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# Agricultural Production and Market Outlook

The Rising Agriculture....

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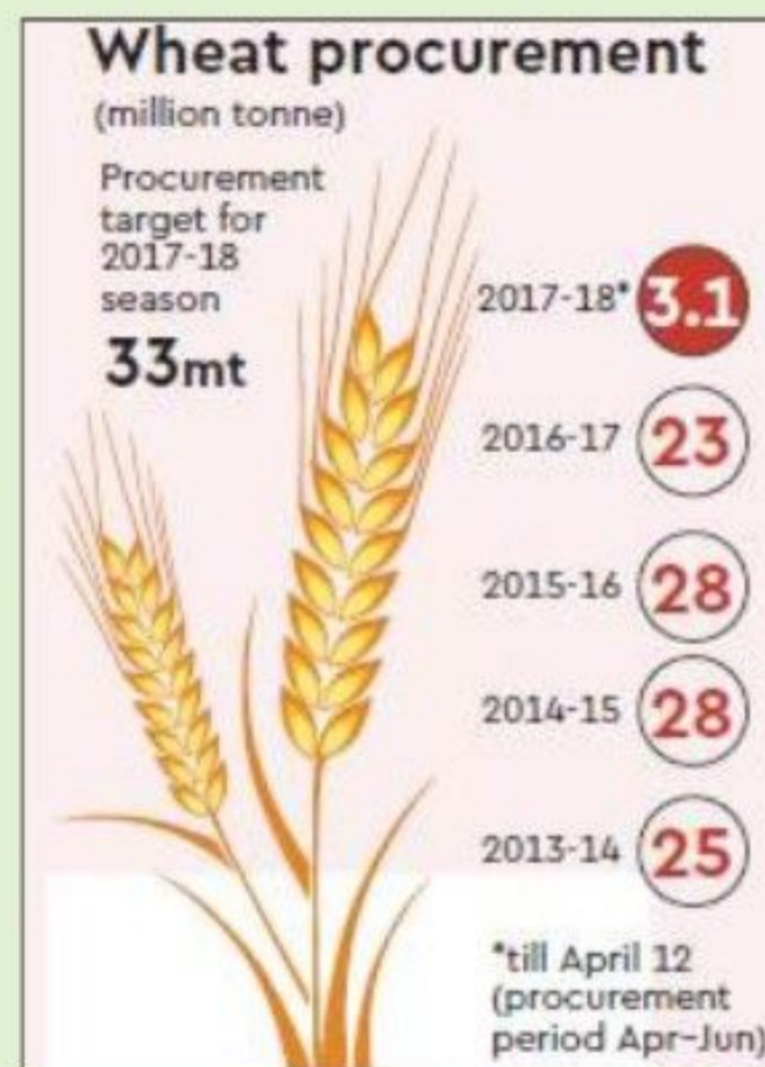
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## Centre whittles down wheat purchase target



The Centre has marginally lowered the wheat procurement estimate set by the states for next year, after the last year's experience when it had to cut a sorry figure, as the actual purchase fell short of the target by 25 per cent. The government has set a wheat procurement target of 33 million tonnes for the marketing year starting April against 22.96 million tonnes purchased by FCI during 2016-17 (April-March), an official statement said. The target is considerably higher when compared with the last season's actual procurement, it

said. Sources, however, said the states had informed the food ministry that the procurement could be as high as 34 million tonnes. The target was fixed at a state food secretaries meet held in New Delhi to discuss procurement arrangements for wheat. Food minister Ram Vilas Paswan has asked his ministry officials to take all possible measures to ensure that farmers will get the minimum support price (MSP) when they sell wheat. With a record production of more than 96 million tonnes expected this year and about 5 million tonnes of imports so far, the open market price of wheat may be distressed, particularly in Uttar Pradesh and Bihar where flour millers flock to buy the grain every year.



## Farm credit target raised to Rs 10 lakh crore



To give the rural economy a leg-up, the Union Budget has set 11 per cent higher agricultural credit target at Rs 10 lakh crore for banks in FY 2017-18 as against Rs 9 lakh crore in the previous year and also announced two new funds - one for micro-irrigation and another for dairy development - under the aegis of the National Bank for Agriculture and Rural Development (NABARD). Emphasising that for a good crop, adequate credit should be available to farmers on time, Finance Minister Arun Jaitley said, "We will take special efforts to ensure adequate flow of credit to the under-served areas, the eastern states and Jammu & Kashmir." The farmers will also benefit from 60 days' interest waiver announced by the Prime Minister on loans taken from cooperatives, Jaitley added. The minister said a dedicated Micro Irrigation Fund would be set up in NABARD to achieve the goal of 'per drop more crop'. The fund will have an initial corpus of Rs 5,000 crore. The Budget also doubled the corpus of NABARD's Long Term Irrigation Fund to Rs 40,000 crore. Harsh Kumar Bhanwala, Chairman, NABARD, said, "Through these two measures (on irrigation), we can increase the area under irrigation and improve the efficiency of irrigation. Improving irrigation efficiency is critical for Indian agriculture since we have 2.4 per cent of the world's total geographical area, 18 per cent of the world's population, but only 4 per cent of the world's total fresh water resources." Underscoring that dairy is an important source of additional income for the farmers, Jaitley observed that availability of milk processing facility and other infrastructure will benefit the farmers through value addition.

## Baksa farmers smell success in tuberose cultivation



Farmers of Motipur, Bishnupur, Chaibari, Barbari and neighbouring villages under Mushalpur Subdivision in Baksa, Assam, who had never cultivated anything other than paddy and mustard, are now smelling success in tuberose cultivation. Altogether 40 farmers, for the first time, started tuberose cultivation in Baksa in January 2016 under the project 'Promotion of Farmers Producer Organisation (FPO) supported by the NABARD and implemented by Green Environment Task Force, which is working in the field of sustainable agriculture and livelihood generation. After being trained with technical support from KVK (Baksa) and the District Agriculture Department, tuberose cultivation was done in small plots of land. Since August 2016, the FPO Sparrow Beekeepers Producer Organization has started aggregating the produce collectively and selling the flower directly in Guwahati. The success of the business side of the activity has been so encouraging that around 150 farmers are now members of the FPO with a total of 300 farmers involved in other produces.

## NABARD waives interest on short-term crop loans

The National Bank for Agriculture and Rural Development (NABARD) has effected an interest waiver as post-demonetisation relief measure for farmers who



कृषि एवं किसान कल्याण मंत्रालय  
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## कैबिनेट ने दी किसानों को कृषि ऋण ब्याज में छूट



सहकारी बैंकों से लघु अवधि फसल ऋण लेने वाले किसानों के लिए नवम्बर और दिसम्बर 2016 के ऋण माफी के लिए 660.50 करोड़ रुपये मंजूर किये गए।

नाबार्ड द्वारा सहकारी बैंकों को दिए जाने वाले अतिरिक्त पुनर्वित्त पर नाबार्ड को ब्याज में छूट के लिए 400 करोड़ रुपये की मंजूरी दी गई।

availed themselves of short-term crop loans from cooperative banks. The NABARD said the relief follows the Centre's decision to grant interest waiver for two months, November and December 2016, on all short-term crop loans disbursed by cooperative banks from April 1, 2016 to October 30, 2016. The interest waiver is for loans that were outstanding during November and December 2016. The interest waiver is deposited upfront to the extent of 4 per cent in the loan accounts of the farmers concerned. Necessary guidelines have been issued by NABARD to all the cooperative banks for immediate implementation of the interest waiver. The eligible farmers can avail themselves of the benefit through their cooperative banks, NABARD said.

### New research paves way for GM quinoa crop



Scientists recently unveiled the near complete genome of quinoa, a grain cultivated centuries ago by Incas in the Andes that scientists say could help feed a hungry world. Best known outside its native region to health food fans in North America and Europe, quinoa is highly nutritious, glutenfree, and packed with essential amino acids, fibre, vitamins and minerals, experts say. It also scores lower than other crops on the glycaemic index, a measure of

how quickly foods raise blood sugar levels a major concern for diabetics. The grain thrives at any altitude up to 4,000 metres (13,000 feet) above sea level, in conditions that would leave most food plants struggling. "Quinoa is incredibly resilient, and can grow in poor or salty soils," said Mark Tester, a professor at King Abdullah University of Science and Technology in Saudi Arabia and leader of the consortium of scholars that decoded the plant's genome. "It could provide a healthy, nutritious food source for the world using land and water that currently cannot be used." And yet, global consumption remains incidental compared to wheat, rice, barley or corn less than 100,000 tonnes per year compared to hundreds of millions of tonnes for each of the other major grains and cereals.

### Cabinet approves the fixation of Nutrient-Based Subsidy (NBS) rates for the year 2017-18



The Cabinet Committee on Economic Affairs (CCEA) Union Cabinet chaired by Prime Minister Shri Narendra Modi has approved the Fixation of Nutrient Based Subsidy (NBS) rates for Phosphatic and Potassic (P&K) fertilizers for the year 2017-18.

Government has been implementing Nutrient Based Subsidy (NBS) Policy for decontrolled P&K fertilizers. Under this policy, the subsidy on Phosphatic and Potassic (P&K) fertilizers is announced by the Government on annual basis for each nutrient i.e., Nitrogen (N), Phosphorous (P), Potash (K) and Sulphur (S) on per kg basis which is converted into subsidy per tonne depending upon the nutrient content in each grade of the fertilizers. These rates are determined taking into account the international and domestic prices of P&K fertilizers, exchange rate, inventory level in the country etc.



The CCEA in its meeting held on 31st March, 2017 decided to fix the NBS rates for 2017-18. As compared to 2016-17, the subsidy for the period 2017-18 has decreased from Rs. 13.241/kg to 11.997/kg (decrease of Rs. 1.244/kg) for P, from Rs. 15.470/kg to 12.395/kg (decrease of Rs. 3,075/kg) for K whereas the subsidy of N has increased from Rs. 15.854/kg to 18.989/kg (an increase of Rs. 3.135/kg) and of S from Rs. 2.044/kg to 2.240/kg (an increase of Rs. 0.196/kg).

During 2016-17, the estimated consumption of P&K fertilizers is 279.8 LMT. Based on the assumption that the

consumption of P&K fertilizers during 2017-18 would remain the same, the estimated subsidy requirement at proposed rates would be Rs. 19,848.99 Crores which is lower than 2016-17 (Rs. 20,688.43 Crores) by Rs. 839.44 crores.

This is in continuation with the reforms being undertaken in the fertilizers sector over the past two and a half years including DBT for subsidy payment, neem coating of Urea, reduction in MRP of P&K fertilizers to promote balanced use of nutrients, removal of minimum production criteria for manufacturers of Single Super Phosphate (SSP).

## Cabinet allows unrestricted export of all certified organic agricultural products



The Cabinet Committee on Economic Affairs, chaired by the Prime Minister Shri Narendra Modi has given its approval for removal of all quantitative ceilings on individual organic products and allowed unrestricted exports of all organic agricultural and organic processed products irrespective of any existing or future restriction/prohibition on the export of their basic product (non-organic). However, in respect of organic pulses and lentils, in view of their acute shortage in the country, the quantitative ceiling on exports will continue but enhanced from the existing 10,000 MT per annum to 50,000 MT per annum.

Removal of quantitative celling on wheat, sugar, non-basmati

rice, organic sugar and increasing the limit on export of organic pulses is expected to contribute to the Government's objective of doubling the farmers' income. It will lead to reduction in input costs in farming and gaining premium price for organic agriculture products and in the process resulting in increased adoption of organic agriculture by farmers.

All organic products exports are certified by Agricultural & Processed Food Products Export Development Authority (APEDA) under the National Programme for Organic Production (NPOP). Organic agriculture is a holistic production management system wherein the products are grown in accordance with principles of sustainability. Government is supporting the farmers and exporters to tap huge opportunity that exists within the country and abroad for organic agriculture products.

A stable and consistent export policy relating to export of organic products would allow exporters to make long term commitment to the buyers and also establish linkages with the farmers. This is likely to result in enhanced realization to farmers from organic production. A stable export policy on organic agriculture products would complement various Government programs like National Mission on Sustainable Agriculture (NSAM), Paramparagat Krishi Vikas Yojana (PKVY), Organic Value Chain Development in North Eastern Region (OVCDNER) which have been taken up to encourage organic agriculture.

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