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Agricultural Production and **Market Outlook**

The Rising Agriculture....

New regulations on organic food, honey come into effect:



A number of new regulations' for categories such as organic food and honey, among others, have come into force from January 1, with the food safety and Standard Authority of India (FSSAI) working to accelerate the process of settings new standards, in a statement, the FSSAI said all regulations relating to organic food will come into force from Tuesday. The new regulations will, for first time, introduce standards for certifications and labeling in the organic food space. At the same time the FSSAI aims to address issues concerning quality and purity and curb rampant adulterations of honey, standards relating to which also become effective from Tuesday. Other food regulations that have come in to force with the New Year include new standards for all pulses, pearl, millet grains, degermed maize flour and sago, besides microbiological standards for fruits and vegetables. "During the year, the FSSAI has accelerated the process of standards settings. As many as 27 new regulations for

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food standards were notified in 2018,” the official statement added. The new regulations have been notified for various categories such as alcoholic beverages, food fortifications besides new regulations have been notified for various categories such as alcoholic beverages, food fortification besides new regulations for advertising and claim among others, while standards for alcoholic beverages, will come into force from April, food fortification regulations will be effective July 1,” the regulations on advertising and claims, packaging and labeling requirements of blended edible vegetables oils will come in to force on July 1,” the statement added.

Cotton exports likely to decline to 53 lakh bales in FY19 :



Lower production coupled with currency fluctuations is likely to dent cotton exports from India. The cotton export is expected to decline by 20-23%, according to industry experts and there is strong possibility that it may hover around 51-53 lakh bales during 2018-19 season that started from October. The fear of possible decline in cotton exports is not without reason.” Only 13-14 lakh bales (one bale weighting 170 kg) have been shipped so far. Going by the current trend, the exports may come down this year and it is unlikely to cross last year's figures,” said an Ahmadabad-based cotton exporter, India had exported 69 lakh bales of cotton in 2017-18. In its monthly estimates for November, cotton Association of India (CAI), the apex cotton trade body in the country, has pegged the exports at 53 lakh

bales. Gujarat accounts for around 40 of the cotton exported from the country, say market experts.

Center relaxes norms for fertilizer exports:



The center relaxed norms for the export of fertilizers, including urea, potassic and phosphatic. “The export policy of fertilizers has been revised and items under 'restricted' category moved to 'free' category the Directorate General of Foreign Trade (DGFT) said in a notification. These exports, however, are subject to prior permission/no objection certificate to be obtained by the manufacturer/exporters from the Department of fertilizer, it said. India is a net importer of phosphatic and potassic and urea. In entire 2017-18 financial year, India imported 42.17 lakh tones of DAP, 4.99 lakh tones of NPK and 47.36 lakh tone of MOP fertilizers.

Agri Min starts inter-state mandi through e-NAM:



The Agriculture Ministry has started inter-state mandi (Agriculture produce Market Committee (APMC) trade through the electronic national Agriculture Market (e-NAM) to boost farmers income and their produce. The very first inter-state transactions in tomatoes have been carried out between trader of barely e-NAM APMC of Uttarpradesh and farmer of Haldwani e-nam APMC of Uttarkhand. The inter-state transactions in potatoes, brinjal and cauliflower have been carried out between the e-NAM mandis of Uttarkhand and Uttarpradesh. In all the cases, e-payments have been made through e-NAM portal. This will helps farmers get better market access, more buyers and traders to realize better prices for their produce. Farmers can access the infomations on e-NAM easily though their mobile phone from anywhere. This online trading platform aims at reducing transactions costs, bridging information's asymmetry and helps in expanding the market access for farmers. Earlier trade used to happen either within the APMC or between two APMCs situated within same state.

Direct MSP transfer to bank accounts of farmers on the cards:



The center is considering the options to transfer the minimum support price (MSP) directly into the bank accounts of farmers who are unable to sell their produce during procurement operations. The options to allow farmers to sell at MSP for the entire year instead of fixed few months after the harvest is also being considered. The center is also

planning to provide short-term farm credit at zero interest rate on timely repayment. An amount of Rs.150 billion will be spent for interest subvention in 2018-19. This subsidy amount might be scaled upto over Rs.280 billion if the subventions are waived off. The Pradhan Mantri Fasal BimaYojana (PMFBY) might also be tweaked to reduce farmer's premium burden by fully waiving it on food crops and reducing a bit on horticultural crops. All these options are at various stages of discussions and a decision is expected soon.

Global cotton prices set to soften on dip in offtake:



The International cotton advisory committee has predicted the average global cotton price for 2018-19 will be 86 cents perpound, lower than its earlier projections of 89cents, on likely decline in consumption. The current Cotlook Index A is hovering around 80 cents per pound. "With a confidence interval of 95 percent the secretariat of the international cotton advisory committee (ICAC) has set its 2018/19 price forecast for cotton fiber at 86.45centsperpound, down from 89 cents in December 2018," the apex cotton body said in a statement. The forecast has aprice range from a low of 75.60 cents to a high of 100.21 cents. Of which the midpoint price level is 86.45 cents. This forecast is on the assumptions of marginal reduction in world cotton consumption at 26.7 million tones for the period as against 26.81 mt reported in the same period last year. World cotton ending stocks, however, are projected at 18.2mt, marginally down from 18.76mt.

PM-KISAN SCHEME – More than 2 crore Farmers have benefited so far



With a view to augment the income of farmers by providing income support to all Small and Marginal landholder farmers' families across the country and to enable them to take care of expenses related to agriculture and allied activities as well as domestic needs, the Central Government had started a new Scheme on 01.02.2019 namely, the Pradhan Mantri Kisan SAMman Nidhi (PM-KISAN). The Scheme aims to provide a payment of Rs.6000/- per year for the farmers' families with cultivable land holding upto 2 hectare, subject to certain exclusions.

This Rs.6000/- would be released in three 4-monthly installments of Rs.2000/- over the year. The scheme is effective from 1.12.2018. The amount is being released by the Central Government directly into the bank accounts of the eligible farmers under Direct Benefit Transfer mode for a period of 4 months ending on 31.03.2019. Around 12.5 crore farmers across the country will be benefitted from this Scheme. Under the scheme, the responsibility

of identification of the eligible beneficiaries rests with the State Government.

The Scheme was formally launched at national level by the Hon'ble Prime Minister on the 24th February, 2019 at Gorakhpur, UP. The first installment for the first 4-month period, financial benefits of Rs.2000/- were released to about 1.01 crore farmers in the first trench entailing fund release of Rs. 2021 crore.

The scheme is being implemented efficiently and the first installment are released expeditiously. Till date, the benefit has already been released to more than 2 crore small and marginal farmers. The State-wise number of beneficiaries, which have been transferred the 1st installment is enclosed. It is a continuous scheme and the aim of the Department is to cover all eligible small and marginal farmer families.



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