Agriculture exports grow 20% to hit $50 bn in 2021-22

SANDIP DAS
New Delhi, April 6

INDIA'S EXPORTS OF agricultural products, including marine and plantation products, for 2021-22 hit a record at $50 billion. That was up 20% on year.

As per the provisional figures released by DGCIS on Wednesday, the export growth has been achieved mostly because of a surge in shipments of rice, marine products, sugar, buffalo meat, raw cotton and wheat.

"This growth in agricultural products exports has been achieved in spite of unprecedented logistical challenges in the form of high freight rates, container shortages etc," according to a statement by the ministry of commerce.

It stated that growth in agri-exports will go a long way in realising the Prime Minister's vision of improving farmers' income.

Highest ever exports have been achieved for items like rice ($9.65 billion), wheat ($2.19 billion), sugar ($4.6 billion) and other cereals ($1.08 billion). Wheat shipment has recorded a spike of more than 273% to $2.1 billion in 2021-22 in comparison to previous year.

The commerce ministry statement noted that increase in agri-exports of these products has benefitted farmers in Punjab, Haryana, Uttar Pradesh, Bihar, West Bengal, Chhattisgarh, Madhya Pradesh, Telangana, Andhra Pradesh, Maharashtra etc. "India has captured nearly 50% of the world market for rice," it stated.

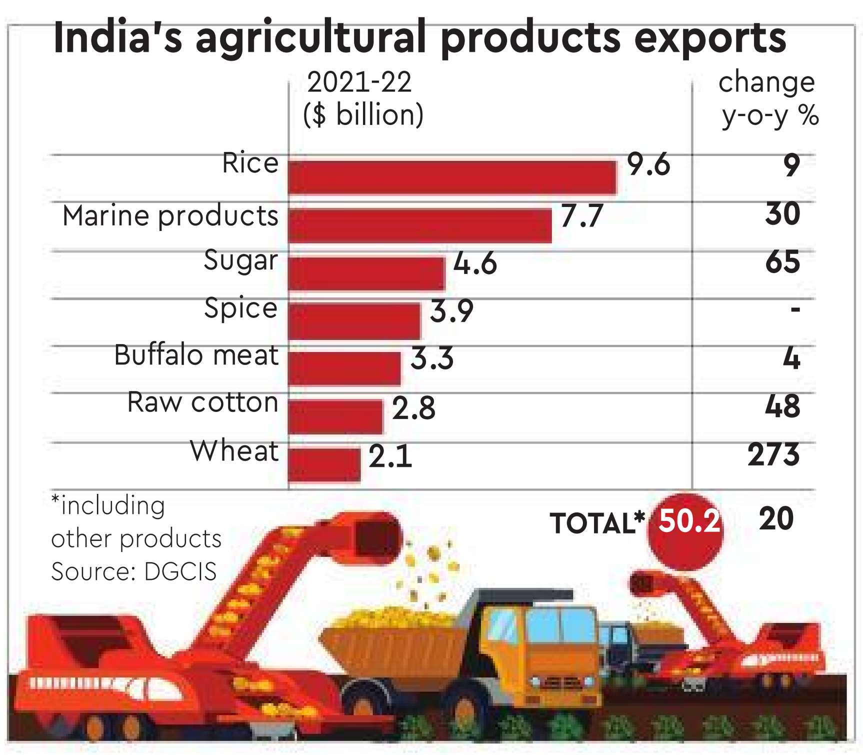
Export of marine products, at $7.71 billion last fiscal has benefitted farmers in the coastal states of West Bengal, Andhra Pradesh, Odisha, Tamil Nadu, Kerala, Maharashtra and Gujarat.

Spices exports touched $4 billion for the second year in a row. The statement noted that despite facing tremendous supply side issues, coffee exports have crossed $1 billion for the first time, which has improved realisations for coffee growers in Karnataka, Kerala and Tamil Nadu.

According to an official statement, the surge in agri exports has been achieved because of sustained efforts on the part of the Department of Commerce and its various export promotion agencies like APEDA, MPEDA and various commodity boards. "The Department has made special efforts to engage state governments and district administrations in promoting agriculture exports," it stated.

The agricultural products have been exported from clusters like Varanasi (fresh vegetables, mangoes), Ananthpur (banana), Nagpur (orange), Lucknow (mango), Theni (banana), Solapur (pomegranate), Krishna & Chittoor (mango) etc.

Initiatives like 'Happy Banana' train, an exclusive train with reefer containers to transport bananas from Anantapur, Andhra Pradesh to JNPT, Mumbai have been taken to boost exports from unconventional areas.



Rice farmers to get incentives via carbon credit

IN A FIRST-OF-ITS-KIND initiative to incentivise small farmers for adoption of environmentally sustainable agriculture practices, especially in the rice growing regions of the country, a collaborative joint sector programme is being launched where farmers would be able to earn carbon credit for using low tillage and direct seeding techniques.

The carbon farming programme is being initiated by a private entity Grow Indigo (GIPL), a joint venture between seed major Mahyco and US-based Indigo. **—FE BUREAU**

Highway construction falls 20% y-o-y in FY22

SURYA SARATHI RAY
New Delhi, April 6

HIGHWAY CONSTRUCTION FELL by a fifth on year in 2021-22 at 29 km per day. The construction was far less than 40 km/day target set at the beginning of last fiscal. The achievement was also lower than the revised target of 33 km/day for the fiscal and 36.5 km a day achieved in 2020-21.

While highways have been one segment that has consistently been weathering the broader economy's travails and even the pandemic shock in 2020-21, the fall in the pace of average daily construction in 2021-22 is mainly due to protracted rains and multiple cyclones that affected construction work in several southern states, analysts said. The second wave of the pandemic also hit construction.

Jagannarayan Padmanabhan, director, Crisil, said, "Given the backdrop of Covid and an extended monsoon, this is certainly good achievement and also this goes to show the depth of the sector in terms of execution capability. Few relaxations in terms of reduced earnest money deposit (EMD) helped developers in maintaining a healthy cash flow which aided in maintaining a healthy momentum."

Vinayak Chatterjee, chairman, national infrastructure committee, CII, said despite various odds such as prolonged rains, cyclones and Covid-induced restrictions, the FY22 achievement was really a commendable one.

Rajeshwar Burla, Group Head, Corporate Ratings, Icra, said, "The pace of execution has taken a beating due to unseasonal rains and cyclones in multiple geographies which also coincided with peak working season. While February and March were expected to be much better but the steep rise in input prices limited the ability of players to ramp up significantly; therefore, the productivity loss in Q3 could not be made up."

In 2020-21, a total of 13,327 km national highway stretch was developed by all executing agencies, including the National Highways Authority of India (NHAI).

The initial higher target of constructing 14,600 km highways in 2021-22 was based on the assumption that the pace of construction in 2020-21 could be prevailed.

Tepid start to wheat buying; to pick up pace by mid-April

SANDIP DAS
New Delhi, April 6

WHEAT PROCUREMENT DRIVE by the Food Corporation of India and state agencies for 2022-23 (rabi marketing season) have commenced on a slower pace mainly in Punjab, Haryana and Madhya Pradesh, where only 0.11 million tonne (MT) of grain has been purchased till Wednesday from the farmers.

Officials told FE that the procurement drive is expected to peak after the middle of April or post Baisakhi festival to be celebrated on April 14.

The procurement in other key growing states of Rajasthan, Uttar Pradesh and Uttarakhand are expected to peak up pace in the coming weeks.

This time wheat procurement is being keenly watched as surge in exports mostly from Madhya Pradesh has pushed up mandi prices of the grain above minimum support price (MSP) of ₹2,015 per quintal.

The procurement target of 12.9 MT for the state would decline by more than 6–7 MT.

Around 70,000 tonne of wheat has been procured in the state so far.

The state is the second-biggest producer of wheat in the country and also contributes the highest volume of grain to the central pool.

An official from Punjab said wheat purchase in the state could decline by around 1 MT, from the target of 13.2 MT for the session. Five agencies, including Food Corporation of India (FCI), Markfed and Pungrain have been entrusted with the responsibility of procurement of wheat at MSP from the farmers.

Meanwhile, Uttar Pradesh, the biggest producer of wheat, has set up 6,000 centres to commence procurement of around 6 MT in the 2022-23 marketing session.

However, in the previous year, the state could lift 5.64 MT of grain from an estimated 13 lakh farmers.