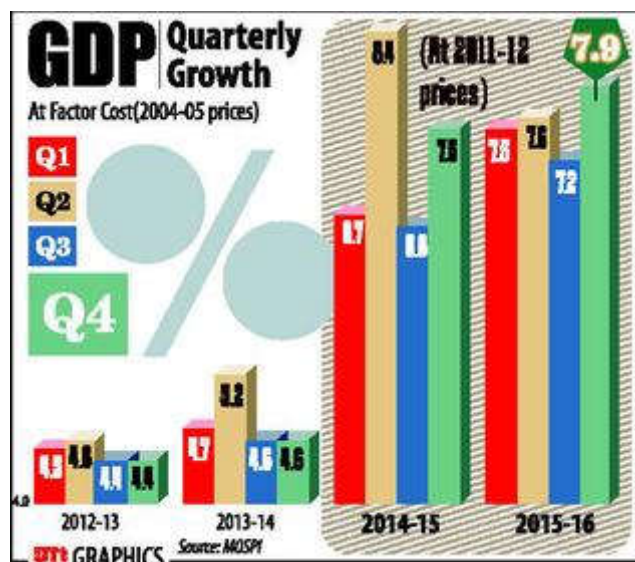


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# THE HINDU

## GDP growth accelerates to 7.9 %

*Full-year growth at 7.6 % will maintain India's position as the fastest-growing major economy*



India's gross domestic product (GDP) grew 7.9 per cent in the fourth quarter of 2015-16, increasing overall growth for the entire year to 7.6 per cent and help maintain its position as the fastest-growing major economy, according to the Central Statistics Office (CSO).

India's gross value added (GVA) for the year grew by 7.2 per cent in what economists termed a consumption-led recovery.

### 'Doing nothing'

"We are still in a situation where corporate investment is doing nothing," Pronab Sen, Former Chairman, the National Statistical Commission, told *The Hindu* .

"Any movement in investment is due to the public sector. This is being reflected in higher private consumption which is a good thing up to a point. But it does pose a danger of the re-emergence of inflation unless the monsoon is spot on this time."

## **Agriculture sector**

The agriculture sector grew 1.2 per cent compared to the advance estimate of 1.1 per cent. The sector contracted 0.2 per cent in the previous year.

Manufacturing grew 9.3 per cent, slower than the 9.5 per cent forecast in the advance estimates. But this is much higher than the 5.5 per cent seen in 2014-15. The consolidated services sector grew 8.8 per cent in 2015-16 compared to 9.05 per cent mentioned in the advance estimates.

Private final consumption expenditure, a proxy for private demand, grew at 7.4 per cent in 2015-16 compared to 6.4 per cent in the previous year. Growth in gross fixed capital formation, a measure of private sector investment, slowed down to 3.9 per cent from 4.9 per cent in 2014-15.

Construction sector grew 3.9 per cent in 2015-16 compared to 4.4 per cent in the year-earlier period. However, the sector grew at 4.5 per cent in the fourth quarter of FY16 compared to 2.6 per cent in the year earlier period.

“These numbers are very much in line with the full year advance estimates,” said D.K. Srivastava, Chief Policy Advisor, EY India.

“The only points of concern would be the low growth in construction, the lower-than-expected growth in agriculture and the state of private investments and exports,” he said.

## **Real GDP**

“Real GDP or GDP at constant (2011-12) prices for the year 2015-16 is now estimated at Rs.113.50 lakh crore, showing a growth rate of 7.6 per cent over the First Revised Estimates of GDP for the year 2014-15 of Rs.105.52 lakh crore,” according to a statement from the Central Statistics Office.

The statistics office also revised downwards the GDP growth rate for the previous quarters of 2015-16. The first quarter grew at 7.5 per cent, slightly lower than the 7.6 per cent as per the advance estimates.

The second quarter witnessed a growth rate of 7.6 per cent compared to the 7.7 per cent in the advance estimates. The third quarter grew at 7.2 per cent compared to the previous estimate of 7.3 per cent.

“Growth rate in the 4th quarter of 2015-16 at 7.9 per cent, almost hits the magical 8 per cent mark. Good days ahead,” tweeted Arvind Panagariya, Vice-Chairman, Niti Aayog.

## Govt. working to reduce input cost in agriculture, says Minister



Radha Mohan Singh

Union Agriculture Minister Radha Mohan Singh on Tuesday said the Union government had chalked out a concrete plan to reduce the input cost in agriculture and provide farmers better returns for their produce.

“We have resolved to double the income of farmers in next over 5 years. The government is giving priority to the enterprises linked to agricultural sector so as to achieve this target,” the Minister said at a press conference here.

### **Soil health cards**

“We are taking a number of initiatives to minimise the cost of agricultural production...With this goal in mind, 14 crore farmers in the country are being given soil health cards.” The government, he said, had launched the ‘Paramparagat Krishi Vikas Yojana’ to promote organic farming.

“Neem-coated urea, improved varieties of seeds and planting material, and schemes such as the Pradhan Mantri Krishi Sinchayee Yojana have been introduced and farmers are also being provided agricultural loans on concessional rate.”

Mr. Singh said norms related to disaster relief been altered to help farmers affected by natural calamities.

“The discrepancies existing in crop insurance schemes have been removed and a new scheme called Pradhan Mantri Fasal Beema Yojana has been launched...The concept of ‘one nation and one mandi [market]’, , which was a long pending marketing reform, has been taken ahead.”

### **‘Great strides made’**

A new National AgroForestry scheme had been initiated for planting trees over meadows, the Minister said, adding that the dairy and fisheries sectors had made greater strides in terms of growth and development in the last two years.

### **Deficit rainfall predicted for Coimbatore**

Coimbatore is expected to see deficit rainfall during the current South West Monsoon season, the Agro Climate Research Centre has predicted here on Tuesday.

The Centre, which is part of the Tamil Nadu Agricultural University, said that as against the average rainfall of 189.8 mm, Coimbatore this year is likely to get only 152 mm, a deficit of 20 per cent. The monsoon extends from June to September.

The centre has also predicted that in the 120-day period, the rainfall days will be only 16. Earlier it was 19. Given the prediction, the advisory is, store water as much as possible.

It says that normal rainfall – plus or minus 19 per cent deviation from the normal rainfall – is expected in Ariyalur, Chennai, Cuddalore, Dindigul, Dharmapuri, Erode, Karur, Kanchipuram, Kanyakumari, Krishnagiri, Madurai and a host of other districts.

Coimbatore will join Nagapattinam, Ramanathapuram and Tiruvarur districts in the insufficient rainfall category.

The Centre developed the forecast based on the Southern Oscillation Index of summer and sea surface temperature values in Pacific and Indian oceans using the Australian Rainman International software. The historical data collected from the TNAU stations was used to prepare the rainfall data. In the absence of data, the Centre substituted the data from the Rainman software, a release explained.

## **Kuruvai crop to be raised on 32,250 ha in Thanjavur**



Collector N. Subbaiyan giving away prize to a farmer at a function in Thanjavur on Tuesday.— PHOTO: DIPR

It has been planned to raise kuruvai paddy crop on 32,250 hectares in Thanjavur district.

For that, all agricultural inputs and seeds have been adequately stocked, District Collector N. Subbaiyan said here on Tuesday.

Speaking at a review meeting held here to take stock of the kuruvai preparations, Dr. Subbaiyan said that last year kuruvai paddy production touched 2.11 lakh tonnes and expressed the hope that the current year would surge ahead of that. The Collector handed over cash rewards for best performing farmers in terms of agricultural productivity on the occasion. Pattukkottai Sub Collector T.S. Rajasekar and Joint Director of Agriculture Gnana Oli were present.

## **Cotton auction fetches Rs. 2 lakh**

Cotton was auctioned for Rs. two lakh at the Kongranapuram branch of the Tiruchengode Agricultural Producers Cooperative Marketing Society near here on Sunday.

While DCH variety fetched a price between Rs. 6,000 and Rs. 6,350 per bag, Surabhi variety fetched a price between Rs. 4,700 and Rs. 5,050 per bag. Eighty bags of ellu (sesame seeds) were auctioned for Rs. four lakh on the same occasion. A kg of ellu was priced between Rs. 70 and Rs. 75.

## Deputy Commissioner reviews monsoon preparedness



Deputy Commissioner P. Rajendra Cholan chairing a meeting of the district-level disaster management committee in Dharwad on Tuesday.

Deputy Commissioner P. Rajendra Cholan has directed the officials of all departments to be prepared to tackle with natural calamities during the monsoon.

Chairing a meeting of the disaster management committee here on Tuesday, Mr. Cholan said that the meteorological department had predicted that the monsoon will set in in the first week of June.

There were possibilities of heavy rain, causing damage to lives and property. Therefore, the officials had to be ready to face any eventualities and reach out to the people during the monsoon.

The officials need to submit all details to the district headquarters on a daily basis.

Tahsildars and other top officials of the taluks would be held responsible in case the information was not submitted from any of the taluks in 24 hours, he added.

Mr. Cholan instructed the officials of the Department of Fire and Emergency Services to keep boats and other rescue operation equipment in good condition. As the district has black cotton soil, storm water starts flowing even in the event of 10 mm rainfall. The department should form Hobli-level teams to carry out rescue operations during emergencies, Mr. Cholan said.

The Agriculture Department officials were urged to set an increased target of 20 per cent sowing area than the last season's target. Besides, arrangements should be made to distribute seeds and fertilizers at the fixed time, he said.

### Surprise visit

Earlier in the day, Mr. Cholan paid a surprise visit to fruit vendors and expressed displeasure over the use of plastic bags, though the government has banned their use and the officials conducting raids to seize banned plastic material. He instructed the officials to strictly implement the ban on plastic material and curb their use.

### Farm land coming under organic certification

<b>FEDERATION OF ORGANIC GROWERS</b>			
<b>District</b>	<b>Organic growers societies</b>	<b>Organic growers</b>	<b>Land in hectares</b>
<b>Dakshina Kannada</b>	<b>11</b>	<b>1,008</b>	<b>1,102</b>
<b>Udupi</b>	<b>6</b>	<b>632</b>	<b>655</b>
<b>Chikkamagaluru</b>	<b>27</b>	<b>2,872</b>	<b>4,483</b>
<b>Total</b>	<b>44</b>	<b>4,512</b>	<b>6,240</b>

The Karnataka State Organic Certification Agency is in the process of inspecting and certifying 6,240 hectares of farm land owned by 4,512 farmers in Dakshina Kannada, Udupi and Chikkamagaluru districts. The inspection will be over by March, 2017, according to H. Kempe Gowda, Joint Director, Agriculture, Dakshina Kannada.

Addressing the inaugural session of an organic mela at Kadri Park here on Tuesday, he said that the process would take three years. Farmers whose land had been chosen for organic certification should not use chemicals for three years. The certificate would be issued later. The Joint Director said that the second year of inspection was under progress.

He said that 4,512 farmers in the three districts had formed a regional federation called the Federation of Organic Growers in Dakshina Kannada, Udupi and Chikkamagaluru. It comprised 44 societies of organic growers in 44 villages.

Mr. Gowda said that 54,000 soil health cards covering 2.09 lakh farmers would be distributed in Dakshina Kannada in two years. In that, 27,000 cards would be

distributed during 2016-17 and the remaining half would be given away in the next financial year.

### **‘Kembal kai’ is cynosure of all eyes at organic mela**



Srinivas, a farmer from Bantwal, exhibiting ‘Kembal kai’ at an organic mela at Kadri Park in Mangaluru on Tuesday. —Photo: H.S. Manjunath

Bunches of ‘kembal kai’, a wild fruit, locally called ‘sanyasi kai’, used in making pickle was the cynosure of all eyes at the organic mela organised by the Department of Agriculture at Kadri Park here on Tuesday.

Srinivas, a farmer from Bantwal, who exhibited it, said that it grew in a creeper which is found in some pockets of the Western Ghats. ‘Kembal kai’ is not widespread in the Western Ghats region. “We can find it only in some forests,” he said.

Mr. Srinivas said that it had a light salty taste. If put in brine for 90 days before making pickle, the product would last three years and the pickle taste would remain intact. “Its quality will be good,” he said.

The farmer also exhibited ‘mara tondekai’ (ivy gourd grown in a creeper) which is used as a vegetable. He said that commonly used ivy gourd available in market is cultivated by allowing its creeper to spread in a pendal. It is thin in size, while ‘mara tondekai’ is thick in size. Gopalakrishna Bhat of Adkathimar, Bayar, had put on sale Taiwan red lady papaya. He said that he had 1,200 saplings of the variety.

Farmers had brought home grown pineapple, jackfruit, mango, vegetables, leafy vegetables, jackfruit happala, honey rice and other products for exhibition and sale. There were some jackfruit saplings for sale.



Billampadavu Narayana Bhat of Vitla had put on sale seeds of local vegetables. He had been preserving the seeds of more than 35 varieties of vegetables grown by him organically since 2002.

### **Agri-innovators from India, Israel to work together**



To farmers' aid: Peter Carberry, Deputy Director General of ICRISAT and Jay Krishnan, CEO, T-Hub after signing the MoU at ICRISAT in Medak on Tuesday.— Photo: Mohd Arif

*ICRISAT and T-Hub sign an MoU to help entrepreneurs at T-Hub to leverage their skills to improve the lives of small holder farmers in South Asia and Sub-Saharan Africa*

What could be termed as a historical step to integrate innovations in agriculture and information technology, the International Crop Research Institute for Semi-Arid Tropics (ICRISAT) and T-Hub signed a Memorandum of Understanding (MoU) here on Tuesday. It will foster a collaborative environment to help entrepreneurs at T-Hub to leverage their skills to improve the lives of small-holder farmers in the dry lands of South Asia and Sub-Saharan Africa.

As a first step in this direction, about 25 agri-innovators each from Israel and India work together at the platforms being provided at ICRISAT and T-Hub. An IT focused incubator would be established on the premises of ICRISAT by the T-Hub so that systems would be evolved to disseminate innovations made at the international research station.

The MoU was signed by Peter Carberry, Deputy Director General, ICRISAT and Jay Krishnan, Chief Executive Officer (CEO), T-Hub.

“Transferring knowledge to farmers is a difficult task and this partnership will enable us through communication technology to reach more farmers across the globe and our knowledge will reach entrepreneurs,” said Dr. Peter Carberry, while speaking to reporters after signing the MoU.

Informing that the T-Hub has focused on innovation accelerator systems, Mr. Jay Krishnan said some of the key areas being focused are water management, clean energy and agriculture.

“We bring community of innovators, scout out, curvet them and scale them up. This is a long-term mission which will benefit the farming community. We use technology as an enabler and this will be an opportunity to solve problems. Angle investors are also showing interest in agriculture sector,” said Mr. Jay Krishnan.

“Both ICRISAT and T-Hub will provide mentoring, access to agriculture-centric research, business models and market access. ICRISAT is setting up an innovation and creative space for entrepreneurs and other stake holders,” he added. Answering a question, he said that this will become functional in the next six months.

### **Government to provide fodder on subsidy**

Minister for Animal Husbandry and Dairy Development Talasani Srinivas Yadav has asked the farmers having cattle and sheep/goat not to resort to distress sale of their animal as the State government is ready to provide fodder on subsidy in case they are disposing of the animals because of fodder shortage.

Speaking after launching the gift pack of Vijaya dairy products here on Tuesday, the Minister said about five lakh litres of milk was being procured in the State every day and the government was committed to improving it to encourage dairy farmers. As a measure to encourage them the government was giving an incentive of Rs.4 per litre on the milk being supplied to Viajay dairy.

### **Recruitment of vets**

Arrangements were being made to provide necessary fodder to the milk producers on subsidy and recruitment of veterinary doctors would also be taken up soon through the Telangana State Public Service Commission (TSPSC), the Minister said.

On promoting Vijaya dairy products, the Minister said the government was planning to market them on a large scale by setting up new outlets at temples, along highways, at schools, bus stations, railway stations, major government office complexes and major road junctions. He stated that the gift packs comprising 14 dairy products would be given to Governor, Chief Minister, Ministers, legislators and others on the occasion of Telangana Formation Day.

General Managers of Vijaya dairy Kamesh and Praveen Kumar, and Hyderabad Mayor B. Rammohan participated.

*Animal Husbandry Minister advises farmers not to resort to distress sale of their cattle and sheep*

### **Bumper paddy crop in Pathanamthitta**



Paddy procurement in progress in the upper Kuttanad village of Peringara.—  
PHOTO: LEJU KAMAL

*Farmers yet to get procurement price of Rs 5.95 crore*

The total paddy production in Pathanamthitta district this year has been put at 8,143 tonnes, which is 94 tonnes less compared to the previous year.

Sources told *The Hindu* that 7,062 tonnes came from the upper Kuttanad villages of Niranom, Kadapra, Kuttoor, Nedumpram, and Peringara in Thiruvalla taluk.

It was a bumper harvest this year due to conducive climatic conditions, they added.

Farmers had to discontinue cultivation in nearly 600 acres in upper Kuttanad due to various reasons, which has been attributed to the shortfall in production.

The peasants could not launch cultivation in 400 acres in Niranom panchayat due to the renovation work in the Niranathu-Thadom canal.

### **Target set**

District panchayat member Sam Eapen, who is also the Upper Kuttanad Nelkarshaka Samiti president, said the district had set a target of 10,000 tonnes next year.

The Civil Supplies Corporation procured 8,143 tonnes of paddy from 1,615 hectares in the district at the rate of Rs 21.50 a kg this year. Of this, Rs.14.10 was the Central government's share, with the State footing the rest Rs. 7.40.

“Though the farmers have received the Central share of Rs.11.55 crore, the State government is yet to release its share of Rs. 5.95 crore to the farmers,” Mr Eapen said.

### **Go the millet way, speakers tell TS Govt.**



**SAVING WATER:**Millets on display at an agriculture fair. Photo for representational purpose only.- A file Photo

It takes about 4,000 litres of water to produce a kilogram of rice and hardly any water to grow same quantity of millets. Going by the statistics, farmers in Telangana had saved crores of litres by cultivating millets in the year 2014.

Farming systems that protect land from pollution and are less water-intensive are the real alternative that will usher in 'Bangaru Telangana', golden State and prevent farmers' suicides.

Government has to go ahead with an agenda aimed at overall development of society and not just in the interests of a few multi-national corporations or small groups of people.

### **Consultation**

These and more issues of concern were thrown up at a day-long 'Civil Society Dialogue for Peasant-designed Agricultural Future' titled 'Maa Telangana, Maa Vyavasayam' that translates as 'Our State, Our Agriculture'. The consultation was put together by the Deccan Development Society (DDS), Southern Action on Genetic Engineering and hosted at the Centre for Economics & Social Studies here on Tuesday.

Those who spoke their mind out included DDS Founder and Millet Network of India Convenor P.V. Satheesh, former High Court Judge B. Chandra Kumar, All India Kisan Sabha Vice-President S. Malla Reddy and Laxma Goud, renowned graphic artist, Head of the Department of Journalism, Maulana Azad National Urdu University, P.L. Visweshwar Rao, Senior Scientist R. Uma Reddy and former Professor at the Agricultural University here, A. Prasada Rao.

Mr. Satheesh regretted that in the name of Telangana, Government was increasingly promoting industrial crops and that it was putting the peasantry back by decades. "We are pained by the fact that the Telangana Government that took birth as a result of long-fought movement has belied all its revolutionary hopes and is leading its peasantry to a precarious agricultural future of our State," he rued.

### **Utilisation of water**

Mr. Chandra Kumar said a world-wide dialogue was needed on over-utilisation of natural resources. "Why cant Government procure millets and pulses and use them to feed children in Anganwadi centres and students in social welfare hostels?," he asked, expressing concern that agriculture was on the wane in the past few decades but not much attention was given to correct the situation.

Mr. Malla Reddy pointed out that according to the Constitution of India, agriculture was a State subject. This way, the State should fix a remunerative price for crop at the time of sowing itself. There was a law too that procurement

should be in tune with the State's needs, he said, regretting that Civil Supplies and Marketing departments were only becoming white elephants.

### **Fisheries varsity gets new VC**

A. Ramachandran has been appointed Vice Chancellor, Kerala University of Fisheries and Ocean Studies. Prof. Ramachandran, who has 30 years of experience in teaching and research, had earlier held the posts of Registrar, Controller of Examinations and Director, School of Industrial Fisheries, Cochin University of Science and Technology. He has been appointed VC for five years or till he attains the age of 65, whichever is earlier.



### **GDP: At 7.6%, India's growth points to fastest growing large economy**

India's GDP numbers for quarter January-March stood at 7.9 per cent as against 7.3 per cent in October-December, thereby making it the fastest growing economy in the world.



Finance Minister Arun Jaitley at a press conference in New Delhi. Express Photo/File India's gross domestic product (GDP) grew 7.6 per cent in 2015-16, powered by a rebound in farm output, and an improvement in electricity generation and mining production in the fourth quarter of the fiscal.

Economic growth was estimated at 7.2 per cent in 2014-15. The growth numbers for the last fiscal, which reinforces India's position as the world's

fastest-growing large economy, came on the back of a strong 7.9 per cent growth in the last quarter of the fiscal.

The robust headline number, despite faltering private investment, weak capital goods growth and shrinking exports, has reinforced expectations that the RBI would keep its policy rate on hold at its next quarterly review next Tuesday.

The central bank has already cut its policy repo rate by 150 basis points since January 2015, reducing it to 6.5 per cent — the lowest level in more than five years.

The strong 7.9 per cent growth in the fourth quarter comes at a time when China has reported a 6.7 per cent in the March quarter — its slowest growth in about seven years.

According to data released by the Central Statistics Office (CSO), the farm sector grew by 2.3 per cent from a year ago compared with a 1.0 per cent contraction in the December quarter.

Mining grew 8.6 per cent in the March quarter, up from 7.1 per cent in the previous quarter. Electricity, water and gas production growth surged to 9.3 per cent from 5.6 per cent in the December quarter.

The CSO, in a statement, said that it has revised the GDP data for the first three quarters released earlier from 7.6 per cent, 7.7 per cent and 7.3 per cent to 7.5 per cent, 7.6 per cent and 7.2 per cent, respectively.

Also, the growth of in the “agriculture, forestry and fishing” sector was revised upwards to 1.2 per cent in 2015-16 as against 1.1 per cent in the advance estimates for the same period.

“The upward revision is on account of the use of third advance estimates of crop production released by the Ministry of Agriculture,” it said.

The manufacturing sector’s growth was also revised downward to 9.3 per cent as against the growth rate of 9.5 per cent estimated earlier due to lower print of industrial output than estimated earlier.

“The IIP of manufacturing registered a growth rate of 2 per cent during the whole year of 2015-16, as against the growth rate of 3.9 per cent used for compiling Advance Estimates.

Due to this change, the advance estimate growth of ‘manufacturing’ sector has been revised downwards to 9.3 per cent,” it added.

Growth of trade, hotels, transport, communication services has been revised downward to 9 per cent against 9.5 per cent estimated earlier, while financial, insurance and real estate sector grew at 10.3 per cent, same as projected earlier.

Upasna Bhardwaj, Economist, Kotak Mahindra Bank, said that private consumption has been holding up, mirroring some of the progress in high frequency data such as auto sales and the improving prospects of adequate monsoons.

“Another reason for the pickup in private consumption could be attributed to the heavy dividend payouts by corporates rather than increasing investment spending.

Overall, the continued weakness in capital goods production and lack of capacity addition continues to remain a drag on growth.

Going forward, better monsoons and seventh pay commission payouts are likely to remain supportive of consumption.

However, private capex will likely remain the missing link for a few more quarters with growth continuing to be heavily reliant on government spending. We, therefore, see a gradual uptick in growth next year,” she said.

The Economic Survey had projected a wide band of 7-7.75 per cent growth in 2016-17, boosted by normal monsoon projection. It had, however, cautioned that with the global slowdown likely to persist, chances of India’s growth rate in 2016-17 increasing significantly beyond 2015-16 levels were not very high.

The RBI, too, in its April monetary policy review, said a number of factors could impinge upon the growth outlook for the current fiscal such as slow investment recovery amid balance sheet adjustments of companies, weak revival of private investment demand and tepid external demand.



## **Favourable monsoon will aid farm growth this year: Agri min**

NEW DELHI: Union agriculture minister Radha Mohan Singh on Tuesday said the country was poised to witness strong farm growth this year, aided by a good monsoon predicted by India Meteorological Department (IMD).

“If the IMD forecast comes true, I am confident that foodgrain output will definitely increase and the overall agricultural growth will also be higher,” Singh said at a press conference here.

The minister also said the Modi government would continue with the trend of higher minimum support prices for pulses for the upcoming agriculture season.

“The first priority of the central government was to take up effective initiatives to fight the challenges prevailing in the agricultural sector.

I would like to tell you despite a more severe drought this year, compared to last year, we have been able to maintain the levels of food production,” Singh said.

He said the Modi government had taken a number of initiatives to minimise the cost of agricultural production.

“...Fourteen crore farmers in the country are being given soil health cards. Apart from this, Paramparagat Krishi Vikas Yojana has been launched to promote organic farming.

Neemcoated urea, improved varieties of seeds and planting material, and schemes like Pradhan Mantri Krishi Sinchayee Yojana have been introduced,” he said.

The minister also said he was not against genetically-modified (GM) crops and said he would abide by any decision taken by the country’s biotech regular, Genetic Engineering Appraisal Committee, under the environment ministry.

He said the central government was committed to bringing down input costs for farmers and that was the reason for capping costs of GM cotton seeds at ` 800 a packet.

Upbeat over the prospects of a good monsoon, the agriculture ministry has set a target of achieving a record 270.10 million tonnes of foodgrain production in the 2016-17 crop year, he said.

## **GDP growth in top gear at 7.9%**

NEW DELHI: India's economy grew at 7.9% in January-March, the fastest in six quarters, cementing its position as the world's fastest growing major economy, although a good monsoon and pick up in private investment will be critical to sustain the momentum.

The latest data comes a week before Prime Minister Narendra Modi's visit to the US, where he is expected to hard sell India's impressive growth record in the last two years in meetings with top CEOs.

India also outpaced China's 6.7% growth in the same period as the rival Asian titan struggles to claw out of a crippling deceleration.

Turnaround signs were visible in another set of data released separately that showed growth in the infrastructure sectors surged to a four-year high of 8.5% in April.

Comprising eight industries — coal, crude oil, natural gas, refinery products, fertilisers, steel, cement and electricity — collectively called the 'core sector' as it makes up for nearly 38% of India's total industrial production, this had shrunk by (-) 0.2% in April last year.

The country's "real" or inflation-adjusted gross domestic product — a measure of the value of all goods and services produced — grew at 7.2% in October-December against 7.6% in the previous three months.

For the full year 2015-16, real GDP grew at 7.6%, the fastest in five years, aided by low commodity and oil prices.

Economic affairs secretary Shaktikanta Das said 8% growth was achievable in 2016-17.

"The various measures the government has been taking in the last couple of years are beginning to show results and overall, there are green shoots... this year, hopefully with a good monsoon, we should look at growth closer to 8%," Das said.

Analysts, however, said the overall economy's expansion pace could be masking a persistent slowdown in exports and a still-fragile recovery in private investment.

“While headline GDP growth recorded an uptick, a key disappointment was the step down in investment growth,” said Aditi Nayar, senior economist, ICRA Limited, a credit rate and research firm.

According to the latest GDP data, gross fixed capital formation (GFCF) — a marker for new capacity additions by firms — grew at 3.9% in 2015-16 compared to 4.9% in 2014-15, mirroring subdued private and government investment activity.

“The contraction of GFCF by 1.9% in January-March is disappointing, highlighting the muted trend in private sector investments as well as some slowdown in the pace of growth of the government's capital expenditure in the final quarter of the last fiscal,” Nayar said.

On the positive side, the farm sector appears to have rebounded after two successive droughts, growing 2.3% in January to March from a 1% contraction the previous quarter. Mining and electricity also showed a strong pick, rekindling hopes of a broader revival.

Creating jobs, however, remains a challenge with employment generation in eight sectors slowing to a seven-year low in 2015.

Textiles, leather, metals, automobiles, gems and jewellery, transport, information technology and the handloom sectors together created 135,000 jobs in 2015, 67% lower than the 421,000 jobs added in 2014, the last year of UPA rule.

**Kharif crop: Farm Minister promises higher support prices this year too**



Radha Mohan Singh, Minister for Agriculture and Farmers Welfare, at a press conference in New Delhi on Tuesday

Govt expects farm output to rise on better monsoon

The minimum support price (MSP) for kharif crops, including pulses and oilseeds, will be increased this year as well and the hike will be “more than expectations”, Agriculture Minister Radha Mohan Singh has said.

The Minister expressed hoped that agriculture production would be higher in 2016-17, if the forecast of an ‘above normal’ monsoon by the India Meteorological Department (IMD) came true.

“Since production did not fall when rainfall was deficient last year, it is bound to increase if rainfall is plenty this year,” Singh said at a press conference on Tuesday, on two years of governance by the NDA.

Growth in agriculture has been estimated at 1.2 per cent in 2015-16, against a negative 0.25 per cent in the previous fiscal because of two consecutive years of drought.

Answering questions on whether the government would increase MSP for kharif crops, especially pulses, this year – to promote its cultivation and reduce dependence on imports – the Minister said the Centre had done so last year and would do so again.

The increase will be more than expectations, he added. The Union Cabinet is expected to take a decision on MSP for kharif crops (crops grown in the monsoon season) soon.

### **Bt Cotton**

When asked why the Ministry had put up the licensing guidelines for Bt cotton technology for consultations after notifying them, Singh said it was done as a lot of suggestions were coming in.

“We have circulated the draft licensing guidelines for new traits of genetically modified cotton to get views of all stakeholders.

After 90 days, we will go through comments and proposals, and then take a decision,” he said.

The Minister however, clarified that the Centre’s decision to cap the price of Bt cotton seed in March this year at 800 per packet of 450 gram, had not been rolled back.

### **Centre sets target**

Despite lower rainfall in 2015-16, farm production had not taken a hit, Singh pointed out, adding that it was the result of the hard work done by scientists in the development of drought-resistant seed varieties.

The Centre has set a target of achieving 270.10 million tonnes of foodgrain production in 2016-17 crop year (July-June).

Due to drought in the past two years, foodgrain production fell to 252.02 million tonnes and 253.23 million tonnes in 2014-15 and 2015-16, respectively, from a record production of 265.04 million tonne in 2013-14.

## Monsoon onset may spawn fresh storm in Bay of Bengal



Global weather agencies predict low over coastal Andhra Pradesh

The onset phase of the South-West monsoon is likely to witness the birth of a fresh storm in the Bay of Bengal, say global weather models.

The Australian Bureau of Meteorology said on Tuesday that the monsoon is already causing heavy rainfall over the eastern Bay of Bengal, the Myanmar coast and parts of the Malay Peninsula.

The monsoon had entered the Andaman and Nicobar Islands, its first outpost in Indian territorial waters (eastern Bay) around the normal date but has been stuck there for over 10 days.

The normal date of onset over Kerala is June 1, but the India Met Department had assessed in advance that the arrival here would be delayed until June 7, with a model error of four days.

Right now, many parts of Kerala are receiving thundershowers, which have been classified as a pre-monsoon development.

According to the Australian Met, the presence of an active ‘trough’ – within which the monsoon sustains – as well as continuing thunderstorm activity, heightens the risk of storm formation over the Bay of Bengal.

## **Cyclone watch**

The northern Bay of Bengal and the North-West Pacific region have an increased chance of cyclone development during June 1-14, it said.

The European Centre for Medium-Range Weather Forecasts too agrees with the assessment of the Australian Met. It visualises a well-marked low-pressure area over coastal Andhra Pradesh waiting to step out into the Bay waters by June 10.

This well-marked 'low' can in turn be traced to a cyclonic circulation parked for days together over Lakshadweep and Kerala, and persisting on Tuesday. The circulation will move north towards Konkan, before being gulped up by a western disturbance and carried across the peninsula towards coastal Andhra Pradesh.

Even as these activities get under way, monsoon flows across the Arabian Sea will get strengthened in due course.

The low-pressure area over coastal Andhra Pradesh will pull in the flows even stronger and drive the monsoon to a peak by June 10, the European Centre assessed. Meanwhile, there is no heat wave warning over land for the next five days as rain/thunderstorms line up all over North-West India, East and North-East India, and the South Peninsula.

Heavy rain is expected to start pelting Kerala, Lakshadweep, South Interior Karnataka and Coastal Karnataka from the weekend, in what is believed to be a perfect build-up to onset of the monsoon.

India Met Department has retained its prediction of a sustained increase in rain/thunderstorm activity over the rest of the West Coast from Monday (June 5).

## **Over 4,500 farmers take up organic farming in Karnataka**

More than 4,500 farmers have taken up organic farming on 6,240 hectares of land in Dakshina Kannada, Udupi and Chikmagalur districts of Karnataka, according to H Kempe Gowda, Joint Director, Department of Agriculture, Dakshina Kannada district.

Delivering the inaugural address at the 'organic fair', jointly organised by the Department of Agriculture and Dakshina Kannada Zilla Panchayat in

Mangaluru on Tuesday, he said that around 4,500 organic farmers from these three districts have formed a federation. This federation includes 44 organic cooperatives.

He said that the Karnataka State Organic Certification Agency (KSOCA) has taken up the task of providing certification for organic farming in these districts.

Gowda said that 14 organic farmers' federations have been set up in Karnataka on the lines of Karnataka Milk Federation.

### **Bengal tea industry to lose up to 35% of premium production**

The tea industry is expected to lose 30-35 per cent of its prime first flush and second flush production, which generally fetch better prices. Second flush accounts for 20 per cent of the total production of premium variety.

According to the Tea Association of India, Assam has seen excessive rainfall in April leading to a dip in production. The impact has been spread over April and the early half of May this year.

On the other hand, North Bengal, especially Terai and Western Dooars, witnessed scanty rainfall in April and early May. Thus leaf intake has been "affected badly" and incidences of pest attacks have "increased substantially" leading to an escalation in irrigation costs.

The combined effect, according to the Tea Association, will be a dip in first and second flush production.

The Association further points out that despite a lower crop scenario, price realisation so far has been "grim". Compared to 2015 when average price realisation in Kolkata auction was Rs. 155.22 per kg, it has fallen to Rs. 151.20 per kg so far this year.

In Guwahati the average price this year dipped to Rs. 138.87 a kg, against Rs. 149.46 a kg in 2015.

Tea prices in Siliguri, however, bucked the trend. So far in 2016, prices have increased by Rs. 2.28 per kg to Rs. 140.66. In 2015, it stood at Rs. 138.38 per kg.



“Unless, there is a consistent increase in the tea prices proportionate to an increase in production cost, with steady demand throughout the year, the industry foresees a grim outlook in the ensuing months,” the Association said.

### **Centre seeks wider consultations on licensing guidelines for Bt cotton technology**

The Agriculture Ministry has put up the draft licensing guidelines for Bt cotton technology for comments and suggestions from all stakeholders so that relevant proposals can be incorporated, Agriculture Minister Radha Mohan Singh has said.

The Minister clarified that the Centre’s decision to cap the price of Bt cotton seed in March this year at Rs.800 per packet of 450 grams had not been rolled-back.

“Comments have been invited only on the licensing guidelines for new traits of genetically modified cotton. The decision on capping the price of Bt cotton seed remains,” the Minister said at a press conference on two years of governance.

Agriculture production in 2016-17 will increase if the monsoon is good as predicted in the forecasts made so far, the Minister said.

Despite lower rainfall in 2015-16 farm production had not taken a hit, the Minister pointed, adding that it was the result of the hard work done by scientists in the development of drought-resistant varieties of seeds.

“If agriculture production did not fall when rainfall was less, it is bound to increase if rainfall is plenty this year,” he said.

### **‘Dairy sector needs more cold chain facilities’**

June 1 is observed as ‘World Milk Day’. Rajiv Mitra, Managing Director, Govind Milk, speaks on the importance of the day with respect to Indian milk industry.

### **Why do we have a ‘Milk Day’?**

It all started about 15 years back when the United Nations Food and Agriculture Organisation decided to celebrate ‘World Milk Day’ on June 1.

This was around the time that many countries were celebrating their National Milk Days.

It is celebrated to increase common public awareness about usefulness of milk and milk products, its nutritional value and economic importance.

### **How do you see consumption pattern of milk in India?**

Extremely buoyant. With sustained growth of the Indian economy and a consequent rise in the purchasing power during the last two decades, more people today are able to afford milk and other dairy products.

Moreover, milk is a very affordable source of protein to the large vegetarian population in the country.

This growing trend in demand is expected to continue with the sector experiencing a robust growth in the short and medium run.

However, if the impediments in the way of growth and development are left unaddressed, India is likely to face a serious supply-demand mismatch and may gradually turn into a net importer of milk and milk products.

### **What are the impediments?**

Availability of cold-chain facilities is something that remains wanting. India needs to have more colleges and universities churning out quality dairy technologists and professionals. The industry also has to turn attractive to talent. Adulteration, contamination needs to be addressed at its root.

Though India is the largest producer of milk, we still are the poorest in per capita yield. Lot of work needs to be done on this.

At Govind, we are working hard on increasing milk quality and yield through series of concerted activities.

Our pioneering concept 'Happy Cows' is appreciated and widely emulated.

Our state-of-the-art manufacturing facilities are geared up to cater to increased demand in our chosen markets. We also have online sales facility for ghee and milk powder for markets where our traditional distribution has not yet reached.

Like us, several other important players in the industry are doing significant work. The stakeholders in the government are also supportive. I foresee a great future despite the impediments.

## **How will the milk products segment pan out?**

Going forward, the percentage of revenue that the industry earns from milk products will increase manifold. Coupled with changing tastes and increased urbanisation, westernised products like cheese will gain ground.

We are already seeing high involvement in purchase of milk products.

This leads to hyper competition. Communicating to the consumer about quality, availability, usefulness becomes very important.

You would have seen, product categories like butter, cheese etc., have always had brilliant marketing campaigns.

‘Happy Makers’ is our thought-out tag line. We live it. We cause happiness to consumers when the products land up on their dining table.

Our team of happy employees and distributors make happiness.

We give an experience to all our stakeholders — an experience of happiness.

## **Rubber Board calls for weekly tapping**

In the wake of the prevailing low price of rubber, the Rubber Board has advised growers to adopt weekly tapping, whereby cost of production can be reduced substantially.

In rubber holdings, a major share of expenditure is for tapping, and there is a shortage for tappers also. The Rubber Board presently recommends tapping only once in three days, for the popular high-yielding clones.

If higher frequency in tapping is adopted, there is a chance of trees getting affected by dryness. Despite the recommendation, majority of growers are resorting to alternate day tapping.

Now, the Board is promoting weekly tapping, by which tapping cost can be reduced by two-thirds, compared to tapping on alternate days.

While adopting weekly tapping, it is necessary to apply yield stimulants. Ethephon, a comparatively safe plant growth regulator, is used as a yield stimulant, at 2.5-per-cent dilution. In such a low frequency tapping system with chemical stimulation, it is possible to realise yield equal to or slightly higher than that in alternate day tapping.

Today, rubber prices in the international market are controlled by factors over which farmers have no control. But farmers can adopt scientific practices to reduce cost of production and increase productivity.

In order to sensitise farmers, the Board is planning to conduct a promotional campaign in rubber growing areas, starting from the first week of June.

The Board, with the help of Rubber Producers' Societies, will hold nearly a thousand meetings.

### **Icrisat signs pact with T-Hub**

Small farmers are going to get a tech facelift. The start-up revolution, which is transforming the lives of urbanites, is going to help the resource poor small farmers by developing tech-based solutions.

The International Crops Research Institute for Semi-Arid Tropics (Icrisat) has joined hands with the start-up incubator T-Hub.

Under the agreement, the T-Hub will help the institute develop an incubation hub for agriculture.

Representatives from the two organisations signed an agreement here on Tuesday.

The T-Hub will also help in organising agriculture related programmes.

## **Business Standard**

### **Govt bullish on farm sector growth on hopes of good monsoon**

India's agriculture growth had averaged just 0.5% in the first two-years of Modi govt due to back-to-back droughts



With the southwest monsoon expected to be better in 2016 after two consecutive drought years, agriculture minister Radha Mohan Singh today hoped that both food grain production and farm growth would be better than previous years in 2016-17.

India's agriculture growth had averaged just 0.5 per cent in the first two-years of Modi government due to back-to-back droughts.

However, the India Meteorological Department (IMD) in its April 2016 forecast has said that rains this year could be 'above normal' at 106 per cent of the Long Period Average (LPA).

"If IMD forecast comes true, I am confident that food grain output will definitely increase and overall agri-growth will also be higher," Singh said while briefing the media on NDA government's achievements during two years in power.

On the recent controversy associated with GM seeds and the licensing agreements, the minister said that the earlier notification which capped the retail price of Bt cotton seeds has not been withdrawn to protect the interest of farmers, while that on licensing agreement has been put in public domain for wider consultations because of concerns raised by various stakeholders.

Meanwhile, in order to boost production in pulses and oilseeds, Singh said, "We had increased MSP substantially last year. This time also, we will increase."

A final call on the Agriculture Ministry's proposal to hike MSP of pulses and other kharif crops for 2016-17 will be taken up in the Cabinet meeting soon.

In view of better monsoon forecast, the Agriculture Ministry is aiming to achieve a record 270.10 million tonnes of foodgrains production in 2016-17 crop year (July-June).

The country had last achieved a record output of 265.04 MT in 2013-14. However, the production in 2014-15 and 2015-16 fell to 252.02 MT and 253.23 MT due to drought in more than 10 states. EoM

### **Cabinet hikes paddy MSP by Rs 60 a quintal for 2016-17 crop year**

The government had fixed the MSP of common variety paddy at Rs 1,410 for 2015-16 kharif (summer) season



The Cabinet on Wednesday approved a proposal to increase the minimum support price (MSP) of paddy by Rs 60 to Rs 1,470 per quintal for 2016-17 kharif season.

The government had fixed the MSP of common variety paddy at Rs 1,410 for 2015-16 kharif (summer) season.

MSP is the rate at which the government buys the grain from farmers. Sowing of kharif crops will begin with the onset of southwest monsoon in June. Paddy is the main crop grown in the season.

According to sources, CACP had proposed an increase in paddy MSP by Rs 60 per quintal.



# THE TIMES OF INDIA

## **No plan to tax agricultural income: Govt**

Amid predictions of good monsoon rainfall, Union agriculture minister Radha Mohan Singh on Tuesday said the country would definitely see higher foodgrain production during 2016-17 even as he made it clear that there is no plan to tax agricultural income.

While giving his reassurance, he said the Centre will probe if there was any anomaly in the system with regard to undeclared incomes.

He said he expected states would come on board with all sincerity in the effort to reach benefits of central schemes to farmers.

It had been reported by TOI recently that the CBDT had noticed that several taxpayers had declared significant agricultural income and had taken cognisance of a PIL filed in the Patna high court which claimed agricultural income is often used as a conduit for money laundering.

Singh also said the government is committed to double the income of farmers in five years and that it would not only be done through increasing minimum support price (MSP) of foodgrains but also through interventions at multiple levels so that production could be increased without increasing the input costs.

Addressing a press conference on his ministry's works during first two years of the Narendra Modi government, Singh said his ministry was trying to resort to the age-old practice of 'Kheti & Baari' (farming and allied activities) together to double the income of farmers.

He said 'Kheti' (farming) and 'Baari' (allied activities like dairy, poultry, fisheries and plantation) got separated over the past many years when there was over emphasis on farming even at the cost of allied activities. He also shared inputs highlighting states' performance on various central schemes on farm sector.

## **Agriculture dept offers Trichy farmers high-yield paddy for kuruvai**

With prospects for kuruvai cultivation in the delta region looking bleak due to water scarcity, the agriculture department in Trichy has offered a high-yield paddy variety Co-51 to farmers to carry out cultivation in a limited area.

Since the release of water on June 12 is unlikely this year, the farmers and the department of agriculture have to rely on water from bore wells and wells for kuruvai, the short term crop. The water level in the Mettur reservoir should be at least 90 feet if water has to be released on that date, but with the present inflow it seems impossible.

As many farmers are going ahead with the kuruvai crop with bore well water, the department of agriculture has advised them to go with the Co-51 variety that requires minimum water. Directorate of plant breeding and genetics, Tamil Nadu Agriculture University (TNAU), Coimbatore, developed the variety in 2013. The agriculture department in Trichy made the variety available for the farmers from this year.

Co-51 has the added advantage of being of non-lodging character, which is essential for a kuruvai variety.

Some other characteristics like broad dark green leaves, which lead to higher photosynthesis, medium height (90-100 cm), lengthy panicles (each panicle bears on an average 250-300 grains) with a panicle length of 23 to 28 cm, make the variety stand out.

The department claims that the yield will be 10% higher than the prevalent variety ADT-43. The average yield potential of the 110-day short duration variety will be 2,650 kg per acre.

The department plans to take up kuruvai on 4,000 hectares in Lalgudi, Mannachanallur and Musiri taluks in the district with bore well pumps for 2016-17. The usual area for kuruvai cultivation is 6,000 hectares.

The paddy seeds will be made available in the agriculture extension centres across the district. The department has stocked up 34 tonnes of Co-51 variety and 6 tonnes of ADT-36 variety.

The agriculture departments in Thanjavur, Tiruvarur and Nagappattinam districts are also promoting Co-51 variety for Kuruvai cultivation. In Thanjavur, the district plans to take up kuruvai in around 32,000 hectares.

The short term crop is estimated to be carried out in 28,000 hectares and 30,000 hectares in Tiruvarur and Nagappattinam districts respectively.



The farmers in Tiruvarur district have already done the experiment with the Co-51 variety, said the agriculture department officials.

### **Farm income shouldn't be linked to only agricultural produce: Minister**

Union Agriculture Minister Radha Mohan Singh on Tuesday said the Modi government is committed to "double the income" of farmers but made it clear that their income should not be linked to minimum support price (MSP) of agricultural produce only.

"Our government is certainly committed to double the income of the farm community. But it should not always be linked to the MSP. Substantial income for farmers also should come from allied sectors like livestock farming and fisheries," Singh told reporters here.

He said the government had taken a number of steps to help farmers and rural people to enhance their income through agri-allied sectors.

Therefore, he said multi-pronged steps are being taken to boost animal husbandary, dairy farming and fisheries.

"In olden times, every courtyard was self-content with a kitchen garden and livestock, piggery and poultry farm. But as land declined and allied sectors were neglected, the burden on the farming community increased," he said adding the government is trying to correct anomalies in some of these areas.

"Due to our consistent policy and efforts, fish production has increased to 101.64 tonnes in 2014-15 from 95.72 lakh tonnes in the previous fiscal," Singh said adding that fish production for 2015-16 will also see over seven percent growth at 109 lakh tonnes.

The minister said higher growth rate in both agriculture and overall economy were on the cards due to prediction of a good monsoon.

Listing out various achievements of his ministry during the last two years, he said the electronic trading platform for agri products launched by Prime Minister Narendra Modi was a game-changer.

"Similarly, much has been done on the Pradhanmantri Gram Sichai Yojana, wherein efforts are being made to improve water conservation across the country," he said.

## **Food scientist from US visits Punjab Agricultural University**

A food scientist from Purdue University, USA visited the Punjab Agricultural University (PAU) and interacted with Dr Baldev Singh Dhillon, Vice-Chancellor and Dr Balwinder Singh, Director of Research, PAU.

Dr Manpreet Singh, Associate Professor, Department of Food Science, Purdue University, USA, who was on a one-day visit to PAU, delivered a talk on, "Implications of Food Safety Modernization Act (FSMA) and Medium Sized Food Processors."

A renowned extension food scientist, Dr Singh is also conducting workshops on food safety in Mumbai and Chennai.

Dr Singh said the two sides would work jointly in the area of research, faculty-student exchange, and placing faculty members in the postgraduate student advisory committee. He also visited the Department of Food Science and Technology, PAU and interacted with the members of faculty and postgraduate students.

The faculty and students of Post-harvest Technology Centre, Department of Food and Nutrition and Department of Processing and Food Engineering, PAU also attended the talk. The programme was co-ordinated by Dr DS Brar, an expert from School of Agricultural Biotechnology, PAU.

## **Banks violating RBI norms in sanctioning loans to farmers**

A survey conducted by the district level technical committee (DLTC) here has revealed that banks are violating crop manual norms of the Reserve Bank of India (RBI) in determining and sanctioning agriculture loans to farmers under Kisan credit card scheme of the central government.

The matter has been taken up by district magistrate Masoom Ali Sarvar. He has written to senior finance authorities, including RBI governor and the Union finance secretary, to ensure prompt action in the matter to safeguard the interests of farmers

Masoom Ali Sarvar told **TOI** that the matter was brought to his notice by both officials of the agriculture department as well as by some farmers he met during tehsil days and farmers' workshops. They said different nationalized banks in the district applied their own norms in making an assessment of SOF (scale of finance) for various crops.

The SOF is an estimation of cost of production for various crops on the basis of which loans under KCC are approved by banks. Sarvar said the crop manual of RBI has made it mandatory for all nationalized banks to follow the SOF assessed by the DLTC uniformly for the sanction of loans.

He said a two-member survey committee comprising deputy director of agriculture AK Singh and district development manager of NABARD AK Rawat had found the nationalized banks applied highly inflated SOF and sanctioned excessive KCC limits in favour of farmers in a bid to increase their credit business without taking into account farmers' interests.

In fact, increased agriculture loans has encouraged farmers to waste loan money on unproductive heads ultimately resulting in their failure in ensuring timely repayments.

The deputy director of agriculture, AK Singh told that DLTC's assigned SOF for paddy crop for the current cultivation year is Rs 25,400 per acre while for sugarcane, wheat and mustard crops it has been assessed at Rs 34,500, 21,200 and 14,000 per acre respectively.

He said that during his survey of all the 16 banks functioning in the district, he found that the State Bank of India had applied different SOF for the traditional and progressive farmers.

The SOF of SBI was detected to be much higher than the SOF of DLTC. Likewise the the SOF of Union Bank of India was found 200% in excess over the assigned SOF while IDBI and Bank of Baroda were applying more than 150% SOF for sanctioning KCC loans.

### **Yield glut, poor storage make onion farmers cry**

A yawning gap between production and storage capacity of onions in Madhya Pradesh has led to a crisis as farmers are forced to throw their produce on the road or sell it at throwaway prices. State's onion yield this year is expected to go up by 20 per cent, disturbing demand and supply equation.

As the crisis deepens the state government is now writing to two central agencies for procurement of onions. It has also decided to further boost its storage capacity.

At present onion prices vary from Rs 2 to 7 per kg in the wholesale markets of Madhya Pradesh.

At retail outlets, people get it at Rs 10 to 20 per kg. Rajesh Patidar, a big onion farmer in Neemuch, said, "Looking at the last year's crisis farmers increased the area of cultivation.

It is a strange situation. When the produce is more it is being sold at throwaway prices as most of the farmers don't have storage facility and the wholesaler is benefited. When the produce is less the middleman is benefitted by holding back the commodity and selling it in the market at exorbitant rates."

Neemuch and Mandsaur mandis sell more than 6 lakh quintals of onions.

"In one and a half month, onion's wholesale prices have gone up from 30 paise a kg to Rs 3 per kg in Neemuch," Patidar said.

However, Abdul Raqib, a wholesaler and president of Karond Mandi Fal Sabzi Vyapari Mahasangh, said, "Farmers made money last year when the production was less. This time they are in distress because production is more.

It is simple case of demand and supply equation of market."

Principal secretary, horticulture, Ashok Warnwal, said, "We anticipated the crisis and developed additional storage facility."

This year about 36 lakh tonnes of onion produce is expected, including both kharif and rabi crops of the vegetable.

"We had 80,000 tonnes of capacity for onions in MP. It was increased to 1.15 lakh tonnes anticipating the increased yield," he said, adding, "We have also asked the farmers to develop their own storages and the government is providing 50% subsidy on it."

He said it takes hardly 20 to 25 days to construct a storage facility for 25,000 metric tonne capacity at a cost of Rs 1.75 lakh, half of which would be given by government as subsidy and it would be a permanent asset for farmer.

During a video conferencing while talking to officials across the state here on Tuesday, CM Shivraj Singh Chouhan said the state government has decided to write to the National Agriculture Cooperative Marketing Federation of India (NAFED) and Small Farmers Agri Business Consortium (SFAC) to procure the produce.

We anticipated the crisis and developed additional storage facility. We had 80,000 tonnes of capacity for onions in MP. It was increased to 1.15 lakh tonnes anticipating the increased yield

We anticipated the crisis and developed additional storage facility. We had 80,000 tonnes of capacity for onions in MP. It was increased to 1.15 lakh tonnes anticipating the increased yield

### **Maharashtra farmers receive Rs 4205 crores through crop insurance scheme**

Farmers in Maharashtra have received as much as Rs 4205 crores through the crop insurance scheme in a single year. By comparison, they had received Rs 4,737 crores insurance for crop damage in the preceding 15 years, chief minister Devendra Fadnavis said.

The crop insurance scheme has been in operation in Maharashtra since 1999-2000. As many as 82.5 lakh farmers are enrolled in the scheme. Of these, 71.5 lakh are beneficiaries.

The biggest beneficiaries of the scheme are in Beed district where farmers will receive Rs 892.98 as crop insurance. Latur's farmers will receive Rs 604.59 crores. Crops spread over 49.33 lakh hectares will benefit from the insurance.

### **MSP for pulses to go up by Rs 200 to persuade farmers to switch to cultivation of crop**

Seeking to turn farmers more towards cultivating pulses, the Cabinet is likely to increase the minimum support price (MSP) for the crop by at least Rs 200 per quintal on Wednesday.

The proposed hike in MSP for paddy in contrast will be only Rs 60 per quintal indicating the government's intention of making production of pulses more remunerative.

The steep hike in MSP of pulses will be for the second consecutive year as retail prices refuse to come down due to acute shortage in domestic production.

Last June, MSP for arhar and urad was increased by Rs 275 per quintal and for moong by Rs 250 per quintal.

Sources said that the agriculture ministry has proposed an increase in pulses MSP over and above the recommendations made by the Commission for Agricultural Costs and Prices (CACP).

They added while CACP has suggested hike of Rs 200 per quintal in the MSP of arhar, the ministry has proposed more than Rs 200 hike per quintal .

CACP has proposed a hike of Rs 150 per quintal each for moong and urad dal. Meanwhile, Niti Aayog member Ramesh Chand on Tuesday said that though he agreed to some extent that giving higher MSP will bring some shift in area to pulses, it will not help in raising production.

News agencies reported Chand saying that government needs to "rethink" the decision.

In case of oilseeds, the CACP has proposed an increase in MSP of soyabean yellow by Rs 75 per quintal and Rs 50 per quintal jump in the MSP of sunflower seed.

The other proposals include Rs 90 per quintal increase in the support price of groundnut shell and Rs 100 per quintal hike in sesame seed.

Sources said that the Cabinet Committee on Economic Affairs (CCEA) is also likely to approve a proposal to allocate extra 62,300 tonnes of grains on a monthly basis for supply through ration shops in Tamil Nadu, Kerala and Nagaland, which have not yet implemented the food law.

## **2 Central government teams to visit Maharashtra, assess loss of rabi crop**

Two central government teams will visit the state on Wednesday to assess the damage to rabi crop due to drought in nine districts.

Both teams will submit a report to the Union government based on which the latter will decide on the compensation to be paid to affected farmers .

The state government, on Tuesday, received a letter from the Union directorate of cotton development saying that two teams will visit Maharashtra for three days.

"The first team will reach Aurangabad and visit Pune region, Solapur, Osmanabad, Beed and Aurangabad, while the second team will land in Nagpur and inspect Gondia, Wardha, Bhandara and Yavatmal districts. Both teams will be in the state for three days," said a Mantralaya official.

The state agriculture department had written to the Centre seeking over Rs 2,200 crore additional package as compensation for farmers whose rabi crops have been damaged.

"The teams will submit a report to the Centre, which will then take call on the state's additional memorandum of Rs 2,251 crore assistance for rabi season and Rs 2,071 for supplementary kharif damage in addition to the earlier approved relief of Rs 3,049 crore," said an official.

Sources said the Centre estimates the loss of this year's rabi crop is likely to be lower than last year.

### **CCEA may approve MSP of paddy, other kharif crops tomorrow**

The government is likely to approve tomorrow a proposal to increase the minimum support price (MSP) of paddy by Rs 60 to Rs 1,470 per quintal and for pulses by more than Rs 200 for 2016-17 kharif season.

The government had fixed the MSP of common variety paddy at Rs 1,410 and grade A variety grain at Rs 1,450 per quintal for 2015-16 kharif (summer) season.

MSP is the rate at which government buys the grain from farmers. Sowing of kharif crops will begin with the onset of southwest monsoon in June. Paddy is the main crop grown in the season.

"The Cabinet Committee on Economic Affairs (CCEA) meeting is scheduled for tomorrow. Agriculture Ministry's proposal on the 'Price Policy for Kharif crop for 2016-17 season' is listed on the agenda," a source said.

In the cabinet note, the ministry has proposed a substantial increase in the support price of pulses in order to boost domestic output.

It is believed that the ministry has proposed increase in pulses MSP over and above the recommendations made by Commission for Agricultural Costs and Prices (CACP), the source added.

According to sources, CACP has proposed an increase in the paddy MSP by Rs 60 per quintal to Rs 1,470 for common variety and to Rs 1,510 for grade A variety for 2016-17.

However, the CACP has suggested a substantial hike of Rs 200 per quintal in the MSP of tur dal to Rs 4,625 considering high inflation in pulses because of shortfall in domestic production. "But the ministry has proposed more than Rs 200 per quintal hike in MSP of tur dal," the source added.

The body has proposed a hike of Rs 150 per quintal each for moong and urad dal to Rs 4,800 and Rs 4,575, respectively.

In case of oilseeds, the CACP has proposed an increase in MSP of soyabean yellow by Rs 75 per quintal to Rs 2,675.

The body has proposed Rs 50 per quintal jump in the MSP of sunflower seed to Rs 3,850, Rs 90 per quintal increase in the support price of groundnut shell to Rs 4,120 and Rs 100 hike in sesamum seed MSP to Rs 4,800 for the 2016-17 kharif season.

In case of cotton, the CACP has suggested an increase of Rs 60 per quintal each to Rs 3,860 for small staple cotton and Rs 4,160 for long staple cotton for this year. LUX ANU

## **THE ECONOMIC TIMES**

### **Normal monsoon to boost agriculture growth: Radha Mohan Singh**

RM Singh said agriculture production fell slightly by 0.25% in 2014-15 due to weak monsoon and the fact that agriculture growth in the previous year was very good at 4.25%.



## Agri Initiatives

**14 crore farmers** are being given Soil Health Cards

**Paramparagat Krishi Vikas Yojana** launched to promote organic farming

**Neem-coated urea** and improved varieties of seeds provided to farmers

**Pradhan Mantri Krishi Sinchayee Yojana** launched

**Farmers** being provided agri loans at concessions

**Norms related** to disaster relief altered to rightly compensate farmers hit by natural calamities

**New crop** insurance scheme – Pradhan Mantri Fasal Beema Yojana launched

**E-mandi launched**; 21 mandis of 8 states have been linked so far



**By 2018**, target is to establish unified e-trading platform in 585 mandis

Agricultural Minister Radha Mohan Singh on Tuesday said the farm sector growth will be good in 2016-17 with the country expected to receive normal monsoon rains this year after two consecutive drought years.

Addressing a press conference about the achievements of his ministry in the first two years of the Narendra Modi-led government, Singh said agriculture production fell slightly by 0.25% in 2014-15 due to weak monsoon and the fact that agriculture growth in the previous year was very good at 4.25%.

"In 2015-16, farmers have worked a lot hard and we expect production and growth to increase. And I am very confident that growth and production will increase in 2016-17," he said.

The country has recorded higher agriculture growth after back-to-back drought years 2003-04 and 2010-11.



As per the advance estimates, agriculture growth in 2015-16 would be 1.12%.

Ramesh Chand, a member of the government's premier think-tank Niti Aayog , has earlier said to ET that agricultural growth can touch 6% in 2016-17 if the country receives normal monsoon rains .

The agriculture ministry has set a target of producing 270.1 million tonnes of food grain in 2016-17 beginning June, which is 7% higher than the previous year's crop.

As per the third advance estimate release in May, food grain production was estimated at 252.23 million tonnes for 2015-16. The agriculture minister said the new government has taken up effective initiatives to fight the challenges prevailing in agricultural sector.

"The government has chalked out a plan to reduce the input cost in the agriculture sector and to provide farmers better return for their produce. We have also taken the resolve to double the income of farmers. The government is also giving priority to the enterprises linked to agricultural sector so as to achieve this target," he said.

## **CCEA may approve minimum support price of paddy, other kharif crops tomorrow**



The government is likely to approve tomorrow a proposal to increase the minimum support price (MSP) of paddy by Rs 60 to Rs 1,470 per quintal

NEW DELHI: The government is likely to approve tomorrow a proposal to increase the minimum support price (MSP) of paddy by Rs 60 to Rs 1,470 per quintal and for pulses by more than Rs 200 for 2016-17 kharif season.

The government had fixed the MSP of common variety paddy at Rs 1,410 and grade A variety grain at Rs 1,450 per quintal for 2015-16 kharif (summer) season.

MSP is the rate at which government buys the grain from farmers. Sowing of kharif crops will begin with the onset of southwest monsoon in June. Paddy is the main crop grown in the season.

"The Cabinet Committee on Economic Affairs (CCEA) meeting is scheduled for tomorrow. Agriculture Ministry's proposal on the 'Price Policy for Kharif crop for 2016-17 season' is listed on the agenda," a source said.

In the cabinet note, the ministry has proposed a substantial increase in the support price of pulses in order to boost domestic output.

It is believed that the ministry has proposed increase in pulses MSP over and above the recommendations made by Commission for Agricultural Costs and Prices (CACP), the source added.

According to sources, CACP has proposed an increase in the paddy MSP by Rs 60 per quintal to Rs 1,470 for common variety and to Rs 1,510 for grade A variety for 2016-17.

However, the CACP has suggested a substantial hike of Rs 200 per quintal in the MSP of tur dal to Rs 4,625 considering high inflation in pulses because of shortfall in domestic production. "But the ministry has proposed more than Rs 200 per quintal hike in MSP of tur dal," the source added.

The body has proposed a hike of Rs 150 per quintal each for moong and urad dal to Rs 4,800 and Rs 4,575, respectively.

In case of oilseeds, the CACP has proposed an increase in MSP of soyabean yellow by Rs 75 per quintal to Rs 2,675.

The body has proposed Rs 50 per quintal jump in the MSP of sunflower seed to Rs 3,850, Rs 90 per quintal increase in the support price of groundnut shell to Rs 4,120 and Rs 100 hike in sesamum seed MSP to Rs 4,800 for the 2016-17 kharif season.

In case of cotton, the CACP has suggested an increase of Rs 60 per quintal each to Rs 3,860 for small staple cotton and Rs 4,160 for long staple cotton for this year.

### **CCEA may approve extra PDS grain for three states from Wednesday**

CCEA is likely to approve tomorrow a proposal to allocate an extra monthly 62,300 tonnes of grains for supply through ration shops in Tamil Nadu, Kerala and Nagaland that have not yet implemented the food law.

NEW DELHI: The Cabinet Committee on Economic Affairs ( CCEA ) is likely to approve tomorrow a proposal to allocate an extra monthly 62,300 tonnes of grains for supply through ration shops in Tamil Nadu , Kerala and Nagaland that have not yet implemented the food law.

Barring these three, the rest 33 states and Union Territories have rolled out the National Food Security Act (NFSA), under which 5 kg of wheat and rice are supplied to each beneficiary at highly subsidised rates of Rs 2-3 per kg.

"The CCEA meeting is scheduled for tomorrow. The Food Ministry's proposal on additional monthly allocation of foodgrains to BPL and APL families to three states is on the agenda list," a source said.

In the Cabinet, the ministry has sought approval for additional monthly allocation of 62,307 tonnes of foodgrains to families of below poverty line (BPL) and above poverty line (APL) to non-NFSA states -- Tamil Nadu, Kerala and Nagaland -- for six months till June or till implementation of the food law by respective states, the source said.

Out of the total quantity, the ministry has proposed allocation of 41,800 tonnes of foodgrains to BPL families at BPL rates and the rest 20,507 tonnes of foodgrains to APL families at two-thirds of the minimum support price (MSP) of wheat and rice or MSP derived price.

Last year, the additional allocation was made to non-NFSA states at BPL and APL rates.



However, the ministry has proposed de-incentivising so that these three states are forced to implement the food law at the earliest.

Wheat and rice are priced at Rs 4.15 per kg and Rs 5.65 for BPL families while MSP is fixed at Rs 15.25 for wheat and Rs 14.5 for rice.

## Government's decision on GM pulses depends on regulator GEAC



After the selection of appropriate events and clearance of RCGM, transgenic events will be submitted to GEAC for further observation and approval of BRL1 trial.

NEW DELHI: Faced with shortage of pulses and rising prices, Agriculture Minister Radha Mohan Singh today said the government's decision on GM pulses will depend on green signal from the biotech regulator GEAC .

Currently, Bt cotton is the only genetically modified (GM) crop allowed for commercial cultivation in the country. The previous government had put a moratorium on commercial cultivation of Bt Brinjal in 2010.

Asked if the government would promote GM pulses to boost pulses production, Singh said, "our ministry will implement the decision taken by the regulator Genetic Engineering Approval Committee (GEAC) under the Environment Ministry ."

He was responding to queries at a press briefing on the government's achievement in the last two years.

Earlier this month, the government had informed Parliament that ICAR-Indian Institute of Pulses Research, Kanpur has developed transgenic events for resistance against gram pod borer in chickpea and pigeon pea.

The government had said the institute has submitted the application to Review Committee on Genetic Manipulation (RCGM) for event selection trials of four transgenic events, two each in chickpea and pigeon pea.

After the selection of appropriate events and clearance of RCGM, transgenic events will be submitted to GEAC for further observation and approval of BRL1 trial, it added.

The government had also informed that a group of secretaries has recommended resolving regulatory issues of GM crops.

Earlier during the day, NITI Aayog member Ramesh Chand said increase in the minimum support price of pulses alone will not help in raising output without technological breakthrough.

Pulses output is estimated to be 17.33 million tonnes this year, marginally higher than previous year's production of 17.15 million tonnes, but much below the record 19.25 million tonnes achieved in 2013-14 crop year.

There is a deficit of 7-8 million tonnes as annual demand is estimated to be more than 23 million tonnes.

### **Government bullish on farm sector growth on hopes of good monsoon**



India will "definitely" see higher foodgrain output and overall growth in the agriculture sector in case the IMD prediction of a good monsoon "comes true", Agriculture Minister Radha Mohan Singh said.

NEW DELHI: India will "definitely" see higher foodgrain output and overall growth in the agriculture sector in case the IMD prediction of a good monsoon "comes true", Agriculture Minister Radha Mohan Singh said today.

Due to two consecutive drought years, the country's agriculture growth remained at 1.2 per cent in 2015-16, while it was negative at 0.25 per cent in the previous fiscal.

India Meteorological Department (IMD) has forecast above normal south west monsoon rains for this year, which will boost planting of kharif crops like paddy from next month. IMD has also said arrival of monsoon will be delayed by a week.

"If IMD forecast comes true, I am confident that foodgrain output will definitely increase and overall agri-growth will also be higher," Singh said while briefing the media on NDA government's achievements during two years in power.

Good monsoon rains coupled with higher minimum support price (MSP) to be soon announced for kharif crops will encourage farmers and boost sowing operations, he said.

In order to boost production in pulses and oilseeds, Singh said, "We had increased MSP substantially last year. This time also, we will increase."

A final call on the Agriculture Ministry's proposal to hike MSP of pulses and other kharif crops for 2016-17 will be taken up in the Cabinet meeting soon.

Bullish on farm sector growth this year, NITI Aayog member and agriculture expert Ramesh Chand earlier in the day told PTI that "our agriculture growth will definitely be more than 6 per cent. IMD has forecast good monsoon".

He said a week's delay in arrival of monsoon will not impact kharif sowing as pre-monsoon showers have hit some states like Karnataka giving relief to drought-hit farmers.

In view of better monsoon forecast, the Agriculture Ministry is aiming to achieve a record 270.10 million tonnes of foodgrains production in 2016-17 crop year (July-June).

The country had last achieved a record output of 265.04 MT in 2013-14. However, the production in 2014-15 and 2015-16 fell to 252.02 MT and 253.23 MT due to drought in more than 10 states.

Government is working towards higher agri-growth, Singh said, adding that schemes like Pradhan Mantri Fasal Bhima Yojana (PMFBY), Pradhan Mantri Krishi Sinchai Yojana (PMKSY), National Agriculture Market (NAM) and Soil Health Card plan have been rolled out to reduce the cost of production and provide better returns to farmers produce.



The government is also giving priority to the enterprises linked to agricultural sector so as to achieve the target of doubling the income of farmers by 2022.

It is focusing on boost allied activities likely fisher, poultry and dairy to increase the farmers income, he added.

Highlighting the progress made in the last two years, Singh said as many as 5.91 crore soil health cards have been created, of which 2 crore have been distributed to farmers and remaining are in the process.

The government has kept a target to reach out to total 14 crore peasants by 2017.

With regard to PMFBY, he said that except for Punjab, states have shown interest to implement the new crop insurance scheme. As many as 20 states have made a good progress so far.

Punjab is not keen as the state is irrigated and farmers are given power subsidy in times of drought, he added.

Under PMSKY, the minister said 235 district irrigation plans have been prepared till March-end 2016, and the plan for remaining districts would be prepared by September this year.

On national agriculture market, he said long pending mandi/ marketing reforms process has been accelerated.

"The pilot project related to e-mandi has been launched in this financial year. Under this, 21 mandis of 8 states have been linked so far. The government is continuously making efforts to bring uniformity in the rules and regulations pertaining to various mandis in various states," he said.

Most of the states have expressed willingness to participate in this project. As of now, proposals of 365 mandis in 12 states have been sanctioned, he added.

Ministry of Agriculture has set a target of establishing unified e-trading platform in 585 mandis throughout the country by 2018.

Singh said state governments are expected to rectify three rules and regulation related to mandis. One is to impart permission to e-trade, second is to implement mandi tariff on single window and third is to implement single licence across the state to carry out the trade, he added.

So far, 17 states have started working in this direction. The amendment to mandi related rules and regulations will pave way for achieving appropriate price of agricultural produce, he added.

### **TAI apprehends severe trouble for Tea Industry**



Unfavourable weather condition has put Indian tea Industry under a difficult situation where Tea Association of India apprehends huge production loss. Over that, escalated production cost and downfall in price realization have further complicated the scenario.

SILIGURI: Unfavourable weather condition has put Indian tea Industry under a difficult situation where Tea Association of India apprehends huge production loss. Over that, escalated production cost and downfall in price realization have further complicated the scenario.

"In Assam, excessive rainfall has severely affected production. On the other side, Northern West Bengal tea belts in Dooars and Terai region had gone under almost draught like situation facing high level of pest attack as additional crisis," said P K Bhattacharjee, Secretary General, Tea Association of India.

"As a cumulative effect of these phenomenon, Assam and Bengal both had to face a loss of around 30 - 35% in first flush production that ended in mid May. Though second flush period has begun with slightly better weather condition, the output volume is not expected to come close to normal level," he said.

Clear enough, the situation is grim for the labour intensive industry. In around 1200 Million Kg (mkg) nationwide annual made tea production, Assam's average contribution is near 625mkg while Bengal contributes around 300mKg.

"First and second flush, those bring in highest price, put together contribute around 35% to the total volume wise output of both Assam and Bengal. Naturally, steep downfall in output during this period means disaster for the industry," said S Seal, senior planter from Terai? region.

"Making the scenario worse, price realization has also gone down though increased irrigation and pest management expenditure have escalated production cost significantly. Against average price of Rs 167.54 a kg in Kolkata auction during April-May period in 2014, and Rs 155.22 in 2015, the price realization remained Rs 151.20 only during same period this year. The downward curve is even worse for important auction center at Guwahati," said Bhattacharya.

Unless, there is a substantial and consistent increase in the tea as well as demand, it will be difficult for the industry to turn around," he added.

However, experts in Indian meteorological department have shown ray of hope for favourable weather condition that may alter the scenario.