendra, principal of the TMAE Pharmacy College, on Saturday stressed the need to go for natural means to cure health disorders, associated with the modern lifestyle.

Inaugurating a workshop on the benefits of noni fruit here, he said health disorders like obesity, arthritis, diabetes were being attributed to consumption of junk food and sedentary lifestyle. Although Allopathic medicines offered temporary relief from illnesses. A major chunk of them were not free from side effects, he said. Researches had revealed that the consumption of the extracts of noni fruit, also known as *Morinda Citrifolia*, could cure these health disorders. Unlike allopathic medicines, the noni fruit extracts were free from side effects. There was an urgent need to create an awareness among people on the advantages of consumption of noni extracts and promote its usage.

M. Vasundhara, a professor in the University of Agriculture Sciences, Bengaluru, said that, along with the fruits, even the stem, roots, leaves and flowers of noni plant too had medicinal values. The oil extracted from noni seeds could be used for cooking also, she said.

The cultivation of noni had proved to be beneficial for farmers, as it could grow in any climatic conditions. Farmers should be trained in its cultivation and processing of its fruits, she said. The programme had been organised by the Department of Horticulture and ValYou. G.N. Srikanthiah, ex-director of the Department of Ayurveda, Yoga, Naturopathy, Unani, Siddha and Homeopathy and managing director of ValYou products Srinivasamurthy were present.

Horticulture research centre at Kadiyam soon

Member of Parliament from Rajahmundry Maganti Muralimohan has announced that a horticulture research centre will to come up soon at Kadiyam village, which is popularly known as the land of nurseries.

In an informal meet with the media persons from his entire Parliamentary constituency on Sunday here, Mr. Muralimohan said that he had identified certain issues which were of top priority when it came to spending his first year MP LADS funds and fifty percent out of Rs. 2.50 crores, he had given Rs.1 crore to Hudhud cyclone victims of Visakhapatnam, Rs.25 lakhs to Kashmir flood victims.

Nutrition security is the next big challenge: scientists

As rice research in India turns 50 years, the achievement of a record 106.5 million tonnes (MT) of rice, of total food grain production of 265.5 MT last year is being viewed as the country's pinnacle of glory. But if this is being considered as achieving the objective of food security, the next challenge is to ensure nutrition security, say scientists.

Apart from continuing research and development in low investment, high-yielding varieties of food grain, developing new strains of protein and zinc-rich rice and improving productivity were what occupied the minds of people at the inaugural of the Golden Jubilee Annual Rice Research Group Meeting here on Sunday.

The event is being hosted by the Indian Institute of Rice Research (IIRR), earlier Directorate of Rice Research, under the aegis of the Indian Council for Agricultural Research (ICAR).

These were the challenges, said Directors-General Robert S Zeigler (International Rice Research Institute (IRRI), Philippines), S. Ayyappan (ICAR), Deputy DG-ICAR J.S. Sandhu, and Project Director of IIRR V. Ravindra Babu in an interaction with the media after the inaugural session.

Mr. Zeigler appreciated the contribution of Indian scientists to agriculture and said India's initiative in 1965 by setting up an agency for rice research, now IIRR was a model emulated world-over. "India leads the world in food security and its strides in rice research have always been first-of-its-kind," he said.

No outsourcing

Mr. Ayyappan recalled that the only thing that could not be completely sourced from other nations is foodgrain, unlike computers or a mobile phone.

Hence it is all the more important that India keep ahead of the times, keeping the increasing population in mind and constantly come up with high-yielding varieties of foodgrain, especially rice, that were also high on nutrition content.

Mr. Sandhu pointed out that with the extent of land under rice likely to remain frozen at around 44 million hectares across the country, the only answer to feed millions is to improve productivity.

Delegation meets Pocharam

Later in the day, a delegation comprising Mr. Zeigler, DDG-IRRI, Bruce J. Tolentino and Principal Scientist (India & Nepal), J.K. Ladha, Prof. Jayashankar Telangana State Agricultural University (PJTSAU) Special Officer V. Praveen Rao and Director-Extension, D. Raji Reddy, called on Telangana Agriculture Minister Pocharam Srinivas Reddy.

The visitors discussed the agriculture scenario in the newly-formed State, with special reference to the Philippines model of low investment, high-yielding varieties of rice, water management, farm mechanisation and increasing productivity and exchange of post-graduate students.

A memorandum of understanding along these grounds is to be signed between IRRI and PJTSAU on Monday. The Minister told them that Telangana is interested in having an international rice research centre here with IRRI collaboration.

Birds add colour to cities



India became the country recording the second highest bird count at 735 species, after Ecuador with 784 species.

Professional and amateur bird watchers use a variety of tools today, including online portals to keep counts of species. They update this frequently. Thus, when the Great Backyard Bird Count (GBBC) was conducted in mid-February, India became the country recording the second highest bird count at 735 species, after Ecuador with 784 species.

As enthusiasts are aware, birds are most active early in the morning. The best time to watch them is between 6 and 9, with a peak in activity in between. Morning walkers spot many species in their backyard.

During the recent backyard bird count, participants in Uttarakhand came in first with 383 species, Tamil Nadu with 324, Karnataka with 322 and Kerala with 299. All these States have good bird diversity, and so do some others.

After the common crow, the other most frequently encountered species in India were common Myna, Rock Pigeon, Black Drongo, and Asian Koel, as per the GBBC.

What makes for a bird-friendly city? The online journal Nature of Cities, which has several trained specialist contributors, makes the following points: City planning must factor in biodiversity and conservation, bird baths and feeding areas, along with specific plant and tree species to attract birds. Cities without suitable vegetation and water bodies are bereft of birds.

Unlike agriculture, which is a monoculture, cities can be made biodiverse with several different types of trees. This actually makes them better placed to host a variety of birds than plain farms.

On the other hand, birds in cities are affected by the presence of free-roaming cats, large glass windows without glazing, a lot of lighting and steadily glowing red lamps.

From plate to plough: A Baisakhi gift for the farmer



Unseasonal rains are breaking the *back* of *Indian* farmers. The prime minister has taken the first step by deciding to raise the existing norms of compensation by a hefty 50 per cent — from the existing Rs 9,000 per hectare for irrigated crop, Rs 4,500 per ha for unirrigated crop and Rs 12,000 per ha for perennial crop. Further, the compensation will be given to all those who have suffered even one-third loss, relaxing the existing criterion of minimum damage of at least 50 per cent. Also, procurement quality norms for wheat have also been relaxed. All these steps are in the right direction and the Narendra Modi government needs to be commended for that.

But the central question remains: Is this enough to bring back smiles on the faces of Indian farmers? And the short answer is “Not really”. To understand better as to why Indian farmers will not be happy with this otherwise positive decision of the government, consider the following facts.

In this rabi season, the biggest crop that has suffered is wheat. The yield of wheat on irrigated tracts is between four to five tonnes per ha. Even if one takes four tonnes as the wheat yield on irrigated area, at a minimum support price of Rs 14,500 per tonne, the gross value turns out to be Rs 58,000 per ha. His out-of-pocket expenses, generally, are half of this gross revenue. One can now see that even a 50 per cent increase in the existing compensation norms of Rs 9,000 per ha will not recover the

out-of-pocket expenses he has incurred on various inputs. How he is going to survive for the next four to six months is beyond imagination. No wonder, under extreme desperation, many of them take unfortunate and extreme steps.

Obviously, compassion and slogans of “Jai Jawan, Jai Kisan” are not enough. We need better insurance policies that are rational and sustainable as business models. The current set of insurance policies under the National Agriculture Insurance Scheme (NAIS), Modified NAIS, and the Weather-Based Insurance Scheme (WBIS) have failed miserably to protect our farmers. The compulsory deduction of premiums from loans to farmers, who take institutional credit, basically protects the banks from potential bad debts, but not the farmers. The Modified NAIS and WBIS have very high premium rates, hovering around 10 per cent of the sums insured, based on three years’ average data collected for the kharif and rabi seasons. No wonder, as per the NSSO’s situation assessment survey of farmers for 2012-13, less than 5 per cent of farmers (presumably beyond loanee farmers’ accounts) opted for crop insurance. With 95 per cent farmers exposed to the risks of nature, insurance policies have a long way to go.

Why are crop insurance premiums so high in India? One key reason is the small scale of coverage, less than 15 million hectares (mha), in any typical crop season. In a country where the net sown area is around 140 mha and the gross cropped area hovers between 190-200 mha, insuring only 15 mha or so is peanuts. We need a major overhaul of our crop insurance system, and this is a good time to do so, converting a crisis into an opportunity to set a more robust and sustainable system in place. Before I suggest one, it will be good to take a quick look at how the world is insuring its crops and farmers from the vagaries of nature. Maybe we can learn something from international best practices.

The US and China are the world’s biggest crop insurers. In the US, the state supports almost 70 per cent of premiums paid by farmers. In China, the state used to support 50-65 per cent of premiums, which was raised to

almost 80 per cent in 2013. So the first lesson for Indian policymakers is that the state will have to pitch in heavily. Assuming that we need to have a minimum coverage of 100 mha, insurance experts tell us that premiums will fall to less than 5 per cent of sums insured, and may stabilise around 2.5 to 3 per cent. Even assuming that premiums will fall from 10 to 5 per cent, as the scale of insured area increases from, say, 15 mha to 100 mha, and if the sum insured is, say, Rs 30,000 per ha (Rs 40,000 per ha for irrigated crop and Rs 20,000 per ha for unirrigated crop, with equal weights), the premium required will be Rs 15,000 crore for 100 mha covered (or Rs 1,500 per ha).

If the state is ready to bear, say, two-thirds of this, one-third can be charged to the farmer. On a per hectare basis, the farmer's share will be only Rs 500 per ha as premium for an insurance cover of Rs 30,000 per ha — and this is very much a workable business model. If state governments are also taken on board under “cooperative federalism”, the Centre's share can be reduced to 50 per cent (Rs 750 per ha); while the state government's share can be 25 per cent (Rs 375 per ha) and the farmer's 25 per cent (Rs 375 per ha).

From where will the state get resources of Rs 10,000 crore to insure 100 mha? Then Prime Minister Atal Bihari Vajpayee, when he was to construct national highways and introduce the Pradhan Mantri Gram Sadak Yojana, put a 2 per cent cess on fuel. A similar idea can be used for comprehensive insurance, by putting a 2 per cent cess on farm input industry (tractors and farm implements, fertilisers, pesticides, and even agri-credit) and a 3 to 5 per cent duty on exports of water-guzzling crops and produce, such as rice, sugar, buffalo meat, etc.

Private-sector insurance agencies can be invited to bid for the share of insurance at the lowest premium and fastest settlement of claims at the block level, without any plot-to-plot assessment. Farmers' accounts can be linked to pixel-based [mapping](#) of their fields and satellites can be used, with agronomic experts to gauge the extent of damages.

If the Modi [government](#) can do this, it will be the best Baisakhi gift to Indian farmers on April 13. It can bring back smiles on their faces and insure them for all the years to come.

State clears 31 irrigation projects

The Maharashtra [government](#) has given clearance to 31 irrigation [projects](#) that had sought revised administrative approval following cost escalation and other administrative shortcomings during the previous Congress-NCP government.

State's Water Resources Girish Mahajan said, "The decision to clear the 31 irrigation projects with revised administrative approval has been taken to complete the languishing projects that has affected the agriculture sector."

Despite budget provisions, some of the irrigation works, especially in Vidarbha, could not be completed as it required revised administrative approval. Of the 31 projects, 12 are covered under Vidarbha Irrigation Development Corporation, eight under Maharashtra Krishna Valley Development Corporation, two under Tapi Jalgaon Irrigation Development Corporation, seven under Godavari Irrigation Development Corporation and two under Konkan Irrigation Development Corporation.

"Most of these ongoing works needed administrative approval after revised estimates, which were withheld," Mahajan said.

In the state budget 2015-16, Rs 7,272 crore was allocated for the water resources department.

"We are according priority to works that are almost on verge of completion or which are essential for creating the irrigation potential in

the drought-hit regions of the state,” Mahajan said, adding that the requirement of funds was much higher to complete the ongoing projects. Earlier, in February 2015, the state government had given clearance to 22 projects pending for revised administrative approval.

Interestingly, the state government has indicated that administrative approval to the projects cannot be equated with the ongoing probe in financial irregularities. The Anti-Corruption Bureau has already initiated investigation in all the irrigation projects listed by water management expert Madhav Chitale committee, which probed into the alleged irregularities in them.

After allegations of irrigation scam worth Rs 70,000 crore during the previous regime, several irrigation projects were stayed following cost escalation.



Increase fish production for nutrition security, says Union minister

Union agriculture minister Radha Mohan Singh on Sunday said India will increase fish production in the coming years to match China's output. At 9.58 million tonnes, India is the second largest producer of fish—both marine and inland—in the world.

Addressing the farmers on the third and concluding day of National Horticulture Fair organized by union agriculture ministry at the local Gandhi Maidan, Singh urged the educated and young farmers to undertake fishery, dairy, bee-keeping, horticulture, fruits and vegetable farming using modern technology to earn more and make a new developed country.

With population rising fast, fishery will be of paramount importance for nutrition security as demand for food will increase even as cultivable land is shrinking, he said. Singh said the Central government has increased subsidies for development of inland fish farming from 25 to 50% of the project cost to boost fish production. The government has already developed 21 lakh hectare area for fish seed production and sanctioned

252 big fish markets across the country for better marketing facilities for fish farmers in the last seven months.

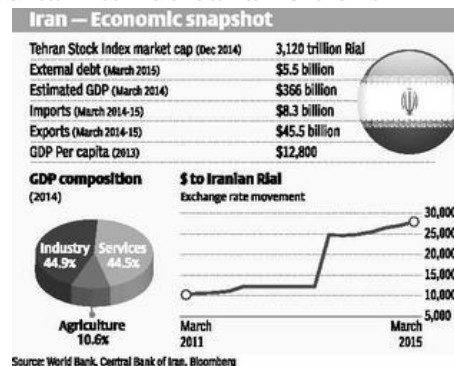
He said Bihar has the potential to beat Andhra Pradesh in fish production but due to failure of state government, the state has become market of other state and fish production id decreasing each year.

The state government has failed to utilize Central fund for construction and renovation of ponds, said the minister. Singh asked the farmers to start bee-keeping in largescale as it improves the economic condition of farmers as well as bio-diversity conservation.

THE HINDU BusinessLine

Set to bounce back from oil sanctions

Iran's economy is likely to get a major boost once it signs a deal with Western powers to curtail its nuclear ambitions



Among the oil producing nations of West Asia, Iran is in a unique situation. While most of the oil producers are hit hard by the oil price rout, Iran's economy is expected to reverse from a slump this year if sanctions placed on its oil exports are lifted. The country's stock exchange has been buoyant on this optimism, zooming over 10 per cent in the last month.

Sanctions on oil exports were imposed in January 2012 due to the country's insistence on continuing its nuclear programme. But its stock market did admirably well post the sanctions.

The Tehran Stock Exchange Index climbed 43 per cent between January 25, 2012 and a year later. But last year, the index lost 20 per cent — the

first yearly decline since 2008 — even as others such as Egypt's EGX30 index surged 30 per cent.

Oil exports to help

An agreement on the nuclear issue, whereby Iran agrees to restrict its nuclear programme for a decade or more and agree to international inspections in return for lifting of sanctions on oil exports, will help the prospects of the second-largest economy in the Middle East and North Africa (MENA) region. Oil exports, which made up nearly 80 per cent of total export earnings for the country, could ramp up to pre-sanction levels of 2.2 million barrels a day by 2017 from half that level currently.

If the export ban is lifted, oil prices may drop further globally by an estimated \$5-\$15/barrel due to additional supply from Iran. The country has the world's fourth-largest crude oil reserves and the second-largest natural gas reserves. The country's \$366-billion economy is oil-dependent and the role of the government is large in sectors such as manufacturing and financial services. Other sectors such as agriculture are not sizeable and in the last few years, there has also been a thrust on privatisation.

Policy changes

Thanks to oil revenue, the government has subsidised nearly all the staples — petroleum products, water, electricity and bread — in the past. Indirect subsidies were estimated to be over 25 per cent of GDP. Not that the people were poor — data from the World Bank showed that as of 2010, only 0.7 per cent of the population lived under the poverty line (\$1.25 a day).

Post-sanctions, real GDP contracted by 5.8 per cent in 2012-13 as industries such as automobile and banking were hit due to the sudden drop in oil exports. Government revenue was cut to half and the subsidy system was then changed to a direct cash transfer programme.

Besides subsidy cuts, the government has also taken other measures, such as improving the capacity of the non-oil segment, broadening the tax base, opening up the oil sector to foreign companies and giving greater autonomy to the central bank. Also, the steep depreciation of the country's currency — from 10,000 Iranian Rials to a dollar to nearly 28,000 currently — has improved the competitiveness of its exports.

These steps, along with the gradual easing of sanctions and an increase in exports to China, have helped. The country's GDP de-growth slowed to

an estimated 1.7 per cent in 2013-14 and recent projections for 2014-15 suggest that the economy will expand by 1.5 per cent.

Unemployment issue

Still, the economy may not be out of the woods. Inflation is estimated to be 23 per cent in 2014-15, albeit down from the peak of 45 per cent in July 2013. Unemployment is high — an estimated 10.4 per cent in 2013-14 officially, but unofficial sources peg it at double that rate.

The country's population of 77 million in 2013 is the second-largest in the region and only over a third of the population is economically active. But the labour force dynamics are changing as over 60 per cent of the population is estimated to be under the age of 30.

Nearly 750,000 youth are set to enter the labour market every year. And unless 8.5 million jobs are created over two years, the unemployment rate may not come down to the country's stated goal of 7 per cent. Currently, with jobs rare to come by, the country faces a brain drain, as educated youth leave the country in search of greener pastures.

Only 19% of farmers have crop insurance, says Assocham study

Less than 20 per cent Indian farmers have crop insurance, exposing a majority of them to the vagaries of weather and leading some of them to take their lives, as is being reported after untimely rains damaged Rabi crops.

According to an industry chamber Assocham-Skymet Weather study released on Sunday, at the all-India level, only 19 per cent farmers reported ever having insured their crops. The rest of them were found to be either unaware of crop insurance or not interested in it, while 24 per cent said that the facility was not available to them.

Only 11 per cent felt that they could not afford to pay the insurance premium, the study said. According to the report, there are about 32 million farmers who have been enrolled in various crop insurance schemes.

However, delay in claim settlements is one big reason for farmers not being covered, despite significant government subsidy.

The government is piloting a modified National Agricultural Insurance Scheme, a market-based scheme with involvement from the private sector, to ensure timely claim settlement, among other things.

Favouring weather-based insurance products against yield-based ones, the chamber's general secretary DS Rawat said the government's shift from a social crop insurance programme to a market-based one, with active private sector involvement, will offer significant benefits to farmers.

‘Commodity trade needs strong regulator ’

The new regulator – SEBI or Warehouse Development and Regulatory Authority – should understand the aspirations of the market: National Bulk Handling Corpn chief



The merger of Forward Markets Commission and SEBI should throw up better business opportunity for commodity exchange and brighten the prospects of warehouses. Post-National Spot Exchange crisis, regulations on warehouses have been tightened and Sebi is expected to play a crucial role.

Anil Choudhary, Managing Director & CEO, National Bulk Handling Corporation – one of the leading warehouse service providers to NCDEX and MCX – spoke to *BusinessLine* on the key challenges in this sector.

How do you see merger of FMC with SEBI?

We are regulated by the Forward Markets Commission and Warehouse Development and Regulatory Authority. SEBI should not look at commodity trading as just a financial asset class.

It can play a far bigger and effective role. Futures exchange can give price signals to farmers six months in advance and help them decide what to grow. The futures market needs participation of financial sector, foreign institutional investors and mutual funds.

In the last 15 years, we have not given enough opportunity for the commodity futures market to perform its role. I believe, FMC with more powers could have played a far more effective and meaningful role.

What do you expect from Sebi?

The new regulator should first understand the aspiration of the market. It has to serve a holistic purpose and not just an investment platform.

India is the largest producer and consumer of 20-odd agriculture commodities and emerging as the largest exporter in few of these commodities. In abroad, the physical market is well-developed with proper process and the futures market was developed over it. Unfortunately, in India it is just the reverse.

We have a well-developed futures market and spot market is inefficient with multiple State government regulations and licensing process. The markets in India are developing from top to down. There is a big onus on Sebi to ensure that all the good work done by FMC is carried forward to ensure the entire eco-system of farmers, processors, traders, warehouses and consumers are allied into the system.

Do warehouses have to register with Sebi?

We are regulated by WDRA, but not all the warehouses working in public domain are registered with WDRA. We need an effective database capturing details on the credibility of warehouses, just like the Cibil.

Since warehouses are working in a dispersed and disparate market it is imperative to have a database on the conduct of warehouses. It will also help users to ascertain the quality of warehouse before using it. The success of agriculture futures contract depends on what comes out of warehouse as part of delivery of the contract. We would like to see how Sebi regulation converges with that of WDRA.

Will registration with SEBI help?

We are registered with FMC, but that does help. Post-NSEL crisis, we were told that all exchange accredited warehouses should have WDRA registration.

The Government should decide who is going to regulate warehouses. We are running warehouse for the exchange, clients, large corporates, retail and banks. There need to be more clarity on who is going to regulate. We need strong regulator be it Sebi or WDRA. Then there will be more honesty and integrity.

Why is it so difficult to register with WDRA?

We need little more convergence on what is realistically possible and what is not. We manage 25 to 30 lakh tonnes of commodities but hardly any commodity get rotten. Irrespective of facilities available, WDRA should register all the warehouses operating in the public domain and give it enough time to comply with its norms. Today, I do not have any USP if I fully comply with WDRA norms. All I get is one additional regulator to regulate me. By registering with WDRA, banks do not give 20 per cent more loan at interest rate lower by 50 basis points.

One should understand that agriculture warehousing is not economically vibrant business. The margins are very low and the business is seasonal. Payback period for investment in warehouse is over 15 years. The regulations should also ensure that trustworthy warehouses get a premium over others by way of financial incentives.

What is the learning for warehouse after the NSEL episode?

We need to have a well-defined process. Any process implemented should deter collusion. We employ four people for a work that can be done by one. The warehouse supervisor takes in the goods. Sampling and testing is done by different people. The fourth person does the audit on the entire process before issuing the warehouse receipt.

Frankly it is not a rocket science, but we have to do it as we manage commodity worth Rs. 67,000 crore and the impairment is less than Rs. 20 crore. The 25-30 member audit team reports directly to me. We have a whistleblower policy. We encourage each staff to report if they detect some unethical happening in the organisation.

We have a particular e-mail ID where they can report even against me directly to the board. We also give cash reward for useful alerts.

Reap rich rewards



Cheap valuation and improving outlook could mean a good harvest
Even as the benchmark indices appear pricey, select fundamentally sound stocks are still available for a bargain. The stock of complex fertiliser maker Coromandel International is one such. The stock's price has fallen over 13 per cent in the last six months, in contrast to the Nifty's 8 per cent gain.

This is despite Coromandel posting healthy revenue and profit growth of 18 per cent and 28 per cent, respectively, over the last nine months. The company managed to put up a good performance despite lower crop acreage during the rabi season.

Coromandel's stock currently trades at a little over 12 times its estimated 2015-16 earnings. This implies a 15 per cent discount to its historical average valuation of about 14 times. Given the good growth prospects for the company, investors with a two- to three-year horizon can buy the stock.

Falling inventory

In 2013-14, complex fertiliser producers saw their fertiliser sales decline sharply due to significantly high unsold inventory lying with the distributors.

However, healthy demand in 2014-15 led to a moderation in the inventory with the dealers from about four million tonnes a year ago to about two million tonnes now.

This has helped Coromandel post healthy primary sales over the last three quarters. The benefit from higher volumes should continue in the coming quarters.

Also, the prices of key raw materials such as ammonia have fallen significantly. Global ammonia prices which were holding firm until early

2015 despite the correction in crude prices, have fallen sharply in the last three months.

The international price of ammonia (West Asia), which is manufactured using gas, has corrected from about \$600 a tonne levels to about \$400 a tonne in the last three months.

Besides, the price of rock phosphate used in manufacturing phosphoric acid, another key raw material, has also remained steady over the past year.

This should help the company improve its operating profit margin.

Secure inputs

Coromandel's strategic investments in overseas companies that supply key raw materials to manufacture complex fertilisers is another positive.

This ensures uninterrupted raw material supplies and helps the company partly negate the impact of any sharp surge in the prices of these raw materials. For instance, Coromandel holds 15 per cent stake in Tunisian phosphoric acid manufacturing venture TIFERT; it is entitled to 50 per cent of TIFERT's phosphoric acid capacity of 3.6 lakh tonnes per annum. The company also holds 14 per cent stake in South African phosphoric acid maker Foskor Pty.

Coromandel's crop protection subsidiary Sabero Organics, which was merged into it in January this year, has also improved steadily performance over the past two years.

Its net profit rose ten-fold from Rs. 2.2crore in the first half of 2012-13 to over Rs. 22 crore during the April-September 2014 period.

Healthy scale up in revenue and improved profitability should aid Coromandel's performance.

International rice meet in Hyderabad tomorrow

The Indian Institute of Rice Research (formerly Directorate of Rice Research) is organising the 50th annual group meeting here on Sunday. Union Minister for Labour and Employment Bandaru Dattatreya will inaugurate the meeting at the IIRR auditorium at Rajendranagar.

Over 500 rice scientists from different national institutes and International Rice Research Institute (IRRI, the Philippines) would discuss various issues related to rice research.

“The workshop is being held to review the work done across the country in the field of rice research during 2014-15. It will prepare an action plan for 2015-16,” V Ravindra Babu, Project Director of IIRR, has said.

The IIRR coordinates multi-disciplinary and multi-location testing of seed varieties, crop management and crop protection technologies in different ecosystems for increasing and stabilising rice production. About 50 funded centres are involved in the process.

The coordinated research efforts resulted in the development of 1,100 varieties, including 75 hybrids, during the 50-year-journey.

“The five-day event will bring together hundreds of rice scientists in the public and private sector, farmers and other stakeholders to discuss issues related to rice research,” he said.

Business Standard

Seeds of discontent in govt over paddy support price



The National Democratic Alliance (NDA) government at the Centre seems to be in a dilemma over an increase in minimum support price (MSP) for [paddy](#) in the 2015-16 crop season (July-June).

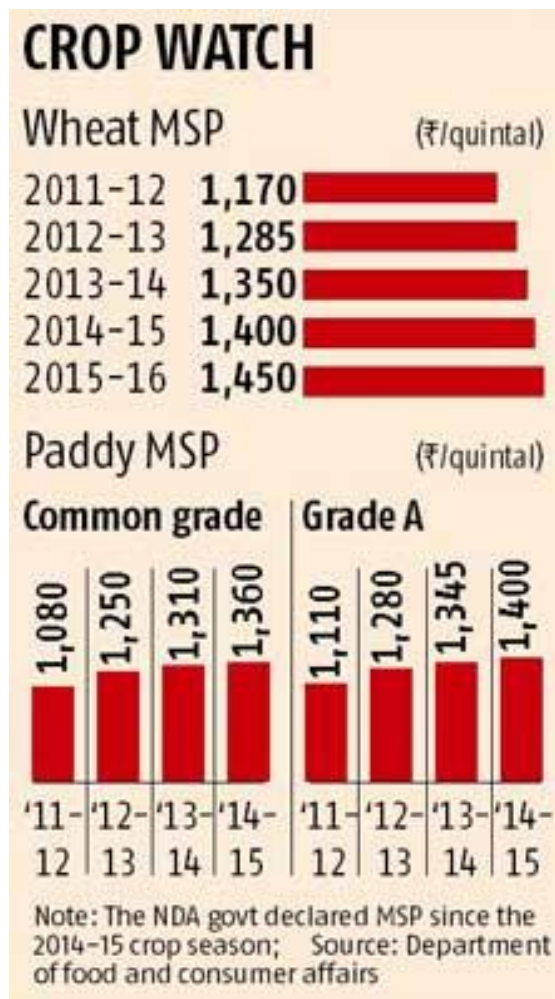
A section within the Narendra Modi-led dispensation feels there should be a significant raise in MSP, to improve the government’s sagging image in rural India, because of the controversial land acquisition Bill and after massive crop losses due to unseasonal rains. Another section, though, is worried about the impact of such a move on subsidies and the fiscal consolidation exercise.

For paddy [MSP](#) to rise substantially, the government will have to overlook the recommendations of the Commission for Agriculture Costs and Prices (CACP), which, according to officials, has suggested an increase of less than four per cent.

The MSP currently is Rs 1,360 a quintal for common-grade paddy, and Rs 1,400 a quintal for Grade-A paddy. If the government goes by CACP's recommendations, the support price for paddy for the 2015-16 season will rise by a nominal Rs 49-50 a quintal.

Earlier, the government had announced a similar increase in MSP for wheat — by Rs 50 a quintal — for the current rabi season.

Officials said the CACP recommendations had come for massive criticism within a section in the government. A senior minister from Gujarat had even sent a dissent note on the issue and demanded the Commission be scrapped, as it had failed to protect the interests of farmers, particularly when the Bharatiya Janata Party's image as pro-poor had suffered a setback.



A dominant view within the government is also that MSP for paddy be increased by at least Rs 100 a quintal, and the Centre's directive against states declaring a bonus over and above the Centre-fixed MSP be temporarily withdrawn.

The food ministry had last year said that the Food Corporation of India (FCI) would limit its procurement of wheat and rice from states declaring a bonus above the MSP to the extent needed for the public distribution system (PDS).

This order was meant to stop states from arbitrarily distorting the market. "It (increasing MSP for paddy substantially) will be a good beginning for the government to show its solidarity with farmers. But it should not

end at that; it should be accompanied by measures like allowing states to declare bonus over MSP," Ajay Jakhar, chairman of Bharat Krishak Samaj, a non-partisan farmers' advocacy group, told Business Standard.

Those within the government who are opposed to a big increase in MSP say such a move will have a direct impact on food subsidies. That could affect the government's efforts to bring down its fiscal deficit to 3.9 per cent of gross domestic product this year, from the estimated 4.1 per cent in 2014-15.

The government has already deferred the fiscal consolidation road map of the previous government by a year, and might not like to see any further deviation from the revised path. This could be crucial particularly because global agency Moody's has raised its outlook on India's sovereign rating to positive from stable, and will watch the government's performance over the next 12-18 months before effecting any revision in the rating itself. It should be noted that rating agencies look at general fiscal consolidation — by both the Centre and states.

The Union Budget has pegged the food subsidy bill for 2015-16 at Rs 124,419 crore, about around Rs 1,800 crore more than the revised estimate for the previous year.

The Bharatiya Janata Party had in its manifesto for the 2014 Lok Sabha elections committed itself to “enhancing the profitability in agriculture, by ensuring at least 50 per cent profits over cost of production”. The issue was also raised by some delegates during the recently concluded BJP national executive meeting in Bengaluru. Punjab and Uttar Pradesh, two of the country's leading agrarian states, are scheduled to go to polls in early 2017. BJP will be keen to repeat its spectacular Lok Sabha election performance in the UP state polls, on the strength of keeping the promises it made to farmers.

“Villages and their welfare are at the core of BJP and the Modi government's policy programmes. The Atal Pension scheme, Mudra Bank, and increasing the calamity relief fund for crop damage have all been measures to help the rural poor and farmers. We are committed to delivering on the promises made in our manifesto, to help agriculture become profitable,” BJP National Secretary Shrikant Sharma said.

Sharad Pawar, the agriculture minister in the previous government had told the Rajya Sabha in 2013 that though the MSP had been successively raised since 2011, it still was much lower than the input cost.