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THE HINDU

Kick-starting an economic revival



The factors hampering Indian economic growth can be addressed only by second generation, systemic reform that makes the economy an efficient, competitive one and which minimises the inefficiency, squandering and corruption in the deployment of the country's vast resources

When Narendra Modi took oath as Prime Minister on May 26, 2014, there were great expectations from him making decisive moves to put the economy back in recovery mode and on to a high growth trajectory of a '10+' per cent per year growth rate. It is '10+' because the Finance Ministry had chosen to use Paasche's Index instead of Laspeyres Index to calculate growth rate, which, under present inflationary conditions, will artificially raise growth rate figures (see Paul Samuelson and Subramanian Swamy, "Invariant Economic Index numbers and Canonical Duality", *American Economic Review*, 1974, and also *Economic Journal*, 1984 for the reasons.)

Hence, what I have been stating in the past, of a 10 per cent growth rate target as being desirable is now, by the Finance Ministry's revaluation of index numbers, more than a 10 per cent target now, perhaps even 12 per cent.

The blueprint for such a recovery, to a '10+' growth rate, had already been prepared before the general election, and the steps to be taken were documented by a committee of the Bharatiya Janata Party. Nitin Gadkari, now Union Minister for Road Transport, Highways and Shipping, had been entrusted with task. On his suggestion, I had collaborated with a number of committed intellectuals to produce a 'Vision Document 2020', a road map for Mr. Modi to implement as soon as he became the Prime Minister. These steps have still to be taken.

Regressive markers

The regressive markers in the projected path of the economy today make it worrisome as these indicate that if not rectified soon, the Indian economy can go into a tailspin. Though these markers are a consequence of the disastrous tenure of the previous government, now nearly a year on, they cease to be a credible excuse.

Some of these markers are: the Basel III norms for banks (effective from 2018) which require Rs.2,40,000 crore for capitalisation. Moreover, to retain 51 per cent of the equity of public sector banks by the government, it will need, this financial year, Rs.1,21,000 crore. The 2015-16 Budget has provided for only Rs.11,200 crore, which is not even a tenth of this. With rising non-performing assets of banks, there is a risk of a banking crash much like the 1997-98 East Asian crash.

This year, the rainfall deficit affecting 67 per cent of the single crop farmers, will cause inflationary pressures and a substantial shortfall in production, thus causing more misery to the farmer. While rainfall is in nobody's control, the economy, even today, lacks the necessary financial cushion to absorb the liabilities arising from crop failure and farmer destitution.

The rupee is on the edge of a fall as it happened in 2012-13. This is because there has been a large-scale sell-off or dumping of shares of Indian companies purchased by foreign investors earlier last year. Some foreign direct investment (FDI) companies have also pulled out. The fall in the rupee

was a little moderated three months ago, but for the wrong reason: the increased inflow of funds from the subversive, corroding, money-laundering Participatory Notes (PN) derivative. But PNs are hot money derivatives and so can be pulled out anytime to cause a further devaluation of the rupee.

All these destabilising trends have had a profound impact on the stock market. One of these is in the form of market valuations now being well below the long-term average and even below the level in 2013. Therefore, it is no surprise that the top 10 corporate entities have reached a stage where their annual profits do not cover even their yearly debt repayments.

Negative factors

While India has demonstrated impressive prowess in IT, biotechnology, automobile ancillaries and pharmaceuticals, and has also accelerated its growth rate to become the third largest nation in terms of GDP at PPP rates, nevertheless, it still has a backward, agricultural sector employing 62 per cent of the labour force and where farmers are ending their lives unable to repay their loans.

The Indian economy is also saddled with a national unemployment rate that is over 15 per cent of the adult labour force, and a prevalence of child labour arising out of nearly 50 per cent of children not making it to school beyond standard five, a deeply malfunctioning primary and secondary educational system, 300 million illiterates and 250 million people in a dire state of poverty.

Moreover, India's educated youth is skill deficient, risk averse in attitude and largely unemployable in the cutting-edge manufacturing sector. According to Macaulay's Minute on Education, our universities still produce clerks for government administration and not innovators of the future.

Besides these, India's infrastructure is in a pathetic state, with frequent power breakdowns even in metropolitan cities, a dangerously unhealthy water supply system in urban areas, and a very poor road network where there are gaping holes even on the National Highways.

India's infrastructure requires about \$150 billion to make it world class, while the education system needs six per cent of GDP instead of 2.8 per cent today.

Need for reform

These problems can be addressed only by comprehensive, second generation, systemic reform that makes the economy an efficient, competitive market oriented one that leverages our potentialities (such as our civilizational heritage of innovative intellect), and which minimises the inefficiency, squandering and corruption in the deployment of our vast resources.

India has much potential today to become a booming economy; it has a demographic dividend of a young population of average age of 28 years compared to China's 35 years, the U.S.'s 38 years, Europe's 46 years and Japan's 49 years.

Internationally, Indian agriculture has the lowest yield in land and livestock-based milk products whose yield can easily be raised judging by the performance in experimental agricultural plots of the Indian Agricultural Research Institute (IARI) and the Indian Council of Agricultural Research (ICAR) and by also borrowing agricultural techniques from Israel. Indian agriculture and milk products are also internationally at a low cost of production. With proper infrastructure and packaging, India can certainly become a global player in agricultural exports.

Even though India is also gifted with a full 12 months a year of farm-friendly weather, it grows just one crop a year in over 75 per cent of arable land when it can grow three crops a year. It also has the advantage of a highly competitive, skilled labour force and low wage rates at the national level, the advantages of which have been already proved to the world by the outsourcing phenomenon. What is needed is a bold commitment of sufficient resources to harvest this potential.

An open competitive market system can find these resources as has been demonstrated in the auction of the 2G Spectrum licences if the quality of governance and accountability is improved.

A transparent policy regime, auctioning of natural resources (if it is used for commercial private enterprise), and the unearthing of the vast \$1.5 trillion in black money stashed abroad will enable the government to marshal sufficient resources for a massive investment in a second generation economic reform while reducing the tax burden on people.

As an economist, the only advice I can give the Modi government is to take some steps that will raise the morale of the consumer and investor. That means income tax abolition and reducing the annual interest rate to nine per cent.

The good news is that the built-in potential in the economy is easy to tap for revival, as is the basic resilience of the Indian people to face any situation as demonstrated from past crises.

Only one year of the mandate has elapsed, so there is still time to make the necessary course correction and put India on a fast, 12 per cent growth trajectory.

Decks cleared for Neera production

The inter-departmental row over production and marketing of Neera has been resolved by entrusting the Excise Department with the authority for issuing production licence and Agriculture Department with the task of promoting and marketing the product.

The decision was made at a meeting held at the behest of Chief Minister Oommen Chandy here on Monday.

Agriculture Minister K.P. Mohanan and Excise Minister K. Babu said that a Coconut Neera Development Board will be constituted under the Agriculture Department for promotion and marketing of Neera and a Toddy Development Board for promoting the toddy tapping industry.

Life science parks mooted in State

The State government is finalising an action plan to encourage biotechnology in a big way by setting up a mega life science park in Visakhapatnam and mini life science parks at Kakinada, Anantapur and Guntur or Chittoor.

The parks will facilitate incubation centres, R&D labs with focus on stem cell research, disease-diagnosis, value-added fish, horticultural and pharmaceutical products as part of new biotechnology policy.

FILLIP TO AGRO PRODUCTS	
➤	Mega life science park mooted in Vizlag
➤	Mini parks to come up at Kakinada, Anantapur, Guntur or Chittoor
➤	They will have incubation centres and R&D labs
➤	Plug and play lab space of at least 50,000 sq. ft
➤	200 acres to be identified for park in Vizag
➤	Mini parks to have minimum of 10 units

Action plan to encourage biotechnology in a big way

PPP mode

According to GO Ms. No. 33 dated April 29, 2015, the parks will be developed under public private partnership mode.

The mega life science park in Visakhapatnam will be located in 200 acres.

“A suitable land for the project will be identified soon,” a senior official of APIIC told *The Hindu* .

It will create job opportunities for those specialising in biotechnology, food technology, agriculture, horticulture, pharmacy, marine sciences and nano technology.

The park will have plug and play lab space of at least 50,000 sq. ft.

The policy promises 25 per cent subsidy on lease rentals for plug and play lab space up to 5,000 sq. ft. for startups subject to a limit of Rs.5 lakh per annum.

Multi-tenant lab facilities

The parks will also have multi-tenant lab facilities, to seek partnerships from private players for common use, incubation and skill development.

The land for the parks will be offered on lease or as government's equity.

The mini parks will have minimum of 10 units. It will take three years to develop mini parks.

Assistance for infra

The government will give financial assistance for critical external infrastructure such as roads, waste management and testing facilities on a case-to-case basis.

Incentives

The policy envisages fiscal incentives to entrepreneurs which include power cost reimbursement up to Rs.1.50 per unit for five years, interest subsidy of three per cent per annum on term loans towards purchase of capital equipment for five years subject to Rs.3 lakh per year for MSME, create database and technology acquisition fund.

“The parks will give a big fillip to promotion of agro-based products,” said DIC General Manager and Joint Director of Industries L. Laxman.

Crops saved from onslaught of rain as wet spell bids goodbye

After a wet spell lasting a week, there was respite from rain for the delta residents and farmers on Monday.

While ironically the farmers are heaving a sigh of relief at the turn of events that might save much of their standing crop, others are a bit sore that the unseasonal rain that kept the mercury levels tied down, especially during the dog days, is gone.

In the last 24 hours ending 8.30 a.m. on Monday, Vallam recorded 32.60 mm rainfall followed by Tirukkattupalli 25 mm, Kurungulam 9, Budalur 4.6, Eachanviduthi 4.40, Peravoorani 4, and Tiruvaiyaru registered 2 mm. The rest of the areas in Thanjavur district did not record significant rainfall.

A study of the rainfall pattern reveals that almost all of them were in the western and northwestern parts of the district and obviously there would not be much damage to agricultural activities.

Tiruvarur

Similarly in Tiruvarur district, Tiruthuraiipoondi registered 2 mm and Muthupettai 1.80 mm while there was no tangible rainfall in the rest of the district during the period.

The two areas are on the east-south eastern region of Tiruvarur district along the coast.

Sources in the Tiruvarur Agriculture Department confirmed that with the rains withdrawing as expected, damage to major standing crops was mostly averted.

Summer paddy in about 20,000 hectare would have suffered critical damage had the rains lasted a couple of days more.

Same would have been the fate of standing cotton, pulses, and other minor crops.

In Thanjavur district, the standing crops too have escaped major damage and cotton, which was under threat of root rot and wilt diseases, had the rain persisted, seems to have given some positive hope to the growers.

Of course the rain has benefited sugarcane and summer paddy in some areas.

But the general public who were revelling in the rain during mid summer days, the fear of the scorching Agni Nakshatram was a thought to dread.

However, the last word on summer rains is yet to be pronounced as dark clouds gathered over the delta on Monday threatening to break into a downpour again any time over Thanjavur and Tiruvarur districts.

Pudukottai

Parts of the district experienced sharp showers on Sunday and for the 24 hours ending at 8 a.m. on Monday, Tirumayam recorded a maximum of 49.30 mm of rain followed by Udayalipatti 49, Keeranur and Kudumiyanmalai 37 each, Pudukottai 19, Annavasal 14, and Meemisal 12.20 mm.

Sunny days for solar power developers

TS showers sops on projects proposed in the State in next five years

The State government has, through its newly announced ‘Telangana Solar Power Policy 2015’, showered a flurry of sops on the solar power projects to come up in the Telangana State in the next five years.

Single window and speedy clearance, deemed conversion to non-agricultural land status, exemption from Land Ceiling Act, exemption from wheeling charges, electricity duty and cross subsidy surcharge, deemed scheduling, 100 percent energy banking, and refund of VAT and stamp duty are a few of the policy provisions cleared by the Energy Department.

These incentives will be applicable for 10 years from the date of the project’s commissioning. The policy will be applicable to grid-connected projects to supply to State discoms or third parties within the State, projects for captive or group captive generation, solar rooftop projects, off the grid applications, and solar parks.

Solar park

A solar park implementing agency with either partial or full private participation, a nodal agency for solar rooftop systems and solar pump-sets,

and a dedicated solar policy cell in discoms will be set up for policy implementation.

Rooftop solar consumers are free to choose either the net or gross metering option for sale of power to Discoms, for 25 years, with tariff variations between the two. Applications for rooftop projects or open access clearances should be processed by the respective Discoms within 21 days from the date of application, or else, they will be deemed to have been approved.

The gross metering scheme will also be extended to farmers setting up solar pump-sets, the commercial framework and technical aspects of which will be finalised by Discoms in a month.

‘Energy banking’

All the projects will be awarded must-run status, which is to say that power thereof must be purchased by Discoms as and when produced.

In addition, captive and open access consumers shall be permitted 100 per cent energy banking, which means that they can bank the energy, and use at a later date, except during peak months and hours.

The unutilised banked energy shall be considered as deemed purchase by Discoms.

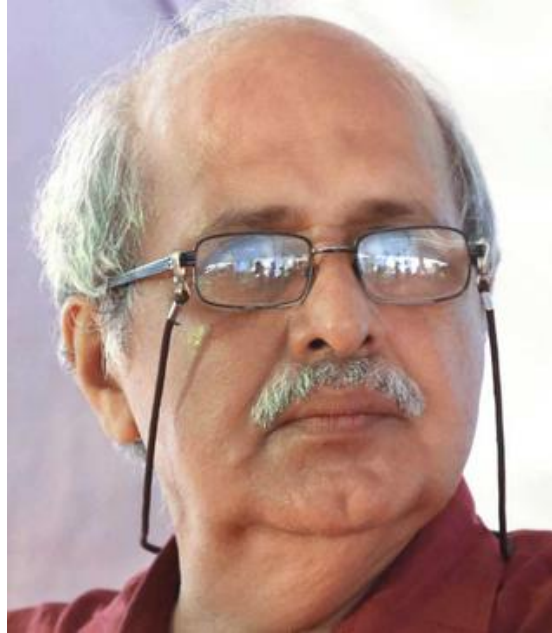
Land requirement for the exemption from Land Ceiling Act will be calculated at five acres per megawatt. A separate category for solar projects will be created for permission from panchayats.

Modalities

A seven-member high level monitoring committee will be constituted for monitoring the progress of the projects, with State Energy Secretary, CMDs of TSTransco and both discoms, VC & MD of Non and Renewable Energy Development Corporation or Director (Commercial) of the TSSPDCL as member-convener, besides two representatives from industry bodies (rotating), and two representatives of solar power developers.

Modalities for implementation will be finalised and announced in 30 days, the policy paper said.

Farmers' role in popularising, marketing jackfruit lauded



“Jackfruit and its value-added products have started stealing the show at various food festivals, thanks to the collective initiatives of peasants. However, the governments continue their habitual indifference to promoting this tropical fruit with immense nutritional value and market potential,” says Shree Padre, veteran agricultural journalist and editor of the Kannada agricultural magazine, *Adike Patrika* , written by farmers for farmers.

Talking to *The Hindu* during his visit to Aranmula to attend the ongoing National Jackfruit Festival-2015, Mr. Padre, who had pioneered a mass movement against Kerala’s endosulfan tragedy in the 1990s, said the present wave in favour of jackfruit and its value-added products was purely farmer-induced.

Real value

According to him, this wave is sure to pick up momentum as people have already started realising the real value of the fruit. Peasants in Karnataka, Maharashtra, Odisha, and certain parts of Tamil Nadu have started growing jack tree as a plantation crop and a number of exclusive jackfruit orchards are coming up in many parts of these States and certain parts of north Kerala.

Mr. Padre, who has been campaigning for jackfruit promotion for more than a decade, said the absence of modern machinery for cutting and peeling, lack of expertise to grade the fruits and to make out the 'Koozha' variety from the table fruit variety of 'Varikka' are the challenges facing the jackfruit industry.

Mr. Padre said the small taluk of Panruti in Cuddalore district of Tamil Nadu is a jackfruit paradise. Despite a large presence of jack trees across the State, Kerala could not be considered as the largest producer of jackfruit in India.

The farmers in Panruti and Toopukere in Tamil Nadu were getting very good returns from jackfruits. Kerala too could prosper by setting up supply chains linking these two places where jackfruit is available throughout the year, he said.

According to him, jackfruit has got a very good indigestible dietary fibre which act as a bottlebrush in the intestine. It is rich in vitamins and its low glycemic index helps the diabetics to bring down their insulin intake. Jackfruit is fast replacing soya as a 'dummy meat' in many Indian cities. Mr. Padre sees a very good market for jackfruit products in Kerala.

Uzhavar Sandhais register good sales on Vaikasi Ammavasai

The eleven Uzhavar Sandhais in Salem district registered a sales turnover of Rs. 46.48 lakh on the Vaikasi Ammavasai Day on Sunday.

People from different walks of life thronged the Uzhavar Sandhais. Expecting good turnout of consumers, the farmers had brought additional vegetables to the sandhais.

The farmers from different parts of the district had brought more than 200 tonnes of vegetables, greens and fruits to the 11 Uzhavar Sandhais in the district. About 46,000 men and women visited these markets to procure vegetables, according to Uzhavar Santhai sources.

As usual, the Uzhavar Sandhai in Suramangalam, topped the list with a sales turnover of Rs. 10.78 lakh. About 250 farmers had brought 44 tonnes of vegetables and 8,900 consumers visited the sandhai. The Thadagapatti Sandhai attracted about 7,600 consumers who procured vegetables worth Rs. 8.21 lakh. The Ammapettai sandhai attracted 110 farmers with 17 tonnes of

vegetables. About 4,300 consumers purchased vegetables worth Rs. 3 lakh. The Hasthampatti sandhai, the fourth market in the city, registered a sales turnover of Rs. 3 lakh, with 3,300 consumers procuring 13 tonnes of vegetables.

Rural areas

The Uzhavar Sandhais in the rural areas of Attaiyampatti, Attur, Mettur, Thammampatti, Jalagandapuram, Edappadi, Elampillai too received a good stream of visitors on Sunday, the sources said. Apart from the vegetables, coconuts, plantain leaves, greens, fruits and other puja articles were also sold.

Dreaming green



C. B. Ramkumar dons many hats. A Malayali brought up in Chennai and based in Bengaluru, he is the founder of Green Dreams for the Planet, an NGO, Our Native Village, an eco-resort, and author of *Green Dreams*. Ram says his father-in-law, who was the captain of a ship, fell ill and wanted to settle down as a farmer. “We got a patch of land in Hesaraghatta. His friends

joined in and soon we were farming together. I remember around 20 years ago when the rains in Bangalore had failed. We were losing ragi and baby corn crop and though there was enough ground water, there was no electricity to pump the water up. We finally had one sack of bitter gourd and I went to the market to sell it. In the auction, I saw an old couple who had three lots of pumpkins that sold for Rs. 70. I asked myself how they were going to survive with just that amount for the next three months. It moved me terribly.”

That got Ram thinking. “These people had traditional knowledge. We knew how to harness nature once upon a time. Now, all that knowledge has been wiped out. With the green revolution it had become primitive to depend on nature. We gave borewells to everyone and then pulled the plug by not giving electricity,” laments Ram.

Our entire definition of progress is flawed, he says. “I promised myself that day that I will develop a 360 degree self-sustaining living model. Down the line, we converted the back-of-beyond place to a resort.” What’s more important, he says, is that they developed a commercially viable model of application in total sustainability. “The next step was to write this book. This year will be 10 years since we started the company. I will fail in my duty to pass on the rich experience and knowledge I’ve gained if I didn’t write the book. I call it *Green Dreams* because this is a green dream I want everyone to have. I want to inspire people to green their own homes and eventually cities and urban settlements will also become green.”

Ram went on to become a climate leader and trained under former U.S. Vice President Al Gore.

“I’ve also started Green Dreams For The Planet, an NGO. While the book will give a roadmap for what you can do, the NGO will take that forward practically and provide help and guidance. We took up the ‘Red Off’ initiative where volunteers stood in traffic signals with signboards asking people to turn off their vehicles when the signal is red. It turned out to be very positive. We hope to take initiatives like this to a global level.”

What’s the most important message he champions? “That it is possible. There is a misnomer that the eco-friendly move is expensive. It’s not. Prices have crashed. Moreover, there is a moral issue that governs the lives of

future generations. It's not about the money though there is financial viability. The battle itself is important.”

So what can people do in a city like Bengaluru? Ram says: “There are a lot of low-hanging fruit. Pluck them first. Solar panels, windmills, etc. are the top of the tree. Start small with LED bulbs. Harnessing nature is all there is. Grow your own fruits and vegetables around your house in your landscaping. Compost all the food waste and use them as manure. You don't need land. You can do it in your house itself. This is an urban model. Every household in Bangalore will see it's not complicated. You will have a sense of achievement.

On the battle between development and environment, Ram says this is a world where we need to coexist. “Native Village is a 100 percent eco-resort where we give all the creature comforts. That is the only model which will work. Intrinsicly we are all nurturing beings and we live in an environmentally-conscious society. I'm a revivalist. There is no place for activism, only total inclusiveness. I'm trying to revive the way man used to live back in the day. Our Native Village has revived Indian art, old practices from the Indian village, village games and using revivalism to teach people about forgotten things. This will revive knowledge and interest in living.”

IAHVB to produce goat plague vaccine

Goat farmers in Kerala can look forward to better times. The scourge that blights their herds may soon be under control. The Department of Animal Husbandry is set to begin production of the PPR vaccine against goat plague, a dreaded animal disease often leading to mass mortality.

The vaccine will be produced by the Institute for Animal Health and Veterinary Biologicals at Palode, near here, with technical knowhow from the Indian Veterinary Research Institute, Mukteshwar.

Minister for Animal Husbandry K.P. Mohanan is scheduled to release the vaccine at a function to be held here on Wednesday.

IAHVB produces vaccines for several poultry and livestock diseases including Ranikhet disease, duck plague, anthrax, swine fever, and mastitis.

Jumbos damage orchards

A herd of tuskers went on rampage and damaged mango and coconut trees in a farm, near A. Rangampet village of Chandragiri mandal, in the early hours of Monday. Four elephants ran amok in the orchard belonging to a farmer Bhaskar Reddy and uprooted several trees. Forest staff with the help of villagers chased the tuskers back into the jungle by generating loud sounds by bursting crackers and beating drums.



Many probiotics could actually be harmful: Study

If you believe that probiotics are good for your health, there is a piece of news for you. A new study finds that more than half of popular probiotics contain traces of gluten.

Gluten is a protein found in wheat, rye and barley, and patients with celiac disease need to eliminate it from their diet or face pain, bowel symptoms and an increased risk of cancer.

Tests on 22 top-selling probiotics done by investigators at the Columbia University Medical Centre (CUMC) revealed that 12 of them (or 55 percent) had detectable gluten.

Probiotics are commonly taken by patients for their reported effect in promoting gut health.

“Many patients with celiac disease take dietary supplements and probiotics are particularly popular,” said Samantha Nazareth, gastroenterologist at CUMC and the first author of the study.

We have previously reported that celiac patients who use dietary supplements have more symptoms than non-users, so we decided to test the probiotics for gluten contamination, Nazareth said.

Most of the probiotics that tested positive for gluten contained less than 20 parts per million of the protein, and would be considered gluten-free by Food and Drug Administration (FDA) standards.

However, four of the brands (18 percent of the total) contained in excess of that amount.

More than half of the 22 probiotics were labelled gluten-free but this had no bearing on whether or not traces of gluten were present.

Two probiotics that did not meet FDA standards carried the label.

“It appears that labels claiming a product is gluten-free are not to be trusted, at least when it comes to probiotics,” said study co-author Peter Green.

“This is a potential hazard for our patients and we are concerned,” he added.

“We know that most patients with celiac disease only develop intestinal damage when consuming more than 10 milligrams of gluten daily. Still, these findings raise troubling questions,” said study co-author Benjamin Lebwohl from CUMC.

The study was presented at Digestive and Disease Week in Washington DC recently.

Savour the taste of mangoes at ‘The Taste of Summer’ food festival

Good news for mango lovers who want to relish the different flavours of the King of Fruits. ‘The Taste of Summer’ festival which is being held at at three outlets of the Foodhall premium lifestyle food superstore brings to you delectable recipes craft out of the golden delicacy.

Foodhall by the Future Group is a pure gastronomical delight with its global cuisine and the mango festival is the icing on the cake. So, relish your craving with ample delicious dishes like raw mango salsa, raw mango chutney, raw mango chaat and raw mango salad.



The patisserie section is replete with heavenly and nectarious combinations such as mango galette bretonne, mango coconut cake, mango and lychee mousse cake and mango cream caramel pudding.

The summer festival is not just restricted to mangoes but also brings a myriad range of other exotic salads such as beetroot carpaccio, orange and asparagus salad, Mexican quinoa salad and grapefruit and arugula salad. Those inclined toward cheese can try out the likes of feta, mozzarella, bocconcini, brie and ricotta – all light cheeses that pair well with summer salads. The festival equally takes care to quench your summer thirst. Sip exotic mocktails like jalapeno lemonade, passion fruit iced tea, aloe vera and cucumber cooler, grapefruit and mango juice or savour the lip-smacking milkshakes such as Belgian chocolate, caramel, strawberry and mocha.

Not to disappoint the tea lovers, the festival introduces you to some exotica like peppermint tea, Moroccan mint tea and infused teas with citrus and berry flavours.

So without much ado, get a bite of your favourite mango dish and wash it down with your favourite drink.

The summer festival will continue till the end of May in all three Foodhall outlets – DLF Place Saket, DLF Promenade Vasant Kunj and Central Mall Gurgaon.

THE TIMES OF INDIA

Scope of agriculture sector bringing prosperity limited: Panagariya

NITI Aayog vice chairman [Arvind Panagariya](#) on Monday said the potential of farm sector to bring prosperity to a vast population in the long-run is limited and the country needs to focus on creating more jobs in the industrial and services sectors.

"...In countries experiencing growth rates of 6 per cent or more over long periods... industry and services have grown substantially faster than agriculture... In this context that the creation of good jobs in industry and services is critically important," he said in his first blog post published on newly launched website of NITI Aayog.

Panagariya said with the share of agriculture in the GDP at about 15 per cent now, workforce engaged in this sector is significantly poorer than the other half employed in industry and services.

"But in the longer run, the potential of agriculture to bring prosperity to a vast population remains limited," Panagariya said.

He underlined the importance of job creation in industry and services for overall prosperity of the nation.

"...agricultural growth and the expansion of good jobs in industry and services can go hand-in-hand to bring rapid elimination of poverty and shared prosperity for all," Panagariya said.

He said unless workers have the opportunity to migrate to better paid jobs in these sectors, they will be unable to fully share in the prosperity experienced by a fast-growing economy.

The NITI Aayog Vice Chairman cited the example of South Korea and Taiwan where prosperity was widely shared during the 1960s and 1970s because workers in agriculture could migrate to good jobs in industry and services.

Indian farmers and their children recognise the superior prospects that faster-growing industry and services can potentially offer, Panagariya said.

According to a recent survey conducted by NGO Lokniti, 62 per cent of all farmers say that they would quit farming if they could get a job in the city. As for their children, 76 per cent say that they would like to take a profession other than farming.

He said that the Make in India campaign has provided the umbrella for many of the government's initiatives in this context.

He thinks that using the instrumentality of cooperative federalism, the government has encouraged states to undertake labor law reforms that would help stimulate jobs.

States of Rajasthan and Madhya Pradesh have taken lead in this area, Panagariya said in his blog.

The Centre intends to consolidate the 44 central labor laws into five while simultaneously introducing important employment-friendly reforms, it said.

How to Make a 2-Ingredient Cucumber Cooler



The combination of cucumber and muskmelon may seem odd, but if you taste this easy-to-make, two ingredient cooler, you'll realise that it's the perfect remedy for a hot summer day. The cooling effect of cucumber blended with sweet muskmelon gives you a rich, textured drink that can be made in just ten minutes. Here's the [recipe](#).

Ingredients:

1 3/4 cups roughly chopped muskmelon (kharbooja)
25 to 30 peeled cucumber sticks
6 ice-cubes for serving

For the garnish:

2 cucumber sticks

Method:

1. Juice all the [ingredients](#) in a hopper and mix well.
2. Add 3 ice-cubes in 2 individual glasses and pour equal quantities of the juice in each glass.
3. Serve immediately garnished with a cucumber stick in each glass.

THE HINDU BusinessLine

Cottonseed price issue continues to haunt AP, Telangana



As farmers get ready for the kharif season, the issue of cottonseed pricing has resurfaced. While farmers are asking for a reduction in price, seed producing farmers are demanding a hike in their remuneration.

The seed firms argue that they can't increase the procurement charges unless the government increases the seed price.

The price announced by the two States, the two important seed hubs in the country, act as a benchmark for the rest of the cotton growing States.

The seed industry has been demanding a hike in the price, citing sharp increase in the cost of production.

GO & pricing

The governments of Telangana and Andhra Pradesh have issued orders in a span of three weeks, fixing the price of a 450-gm seed packet at Rs. 930 for BGII (Bollgard-II), retaining the previous year's figure.

The price is fixed at Rs. 930 on a packet that goes with non-Bt cottonseed as refugia and Rs. 862 on a packet that comes with redgram as refugia seed. (Refugia seed is something that is sown around the Bt cotton crop to prevent proliferation of pesticide-resistant insects.)

Farmers' leaders have been asking for a cut in the price. They argue that the seed companies have reduced wages to the seed growing farmers. "They have reduced the compensation to seed growing farmers by Rs. 40-50. How can they ask for more," AP Rythu Sangham (affiliated to CPM) Bharat told *BusinessLine*. Both the governments held the customary meeting with the representatives of stakeholders before they fixed the price.

Royalty cut in Telangana

Though the two GOs fixed the price at Rs. 930 for BG-II, the Telangana government tweaked the break-up by reducing royalty (paid by the seed firms to Mahyco-Monsanto for getting the biotechnology solution) to Rs. 50 from Rs. 90 and enhanced the procurement cost to Rs. 330.

The Andhra Pradesh, however, retained the royalty fee at Rs. 90, while keeping the procurement component at Rs. 290.

The royalty fee has become a contentious issue between the government and Mahyco-Monsanto. The latter contends that the government has no power to determine the royalty that is specified in the license agreement.

A delegation of seed-growing farmers from Kurnool met Andhra Pradesh Agriculture Minister P Pulla Rao on Monday and appealed to him revise the GO, taking a cue from the Telangana order.

"Cost of production has gone up significantly in the last five years but the government has not increased the MRP. The companies are arguing that they can't increase the price unless the MRP is revised upwards. Lack of remunerative prices is forcing the seed growers to look at other alternatives. This would have an impact on the seed production," Devakanthapu Reddy, leader of the delegation, said.

Scientists to submit GM mustard report to govt



Indian scientists have completed final trials of a genetically modified (GM) variety of mustard and will submit a report to the government in a month, hoping to win over stiff opposition to make it the country's first commercial transgenic food crop.

A powerful farmers group close to Prime Minister Narendra Modi's Bharatiya Janata Party (BJP) is one of the biggest critics of GM crops and wants the government to stop all field trials saying they "will destroy the entire agrarian economy".

Allowing GM crops is critical to Modi's goal of boosting farm productivity in India, where urbanization is devouring arable land and population growth will mean there are 1.5 billion mouths to feed by 2030 - more even than China.

India imports about 60 per cent of its edible oil needs at an annual cost of up to \$10 billion - its third-biggest import item after crude oil and gold.

The new GM mustard offers India a chance to substantially reduce this import bill as it would be the highest-yielding oilseed in India, with yields 26-34 per cent higher than the national average, said Delhi University's Deepak Pental, leading the research on the GM mustard.

Pental said recently concluded biosafety studies did not show any adverse allergenic, toxic or environmental impact.

"Oil and rapeseed meal of transgenic rapeseed have been consumed very extensively from 1996 onwards (outside India)," Pental told Reuters.

"If in spite of all this the material (GM mustard) is not released - that means we have fallen prey to whims and fancies of extreme ideologues."

Pental was referring to Bharatiya Kisan Sangh (BKS), or Indian Farmers' Union, which is affiliated to the ideological parent of BJP and opposes field trials of GM crops.

Last month, BKS leaders met with some government scientists working on GM and urged them to stop all field trials, BKS national secretary Mohini Mohan Mishra told Reuters.

"The field trials will destroy the entire agrarian economy of this country because they have no clue about the long term impact," Mishra said. "They have been blinded by the western corporates and we will not let them commit this blunder."

"The scientists may complete field trials and submit reports but this will not translate into GM crops in Indian fields."

But in August last year, the Modi government resumed the field trials for selected GM crops with little publicity and in January, Maharashtra state led by the BJP gave the all-clear to trials of rice, chickpeas, corn and aubergine, as well as new varieties of cotton.

GM cotton developed by Monsanto Co and launched in India in 2002 helped transform the country from a net importer into the world's top fibre producer.

‘Sugar output to exceed 280 lakh tonnes’



Sugar mills in the country, the world’s second largest producer of the sweetener, have produced 278.48 lakh tonnes (lt) of sugar as on May 15 for the 2014-15 season (October-September), according to data released by Indian Sugar Mills Association (ISMA) here on Monday.

Despite the enormous output, production is not likely to cross the record 283.6 lt registered in 2006-07, said industry officials. The closing stock, however, is likely to be the highest in six years.

“It will be close to the 2006-07 figure but I don’t see it being crossed. Currently, there are 45 mills that are crushing cane and will produce about 50,000-60,000 tonnes. An additional 2 lt from the special season in Tamil Nadu will also be produced,” said Abinash Verma, Director-General, Indian Sugar Mills Association (ISMA).

Verma expected another 3-3.5 lt to be produced at most which would bring total output to around 282 lt. “Crushing operations have almost come to an end and most mills will close over the next 15 days,” he added.

“Closing stock at the end of the current season is estimated to be at a level of 103 lt, the highest in the last six sugar seasons,” said the ISMA statement.

Depressed prices

Ex-mill prices continue to be depressed domestically at ₹24-25/kg in Uttar Pradesh and ₹22-23 in Maharashtra, the country's two biggest sugar producing States. Cost of production is pegged at ₹35-36.

Globally, sugar was ruling at around 13 cents/pound on Monday, a price – which the industry said is not viable for exports. “Mills have exported only 4.6 lt till first week of May. Another 2-3 lt may get exported in the remaining period of the season,” the statement added.

Arrears situation

Cane arrears have crossed ₹21,000 crore, say industry estimates, that is almost 35 per cent of total cane price payable this season. Acreage, however, is expected to remain at the same level with excess sugarcane likely to be available next season as well.

“It also means that either one out of three farmers have not got the payment or the farmer has not got payment for 35 per cent of his produce...this is the worst ever situation in the history of the Indian sugar sector,” the statement explained.

The industry reiterated the need for a rationalised pricing policy across the country given the mismatch between cane and sugar prices. Since mills were under legal compulsion to crush all the cane supplied, it has suggested that the government cover the arrears directly or buy out 30 lakh tonnes to improve domestic prices.

Business Standard

Shexil estimates 70% fall in summer sesame seed output



Water shortage for irrigation is likely to bring down summer sesame seed production in Gujarat by 70 per cent as compared to last year, Shellac & Forest Products Export Promotion Council (Shefexil) forecasts estimate.

As per a survey conducted by Shefexil Gujarat between April 23 and May 2, 2015, sesame seed production this summer is estimated to be about 35,216 tonnes in the state as against 113,190 tonnes last year.

The Shefexil report also highlights decline in area of sesame seed sowing primarily due to water scarcity. Moreover, unseasonal rain affected yield of the commodity which translated into lower production in this year.

However, the latest Indian Oilseeds and Produce Export Promotion Council (IOPEPC) survey shows sesame seed production to be around 63,383 tonnes, down nearly 51 per cent from 128,878 tonnes.

Since Gujarat is the largest producer of groundnut and sesame during rabi season, IOPEPC organized this survey in the state from May 11-14, 2015 in association with the Junagadh Agricultural University (JAU).

As per Gujarat state agriculture department data, sowing of sesame seed has covered 68,300 hectares in this year as against 125,800 hectares of previous year. With this, in third advance estimate, the state government has estimated 33,000 tonnes sesame seed production for summer.

Traders also believe that summer sesame seed production will not be more than 35,000 tonnes.

Major downfall in sowing has seen in Banaskantha, Surendranagar, Morbi, Rajkot, Porbandar and Kutch district in the state, said the Shefexil survey.

The Shefexil report said that, sowing area of sesame seed in Gujarat has been declined to 72,983 hectares from 114,620 hectares while yield has down by 48 per cent to 483 kg per hectare. Yield was 987 kg per hectares in 2014.

While, according to IOPEPC survey estimated 928 kg a hectare yield as against 1,024 kg of 2014.

Sowing was started late this year and report mentioned that main reason for late sowing was unavailability of farms as it was occupied by previous crops. Unfavorable weather condition during growing period affected the crop in Rajkot, Junagadh, Morbi and Jamnagar districts.

According to survey, untimely rain has raised disease and insect attack in many places.

Gujarat based leading exporter Manoj Sonpal said, "Market of sesame seed will be tough as kharif crop production has been arrived almost and summer crop size has estimated very lower which already start impacting on price."

Sesame seed hulled price is ruling on 2,100-2,300 per 20 kg and natural sesame seed price is about Rs 1,700-1,800 per 20 kg. Currently, arrival are at about 1000 bags of 30 kg each per day

Traders expecting good demand from international market, mainly from China and it may lift hulled sesame seed price up to Rs 2,600-2,800 per 20 kg by end of this month.