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Press Review

16th to 31st October 2019 (sorted by date)

Indian Agriculture and Food Industry

Livestock population in India rises 4.6 per cent to nearly 536 million, shows census

Cow population up 18 per cent in seven years but number of oxen plunges 30 per cent

Business Line, October 16, 2019

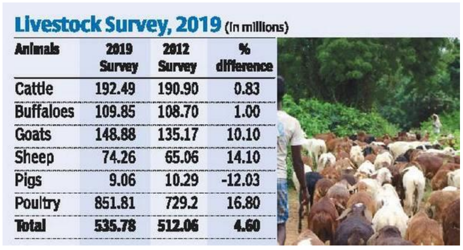
The population of cows in the country has risen by 18 per cent in the last seven years, while that of oxen dipped by 30 per cent, according to the latest census of livestock. The total number for **livestock was pegged at around 536 million**.

The provisional data of the 20th Livestock Census released by the Department of Animal Husbandry and Dairying on Wednesday showed that the livestock population **increased by 4.6 per cent**, from 512.06 million in 2012.

Besides, there was a spectacular **16.8 per cent increase in the poultry population in the country to 851.81 million**, mainly on account of a 46 per cent **rise in backyard poultry birds**, whose numbers have gone up to 317 million.

The **number of female cattle is 145.12 million, which is 18 per cent over the 122.98 million in 2012**. The number of **male cattle, on the other hand, dropped to 47.4 million** as against 67.92 million in 2012. Significantly the **male to female cattle ratio in the 2019 survey dropped to 1:3 from 1:1.8** in the 2012 livestock survey.

Interestingly, there is a **6 per cent decline in the total number of indigenous cattle** over the previous census. On the contrary, the **population of total exotic/crossbred cattle has increased by 26.9 per cent in 2019** as compared to previous census.



Livestock Survey, 2019 (In millions)

Animals	2019 Survey	2012 Survey	% difference
Cattle	192.49	190.90	0.83
Buffaloes	109.85	108.70	1.00
Goats	148.88	135.17	10.10
Sheep	74.26	65.06	14.10
Pigs	9.06	10.29	-12.03
Poultry	851.81	729.2	16.80
Total	**535.78**	**512.06**	**4.60**

Among the States, **Uttar Pradesh has the highest number of livestock of 67.8 million (68.7 million in 2012), followed by Rajasthan 56.8 million (57.7 million), Madhya Pradesh: 40.6 million (36.3 million) and West Bengal: 37.4 million (30.3 million)**.

While cattle accounted for **35.94 per cent of total livestock** in the country, **goats accounted for 27.80 per cent, buffaloes: 20.45 per cent, sheep: 13.87 per cent and pigs: 1.69 per cent**.

As compared to the previous census, the percentage of sheep and goats has increased whereas the percentage of cattle, buffaloes and pigs has marginally declined.

The total number of milch animals (in-milk and dry) in cows and buffaloes is 125.34 million, an increase of 6 per cent over the previous census.

The country now has a total of 109.85 million buffaloes as compared to 108.70 million in the 2012 census. The **goat population**, on the other hand, went up to 148.88 million showing **an increase of 10.1 per cent** over the previous census. The total number of sheep in the country is 74.26 million in 2019, an increase of 14.1 per cent over the previous enumeration.

For the latest round of census, more than 80,000 personnel were in the field collecting data from more than 27 crore households and non-households using tablets. According to the official statement, this was a unique attempt to digitise household level data transmitted directly from the field.

Cow breeders protest Centre's plan to import Gir breed semen from Brazil

Brazil started importing this breed of cows from India in the 19th century and the process continued till mid-20th century. Krishnakumar Sinhji, then ruler of erstwhile princely state of Bhavnagar, had also gifted a few Gir cows to Brazil before India's independence.

The Indian Express, October 17, 2019

Cow breeders in Saurashtra are up in arms **against the proposed import of one lakh semen doses from Brazil to produce Gir breed of cows as they feel it would affect the purity of the native breed in the country** and affect dairy farmers adversely.

At a press conference in Rajkot, Ghanshyamji Vyas, head of Bhuvaneshwari Pith of Gondal in Rajkot district, Satyajit Khachar, scion of the royal family of the erstwhile princely state of Jasdan, Raghvendrasinh Jadeja, scion of royal family of the erstwhile princely state of Bhadwa, and BK Ahir, president of Gir Breeders Association, registered their protest against the government plan to import frozen semen dose from Brazil.

Chairman of the Rashtriya Kamdhenu Aayog and former minister in the Vajpayee-led NDA government, Dr Vallabh Kathiria, also supported the protest.

"The Central government wants to import one lakh semen doses of Gir breed from Brazil. We fail to understand the rationale of the decision as we have more than enough doses of this breed in the country. Our Gir cows are the original Gir breed, not the ones in Brazil. **The import of dozes from Brazil will destroy our pure breed resulting in fall in milk production as the Brazilian Gir cows are raised mainly for meat production and not milk production**. In such a scenario, our Gir cow breeding activity will not remain sustainable," Vyas, who is also a member of the National Livestock Mission and National Gokul Mission, said.

Bhuvaneshwari Pith raises around 200 cows of Gir breed. "Our organisation has seven bulls of Gir breed and one lakh frozen semen doses are available with us. We are ready to supply them. Other organisations too have frozen doses. Why import this when we already have it," said Vyas, who is also the chairman of Gir Kankrej Gopalak Sangh, an organisation of dairy farmers raising Gir and Kankrej breeds of cows in Gujarat.6.115-20

The **high-milk yielding Gir breed that can survive the tropical heat is a native of Saurashtra region**. **Brazil started importing this breed of cows from India in the 19th century** and the process continued till mid-20th century. Krishnakumar Sinhji, then ruler of erstwhile princely state of Bhavnagar, had also gifted a few Gir cows to Brazil before India's independence.

"**Gir cows in India yield milk whereas Gir cows in Brazil yield meat** as they have been crossbred with other breeds to make them meat-yielding bovines," Vyas said.

He added that the Central government intends to import the semen dozes from Brazil within one-and-a-half month. "We met Union Minister of Animal Husbandry, Dairying and Fisheries, Giriraj Singh, over this issue and requested him to stop the import of semen dozes. But he did not budge. We have now decided to make a representation to Chief Minister Vijay Rupani and request him to intervene in the matter," added Vyas.

"The Brazilian Gir cows are Gir cows only in appearance. That is a manufactured Gir cow. Very few cows of pure Gir breed are surviving in Brazil. We exported around Gir semen dozes to Brazil around 10 years ago. That means, there is demand of pure Gir breed in Brazil," Khachar, who raises around 150 Gir cows, said.

Vallabh Kathiria, chairman of the newly-formed Rashtriya Kamdhenu Ayog, an advisory body of the Central government, said he, too, would oppose the imports. "We will discuss the matter in the meeting of our board and then will make a representation to the Union Minister. We **don't need to import semen doses as enough stock is available of our local breeds**," Kathiria said.

Vyas said that population of Gir cows in Gujarat was around 16,000. "This cow is bred in other states like Maharasthra, Haryana, Tamil Nadu, and Delhi also and we estimate total population of this breed of cows to be around one lakh in the country," he added.

Vyas further said that the **Central government had plans to import 20,000 semen doses of Gir breed from Brazil in 2017 but had to retract due to opposition** from breeders in Gujarat. Similarly, a **plan by the Gujarat government to import 10,000 doses of the same breed from Brazil was stalled in 2016** due to protests from Gujarat farmers.

FSSAI Milk Survey: 7 per cent milk samples found unfit for consumption

Aflatoxin-M1 in processed milk samples sold by organised sector a key concern, says CEO

Business Line, October 18, 2019

Food Safety and Standards Authority of India (FSSAI) has said that about **7 per cent of the samples tested under the National Milk Safety and Quality Survey 2018 were found to have safety issues largely due to presence of contaminants such as Aflatoxin-M1, pesticides and antibiotics**.

It added that nearly 93 per cent of the milk samples tested were found to be safe for consumption.

This is the first-of-its kind comprehensive survey FSSAI has conducted through a third-party agency. The survey was conducted from May 2018 to October 2018 covering all states and UTs. The regulator believes that the outcome of the survey will help dispel misinformation and myths regarding safety of liquid milk in the country.

Survey findings

Out of the total 6,432 samples of liquid milk which were tested, 456 samples (7.1 per cent) were found to be unsafe due to contaminants such as Aflatoxin-M1, antibiotics or pesticides. Of these 456 samples, only 12 samples were found have been “deliberately adulterated” through use of adulterants such as urea, hydrogen peroxide, detergent or urea.

Presenting the findings of the National Milk Survey, Pawan Agarwal, CEO, **FSSAI stated that the issue of contamination is bigger than issues of adulteration in milk**. He added the presence of Aflatoxin-M1 (contaminant) in samples of processed milk sold by organised player is a serious concern.

“**Aflatoxin-M1 is a contaminant that comes in the milk through poor storage practices of animal feed and fodder.** This is the first time we have done testing for Aflatoxin M1. **Tamil Nadu, Delhi and Kerala were the top three states with highest levels of Aflatoxin M1 residues**. Presence of Aflatoxin M1 in processed milk sold by organised players is a key concern,” he added.

“This is a wake up call for the organised dairy players. To address these issues, **we are instituting a scheme for testing and sampling for organised dairy players. It will be implemented from January 1, 2020**,” Agarwal said.

The scheme stipulates sampling points during various stages of milk processing, test methods and frequency of sampling. **Organised players, which include dairy co-operatives and private players, will need to have a well-equipped in house lab for testing and also will need to keep records of all tests conducted**.

Meanwhile**, nearly 41 per cent of the samples tested were found to be non-compliant with FSSAI’s quality standards and issues such as lesser amount of fat or low SNF** (solids not fat) among others.

Agarwal said that these samples though fall short of quality parameters are safe for consumption. “While non-compliance of quality standards in raw milk sold by unorganised sector could be due to dilution with water. But non-compliance on account of fat and SNF in standardised or processed milk sold by organised players was surprising,” he added.

FSSAI will be using the survey findings to identify regions in various states where liquid milk quality and safety issues are more prevalent and requires stepping-up in surveillance and enforcement efforts. It has also communicated to state governments for the same.

Festival season Surveillance

After liquid milk, the regulator has next set its sights on assessing quality and safety of milk products such as ghee, khoya and paneer. Agarwal said keeping in mind the festival season, FSSAI has begun an elaborate surveillance exercise at 44 locations in the National Capital Territory of Delhi to collect and test samples of such milk products till the first week of November.

“We believe this will help us understand the safety and quality issues prevalent in milk products such as ghee, khoya and paneer,” Agarwal added.

Government Policies and Initiatives

FSSAI commemorates World Food Day by launching several innovative initiatives

Agro and Food Processing, October 16, 2019

New Delhi, 16th October 2019: The country's food regulator commemorated the World Food Day today by launching several innovative initiatives to strengthen food safety administration and **scale up the 'Eat right India' movement**.

In order to strengthen food safety administration, FSSAI launched the '**Food Safety Mitra (FSMs)' scheme** to support small and medium scale food businesses in compliance to the food safety law by **facilitating licensing and registration, hygiene ratings and training**. Apart from strengthening food safety, this scheme would also create new employment opportunities for youth, particularly with food and nutrition background. The FSM would undergo training and certification by FSSAI to do their work and get paid by food businesses for their services. The first batch of 15 FSMs were awarded certificates today. Details of the scheme are available at https://fssai.gov.in/mitra/

FSSAI also launched a **jacket for field staff**. This jacket has a **smart design to hold tech devices like tablets/smart phone, a QR code and RFID tag for identification and tracking**. Apart from providing safety to field staff on duty, this would bring in efficiency, professionalism and transparency in food safety administration and bring in a **sense of ownership & visibility of FSOs**.

FSSAI has **partnered with the Domestic Workers Sector Skill Council** (DWSSC) under the Ministry of Skill Development and Entrepreneurship to **launch a training course for domestic workers and homemakers** across the country. In the first phase, **one lakh domestic workers and homemakers will be trained** through training partners of DWSSC in association with RWAs. This would be scaled up in due course.

On this occasion, FSSAI also launched a **reusable cloth bag** ('Eat Right Jhola') **to replace plastic bags for grocery shopping with retail chains** such as Big Bazaar, More, 24/7 and Reliance Fresh etc. These cloth bags are being provided **on rental basis** through a private textile rental service company. Proper and regular washing of cloth bags is essential to ensure safety and hygiene, as on repeated use, bags are often contaminated with microorganisms and bacteria.

For scaling up the Eat Right India movement across the country, FSSAI has got endorsement of several celebrities. Two short films on repurposing of used cooking oil into biodiesel and nutrition in the first 1000 days of life featuring Shri Virat Kohli and Ms. Juhi Chawla respectively, were released on the occasion.

FSSAI has recently **partnered with NASSCOM Foundation** to develop an **online platform to connect over 50 NGOs working to prevent food waste in the country**. A short film on the same was also released. In addition, FSSAI is publishing two books, namely 'Gandhi and Food' and 'Eat Right Textbook'.

Union Health Minister, Dr. Harsh Vardhan, the chief guest at the function, launched these initiatives. A large number of representatives from the government, international organizations and foreign embassies, food industry, civil society organizations, development agencies, academia, professional associations in food and nutrition had gathered to celebrate World Food Day. Students and faculty from over sixty universities and colleges across the country participated in the event through a webcast.

The theme of World Food Day this year is 'Healthy Diets for Zero Hunger'. Achieving Zero Hunger is not only about **addressing hunger but nourishing people while nurturing the planet**. This means focusing on diets that are not only safe and healthy but also environmentally sustainable. **FSSAI has taken a 'Food Systems Approach'** to promote safe and healthier diets that are good for the people and the planet. The new initiatives and innovations launched on World Food Day reflect this spirit by promoting the right diet and lifestyle choices.

Speaking on the occasion, Dr. Harsh Vardhan complemented FSSAI for its out-of- the-box thinking to reach out to almost all sections of society in its efforts to provide safe food to citizens. He remarked, "By motivating key players in the system who can reach out to people at large, we can reach out to each and every individual. ERI is doing this successfully through its multiple partnerships and convergence with existing Government programmes. This movement has no opposition as it concerns everybody."

Dr. K. Subramanian, Chief Economic Advisor, Govt. of India, citing a Sanskrit shloka that says that the behaviour of those who are looked up to is a powerful way to change behaviour of the community at large, lauded the initiative by the Health Minister to tweet about ERI on social media every day. He observed, "Many initiatives under ERI have the potential to become transformative. Nudge, can bring change at individual level. Proof of action from social influencers is a powerful nudge to change behaviour."

Mr. Arun Maira, former member of Planning Commission of India & former India Chairman of Boston Consulting Group opined, "To implement any programme successfully, it is important to see it in the context of the entire system as well as consider the interplay of systems. Eat Right India has taken this 'systems approach' in a commendable way."

Shri Sangram Singh, the world's best professional wrestler, echoed the mantra of the Eat Right India movement and said, "Khana bhook se kam, Paani double, Work-out triple and Hasana chauguna." Citing his real life experiences, he further added, "Real wealth is health and what challenges you, changes you. So embrace this mantra for health challenges."

CEO, FSSAI, Pawan Agarwal expressed deep gratitude to various partners and stakeholders in providing their whole hearted support in ensuring that we together are able to provide safe and healthy food to our citizens, a foundation for preventive healthcare. He added, "FSSAI is inspired by Gandhi's views and vision on health and aligned to global thinking and discourse on social and behavioural change in societies."

Pvt participation encouraged, but accountability required, says FSSAI

Food and Beverage News, October 18, 2019

The **FSSAI has issued draft guidelines on working with the private sector**, and sought public comments by October 25, 2019, saying that while the **participation of private entities is encouraged, there is a need for full accountability and complete transparency** and care to address any potential conflict of interest in various areas of work.

These guidelines comprise **seven subjects in which the country's apex food regulator and the private sector can work with each other**. These **are institutional framework, food testing laboratories, training and capacity building, third-party accreditation audits, association with specialised centres established by industry or industry associations, outreach and awareness and Food Safety Mitra**.

On association with specialised centres established by the industry or industry associations, the guidelines stated that while associating FSSAI must ensure that the mandate and scope of work of such centres are fully aligned to the aims of the objectives of the regulator and also **it must be seen that the centre does not promote a particular business or brand** and there is no potential conflict of interest.

And in case of **any partnership with the private sector, a special clause on neutrality and non-profit must be included** before finalisation.

It is pertinent to mention here that in recent times, the regulator's association with the private sector has been criticised by consumer right activists. A few months ago, a letter was written to FSSAI on food companies' frontal organisations getting key roles in the areas related to formation of regulations.

The guidelines said, "**Public consultation must be preferably done online with a widespread and inclusive approach. Any interface with industry should be through association or with multiple representatives of the industry**."

The institutional framework include description about Central Advisory Council , Scientific Committee, Scientific

Panel and Working Groups, Standards Review Group, Codex Shadow Committee, Technical Panels, and Method Review Groups, while on laboratories, these guidelines say that FSSAI encourages laboratories under the PPP (public-private partnership) model, but these should be established with a framework agreement designed to prevent any risk of conflict of interest.

CCEA approves new MSP rate for rabi crops, wheat floor price goes up to Rs 1925

Business Line, October 22, 2019

The Cabinet Committee on Economic Affairs (CCEA) on Wednesday decided to increase to the minimum support price for winter crops for the forthcoming rabi marketing season (2020-21) and the floor price of **wheat, the major rabi crop, went up by 4.6 per cent** to Rs 1925 a quintal from Rs 1840 in the previous season.

The **highest increase in MSP witnessed by lentil (masur)** whose floor price saw a **7.3 per cent increase** to Rs 4800 a quintal as compared to last year, according to an official statement. This was followed by **barley whose MSP went by 5.9 per cent to Rs 1525 a quintal** as compared to the last season.

MSP for rabi crops of 2019-20

Crops	MSP in 2018-19	MSP in 2019-20	Increase
	Rs per quintal	Rs per quintal	Rs
Wheat	1840	1925	85
Barley	1440	1525	85
Mustard & Rapeseed	4200	4425	225
Gram	4620	4875	255
Safflower	4945	5215	270
Lentil	4475	4800	325

The government said the increase in MSP for rabi crops was in line with the **principle of fixing MSPs at a level of at least 1.5 times of the all India weighted average cost of production.** Wheat farmers, for instance, would 109 per cent the production cost, it claimed.

The floor price for mustard and rapeseed was increased by Rs 225 per quintal to Rs 4425, while that of gram went up by 5.5 per cent to Rs 4875 a quintal over the previous season. A similar increase was also witnessed by safflower whose floor price rose to Rs 5215 from Rs 4945 a quintal in 2018-19.

Mpeda to impose moratorium on new fish meal units from New Year

Aquaculture utilises about 45 per cent of global fish meal production.

Business Line, October 22, 2019

In its efforts **to curb over-exploitation of food fish resources**, the Marine Products Export Development Authority (Mpeda) has decided to come out with **a moratorium on the registration of new fish meal and fish oil units with effect from January 1, 2020**.

It was also decided to extend the **moratorium on enhancement of production capacity by existing fish meal units.**

Fishmeal and fish oil are the **major ingredients for aquatic feed manufacturing** and aquaculture utilises about 45 per cent of global fishmeal production.

KS Srinivas, Chairman, Mpeda, told BusinessLine that **unabated juvenile fishing, especially for fishmeal and fish oil production, has become a major concern.** This has resulted in stagnating catches of commercially important species and risks the **depletion of the food fish resources from the marine capture sector**. It has also posed a danger to the livelihood of fishermen and the availability of human protein source from sea catch.

"Hence, it has become the need of the hour to take effective measures **towards sustainable development of fisheries and to curtail activities that directly or indirectly promote over-exploitation of marine fishery resources**," he said.

Senior officials in Mpeda pointed out that **increased demand for aquaculture feed mills with the exponential increase in Vannamei shrimp production has propelled mushrooming of fishmeal and fish oil factories in India** over a decade. The paucity of sea catch in required sizes and quantities also affected the economic viability of the processing units and handling centres that primarily depend on marine fishery resources. The stakeholders and researchers across the seafood sector have voiced their concern over the non-judicious exploitation of food fish for aqua feed, the officials added.

Welcoming the move, Dawood Sait, National Secretary of the Fish Meal Producers Association, said imposing a moratorium will help achieve the objective of sustainable fishing and curb juvenile fishing. However, Mpeda should convene a stakeholders meeting before imposing restrictions, as new small fishmeal producers have already made investments in land and machinery to set up units by availing loans. These units have to be kept out of the purview of the moratorium, he added.

Fishmeal is processed from fish and fish varieties unfit for human consumption, excess left over after meeting human consumption and also from offals from fish processing units. There are about **56 fishmeal industrial units in Kerala, Maharashtra, Karnataka and Tamil Nadu. The units together have a turnover of ₹1,750 crore with an annual production of 2.50 lakh tonnes, of which ₹650 crore comes from exports.**

International Trade and Cooperation

On India's US tariff cut table: Bourbon whiskey to frozen chicken

The meeting comes weeks after US President Donald Trump shared the stage with Prime Minister Narendra Modi at the Howdy Modi event in Houston on September 22.

The Indian Express, October 17, 2019

BOURBON WHISKEY and frozen chicken cuts from the US may soon become cheaper in India. These are among the items in a basket of American food and beverage products that the government is finalising to **reduce import duties** as part of New Delhi's bid to resolve its trade issues with Washington.

Sources told The Indian Express that this basket **also includes walnuts, apples, un-denatured ethanol and milk albumin.** The list has been circulated to the departments concerned and will be discussed at a secretary-level inter-ministerial meeting on October 21.

The meeting comes weeks after US President Donald Trump shared the stage with Prime Minister Narendra Modi at the Howdy Modi event in Houston on September 22.

"The issues to be discussed in the meeting include reduction of import tariff on **Bourbon whiskey from 150 per cent to 30 per cent and on frozen chicken cuts from 100 per cent to 30 per cent.** Besides, reduction of import duty on walnuts from 100 per cent to 10 per cent and on apples from 50 to 10 per cent will also be discussed," said sources.

Over the last few years, **there has been a rise in import of Bourbon whiskey in India, with the US being the main exporter. However, during the current financial year, the UK has taken the top position.**

According to the data compiled by the Department of Commerce, India imported 2.28 lakh litres of Bourbon whiskey in 2018-19 — 1.95 lakh litres from the US and only 250 litres from the UK. However, data for April to August during the current financial year show that 3.80 lakh litres were imported — 1.29 lakh litres from the US and 1.48 lakh litres from the UK.

"The officials will also discuss the **reduction of tariff on un-denatured ethanol from 150 per cent to a suitable level as well as its import for fuel blending, removal of import licence requirement for biofuels, and reduction of import duty on milk albumin from 20 per cent to 10 per cent.** The issue of trade margin rationalisation of medical devices will also be deliberated," said sources.

Among those who have been asked to attend the meeting are officials from departments such as agriculture and farmers' welfare, animal husbandry and dairy, pharmaceuticals, food and public distribution; ministries of health and family welfare, food processing industry, petroleum and natural gas; and the national pharmaceutical pricing authority.

India had imposed higher tariffs on US products such as almonds, apples and walnuts in retaliation to the American move to withdraw privileges under the Generalized System of Preferences (GSP) for India in June.

The US is demanding market access for dairy products and “brewing or distilling dregs and waste”, which will be discussed during the meeting, sources said.

Dwindling sea catch worries exporters, but MPEDA allay their fears

Cumulative exports during April- September in 2019-20 has registered a 0.14 per cent growth

Business Line, October 17, 2019

The dwindling sea catch on the country’s West Coast seems to be a cause of worry for seafood exporters, as they fear that the **raw material shortage is likely to impact the country’s export basket** in the current financial year.

Citing climate change as a reason for the declining sea catch, Alex Ninan, president, Seafood Exporters Association of India - Kerala Region, said that **deep sea catch from Kerala to Gujarat has been witnessing very low arrivals of sea materials, especially shrimp varieties such as poovalan, and karikkadi**. The raw material **shortage was almost 60 per cent, including the most sought after varieties, such as seer fish, pomfret, mackerel, and ribbon fish in the overseas markets.** According to him, arrivals in the fish landing centres were low in the last couple of months, which would have an **impact on exports in terms of quantity**. However, the raw material shortage has not made any impact on the East Coast, as the region is mainly dependent on aquaculture, especially Vanammei shrimps.

Ninan said the global slowdown has not significantly impacted seafood exports, as Indian products are well accepted in international markets, especially in the US, Japan and China. There may be some fluctuations in prices though, he added.

Allaying fears on the declining sea catch affecting exports, KS Srinivas, Chairman, Marine Products Exports Development Authority (Mpeda) told *BusinessLine,* cumulative exports during April to September in 2019-20 registered a 0.14 per cent growth at 6,55,997 tonnes, compared to 6,55,110 tonnes in the corresponding period of the previous fiscal.

Exports in the first six months of the current financial year ending September fetched revenue of ₹25,272.32 crore, against ₹23,373 crore, posting an 8.13 per cent growth. In dollar terms, the revenue was $3.606 billion against $3.454 billion.

“The trend, so far, is positive with exports picking up in the first six months. Aquaculture production has also gone up with rise in area of cultivation, mainly in Andhra Pradesh,” Srinivas said.

Fishing holidays

However, he attributed long fishing holidays, weather alerts, and changes in rain pattern as some of the contributing factors for declining sea catch. The fishing days too did not yield adequate catches due to cloudy and rainy weather. Aquaculture shrimp exports from the East Coast have shown improvement, helping reduce the dip in export value.

China is an emerging and promising market for India’s marine products exports, which posted a 300 per cent rise. “We are looking at China in a big way. Mpeda is to participate in the ensuing China Fisheries and Seafood Exhibition at the port city of Qingdao by opening an Indian pavillion,” the Chairman said, adding that he is leading a trade delegation along with 40 exporters. “Apart from China, Korea is also in our focus, and we will be sending a delegation in the next couple of months. A Singapore delegation visited Mpeda for technology exchange for soft shell crab farming and also ‘smart’ aqua farming,” he said.

Cotton imports jump as MSP holds domestic prices high

Cotton yarn exports continues to see reduced exports owing to the low demand and increased competition

Business Line, October 18, 2019

Cotton imports has jumped sharply as the high Minimum Support Price (MSP) fixed by the Government is holding domestic prices at an elevated levels despite demand remaining weak.

As of August-end, cotton imports jumped multi-fold to 23 lakh bales against 8 lakh bales logged in same period last year, said India Ratings and Research report.

With local prices remaining artificially higher than international prices, cotton imports are set to rise further, it said.

Globally, the rating agency expects cotton prices to fall further due to higher production.

Cotton yarn exports continues to see reduced exports owing to the low demand and increased competition. Yarn exports fell 40 per cent month-on-month in July, largely due to an 80 per cent fall in demand from China which has entered into second phase of free trade agreement with Pakistan on goods worth $64 billion. The pact includes cotton yarn which directly competes with India.

Apparel exports are seeing a moderate recovery with the stabilising demand from the United States (US). The US-China trade war seems to have no major impact as the apparel exported by China for July were 35 per cent higher than those in the previous month. India is yet to see the benefit in the trade war, as only a 10 per cent m-o-m increase in exports was recorded in July.

India’s organic products exports surge by 50 per cent in 2018-19: APEDA

Business Line, October 28, 2019

India witnessed a jump of nearly **50 per cent in organic product exports touching the Rs 5151 crore-mark** ($757 million) in 2018-19.

According to estimates by Agricultural and Processed Food Products Export Development Authority of India (APEDA), **flax seeds, sesame, soybean, tea, medicinal plants, rice and pulses such as arhar and chana are the key organic food products that drove this growth**.

India **produced around 2.67 million tonnes of certified organic products including oilseeds, sugarcane, cereals & millets, cotton, pulses, medicinal plants, tea, fruits, spices, dry fruits, vegetables and coffee.** The country also produces organic cotton fibre and functional food products.

“In terms of commodities oilseeds are the single largest category followed by sugar crops, cereals and millets, fibre crops, pulses, medicinal, herbal and aromatic plants and spices and condiments. The total volume of export during 2018-19 was 6.14 lakh tonnes,” the statement added.

As on March 31, 2019, **total area under organic certification process (registered under National Programme for Organic Production stood at 3.56 million hectares.** This includes **1.94 million ha cultivable area and another 1.49 million Hectare for wild harvest collection**, APEDA stated.

APEDA, a statutory body under Ministry of Commerce, and NurnbergMesse India are jointly organising Biofach India 2019 from November 7-9 this year and is expected to be attended by more than 6,000 delegations of exporters, processors, retail chain industry, certification bodies and producers from India and other countries, it added.

Agriculture trade: It’s only sugar ‘n’ spice for India’s farm shipments now

Barring these two, exports of most commodities have taken a hit from global headwinds this year

The Indian Express, October 31, 2019

After showing some revival in the last couple of years, India’s agricultural exports are faltering again. **Total farm exports during April-September, at $ 17.29 billion, stood 9.1% lower than the $ 19.02 billion** for the same period of 2018-19.

The worst hit has been **raw cotton, with shipments in the first half of 2019-20 nearly 76% down** over the levels of April-September 2018-19. Moreover, **the value of exports, at $ 226.6 million, is below the imports of $ 990.6 million, which are up 136%.** This is the first time since 2004-05 that the country has turned net importer of the natural fibre.

Cotton exports from India had peaked at $ 4.33 billion in 2011-12 and fell to $ 1.62 billion by 2016-17, before recovering a tad to $ 2.1 billion in 2018-19 and now crashing again. The bleak prospects for trade – global benchmark Cotlook ‘A’ Index prices are ruling at about 75.5 cents per pound, as against 86.5 cents at this time last year and the all-time-high of 244 cents reached in March 2011 — comes even farmers have started bringing their harvested kapas (raw un-ginned cotton) to the markets. Kapas in Rajasthan’s Sriganganagar mandi traded at an average of Rs 5,100 per quintal on Wednesday, below the government’s minimum support price of Rs 5,450 for medium-long staple length varieties.

The other **major product to post a sharp decline is rice**. In 2017-18, India shipped out a record 128.75 lakh tonnes (lt) of rice. That included 88.18 lt of non-basmati (worth $ 3.64 billion) and 40.57 lt of basmati ($ 4.17 billion, below the 2013-14 high of $ 4.86 billion). However, the current fiscal has seen a dip in both basmati and non-basmati earnings, with the slide more pronounced for the latter (see table 1).

TABLE 1: INDIA’S EXPORT OF AGRICULTURAL COMMODITIES

	2013-14	2016-17	2017-18	2018-19	APR-SEP 2018	APR-SEP 2019
Marine products	5,016.46	5,903.06	7,389.22	6,802.56	3,467.52	3,355.53
Basmati rice	4,864.69	3,208.6	4,169.56	4,712.44	2,247.34	2,031.33
Buffalo meat	4,350.23	3,903.49	4,037.11	3,587.15	1,890.65	1,599.87
Non-Basmati rice	2,925.05	2,525.19	3,636.6	3,038.16	1,577.02	1,017.31
Spices	2,497.22	2,851.95	3,115.37	3,322.45	1,587.69	1,962.71
Raw Cotton	3,637.53	1,621.11	1,894.25	2,104.41	929.59	226.6
Fruits & Vegetables*	1,563.88	1,684.51	1,687.59	1,732.21	797.08	745.44
Oilseeds**	1,291.67	1,355.23	1,174.35	1,156.76	554.08	480.73
Oilmeals	2,796.34	8,05.45	1,093.16	1,508.65	591.9	423.58
Castor oil	725.68	674.73	1,043.99	883.78	445.41	523.11
Coffee	798.8	842.84	968.57	822.34	429.86	392.64
Tobacco	1,011.35	958.69	934.25	981.34	492.97	485.64
Processed F&V	760.16	848.36	929.79	933.61	450.05	451.04
Cashew	848.65	793.49	927.47	658.3	314.21	282.73
Tea	798.76	731.26	837.36	830.93	386.11	444
Sugar	1,177.03	1,290.71	810.9	1,360.29	490.83	808.03
Guargum meal	1,979.63	463.35	646.94	674.88	355.38	260.23
Dairy products	727.52	253.73	303.05	481.55	180.57	152.23
Other Cereals	1,204.11	212.3	248.59	348.97	208.83	96.8
Wheat	1,569.03	66.85	96.72	60.24	20.84	29.21
TOTAL***	43,251.66	33,696.83	38,897.21	39,203.53	19,023.13	17,289.73

*Includes seeds; **Includes groundnut, sesame and niger; ***Includes other farm commodities. (IN MILLION DOLLARS)

India’s basmati rice goes mostly to West Asia (Iran, Saudi Arabia, United Arab Emirates, Iraq, Kuwait and Yemen), United Kingdom and the US. The destinations for non-basmati are the relatively poorer African nations (Nigeria, Benin, Togo, Ivory Coast, Liberia, Guinea, Senegal, Somalia and Djibouti), Bangladesh, Nepal and Sri Lanka. In basmati, the present slowdown has primarily to do with payment problems arising from the US trade sanctions on Iran, which accounted for $ 1.56 billion out of India’s $ 4.71 billion exports during 2018-19. In non-basmati, too, China flooding the African markets through release of its massive excess public stocks — besides increased price competition from Pakistan and Vietnam (in white rice) and Thailand (for parboiled) — is posing challenges. The non-renewal of a 5% MEIS (Merchandise Exports from India Scheme) benefit after March 25 hasn't helped either.

India, in 2011-12, emerged as the world's largest rice exporter and also came close to being the No. 1 in cotton (after the US). In 2014, the country even became the biggest bovine meat exporter. But now, it has dropped to No. 3 in cotton (behind US and Brazil) and bovine meat (behind Brazil and Australia). Buffalo meat exports, which surged from a mere $ 341.43 million to $ 4.78 billion between 2003-04 and 2014-15, have since slipped to $ 3.59 billion in 2018-19 and continued their slide this fiscal. Even marine products, which had a good ride and touched $ 7.40 billion in 2017-18, have lost momentum.

A similar story holds for guar-gum (a thickening agent used in shale oil/gas extraction) and oilmeals, whose exports today are a pale shadow of their 2012-13 peaks of $ 3.92 billion and $ 3.04 billion, respectively. The effects of it are also reflected in realisations for growers. On March 21, 2012, at the height of the shale boom, spot prices of guar-seed in Jodhpur scaled Rs 30,432 per quintal, compared to the current Rs 4,050 or so! Soyabean rates in Indore, at Rs 3,500 per quintal, are also nowhere close to their May 2014 average of 4,584.

The only two agri-commodities to have registered significant growth in 2018-19 as well as the current fiscal are sugar and spices. Sugar exports in 2019-20 are on course to match their previous 2011-12 record of $ 1.84 billion — **thanks largely to a subsidy** ("lump sum assistance for expenses") of up to Rs 10,448 per tonne (it was approximately Rs 11,500 in the 2018-19 season).

TABLE 2: INDIA'S IMPORT OF AGRICULTURAL COMMODITIES

	2013-14	2016-17	2017-18	2018-19	APR-SEP 2018	APR-SEP 2019
Vegetable oils	7,249.85	10,892.75	11,637.48	9,890.32	5,334.64	4,740.89
Pulses	1,828.16	4,244.13	2,908.33	1,140.76	445.72	670.81
Fresh fruits	1,273.44	1,682.88	1,942.92	1,987.58	921.97	875.44
Cashew	774.12	1,347.13	1,419.51	1,610.56	1,217.88	849.32
Raw Cotton	394.47	946.88	979.32	633.05	420.34	990.6
Spices	571.36	858.95	990.7	1,135.44	517.67	751.94
Sugar	392.18	1,021.81	936.52	449.03	255.66	170.05
Natural Rubber	906.41	652.57	829.15	873.26	464.53	402.45
Wheat	4.42	1,268.64	364.5	0.77	0.68	0.43
TOTAL*	15,528.94	25,643.4	24,890.9	20,920.34	11,142.39	11,225.26

**Includes other farm commodities. Source: Department of Commerce. (IN MILLION DOLLARS)*

Spices are an interesting case. **The period after 2013-14 has witnessed an increase in both their exports and imports**. The top export items within spices in 2018-19 were chilli (Rs 4,058.72 crore), mint products (Rs 3,471.09 crore) and cumin (Rs 2,924.73 crore). On the other hand, exports of pepper and cardamom (including their oils and oleoresins) were only Rs 1,017.70 crore and Rs 482.31 crore, even as imports of these traditional plantation spices amounted to Rs 875.36 crore and Rs 291.92 crore, respectively. Import of cheaper pepper from Vietnam, Sri Lanka and Indonesia has also led to prices in the Kochi market plunging below Rs 300 per kg for the first time. They are also much lower than the landed minimum import price of Rs 500/kg for black pepper fixed by the Narendra Modi government in December 2017. In cardamom, too, Guatemala has displaced India as the world's preeminent exporter.

During 2003-04 to 2013-14, a period coinciding with the previous United Progressive Alliance regime's tenure, India's agricultural exports had soared from $ 7.53 billion to $ 43.25 billion, basically on the back of a global commodity price boom. The collapse of that boom, just about when the Modi government had taken over, resulted in the country's farm exports nose-diving to $ 39.08 billion in 2014-15, $ 32.81 billion in 2015-16 and $ 33.70 billion in 2016-17, even as imports rose from $ 15.53 billion in 2013-14 to $ 21.15 billion, $ 22.58 billion and $ 25.64 billion in the following three fiscals. In the process, an agricultural trade surplus of $ 27.72 billion in 2013-14 was reduced to $ 8.05 billion by 2016-17.

Subsequently, exports did recover to $ 32.90 billion in 2018-19, alongside a fall in imports to $ 20.92 billion, led mainly by pulses and edible oils, while also helped by a part reversal of the Modi government's earlier hard anti-inflationary and strong-rupee policy stance. That recovery has suffered a renewed setback, though, amidst strong global trade headwinds.

WTO members raise queries yet again on India's pulses import restrictions

Concerns raised by Australia, Canada, US, Russia to be discussed at panel meeting

Business Line, 29 October 2019

Australia, Canada, the US and Russia have raised concerns yet again on India's pulses import policies which will now be discussed with other members at the World Trade Organization this week. New Delhi has been asked to explain **why the "temporary quotas'' have been in operation for more than two years** and how they were justified under the global trade rules and how these would be removed once the restrictions lapsed on March 31, 2020.

Questions have also been raised on India's policies on sugar exports, dairy sector loans, rice exports and wheat procurement prices, a Geneva-based official told Business Line.

"The WTO Committee on Agriculture, in its meeting on October 30-31, will take up concerns raised against policies of all countries, including India. If the concerns are not answered satisfactorily they may sometimes take the form of disputes in the future," the official said.

Seeks explanation

Australia pointed out in its representation that despite raising questions on policies related to pulses several time in the past, India has never explained the WTO-basis for its measures, particularly with respect to QRs. "Australia, therefore, requests again that India explain fulsomely the WTO-basis for the application of the QRs and the justification for the 'temporary' QRs, given they have been in place for more than two years for some varieties," the representation said.

India first imposed QRs two years ago restricting import of peas (yellow, green and dun) into the country to 100,000 tonnes during the period of April 1 to June 30, 2018. The quotas were subsequently extended several times with the latest one restricting imports into India to 150,000 tonnes during the period of April 1, 2019 to March 31, 2020.

The QRs have been maintained on pulses imports **to check its inflow into the country** as the government's efforts to **increase production has resulted in an increase in domestic availability and a consequent decline in farm gate prices**. This, in turn, has hurt local farmers.

Canada, in its representation, expressed worry over the notification issued last month by India **establishing an import deadline of October 31, 2019 for dried peas that enter within the quantitative restriction. The earlier deadline was March 31, 2020**, it said. "India has essentially shortened the time-frame for the dried peas QRs by five months," it said. Canada asked India to provide the rational for reducing the application period and sought information on the current utilisation rate.

The US, too, asked India to explain how it will implement changes to remove its quantitative restrictions on *mung* beans, peas, black gram lentils, and pigeon peas, after they expire on March 31, 2020.

Largest producer

India is the world's largest producer of pulses, accounting for 34 per cent of area and 24 per cent of production, according to government figures. Myanmar is the second largest producer, followed by Canada, China, Nigeria, Brazil, and Australia.

About 90 per cent of the global pigeon pea, 75 per cent of chickpea and 37 per cent of lentil area falls in India. The major pulses producing States are Madhya Pradesh, Uttar Pradesh, Maharashtra, Rajasthan and Andhra Pradesh.

Enterprises

Indian chemical giant UPL bested by US upstart in fight over apples

The award was less than a tenth of the $346.2 million AgroFresh had asked for.

The Economic Times, October 15, 2019

Indian chemical giant UPL Ltd. was defeated in court Friday by a small Philadelphia agrotech company that sued it for stealing its main trade secret — and the expert it hired to develop it.

A federal jury in Wilmington, Delaware, told UPL and its Decco unit to pay AgroFresh Solutions Inc. **$31 million partly for infringing its patent on a technology that keeps apples fresh in storage after harvest**. The award was less than a tenth of the $346.2 million AgroFresh had asked for.

AgroFresh is “pleased” with the verdict and “will petition the court for an award of up to three times its compensatory damages based on the findings by the jury of a willful infringement,” Chief Executive Officer Jordi Ferre said in a statement. The compensatory part of the award was $7 million.

Shares of AgroFresh rose 2.6% to close Monday’s session at $2.35. They surged 29%, to $3.03 as of 6:07 p.m. in New York, after the statement.

UPL, of Mumbai, said in a statement it’s disappointed in the verdict and will appeal. UPL shares closed down 0.5%.

The technology, called SmartFresh, centers on a synthetic compound that slows the ripening process. According to the lawsuit, the primary patent expired in 2015, the year AgroFresh was spun off from Dow Chemical Co. The spinoff sought damages for what the defendants did earlier.

That was to turn a tech whiz under exclusive contract with AgroFresh into a sort of double agent, it claimed, helping Decco sail past the sweat equity AgroFresh had poured into its largest source of revenue and develop a competing product called TruPick.

The jury rejected UPL and Decco’s contentions that the patent shouldn’t have been issued, as well as their argument that they had used public information to develop TruPick. It apparently found some merit in the defense’s description of the proposed damages as “astronomical.”

“Competition can be fierce, ladies and gentlemen, and it’s no different here,” Gerald Ivey, a lawyer for the defendants, said in his closing argument.

The technology behind a firm apple is sophisticated. The compound is extremely volatile in gas form, a major hurdle to its commercial use. AgroFresh researchers developed a way to stabilize the gas by trapping the molecules in various formulations. To treat produce, a trained applicator dissolves a pouch of powder or a tablet in water in an enclosed storage space with the fruit.

The global market for post-harvest treatment of produce will grow to $1.67 billion by 2022, from $1.17 billion in 2017, according to one forecast. A separate forecast, by the United Nations, puts the global population at about 9.7 billion by 2050, with 68% of it in urban areas, where most of the produce consumed would have to be shipped from farms.

During the harvest from August through October, MacGill told the court at the outset of the trial, growers place as many as 1.2 million apples in storage facilities the size of a high school gym. Thanks to SmartFresh, he said, more than eight billion pounds of apples have been sold as fresh, rather than processed.

To develop the product, AgroFresh sought the help of a food-science professor, according to court papers. UPL, which was interested in buying the company, had signed a nondisclosure agreement in September 2014 for access to its documents as part of the bidding process. The next month, it hired a former AgroFresh manager, who met with the professor, who then signed a confidentiality agreement with Decco and helped it develop TruPick, according to the filings.

The case is AgroFresh Inc. v. Essentiv LLC, 16-cv-662, U.S. District Court, District of Delaware (Wilmington).