



# TOP 10 AGRICULTURAL COMMODITIES IN INDIA



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## *Agricultural Production and* **Market Outlook**

*The Rising Agriculture....*

### **Export of essential agri commodities has increased**



The consistent and concerted efforts of the Government to boost agricultural exports are bearing fruit as despite of the on-going Covid-19 crisis, the export of essential agri commodities for the cumulative period of April-September, 2020 has increased by 43.4% to Rs 53626.6 crore as compared to Rs 37397.3 crore in the same period last year. Major commodity groups which have recorded positive export growth during April-Sept, 2020-21 vis-à-vis April-Sept, 2019-20 are Groundnut (35%), Refined Sugar (104%), wheat (206%), Basmati Rice (13%) and Non-Basmati Rice (105%) etc.

Furthermore, balance of trade during April-September 2020 has been significantly positive at Rs 9002 Crore as against trade deficit of Rs. 2133 during the same period in 2019. On month to month basis (MoM), India's agricultural export of essential agricultural commodities during September, 2020 has been of Rs 9296 crore against export of Rs 5114 crore during

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September, 2019, showing an increase of 81.7%. In order to boost agri exports, the Government announced Agriculture Export Policy, 2018 which inter-alia provides for cluster-based approach for export-centric farming of cash crops like fruits, vegetables, spices, etc. whereby clusters for specific agri products are identified across the country and focused interventions are carried out in these clusters. Eight Export Promotion Forums have been set up under the aegis of APEDA to boost export of agriculture/ horticulture products. The EPFs are created on Banana, Grapes, Mango, Pomegranate, Onion, Dairy, Rice Basmati and Rice Non-Basmati. The EPF are making concerted efforts to identify, document particulars of, and reach out to stakeholders across the entire production/ supply chain of export for increasing these exports significantly to the global market, through various interventions. Recently, the Government has also announced Agri Infra Fund of Rs. 1 lakh crore to improve agri business environment which shall promote agri export in due course. Besides, DAC&FW has also prepared a comprehensive action plan/strategy towards promotion of agri trade envisaging twofold approach viz. to boost Agri Export with emphasis on value addition and a detailed action plan for Import Substitution.

### **Value of MSP procurement is expected to be Rs. 35,000 crores in kharif Marketing Season 2020-21**

The procurement of Paddy during Kharif Marketing Season 2020-21 has started from 26th September, 2020 in Haryana and Punjab. The Procurement of paddy has started from 1st October, 2020 in Western Uttar Pradesh and from 2nd October 2020 in Chandigarh and from 5th October 2020 in Tamil Nadu. The Secretary, Food & Public Distribution, Government of India said that upto 06.10.2020, the Paddy Procurement of 4,82,656 MT in Haryana, 10,08,028 MT in Punjab, 6,945 MT in Chandigarh, 1545 MT in Uttar Pradesh and 1809 MT in Kerala and 25,551 MT in Tamil Nadu totaling 15,26,534 MT having MSP value of around Rs.2882 cores has been done from 1,27,832 farmers of Haryana, Punjab, Chandigarh, Uttar Pradesh, Kerala and Tamil Nadu.

Further, based on the proposal from the States, approval has been accorded for procurement of 30.17 LMT of Pulse and Oilseeds for Kharif Marketing Season 2020 for the States of Tamil Nadu, Karnataka, Maharashtra, Telangana, Gujarat,



Haryana, Uttar Pradesh and Odisha. Sanction for procurement of 1.23 LMT of Copra (the perennial crop) for the State 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 Price Support Scheme (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. The Government through its Nodal Agencies has procured 201.15 MT of Moong having MSP value of Rs.1.45 crore benefitting 161 farmers in Tamil Nadu and Haryana. Similarly, 5089 MT of copra having MSP value of Rs. 52.40 crore has been procured benefitting 3961 farmers in Karnataka and Tamil Nadu against the sanctioned quantity of 1.23 LMT for the Andhra Pradesh, Karnataka, Tamil Nadu and Kerala. In respect of Copra and Urad, rates are ruling at or above MSP. Respective State Governments are making arrangements for commencement of procurement in respect of Moong.

The comparative statement of procurement of major crops during the 2009-10 to 2013-14 and last five years are as under :

Crop	2009-10 to 2013-14	Last 5 Years	Increase in Times			
			Qty (in LMT)	MSP Value (Rs in Crore)	Qty (in LMT)	MSP Value (Rs in Crore)
Paddy	1,768	2,06,059	3,069	4,95,043	1.74	2.4
Wheat	1,395	1,68,202	1,627	2,97,073	1.17	1.77
Pulses	1.52	645	112.28	63,523	73.95	98.51
Oil seeds	3.65	14.54	56.36	249.71	15.44	17.17



In the recent years the Government has put special effort in making procurement of Pulses and oilseeds. The procurement of pulses under Price Support Scheme(PSS) and for making National Buffer Stock of Pulses has resulted in to 74 time increase in procurement during 2016-17 to 2020-21( upto Rabi 2020 season) than the procurement of pulses made during 2009-10 to 2013-14. Due to announcement of minimum 1.5 time of cost of production while announcing the MSP and sustained procurement policy of Government the production of pulses has increased substantially and making Aatamnirbhar Bharat in pulses production. Similarly, oilseeds procurement during 2016-17 to 2020-21(upto Rabi 2020 season) is almost 16 times higher than the procurement of oilseeds made during 2009-10 to 2013-14.



Procurement operations did not stop due to threat posed by the pandemic and disruptions in logistic activities during the initial days of lock down time. The number of procurement centres was increased by more than double in comparison to previous years. The Central Government is committed to continue the MSP operations to ensure the remunerative prices to the farmers in days to come. The arrival of KMS 2020-21 has just begun and the Government continues to procure Kharif 2020-21 crops at MSP from farmers.



Shri D.V.Prasad, CMD, Food Corporation of India, informed that the procurement of paddy from

farmers across the country has registered an increase of 5% in current KMS till now as compared to corresponding period last year. Maximum procurement has happened in Punjab where 7,82,685 MT paddy has already been procured from the farmers through APMC system as against 24,452 MT procured last year. The pace of procurement as well as the enthusiasm displayed by farmers in selling paddy stocks to FCI in Punjab and Haryana conclusively put to rest any misgivings the farmers of these states might have had regarding continuation of MSP procurement operations through APMCs after the introduction of new farm acts. FCI and state agencies have kept an ambitious target to procure 495 LMT rice (738 LMT paddy) from the farmers at MSP during current Kharif season throughout the country as against the quantity of 420 LMT rice (626 LMT paddy) during last Kharif season. Punjab and Haryana contributes maximum quantity to this with 23% and 9% respectively.

A total amount of Rs.2,02,696 crore has been paid to farmers by FCI and State Agencies during 2019-20 in whole of the country, out of which Rs.82,478 crore has been paid to Punjab and Haryana which comes out to be 40.69% of the total amount. During RMS 2020-21, approx. Rs.74,882 crore has been paid to the farmers across the country, out of which Rs.38,719 crore has been paid to farmers of Punjab and Haryana, which comes out to be 51.7% of total payment.

Shri Ravi Capoor, Secretary, Textiles, Government of India said that in 2019-20, area under cotton cultivation was 133.74 lakh hectares and cotton production at 357 lakh bales. Unprecedented procurement in the history of Cotton Corporation of India- 105.14 lakh bales in 12 states valuing Rs.28,500 crore. Post Global pandemic (April 2020 to September 2020), CCI procured 20.71 lakh bales valuing Rs.5615 crore.



In 2020-21, area under cotton cultivation is estimated at 133 lakh hectares and cotton production is expected to be 360 lakh bales. CCI has been geared

up fully for smooth conduct of MSP operations. CCI has opened 430 procurement centres in 135 district of 12 cotton growing states. CCI will undertake MSP operations till last arrivals of all FAQ grade kapas from farmers without quantity restrictions.

Till 6th October 2020, kapas equivalent to 3.12 lakh bales have arrived in market. Therefore, CCI could procure 2311 bales in Haryana, Punjab and Rajasthan as against nil procurement in the corresponding period of last year. The value of MSP procurement is expected to be Rs. 35,000 crores.

### **NCDC Ayushman Sahakar Fund for creation of healthcare infrastructure by cooperatives**



Union Minister of State for Agriculture Shri Parshottam Rupala launched AYUSHMAN SAHAKAR, a unique scheme to assist cooperatives play an important role in creation of health care infrastructure in the country formulated by the apex autonomous development finance institution under the Ministry of Agriculture and Farmers Welfare, the National Cooperative Development Corporation (NCDC). Shri Rupala announced that NCDC would extend term loans to prospective cooperatives to the tune of Rs. 10000 Crore in the coming years. He said that AYUSHMAN SAHAKAR scheme would revolutionize the way healthcare delivery takes place in rural areas. He also gave a call to existing cooperatives take up healthcare services as an activity for farmers. About 52 hospitals across the

country run by cooperatives. They have cumulative bed strength of more than 5,000. The NCDC fund would give a boost to provision of healthcare services by cooperatives. NCDC's scheme aligns itself with the focus of the National Health Policy, 2017, covering the health systems in all their dimensions- investments in health, organization of healthcare services, access to technologies, development of human resources, encouragement of medical pluralism, affordable health care to farmers etc. It has a comprehensive approach- hospitals, healthcare, medical education, nursing education, paramedical education, health insurance and holistic health systems such as AYUSH. Ayushman Sahakar scheme fund would also assist cooperative hospitals take up medical / Ayush education. In line with National Digital Health Mission launched by Hon'ble Prime Minister on 15th August, 2020, NCDC's Ayushman Sahakar would bring transformation in rural areas. By virtue of their strong presence in rural areas, cooperatives utilizing the scheme would bring revolution in comprehensive health care services. Any Cooperative Society with suitable provision in its byelaws to undertake healthcare related activities would be able to access the NCDC fund. NCDC assistance will flow either through the State Governments/ UT Administrations or directly to the eligible cooperatives. Subsidy/ grant from other sources can be dovetailed. Ayushman Sahakar specifically covers establishment, modernization, expansion, repairs, renovation of hospital and healthcare and education infrastructure encompassing. The scheme also provides working capital and margin money to meet operational requirements. The scheme provides interest subvention of one percent to women majority cooperatives.

NCDC was set up under an Act of Parliament in 1963 for promotion and development of cooperatives. Since 1963, it has extended around Rs. 1.60 lakh crore as loans to cooperatives.

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