

## Prologue

In the just begun New Year, there were two sets of good news about agriculture sector in India which suggest an impending upturn of this sector signaling prosperity of farmers.

One is that in the past calendar year, India was the World's largest exporter of rice. It exported 9.5 million tonnes of rice well above the traditional market leader Thailand. India was also the World's largest exporter of buffalo cum beef. It was a significant exporter of sugar, cotton, and lesser known guar gum and oilseed meal. In the last fiscal, India shipped out \$20 billion more agriculture products than it shipped in.

The other good news is that due to rising rural incomes from higher grain prices, cash crops such as cotton, horticulture, floriculture etc and employment guarantee scheme farmers are prompted to turn to mutual funds, insurance, real estates and commodities futures. They are also investing in fixed deposits, gold and silver, moving away from small savings.

Both the news relate to farmers in Gujarat, Punjab, West Bengal, Haryana and Orissa. Economists are bullish about the investment muscle of rural India and according to them Gujarat, Maharashtra and Andhra Pradesh will be the most progressive states, investment-wise, by 2020.

Uttar Pradesh has a predominantly agrarian economy with huge untapped potential in its agriculture sector. This, if appropriately harnessed, could not only change the face of its countryside but transform the economy of the State. Being the most populous State it could potentially, surpass other States and also significantly improve India's economy.

Main reasons for low agricultural growth of around 3% per year, lower than many other States are

- (i) Small farm holdings with average size of 0.08 ha, much lower than the National average. A huge 92% of farmers being in small and marginal category, are unable to invest in technology and other inputs. These are getting more costly inhibiting improvement in yield and generation of market surplus for the farmers.
- (ii) Absence of adequate marketing infrastructure and inadequate storage facilities.
- (iii) Falling savings due to inability of the farmer to recover even the minimum support price for the produce,
- (iv) Deteriorating soil health and environmental conditions
- (v) Lowering of ground water which has assumed critical proportions in many parts of the State.

Under such conditions, a very large proportion of farmers want to leave farming and move to cities, if they can. These are formidable challenges that exist not only in

Uttar Pradesh but in many other States also. From U.P.'s perspective, they need immediate attention and the right interventions to pull out a significantly large population of the State from conditions of poverty and deprivation.

Every year, LMA, in pursuance of its stated Vision and Mission addresses some subject of vital public policy in its theme based annual convention. In its Convention 2012 organized on December 1, 2012, LMA decided on the theme *Transforming Uttar Pradesh through Agriculture*. Important areas viz. *Technology, Marketing, Environment, Diversification, Value Addition & Making Agriculture a Profitable Business* were identified for deliberations in the day long Convention. Experts who were invited to lead these deliberations in various sessions were arguably, among the most eminent in their domain. One of the panelists was Director General CIMMYT Mexico, the famous Institute from where Nobel Laureate Norman Borlaug pioneered the Green Revolution in 1960s, who traveled to Lucknow to participate in the Convention.

The panelists not only articulated policy prescriptions addressing various issues, both generic and U.P. specific, but also assured that U.P. could overcome these problems, like many States did in similar situations. All panelists felt that U.P. had tremendous potential in terms of fertile land, favourable climatic conditions, good annual rainfall, a 60 million strong population of youth and hard working farmers. Above all, it has a vibrant Chief Minister, a dynamic Agriculture Minister who himself is an enlightened farmer and the best bureaucracy in the country. Therefore, there is no reason why Uttar Pradesh cannot achieve a high growth rate in agriculture as achieved by some other States and act as an effective engine of economic and social transformation.

This publication contains edited transcripts of the presentations made by eminent panelists and deliberations in different sessions of the Convention. An effort has been made to retain in the text, the emphasis and impact of arguments made by the speakers and include all important PPT slides. It is hoped that this publication will be a useful reference for all professionals working in agriculture and allied sectors including policy makers and those responsible for implementation not only in Uttar Pradesh but also in other States facing similar challenges.

LMA takes this opportunity of thanking Sri Anand Singh ji, Hon'ble Minister of Agriculture, U.P. for inaugurating the Convention and taking keen interest in the deliberations. We thank the eminent panelists for their profound and thought provoking presentations, also for reading through the text and making corrections and revisions wherever required. LMA also acknowledges with gratitude the valuable contribution of Mr. Alok Ranjan Agriculture Production Commissioner as the Convention Chairman and Mr. Rakesh K. Mittal President LMA for his inspiring leadership in organization of the Convention. We also thank the officers and staff of APC's office, LMA Secretariat and members of Convention Committee for their support.

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