



Vol.7
Issue- 6
June 2021

Agricultural Production and **Market Outlook**

The Rising Agriculture....

**Cabinet approves Minimum Support Prices (MSP) for Kharif Crops
for marketing season 2021-22**



Chairman
Prof. Shirish R. Kulkarni

Chief Editor
Dr. S. S. Kalamkar

Associate Editors
Dr. H. P. Trivedi
Dr. Kinjal Ahir

Managing Editor
Dr. Hemant Sharma

Subject Editors
Dr. S. R. Bhajya
Dr. Vijay S. Jariwala
Shri Manish. C. Makwana

Circulation Incharge
Dr. Deep K. Patel

Publisher
Agro-Economic Research Centre
Sardar Patel University
Vallabh Vidyanagar 388120
Anand, Gujarat

Email : aerc@spuvn.edu
director.aerc@gmail.com

Web : [http://www.spuvn.edu/academics/
academic_centres/agro_economic_centre/](http://www.spuvn.edu/academics/academic_centres/agro_economic_centre/)

Government has increased the MSP of Kharif crops for marketing season 2021-22, to ensure remunerative prices to the growers for their produce. The highest absolute increase in MSP over the previous year has been recommended for sesamum (Rs. 452 per quintal) followed by tur and urad (Rs. 300 per quintal each). In case of groundnut and nigerseed, there has been an increase of Rs 275 per quintal and Rs 235 per quintal respectively in comparison to last year. The differential remuneration is aimed at encouraging crop diversification. Minimum Support Prices for all Kharif crops for marketing season 2021-22 are as follows:

The expected returns to farmers over their cost of production are estimated to be highest in case of Bajra (85%) followed by urad (65%) and tur (62%). For rest of the

Crop	MSP 2020-21	MSP 2021-22	Cost* of production 2021-22 (Rs/quintal)	Increase in MSP	Return over cost (in per cent)
				(Absolute)	
Paddy (Common)	1868	1940	1293	72	50
Paddy (GradeA)^	1888	1960	-	72	-
Jowar (Hybrid)	2620	2738	1825	118	50
Jowar (Maldandi)^	2640	2758	-	118	-
Bajra	2150	2250	1213	100	85
Ragi	3295	3377	2251	82	50
Maize	1850	1870	1246	20	50
Tur (Arhar)	6000	6300	3886	300	62
Moong	7196	7275	4850	79	50
Urad	6000	6300	3816	300	65
Groundnut	5275	5550	3699	275	50
Sunflower Seed	5885	6015	4010	130	50
Soyabean (yellow)	3880	3950	2633	70	50
Sesamum	6855	7307	4871	452	50
Nigerseed	6695	6930	4620	235	50
Cotton (Medium staple)	5515	5726	3817	211	50
Cotton (Long Staple)^	5825	6025	-	200	-

* Refers to comprehensive cost which includes all paid on costs such as those incurred on account of hired human labour, bullock labour machine labour, rent paid for leased in land, expenses incurred on use of material inputs like seeds, fertilizers, manures, irrigation charges, depreciation on implements and farm buildings, interest on working capital, diesel/electricity for operation of pump sets etc., miscellaneous expenses and imputed value of family labour.

^ Cost data are not separately compiled for Paddy (Grade A), Jowar (Maldandi) and Cotton (Long staple)

crops, return to farmers over their cost of production is estimated to be at least 50%.

Concerted efforts were made over the last few years to realign the MSPs in favour of oilseeds, pulses and coarse cereals to encourage farmers shift to larger area under these crops and adopt best technologies and farm practices, to correct demand - supply imbalance. The added focus on nutri-rich nutri-cereals is to incentivize its production in the areas where rice-wheat cannot be grown without long term adverse implications for groundwater table. With an aim to attain self-sufficiency in the production of pulses, a special Kharif strategy has been prepared for implementation in the ensuing Kharif 2021 season. A detailed plan for both area expansion and productivity enhancement for Tur, Moong, and Urad has been formulated. Under the strategy, all the available high-yielding varieties (HYVs) of seeds will be distributed free of cost to increase area through intercropping and sole crop. Similarly, for Oilseeds, the Government of India has approved an ambitious plan for the free distribution of high-yielding varieties of seeds to the farmers for the Kharif season 2021 in the form of mini-kits. The special Kharif program will bring an additional 6.37 lakh hectare area under oilseeds and is likely to produce 120.26 lakh quintals of oilseeds and edible oil amounting to 24.36 lakh quintals.

Govt. launched the Bamboo Market Page on Govt e-Marketplace (GeM) portal

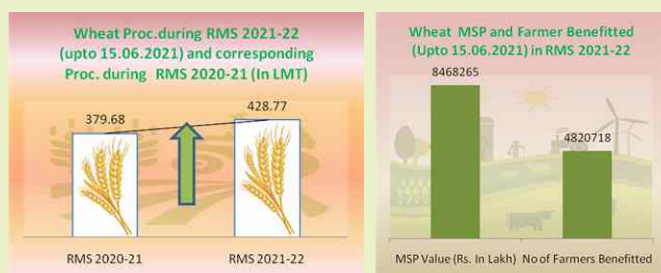


The National Bamboo Mission and the Government e-Marketplace (GeM) have been working together for having a dedicated window on the GeM portal for marketing of the Bamboo Goods (Bamboo based products & Quality Planting Materials). Resultant to the collaboration, a dedicated window “The Green Gold Collection” for bamboo products was launched by the Union Minister of State for Agriculture Shri Parshottam Rupala. The Minister lauded the combined efforts of NBM and GeM to develop the dedicated window for the

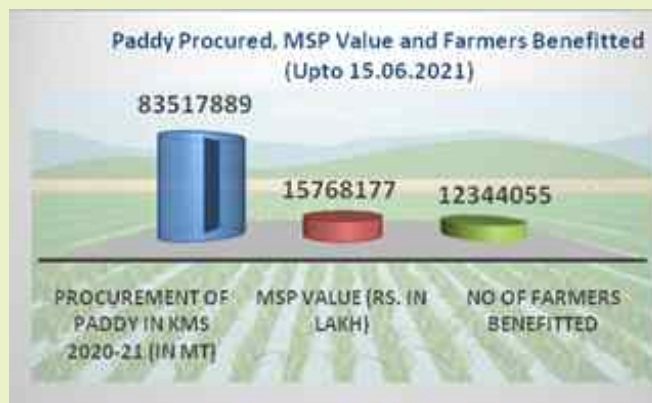
bamboo products in a very short period of time. The dedicated window will provide an electronic platform for the small manufacturers and niche sellers thereby vastly increasing their reach to attract buyers and at the same time will provide niche products from trusted sources to the buyers, a win-win situation for both. “The Green Gold Collection” [<https://gem.gov.in/national-bamboo-mission>], a unique initiative of the National Bamboo Mission and GeM, showcases a range of exquisitely handcrafted bamboo and bamboo products, handicrafts, disposals and office utility products on the GeM portal, and aims to provide bamboo artisans, weavers and entrepreneurs in rural areas with market access to Government buyers. Product categories ranging from bamboo poles to bamboo products in furniture, lifestyle & décor, kitchenware, industrial machinery, handcrafted items such as toys and office utility items like agarbatti/ incense sticks, disposables, water bottles, yoga mats, charcoal, etc. are being uploaded on the portal for Government buyers. This initiative seeks to promote the adoption and use of bamboo products among Government buyers and usher a sustainable rural economy for an Atmanirbhar Bharat.

Government procured more this year in comparison to last year's corresponding period

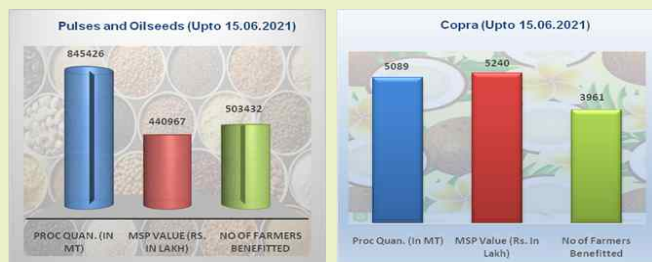
Procurement of Wheat in ongoing RMS 2021-22 is continuing smoothly in the procuring States and till now (upto 15.06.2021) a quantity of over 428.77 LMT of Wheat has been procured (which is all time high, as it has exceeded previous high 389.92 LMT of RMS 2020-21) against the last year corresponding purchase of 379.68 LMT. About 48.20 Lakh farmers have already been benefitted from the ongoing RMS procurement operations with MSP value of Rs. 84,682.65 Crore.



Paddy procurement in the ongoing season Kharif 2020-21 is continuing smoothly in the procuring States with purchase of 835.18 LMTs of paddy (includes Kharif Crop 707.67 LMT and Rabi Crop 127.51 LMT) upto 15.06.2021 against the last year corresponding purchase of 745.78 LMT. About 123.44 Lakh farmers have already been benefitted from the ongoing KMS procurement Operations with MSP value of Rs. 1,57,681.77 Crore. Paddy procurement has also reached at all time high level, surpassing previous high of 773.45 LMT in KMS 2019-20.

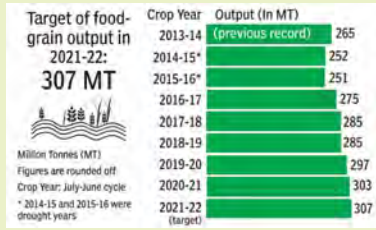


Further, based on the proposal from the States, approval was accorded for procurement of 107.83 LMT of Pulse and Oilseeds of Kharif Marketing Season 2020-21 & Rabi Marketing Season 2021 and Summer season 2021 for the States of Tamil Nadu, Karnataka, Maharashtra, Telangana, Gujarat, Haryana, Madhya Pradesh, Uttar Pradesh, Odisha, Rajasthan and Andhra Pradesh under Price Support Scheme (PSS). The sanction for procurement of 1.74 LMT of Copra (the perennial crop) for the States of Andhra Pradesh, Karnataka, Tamil Nadu and Kerala was also given. For other States/UTs approval will also be accorded on receipt of proposals for procurement of Pulses, Oilseeds and Copra under PSS so that procurement of FAQ grade of these crops can be made at notified MSP for the year 2020-21 directly from the registered farmers, if the market rate goes below MSP during the notified harvesting period in the respective States/UTs by the Central Nodal Agencies through State nominated procuring agencies.



Upto 15.06.2021, the Government through its Nodal Agencies has procured 8,45,426.71 MT of Moong, Urad, Tur, Gram, Masoor, Groundnut Pods, Sunflower seed, Mustard Seed and Soyabean having MSP value of Rs. 4,409.67 Crores benefitting 5,03,432 farmers in Tamil Nadu, Karnataka, Andhra Pradesh, Madhya Pradesh, Maharashtra, Gujarat, Uttar Pradesh, Telangana, Haryana and Rajasthan under Kharif 2020-21 & Rabi 2021. Similarly, 5089 MT of copra (the perennial crop) having MSP value of Rs. 52.40 crore has been procured benefitting 3961 farmers in Karnataka and Tamil Nadu during the crops season 2020-21. For the season 2021-22, sanction for procurement of 51000 MT of Copra from Tamil Nadu has been given, against which procurement will be started from the date as decided by the State Government.

Govt. sets production target for 2021-22 kharif season



The government set a record rice production target of 104.3 million tonne for the kharif season of 2021-22 crop year (July-June). Rice is the main

crop grown in the kharif season, sowing of which begins with the onset of southwest monsoon from June. In the kharif season last crop year, rice production was estimated to be at 103.75 million tonne against the target of 102.60 million tonne, as per the agriculture ministry's second advance estimate. The states to promote rice hybrid and drought, salinity and flood-tolerant seed varieties, besides encouraging safe and judicious use of tricyclazole and buprofezin in rice to avoid the presence of residue in rice exports. Whereas the production target for coarse cereals is kept at 37.31 million tonne, oilseeds at 26.20 million tonne and pulses at 9.82 million tonne for the kharif season of 2021-22. The Total foodgrains production target of 151.43 million tonne has been set for the kharif season of this year. In the same kharif season last year, foodgrains production was estimated to have been 147.95 million tonne, slightly below the target of 149.35 million tonne set for that season, as per the ministry's data.

According to the ministry, the production target for cotton has been fixed at 37 million bale (of 170 kg each), sugarcane at 387 million tonne, while jute/mesta at 10.6 million bale (of 180 kg each) for the current year. In the case of seeds, the availability is estimated to be in surplus as far as most kharif crops are concerned, except for maize and soybean. The shortage of maize seeds is pegged at 73,445 tonne, while soybean seeds at 87,656 tonne in the forthcoming kharif season, which the government said will be met from National Seeds Corporation, private seed companies and farm-saved seed, Malhotra said in the presentation. However, the overall foodgrains production target for the full 2021-22 crop year is kept at 307.31 million tonne. This includes kharif and rabi season.

Government of India's NAFED launched Fortified Rice Bran Oil

Department of Food and Public Distribution E-launched "Nafed Fortified Rice Bran Oil". This initiative by NAFED will significantly reduce the country's consumption dependence on imported edible oil in future and this will provide opportunities for Indian edible oil manufacturers further, and also will give an impetus to the Prime Minister's Aatmnirbhar Bharat initiative. This Rice bran oil will be marketed by NAFED (National Agricultural Cooperative Marketing Federation of India Ltd). The Chairman & Managing Director, Food Corporation of India (FCI) also informed that recently a MoU has been signed between NAFED and FCI for the production and marketing of fortified rice kernel. This initiative will provide easy access to NAFED branded high quality rice bran oil, which will



also give a boost to the indigenous oil manufacturing industry. It may be noted that Rice Bran oil has multiple health benefits, including lowering cholesterol level due to its low trans-fat content and high mono unsaturated and poly unsaturated fat contents. It also acts as a booster and reduces the risk of cancer due to the high amount of Vitamin E it contains. This oil is recommended by The American Heart Association and the World Health Organization (WHO) as one of the best substitutes for other edible oils. Rice Bran oil from NAFED will be fortified and it will be ensured that it will contain additional nutrients and vitamins. According to the FSSAI, fortified oil can help a person fulfil 25-30% of the recommended dietary intake for vitamins A and D. NAFED Fortified Rice Bran Oil will be available at all NAFED Stores and also on various online platforms.

Book Post

To,

From:

Agro-Economic Research Centre

For the states of Gujarat and Rajasthan

(Ministry of Agriculture & Farmers Welfare, Govt. of India)

H.M. Patel Institute of Rural Development,

Opp. Nanadalaya Temple, Post Box No. 24,

Sardar Patel University

Vallabh Vidyanagar 388120, Anand, Gujarat

Ph.No. +91-2692-230106, 230799, Fax- +91-2692-233106

E-mail : director.aerc@gmail.com

Website: www.aercspu.ac.in

DOI : 22-06-2021

Acknowledged the information used/taken from the public domain