PHD CHAMBER

India Agronomics

(An agriculture economy update)

August 2012

PHD Research Bureau
PHD CHAMBER OF COMMERCE AND INDUSTRY

Contents

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The seasonal rainfall during this year's monsoon[1] for the country as a whole has been 12% below the normal. The actual rainfall received for the period 1st June 2012 to 31st August 2012 stands at 627.6 mm as against the normal rainfall of 713.4 mm. The cumulative seasonal rainfall was below the normal across all regions namely Northwest by (-) 14%, South Peninsula by (-) 11%, East & northeast by (-) 14% and Central India by (-) 10%. Out of 36 meteorological subdivisions, the rainfall has been normal in 22, deficient in 13 and scanty in 01 sub-division. As far as area-wise distribution is concerned, 68% area of the country received normal rainfall, while remaining 29% area received deficient and 3% received scanty rainfall.

Rainfall distribution across regions (1st June-31st August 2012)

Regions	Actual Rainfall(mm)	Normal Rainfall (mm)	% Departure
Country as a whole	627.6	713.4	-12
Northwest India	432.1	503.1	-14
Central India	716.1	793.0	-10
South Peninsula	499.3	559.0	-11
East & northeast India	976.1	1141.4	-14

Source: PHD Research Bureau, compiled from IMD

1. Sowing progress

The current sowing pattern across major crops has been reeling under deficit. The sowing of cereals, pulses, foodgrains and oilseeds have registered a significant deficit of 7%, 12%, 8% and 4% respectively as on 17th August 2012 against the corresponding period of last year.

Among cereals, the sowing of bajra stands at a deficit of (-) 27.54%, jowar with deficit of (-) 5.81%, rice at (-) 3.57 and maize at (-) 0.85%. Under pulses, the current sowing of moong and tur stands at a deficit of (-) 20.11% and (-) 3.45% respectively. Under oilseed, soyabean and niger sowing has shown improvement while sowing of groundnut, sunflower, sesamum, and castor is under deficit. Sugarcane has posted a decent sowing pattern.

[1] The seasonal rainfall pertains to the period from 1st June-31st August 2012

All India Crop Situation-Kharif (2012-13) as on 17-08-2012

Crop	2011 (Lakh Hectares)	2012 (Lakh Hectares)	Deficit (%)
Rice	319.16	307.76	-3.57
Jowar	24.40	22.98	-5.81
Bajra	74.40	53.91	-27.54
Maize	70.05	69.45	-0.85
Total Coarse Cereals	181.67	157.97	-13.04
Total cereals	**500.83**	**465.73**	**-7.00**
Tur	**35.03**	**33.82**	**-3.45**
Urad	20.03	21.24	6.04
Moong	21.28	17.00	-20.11
Others	21.04	13.26	-36.97
Total Pulses	**97.39**	85.32	-12.39
Total food grains	598.21	551.05	-7.88
Groundnut	40.31	35.30	-12.42
Soyabean	102.27	106.40	4.03
Sunflower	1.89	1.49	-21.16
Sesamum	13.90	12.40	-10.79
Niger	0.95	1.22	28.42
Castor	8.11	3.96	-51.17
Total Oilseed	**167.43**	**160.77**	**-3.97**
Cotton	116.81	110.26	-5.60
Sugarcane	50.59	52.88	4.52
Jute	8.93	8.77	-1.79
All-crops	941.96	883.72	-6.18

Source: PHD Research Bureau, compiled from Ministry of Agriculture, Government of India

2. Wheat procurement

The all India progressive procurement of wheat for the marketing season has scaled to 381.45 lakh tonnes during 2012-13 (as on 27th July 2012) from 281.08 lakh tonnes upto the corresponding period of last year. Punjab has led the procurement by 128.34 lakh tonnes of wheat followed by Haryana 86.65 lakh tonnes and Madhya Pradesh 84.93 lakh tonnes. Uttar Pradesh has also procured significant quantity i.e. 50.63 lakh tonnes.

Progressive procurement of wheat (Lakh tonnes)

State	Total Procurement in marketing season 2011-12(April-March)	Progressive procurement as on 27th July 2012	
		In marketing season 2011-12	In marketing season 2012-13
Punjab	109.58	109.57	128.34
Haryana	69.28	68.82	86.65
Uttar Pradesh	34.61	34.61	50.63
Madhya Pradesh	49.65	49.05	84.93
Rajasthan	13.03	13.03	19.64
All-India	283.35	281.08	381.45

Source: PHD Research Bureau, compiled from Ministry of Agriculture, Government of India

3. Rice procurement

The all India progressive procurement of rice for the marketing season has also increased to 347.60 lakh tonnes as on 17th August 2012 from 328.14 lakh tonnes upto the corresponding period of last year. The procurement of rice has inched upwards for states like Chhattisgarh, Haryana, Kerala, Orissa, Tamil Nadu, Uttar Pradesh and West Bengal. On the other hand, Andhra Pradesh, Maharashtra, Punjab and Uttaranchal have posted a decline in the progressive procurement of rice.

Progressive procurement of rice (Lakh tonnes)

State	Total Procurement in marketing season 2010-11(Oct-Sep)	Progressive procurement as on 17th August 2012	
		In marketing season 2010-11	In marketing season 2011-12
Andhra Pradesh	96.10	91.05	74.80
Chhattisgarh	37.39	36.62	41.15
Haryana	16.87	16.87	19.85
Kerala	2.63	2.60	3.72
Maharashtra	3.08	2.08	1.77
Orissa	24.76	24.57	28.33
Punjab	86.35	86.35	77.31
Tamil Nadu	15.83	14.18	15.96
Uttar Pradesh	24.66	24.10	33.50
Uttaranchal	4.22	3.99	3.78
West Bengal	13.10	10.61	18.70
All-India	340.94	328.14	347.60

Source: PHD Research Bureau, compiled from Ministry of Agriculture, Government of India

4. **India's food grain Production: Highest Production Ever**

According to the latest estimates, India's food grain production is estimated to be 257.44 million tonnes during 2011-12 compared to 244.78 million tonnes in the previous years. Due to significant increase in the production of wheat and rice, record production

has been achieved in the case of rice (104.3 MT), wheat (93.9 MT), cotton (35.2 million bales) and sugarcane (357.7 MT). The production of pulses and oilseeds is estimated at 17.21 million tonnes and 30.01 million tonnes respectively.

Estimates of crop production (million tonnes)

Crop	2010-11 (final estimates)	2011-12(Fourth advance estimates)
Food grains	244.78	257.44
Rice	95.98	104.32
Wheat	86.87	93.9
Coarse cereals	43.68	42.01
Pulses	18.24	17.21
Tur	2.89	2.65
Gram	8.25	7.58
Urad	1.74	1.83
Moong	1.82	1.71
Oilseeds	32.48	30.01
Soyabean	12.66	12.28
Groundnut	7.54	6.93
Rapeseed & Mustard	7.67	6.78
Sugarcane	342.38	357.67
Cotton	33 (million bales)	35.20 (million bales)

Source: PHD Research Bureau, compiled from Ministry of Agriculture

5. Is Drought really a Nightmare?

With GDP growth touching a nine-year low of 6.5% in last fiscal, the 12% deficit in seasonal rainfall during this year has triggered alarm bells. The actual rainfall across the country from 1st July 2012 to 31st August 2012 was 627.6 mm against the normal rainfall of 713.4 mm as predicted by the Indian Meteorological Department. A poor monsoon is considered to be negative for growth, inflation and the fiscal deficit.

However, a drought will not have the same ravaging effects as it had a decade ago. The Indian economy is no longer a monsoon economy and has undergone a systemic change to become monsoon-proof. In India, rainfall below 90 per cent of a 50-year average of 890 mm during a four-month season starting June is considered a drought. Droughts are not new to India but today India's management skills are at par with countries like US, Australia, Canada and Argentina.

The changing structure of Indian economy from being an agrarian economy to a non-agrarian economy has contributed to the development. Though the industrial and service sectors are the main drivers of the economic growth in the country but the proportion of population dependent on agriculture sector is high. Today, the growth of

agriculture sector is not completely dependant on monsoon due to availability of improved irrigation facilities.

The Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS) helps in providing employment to rural labor in times of drought as it offers assured wages. We also have Bharat Nirman programme that aims at creating basic rural infrastructure of which key components are water supply, irrigation system, roads and telecommunications. The income from livestock (milk, poultry and meat) is another source of income for farmers.

The information revolution has also made farmers more informed. They are now able to take advantage of Rashtriya Krishi Vikas Yojana (RKVY) which has led to creation of seed reserves in many agriculture universities and other centers.

The consequences of drought can now be easily contained due to spread of irrigation facilities all over India. These projects help in saving water, result in higher yield and enhance income at the farm level. Farming depends heavily on groundwater irrigation by bore wells and pumps. Today, India has over 20 million modern water extraction structures. A highly competitive ground water industry has emerged in every small town to provide low-cost pumps, rigs, pipes, as well as repair and maintenance services. But the groundwater level in Punjab and western UP, which are major contributors to the country's food bowl, is at an all time low and serious effort is needed to use the available water cautiously.

Apart from the increased irrigation facilities available, change in the pattern of Indian agriculture has also added to better management of drought-like situations. India has two crop seasons-kharif (the summer crop) and rabi (the winter crop). The share of rabi crop such as wheat, sugarcane or pulses has been growing due to improvement in irrigation system, particularly in northern and western India. Rabi crop is unaffected by the progress of south-west monsoon and now contributes to more than half of the total output. During 2009-10, state governments in the north and northeast had initiated early sowing of rabi crops to utilize the soil moisture available from late monsoon rains which resulted in saving of water.

Steps that government can take to mitigate the effect of drought effectively:

a. Effective implementation of MGNREGS will help in providing jobs to the rural labor. Demand under MGNREGS has generally followed the trend of monsoon. The employment demand surged to 61 per cent in the drought year 2009-10 whereas it decelerated sharply to 19 per cent in the following year (2010-11) which received surplus rainfall.
b. Availability of food grains stored in Central and state godowns can counter the impact of drought in pockets across the country. The surplus stock can be used

to ensure the inevitable reduction in agricultural production in a drought year does not set off an inflationary spiral.

c. Reduce the number of people dependent directly or indirectly on agriculture. This is usually linked to urbanization as most of the non-agricultural jobs are concentrated in cities.
d. Intensification of Public-Private Partnerships (PPPs) in irrigation projects wherein the overview and planning of the project can be under the public domain, whereas the execution can be carried out by the private sector agencies.

Thus, with macro consequences of monsoon failure not being so severe now, a smart government can turn things around through steps like water harnessing, water management and desalination.

6. Recent agri-agro developments

Crop Development Schemes/Programmes

1) Promotion of coarse grains production through various schemes- Following steps have been taken to increase production of coarse grains:

a. Integrated Cereals Development Programme in Coarse Cereals based Cropping System Areas is being supported through Macro Management Mode in Agriculture (MMA).
b. Crop development activities can be supported by states under Rashtriya Krishi Vikas Yojana (RKVY) with approval of State Level Sanctioning Committee (SLSC).
c. Launch of Intensive Millets Promotion-a sub-scheme of RKVY from 2011-12 to demonstrate the improved production and post-harvest technologies in an integrated manner.
d. Integrated scheme on Oilseeds, Pulses, Oil Palm and Maize (ISOPOM) to provide support for increasing the production and productivity of maize.

2) Target to raise production of pulses and oilseeds- The Government of India has been implementing several crop development schemes/programmes to increase the production of pulses and oilseeds in the country through area expansion and enhancement in productivity. The various schemes include National Food Security Mission (NFSM), Rashtriya Krishi Vikas Yojana (RKVY), Macro Management of Agriculture (MMA), Integrated Scheme of Oilseeds, Pulses, Oil Palm & Maize (ISOPOM), etc.
In addition to above schemes, a new programme "Accelerated Pulse Production Programme (A3P)" has been started under NFSM since 2010-11 to take up the active propagation of key technologies for augmenting the productivity of pulses.

3) Promotion of Organic Farming through various schemes-The Government of India is promoting organic farming through various schemes viz. National Project on Organic Farming (NPOF), National Horticulture Mission (NHM), Rashtriya Krishi Vikas Yojana

(RKVY) and Macro Management of Agriculture (MMA) for increasing the percentage of such land. Under NHM, financial assistance is provided for setting up of vermi-compost units @50% of the cost subject to a maximum of Rs. 30,000/- per beneficiary. Under NPOF, financial assistance is also provided as back ended subsidy through NABARD for setting up/strengthening of existing Bio-fertilizer and/or Bio-Pesticide Production Units.

4) States have been allocated Rs 1800 crore under National Food Security Mission-The Centre has allocated over Rs. 1800 crore to States under the National Food Security Mission (NFSM) this year. The maximum amount goes to Uttar Pradesh at Rs. 276.9 crore, followed by Madhya Pradesh, Rs. 226.87 crore and Maharashtra Rs. 196 crore. NFSM was implemented to raise productivity of crops in the eleventh Five Year Plan. In the twelfth Five Year Plan, NFSM aims at raising the foodgrain production by 25 MT. The mission also proposes to cover coarse cereals and fodder crops in the 12th Five Year Plan besides rice, wheat and pulses. It also provides incentives to farmers to adopt improved inputs and technology that suit local soil and climatic conditions.

Source: PHD Research Bureau, compiled from Press Information Bureau, Government of India

5) Rs. 45 crore released to enhance fodder availability- The Centre has released Rs. 45 crore for enhancing availability of fodder to 5 states under Accelerated Fodder Development Programme. The Programme has provided funds for production of quality seeds, enhancing fodder production and adoption of appropriate techniques. Rajasthan has been allotted Rs. 15 crore, Andhra Pradesh and Maharashtra Rs. 10 crore each, and Gujarat and Haryana Rs. 5 crore each.

Fertilisers

1) Web-based system developed to recommend farmers on the use of fertilisers-The Indian Institute of Soil Science has developed a web-based fertilizer recommendation system to advice farmers on the right quantity of fertilizers they should use in their soils for a particular type of crop. The software takes into account the type of soil in different districts of the country and available nutrient in the soil. It also takes into consideration the crop and cropping season in calculating the nutrient requirement. Finally, the system converts the nutrient data into the quantities of main fertilizers i.e. urea, MOP and SSP that are used by the farmer. The software can be accessed at http://www.iiss.nic.in/stcr/mainform.asp

2) Use of bio-fertilisers being promoted by the government for better soil health- Government is promoting the use of bio-fertilisers through a Central Sector Scheme National Project on Organic Farming (NPOF) for setting up of new or strengthening of existing bio-fertiliser production units, technology transfer and training etc. Awareness is being created through training programme seminar and through advisory in package and practices for different crops under organic management.

Storage

1) Multiple initiatives taken for storage of vegetables, fruits- Initiative for Nutritional Security through Intensive Millets Promotion (INSIMP) - a sub-scheme of RKVY has been launched from 2011-12 with aim to demonstrate the improved production and post-harvest technologies in an integrated manner with an allocation of Rs. 300 crore in 16 States. The operational guidelines of INSIMP provide flexibility to the States, to modify the contents of the input kits as per local situations.

Government Initiative to overcome deficit

1) District Contingency Plans prepared for 320 districts-Ministry of Agriculture has prepared contingency plans for 320 districts due to deficient rainfall during South-West monsoon 2012. States have been advised to prepare location specific alternatives in consultation with respective State Agricultural Universities and arrange seeds of alternate crops/varieties to implement such plans. Government has also created State Disaster Response Fund (SDRF)/ National Disaster Response Fund (NDRF) to take immediate relief measures in case of natural calamities like drought.

Hike in MSP of pulses

1) Government raises MSP of pulses-The Union Ministry of Agriculture has revised the minimum support price (MSP) of pulses but below Commission for Agricultural Costs and Prices (CACP) recommendation. The MSP of tur (arhar) and moong were revised to Rs 3,840 a quintal and Rs 4,400 a quintal, respectively for 2012-13. MSP was reworked due to declining prices in the market and expectation of robust production.

Rice Production

1) Green Revolution Scheme in Eastern India results in rise in rice production-The government launched a programme namely 'Bringing Green Revolution in Eastern India (BGREI)' during the year 2010-11 to address the constraints limiting the productivity of rice in eastern India. It is a sub scheme of Rashtriya Krishi Vikas Yojana (RKVY) and is being implemented in seven states viz. Assam, Bihar, Chattisgarh, Jharkhand, Odisha, Eastern Uttar Pradesh and West Bengal. Rice production increased substantially during 2011-12 in majority of the states except Assam, Chattisgarh and Odisha. The maximum increase was recorded in Jharkhand followed by Bihar, Uttar Pradesh and West Bengal.

2) Rise in Rice sowing- The latest data from the states show that rice has been sown in 347.10 lakh hectare on 31st August 2012 as compared to 329.19 lakh hectare on 24th August 2012. Coarse cereals, pulses, oilseeds and cotton have also been sown in more area than the area covered by these crops last week.

Boost in vegetable and fruit production

1) Vegetable and Fruit production on rise- The production of vegetables and fruits in the country is estimated to be 1505.86 and 752.74 lakh tonnes respectively, during 2011-12 as compared to 1465.54 and 748.78 lakh tonnes during 2010-11. To enhance production and productivity of horticulture crops including fruits and vegetables, the Government of India has been implementing Horticulture Mission for North East and Himalayan States (HMNEH) and National Horticulture Mission (NHM) in the remaining States of the country.

Food Inflation

1) Food Inflation to remain high beyond October due to delay in harvesting- Delay in sowing this summer may affect fresh supplies of crops in many parts of the country which is likely to keep the food inflation high. The sowing of summer crops in many regions has been delayed by up to a month due to late arrival of monsoon showers over the Kerala coast, from where it travels to other parts.

Agriculture Growth Scenario in States

1) Agri cheer from central, eastern India amid dry spell- Bihar, Madhya Pradesh, Jharkhand and Chhattisgarh have recorded a farm growth better than Punjab and Uttar Pradesh in recent years. In 2012, low paddy harvest in the northern states of Punjab and Haryana has been compensated by the rise in harvests in the eastern and central states of Bihar, Jharkhand and Chhattisgarh. The two factors that have greatly contributed to improved growth in some central and eastern parts are the price of farm produce and the development of farming infrastructure.

2) Poor kharif probability looms over Andhra Pradesh- The agriculture sector in Andhra Pradesh faces disaster for the second successive year due to weak monsoon. Almost all major crops barring cotton and maize are facing the prospect of a complete disaster. Lower water storage in major reservoirs is a cause of concern for the farmers.

Subsidy

1) Diesel, Seed Subsidy to farmers to overcome deficient rainfall- The Government of India has introduced the "Diesel Subsidy Scheme" to provide irrigation facilities through diesel pumpsets to save the standing crops and to mitigate the hardships of farmers due to deficient rainfall. Ceiling on seeds subsidy has also been enhanced from Rs.500 per quintal to Rs.700 per quintal in respect of cereals, for pulses and oilseeds from Rs.1200 per quintal to Rs.2000 per quintal and for coarse cereals from Rs.800 per quintal to Rs.1000 per quintal.

Establishment of new Institutes to enhance Agriculture Productivity

1) Approval of new institute of "National Institute of Biotic Stress Management" Scheme during the XII Plan (2012-17) - The Union Cabinet has approved the proposal of Ministry of Agriculture, Department of Agricultural Research and Education for the establishment of the National Institute of Biotic Stress Management (NIBSM) at Raipur (Chhattisgarh) during the 12th Five Year Plan at a cost of Rs.121.10 crore. The mandate of the Institute would be to enhance the productivity of crops by creating novel mitigation measures to biotic stresses in agriculture and carry out research on the multiple causes that cause biotic stresses, and develop technologies that would effectively deal with prentices pestilence.

2) Approval of New Institute of "Indian Institute of Agricultural Biotechnology" Scheme during the XII Plan- The Union Cabinet has approved the proposal of Ministry of Agriculture, Department of Agricultural Research and Education for the establishment of Indian Institute of Agricultural Biotechnology at Ranchi (Jharkhand) at a cost of Rs. 287.50 crore during the 12th Five year plan. The charge of the Institute would be to undertake multi-disciplinary basic and strategic research with a view to future

developing crops for traits such as increased yield, or increased tolerance to biotic and abiotic stress.

7. Conclusions

Agriculture contributes about 14% of the Gross Domestic Product and performance of South-West monsoon is critical to the agriculture output of the country. The South-West monsoon contributes significantly to the irrigation process and it is also critical to the overall growth of the Indian economy as more than 70% of the country's population (directly and indirectly) depends on farming.

The seasonal rainfall during this year's monsoon[2] for the country as a whole has been 12% below the normal. The actual rainfall received for the period 1st June 2012 to 31st August 2012 stands at 627.6 mm as against the normal rainfall of 713.4 mm. The cumulative seasonal rainfall was below the normal across all regions namely Northwest by (-) 14%, South Peninsula by (-) 11%, East & northeast by (-) 14% and Central India by (-) 10%. Out of 36 meteorological subdivisions, the rainfall has been normal in 22, deficient in 13 and scanty in 01 sub-division. As far as area-wise distribution is concerned, 68% area of the country received normal rainfall, while remaining 29% area received deficient and 3% received scanty rainfall.

The sowing area for major crops is still staggering under deficit. The sowing of cereals, pulses, foodgrains and oilseeds have registered a significant deficit of 7%, 12%, 8% and 4% respectively as on 17th August 2012 against the corresponding period of last year.

The procurement of wheat for the marketing season has scaled to 381.45 lakh tonnes during 2012-13 (as on 27th July 2012) from 281.08 lakh tonnes in the corresponding period of last year. Punjab has led the procurement by 128.34 lakh tonnes of wheat followed by Haryana 86.65 lakh tonnes and Madhya Pradesh 84.93 lakh tonnes. Uttar Pradesh has also procured significant quantity i.e. 50.63 lakh tonnes.

Rice procurement for the marketing season has also increased to 347.60 lakh tonnes as on 17th August 2012 from 328.14 lakh tonnes in the corresponding period of last year. The procurement of rice has moved upwards for states like Chhattisgarh, Haryana, Kerala, Orissa, Tamil Nadu, Uttar Pradesh and West Bengal. On the other hand, Andhra Pradesh, Maharashtra, Punjab and Uttaranchal have shown a decline in the progressive procurement of rice.

Although there has been a surge in the food grain production, the Indian government is still taking many initiatives to save the economy from any negative impact of deficient rainfall. It has implemented several crop development schemes/programmes such as National Food Security Mission (NFSM), Rashtriya Krishi Vikas Yojana (RKVY), Macro Management of Agriculture (MMA) etc. to increase the production of pulses and

[2] The seasonal rainfall pertains to the period from 1st June-31st August 2012

oilseeds. A web-based fertilizer recommendation system has also been developed by Indian Institute of Soil Science to advice farmers on the right amount of fertilizers to be used in their soils.

India Agronomics so far

S. No.	Category	FY2010	FY2011	FY2012
1	Rainfall (% of LPA)	102.5	102.3	78#
2	Agriculture growth rate (%)	0.4	6.6	2.8
3	Food grain production (Million Tonnes)	218	245	252
4	Food grain growth rate (%)	-6	12	3
5	Area under cultivation (food grains)- Million Hectare	121.12	125.73	NA
6	Area under cultivation (Commercial crops)- Million Hectare	42.57	44.73	NA
7	Yield (food grains)- Kg/ Hectare	1798	1921	NA
8	Yield (commercial crops)- Kg/ Hectare			
8a	Oil seeds	955	1159	NA
8b	Sugarcane	66099	68595	NA
9	MSP (Rs/ Quintal)			
9a	Paddy common	950	1000	1080
9b	Coarse cereals	840	880	980
9c	Wheat	1100	1120	1285
9d	Arhar (Tur)	2300	3000	3200
9e	Moong	2760	3170	3500

Source: PHD Research Bureau, compiled from various sources
Note: NA: Not Available, # Rainfall Distribution for the period 1st June-11th July 2012.

Economy so far August 2012…

Components	Growth/Rate
Gross Domestic Product* (FY2012)	
GDP at current market prices	Rs 8,855,797 cr
GDP at factor cost at constant prices	Rs 5,202,514 cr
GDP growth (YoY % change)*(FY2012)	
Nominal GDP-factor cost	15%
Real GDP-factor cost (constant prices)	6.5%
Agriculture, forestry & fishing	2.8%
Industry	-1.8%
Manufacturing^	-3.2%
Mining ^	0.6%
Electricity^	8.8%
Basic Goods^	4.1%
Intermediate Goods^	1.6%
Capital Goods^	-27.9%
Consumer Goods^	3.5%
Consumer Durables^	9.1%
Consumer Non-Durables^	-1.0%
Construction	5.3%
Services	8.8%
Trade, hotels, transport & comm.	9.9%
Financing, Ins., Real Est. & Bus. Services	9.6%
Community, social & personal Services	5.8%
Infrastructure** (YoY % Δ) April- JuneFY13	
Core Infrastructure Industries	3.6%
Crude Oil	-0.5%
Refinery products	3.2%
Coal	6.4%
Electricity	6.4%
Cement	9.9%
Finished Steel	3.6%
Fertilizer	-12.2%
Natural Gas	-11.1%
Demand side factors as % real GDP(Market prices) * (FY2012)	
Private final cons. expenditure	57.9%
Δ Private final cons. expenditure	5.51%
Government final cons. expenditure	11.2%
Δ Government final cons. expenditure	5.10%
Gross fixed capital formation	32.0%
Δ Gross fixed capital formation	5.48%
Monetary policy as on August,2012***	
Bank Rate	9.0%
SLR	23.0%
CRR	4.75%
Repo Rate	8.0%
Reverse Repo Rate	7.0%
Money Supply M3 YoY as on July 27, 2012****	13.5%
Credit Growth YoY as on June, 2012****	18.9%

Money market as on 21st August, 2012***	
Base Rate	10.0%-10.50%
Saving Bank Rate	4.0%
Deposit Rate	8.00% -9.25%
91 Day T-Bills (cut off at last auction)	8.26%
182 Day T-Bills (cut of at last auction)	8.26%
364 Day T-Bills (cut of at last auction)	8.06%
Call Money Rates as on August 21,2012	7.10% -8.20%
Balance of Payments***	
Trade Balance Q4 FY2012	US $ (-)51.7 bn
Current Account Balance Q4 FY2012	US $ (-)21.7 bn
Capital and Finance Account (Net Balance) Q4 FY2012	US $ 3.4 bn
Capital Flows***	
FDI equity to India May-2012	US$ 1327mn
External debt end- Mar (2012)	US $345.8 bn
ECB's June 2012	US$ 1.996 bn
Foreign Exchange Reserves as on August 10th 2012	US$ 289.169 bn
Fiscal Indicators	
Gross Fiscal Deficit (Centre - as a % of GDP) FY 12	4.6%
Revenue Deficit (Centre - as a % of GDP) FY 12	3.1%
Inflation** (YoY % growth)- July2012	
WPI of all commodities	6.87%
Primary articles	10.39%
Food Articles	10.06%
Non Food	13.05%
Fuel and power	5.98%
Manufacturing Inflation	5.58%
Consumer Price Inflation	9.86%
Foreign Trade@ April -JuneFY13	
Exports	US $ 75.20bn
Exports growth	-1.70%
Imports	US $ 115.25bn
Import Growth	-6.10%
Trade Balance	US$- 40.05bn

Source: PHD Research Bureau, compiled from various sources.
*Note: *CSO Revised estimates of National Income 2011-12;*
^ CSO's Quick estimates of IIP for August 2012;
*** Office of the Economic Advisor, Govt. of India;*
**** RBI;*
@ Ministry of Commerce & Industry, Govt. of India, Press Release.

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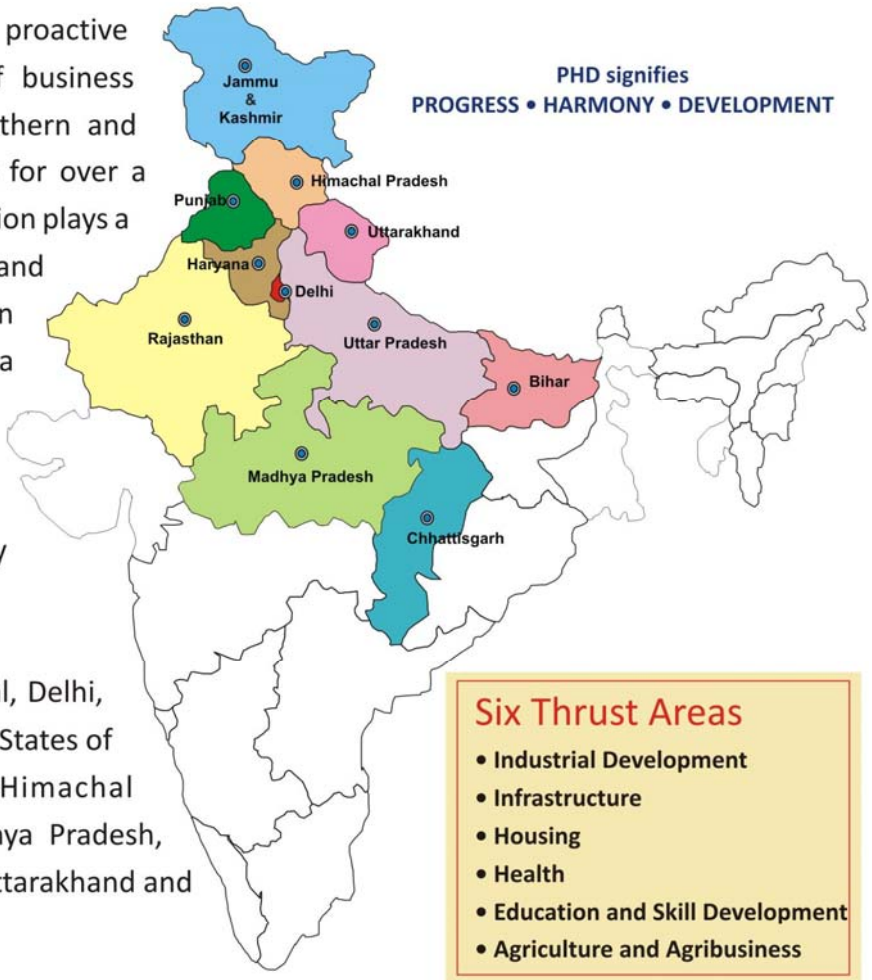
PHD Chamber is a vibrant and proactive representative organization of business and mercantile community of northern and central India, serving their interest for over a century. This apex regional organization plays a active role in India's development and acts as a much needed link between government and industry, serving as a catalyst for rapid economic development and prosperity of the community in the region through promotion of trade, industry and services.



PHD signifies
PROGRESS • HARMONY • DEVELOPMENT

With its base in the National Capital, Delhi, the Chamber has Regional offices in States of Bihar, Chhattisgarh, Haryana, Himachal Pradesh, Jammu & Kashmir, Madhya Pradesh, Punjab, Rajasthan, Uttar Pradesh, Uttarakhand and the Union Territory of Chandigarh.

Six Thrust Areas

- **Industrial Development**
- **Infrastructure**
- **Housing**
- **Health**
- **Education and Skill Development**
- **Agriculture and Agribusiness**

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