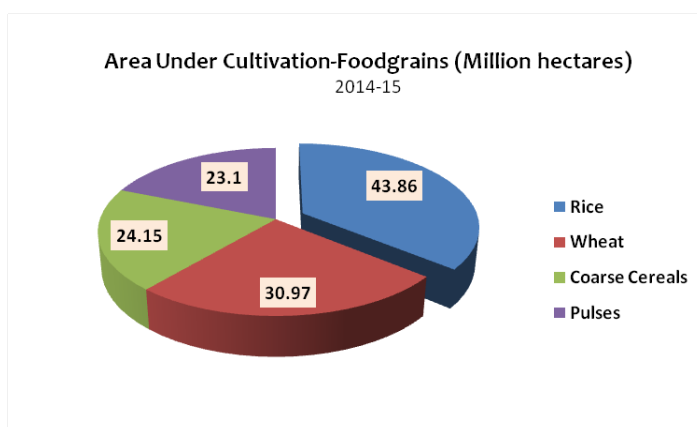


Agriculture

Current scenario: Rice dominates area under cultivation in 2014-15



Rice commanded around 44%¹ of the area under cultivation in food grains in India in 2014-15. Wheat, Coarse cereals and pulses contributed 31%, 24% and 23% share of area cultivated respectively in food grain production in the concerned period. The share of pulses in terms of area cultivated was 25% in 2013-14. This has widespread implication in the background of the

fact that India may have to import 10 million tonnes of pulses to address the domestic production-consumption mismatch².

Amongst commercial crops, under oil-seeds, soyabean had the largest area under cultivation (11.09 million hectares), followed by Rapeseed & Mustard (5.79 million hectares) and Groundnut (4.69 million hectares) in 2014-15. With regards to area under cultivation, among major commercial crops, Tea and Coffee had virtually stagnated over the last 5 years. There has been marginal increase in cultivated area for cotton however; raw jute and mesta have lost ground. This call for crop diversification and the introduction of adequate measures for making cash crops like jute, tea, and coffee more competitive.

Source: RBI Data warehouse

Future Trends:

- Indian agriculture has achieved impressive growth in the last decade with significant achievements in all sub-sectors, viz., agriculture, horticulture, dairy and fisheries. In sync with changing consumer preferences this is the where the future growth potential lies, in particular the horticulture sector has been a sunrise sector. India is now the second largest producer of fruits and vegetables in the world, with a production share of 14 % of global vegetables and 13.6 % of global fruit.
- With govt. providing and co-financing the back-end of the value chain India's agriculture sustainability can be ensured through PPPs.

¹ <http://dbie.rbi.org.in/OpenDocument/.opendoc/openDocument.jsp>

² http://www.business-standard.com/article/news-cm/india-may-need-to-import-huge-10-million-tonnes-of-pulses-to-tame-prices-asso-cham-study-115110301201_1.html

