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# THE HINDU BusinessLine

**Second half of monsoon season to receive normal rainfall: IMD**



The second half of the monsoon season is expected to receive “normal” rainfall, the India Meteorological Department (IMD) said today.

According to the IMD, rainfall over the country during the remaining two months of the monsoon season (August and September) is likely to be 100 per cent of the Long Period Average (LPA) with a model error of plus or minus 8 per cent.

Rainfall between 94-104 per cent of the LPA is considered “normal”, it said.

August is expected to witness 99 per cent of the LPA, the weatherman said.

The IMD has predicted a normal monsoon this year.

The MET, however, recorded an overall deficiency of minus 3 per cent from June 1 to August 7, following which several parts of the country are witnessing drought-like conditions, especially in the southern peninsula.

On the other hand, states such as Gujarat, Rajasthan and several parts of the north-east have witnessed floods.

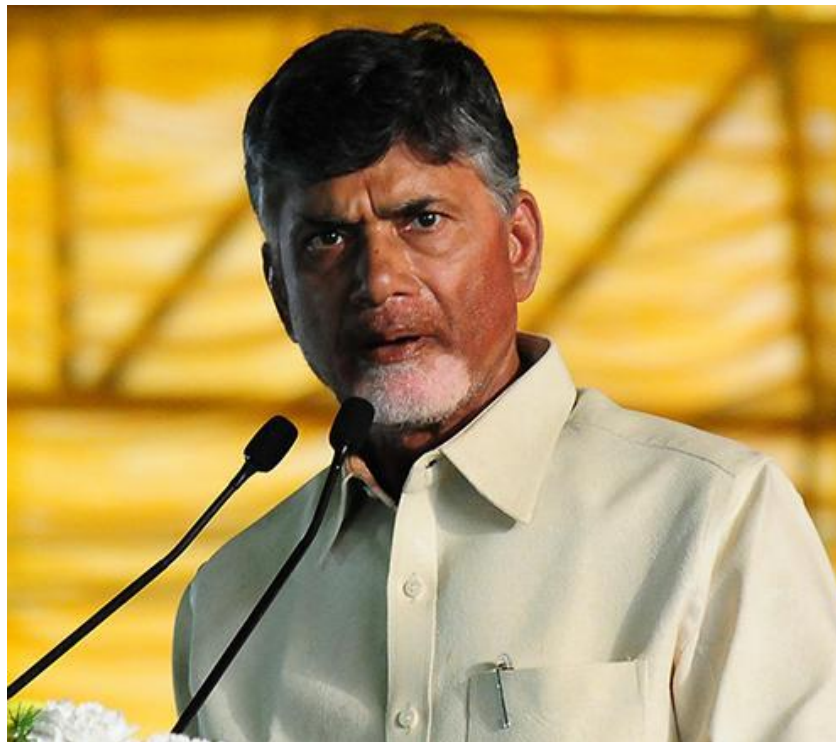
In June, IMD Director-General K. J. Ramesh had revised the forecast to 98 per cent precipitation of the LPA due to reduced chances of occurrence of El-Nino, a phenomenon associated with heating of Pacific waters.

“The atmospheric conditions over the Pacific Ocean continue to reflect neutral El-Nino conditions. The latest forecast also indicates neutral ENSO (El Nino Southern Oscillation) conditions till 2018 spring season,” the IMD said.

The weather body added that the Indian Ocean Dipole (IOD) conditions are also neutral, which is a “good sign for the remaining two months”. The Indian Ocean Dipole is a phenomenon associated with heating of the Indian Ocean.

(This article was published on August 8, 2017)

**Naidu: AP speeding up 28 irrigation projects**



N Chandrababu Naidu

The Andhra Pradesh government is taking all steps to speed up as many as 28 irrigation projects in the state, with special emphasis on the mega Polavaram project on the Godavari, in an effort to tackle drought, according to Chief Minister N Chandrababu Naidu.

He was speaking to the media at Amaravati on Tuesday. He said a major lift irrigation scheme on the Godavari at Purushottapatnam in East Godavari will be inaugurated on the Independence Day with three pumps.

“It will carry water to Visakhapatnam through Yeleru canal and drinking water needs of the city and industrial water requirements will be met adequately, even before the completion of the Polavaram project,” he said. He expressed confidence that Polavaram project will be completed by 2019, “but the Centre will have to reimburse ₹3,500 crore we have already spent on the project, as it is a national project.”

He said the State had sought the Centre to undertake fresh delimitation exercise as the number of Assembly seats will have to be increased.

“However, contrary to speculation in certain sections of the press, the ruling Telugu Desam Party will have no problem whatsoever, delimitation or no delimitation. We are going to win 2019 Assembly election handsomely. YSR Congress will be nowhere in the picture,” he asserted.

(This article was published on August 8, 2017)

### **Oilmeal exports jump 54% during April-July**



Triggered by a sharp surge in soyameal exports, India's overall oilmeal exports reported an increase of 54 per cent at 638,468 tonnes during April-July 2017 against 413,341 tonnes reported in the same period last year.

According to data compiled by the Soyabean Processors Association of India (SOPA), the country's soyabean meal exports stood at 4.69 lakh tonnes compared with 1.19 lakh tonnes in the same period previous year, showing a surge of 292 per cent on year-on-year basis.

According to the Solvent Extractors' Association of India (SEA), "In the last three months, export of oilmeals improved compared to the previous year, thanks to good monsoon, better

oilseeds production and price parity. In percentage terms, exports showed improvement, but still they were lower compared to earlier years."

It may be also noted that India faced drought years during 2014-15 and 2015-16. During this period, production of oilseeds was hit and the exports of oilmeals were dropped to the lowest level. However with good monsoon last year, exports revived to some extent, SEA added.

SOPA, however maintained that during the current oil year (October-September 2016-17), total soyameal exports during October 2016 to July 2017 stood at 16.46 lakh tonnes against 3.48 lakh tonnes during the same period last year, showing an increase of 372.72 per cent.

(This article was published on August 8, 2017)

### Farm sector gets ₹354.77-cr FDI in April-May

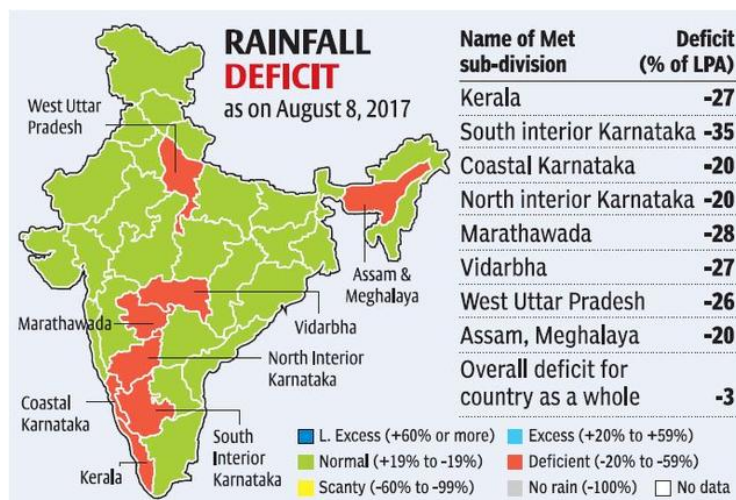
India's farm sector received foreign direct investment (FDI) worth ₹354.77 crore during April-May this year, Parliament was informed today. The data in this regard was placed before the Lok Sabha by Minister of State for Agriculture SS Ahluwalia.

As per the data, the country had received total ₹515.49 crore FDI in the agriculture sector during the 2016-17 fiscal, as against ₹553.14 crore in the previous year. In 2014-15, the FDI in the farm sector stood at ₹365.31 crore, the Minister said in a written statement.

"A number of farmers have benefited directly and indirectly from FDI received in agriculture," he added.

(This article was published on August 8, 2017)

### Met forecasts normal rainfall for Aug, Sept



## Centre hopeful of record grain output

Rainfall for the country as a whole during the second half of the monsoon — August and September — will be 100 per cent of the long-period average (LPA), with an error margin of 8 per cent.

Stating this, the weather office has retained its forecast for August at 99 per cent of the LPA as assessed in its second long-range forecast, in June.

The seasonal forecast (June to September), too, has been retained as likely to be normal (96 per cent to 104 per cent of the LPA of 89 cm).

The latest forecasts confirm the good tidings for farmers in terms of the outlook for what looks like a record kharif season.

This is, however, without accounting for exceptions such as those in evidence in the poor run of the monsoon in the southern parts of the Peninsula. The rains have been mostly normal to above normal in the farming heartland to the north of the country.

Agriculture Secretary Shobhana K Pattanayak has said that the kharif foodgrain output is likely to surpass last year's record of 138.04 million tonnes due to higher acreage and good rains for the second straight year.

### **Deficit in the South**

Until last week, farmers had sown kharif crops on 878.23 lakh hectares as against 855.85 lakh hectares in the year-ago period, according to the Agriculture Ministry's latest data.

While there were floods in some states, there was a drought-like situation in parts of Karnataka. Kerala, too, features a deficit, as do Marathawada, Vidarbha, West Uttar Pradesh, and Assam & Meghalaya.

There has still been close to a 3 per cent jump in the acreage under kharif crops so far across the country.

Recently, the Reserve Bank of India expressed satisfaction over what it described as a good monsoon and its implications for the crop production targets for 2017-18.

In its recent monetary policy statement, the apex bank said that overall, these developments should help achieve higher crop production targets than in the previous year.

A normal and well-distributed monsoon for the second consecutive year has brightened the prospects of agricultural and allied activities and rural demand, it said.

(This article was published on August 8, 2017)

## Indian scientists produce clove oil from tulsi



**DMAPR**Holy Basil: A view of the tulsi farm at the Directorate of Medicinal and Aromatic Plants Research, Anand

Tulsi may be able to replace expensive clove and cinnamon as a cheaper source of eugenol, a natural substance found to be effective in fighting everything from tooth ache and food spoilage to stomach ache.

Popularly known as clove oil, eugenol, which gives clove its distinct flavour, has a host of medicinal and industrial applications. It is widely used in perfumery, aromatherapy as well as in the processed food industry, as flavouring agent and preservative. Anti-microbial and antiseptic, it is an inevitable part of a dentist's cabinet.

Currently, eugenol is highly priced in the global market (the purest quality of eugenol costs around \$40 for 100 ml).

### **Eugenol from Holy Basil**

Now, a team of researchers at Indian Council of Agricultural Research's (ICAR) Directorate of Medicinal and Aromatic Plants Research (DMAPR) at Anand in Gujarat, may have found a better and cheaper way of producing eugenol. DMAPR researchers, led by Parmeshwar Lal Saran, who tested 10 different accessions of tulsi collected from different parts of the country for two seasons, have been able to identify a particular variety of tulsi (Holy Basil), codenamed DOS-1, that has very high eugenol content. "We have been able to extract 73 kg of essential oil per hectare on a tulsi farm, of which 67 kg was eugenol," said Saran, the lead author of a study that appeared in the journal *Industrial Crops and Products* last week.

Saran, however, was quick to add that DOS-1 is not available commercially and it would take a while before it is released. Currently, tulsi in different States is mainly sold as fresh leaves or dry leaves by farmers, for use in Ayurveda or herbal medicine or in beverages such as herbal tea.

“The market for tulsi is highly unorganised and as a result, the returns that it fetches widely vary from State to State,” Saran said. Besides leaves, farmers also sell tulsi seeds, which command a price of about ₹10,000 per quintal. From one hectare of farm a farmer gets 7 to 8 quintal of tulsi seeds, on average. Extraction of essential oil from tulsi leaves, particularly eugenol, can be a game changer for farmers, he said. Moreover, it will also increase the availability of eugenol, whose demand is seldom met through natural sources, leading to its artificial synthesis.

One of the reasons for the shortfall in production is that the maximum possible production of eugenol from cloves is a mere 20 kg per hectare. Leaves and the bark of cinnamon, too, yield the aromatic chemical, but it is relatively less popular. “We hope tulsi leaves can emerge as a viable, cost-effective substitute to costly cloves for eugenol production,” said Saran.

(This article was published on August 8, 2017)

### **Pink bollworm hits cotton in Gujarat, Maharashtra**



The cotton crop in parts of Gujarat, Andhra Pradesh and Maharashtra has come under pink bollworm attack as there is an erosion of resistance to the pest in some transgenic varieties.

“As per report from the Central Institute for Cotton Research (CICR), Nagpur, there is a sporadic incidence of pink bollworm damage in Maharashtra, Andhra Pradesh and Gujarat,” Minister for State for Agriculture Parshottam Rupala informed the Lok Sabha in a written answer on Tuesday.

The Maharashtra Government has already directed seed firms to pay a compensation of ₹36.83 lakh to the farmers, he said.

“It is not a serious problem yet, but it can be if care is not taken,” said CD Mayee, a renowned cotton scientist, who is currently associated with the South Asia Biotechnology Centre in New Delhi.

Unlike the American bollworm, there is a drop in resistance to the pink bollworm in certain Bt varieties, he admitted. It normally enters the plant in November-December. If the sowing time is optimum, the problem can be checked, he said.

Meanwhile, the pink bollworm attack has delivered a double blow to farmers in flood-ravaged Gujarat. Most parts of the State where cotton was sown early are experiencing a pink bollworm attack yet again.

### **North Gujarat affected**

State agriculture department officials confirmed the worm attack in almost all the cotton growing districts including Rajkot, Jamnagar, Junagadh and Mehsana in North Gujarat.

According to initial estimates, farmers in Saurashtra and North Gujarat had adopted early cotton sowing on about 1.5 lakh hectares till the early days of the kharif sowing, which normally starts after June 15. The State, which is India's largest cotton producer, had seen sowing on over 26.35 lakh hectares as on July 31.

Ironically, Gujarat received heavy rains during the past month, with several districts, including Morbi, Jamnagar, Surendranagar, Banaskantha and Patan, receiving devastating downpours, causing flooding in the fields.

### **Double blow**

The State government estimated 25 per cent damage to the cotton sown in the State due to floods. Heavy damage to the crops added to the woes of the farmers. The pink bollworm will increase input costs for farmers.



Government officials claimed that the menace can be contained with chemical treatment. “The treatment of pesticides and insecticides will cost farmers an additional ₹2,000-2,500 per acre. This will add to their cost of cultivation. The remedy is available and this menace can be contained,” said a senior agriculture official from Rajkot district.

According to farmers in the region, the cotton plants have reached flowering stage and the insect has started showing up on the flowers. “This is the initial stage of the bollworm attack. It is still curable, but once we have bolls on the plant, it will cause severe damage,” said a farmer from Jamnagar.

(This article was published on August 8, 2017)

## Business Standard

### India fast heading for agri trade deficit despite being a farm economy

Trade surplus of 145% narrows to 6% in four years on rising import, falling exports



From a 150 per cent surplus of export over import, India’s trade balance in agricultural and allied products has slipped in four years to near-equality.

Data compiled by the Directorate General of Commercial Intelligence and Statistics under the ministry of commerce and industry showed India’s exports of agri and allied products declined by 25 per cent to \$24.7 billion for financial year 2016-17, as against nearly \$33 billion in 2013-14. In contrast, import of agri and allied products jumped in the same period to \$23.2 billion, from \$13.5 billion.

Many meteorological zones saw two subsequent years of drought since FY14, which lowered output of many products, including some essentials like pulses, edible oil and sugarcane.

Their consumption continues to increase with a growing population and a strengthening dollar eased their import costs. At the same time, the government was worried at less output in rice, wheat and maize, resulting in a continuation of restriction on their export. The result was a narrowing of the trade surplus in agri and allied products.

“Till the government encourages exporters to flush out more agri products into the world market, wherever possible, the current sentiment of more import and less export would continue,” said Madan Sabnavis, chief economist, CARE Ratings. Boosting of export would help farmers get more return than only selling in domestic markets.

A report by the Center for Environment and Agriculture, in association with Tata Strategic Management Group, emphasises the need to quadruple India’s agri and allied exports by 2022.

## INDIA’S AGRICULTURE TRADE BALANCE (\$ million)

Financial year	Plantations		Agri & allied products	
	Import	Export	Import	Export
2010	458.3	1,106.0	10,696.0	12,971.3
2011	7,49.9	1,521.1	10,755.9	17,762.5
2012	1,028.4	1,894.6	14,062.5	27,881.1
2013	1,038.4	1,840.7	16,774.5	32,655.6
2014	1,075.1	1,625.1	13,492.3	32,953.6
2015	1,034.1	15,02.9	19,004.1	30,147.3
2016	895.8	1,562.6	20,673.6	24,521.9
2017	841.2	1,619.3	23,208.5	24,698.5

Source: Directorate General of Commercial Intelligence and Statistics

“The export target of \$100 billion in five years is achievable, as India is the largest producer of milk, second largest in fruit, vegetables and fish, and the third largest in egg production in the world. This is all due to small and marginal farmers, who deploy family labour and engage in intensive multi-cropping all year. They also manage livestock and poultry efficiently, using agricultural waste as animal feed and to produce manure. But, farmers need long-term policy support from the government,” said Rajju Shroff, chairman, Crop Care Federation of India (CCFI).

The World Trade Organisation (WTO) estimates global export in agri products at a little over \$1,500 billion annually. India's is a little less than \$25 billion.

“To double farmers’ income (by 2022, the official aim), our focus should shift from production to increasing of consumption within and outside the country. To bring price stability in domestic market, we must access foreign markets. One way to double farmers’ income is to increase our agricultural export to over \$100 billion by 2022,” said S Ganesan, advisor, CCFI.

### **Seafood exporters look at alternatives to US, Europe**

India exported \$5.8 bn of seafood products in FY17. The US was the largest market; the EU was third



With the European Union (EU) and United States (US) adopting various restrictive measures to curb seafood import, Indian exporters are exploring new markets.

India exported \$5.8 billion (Rs 37,870 crore) of seafood products in 2016-17. The US was the largest market; the EU was third.

"We believe that in the short and middle term, Indian seafood exporters would look at other markets like Japan, Korea, CIS, Eastern Europe and the Middle East. Developing these markets further for products from India should be the next logical step for MPEDA (Marine Products Export Development Authority) and the industry. China and Vietnam continue to be strong buyers and there are strong signs of substantial increase in India's export quantities to these two markets," said Rahul Kulkarni, director, WestCoast Group, a leading shipper.

Rajen Padhy, a seafood trader, agreed: "With the EU restrictions and anti-dumping duty in the US, the focus has shifted to East Asia and Southeast Asia."

China, Vietnam and Thailand are the newly emerging markets.

The US has extended anti-dumping duty on Indian seafood products for another five years. The EU has strengthened its inspection norms for aquaculture products from India, from testing of samples from at least 10 per cent of consignments to 50 per cent from last year.

Also, "indications are coming that the EU is going to ban Indian shrimp. If this occurs, exporters will certainly tap emerging markets like the Gulf and Far East countries," said Kamlesh Mishra, president, Sea Food Exporters Association of India (Odisha region).

He added that the government should talk to the EU to ensure trade isn't disrupted like this.

## MARINE PRODUCT EXPORTS

