Press Review

16^{th} to 30^{th} September 2019 (sorted by date)

Indian Agriculture and Food Industry

Single-use plastic ban: F&B industry says no alternative to PET bottle

Food and Beverage News, Sep 16, 2019

With the deadline for ban on single-use plastic fast approaching, the F&B industry in the country is gearing up **to ensure that the 200 ml PET bottle is kept out of the purview of the ban**.

It is learnt that leading food and beverage companies in the country have written to the Central Pollution Control Board (CPCB) to remove 200ml PET bottle from the proposed list of items that the Central agency is preparing for the ban.

The ban is likely to come into effect from October 2, Gandhi Jayanti. The ban was proposed following the call given by Prime Minister Narendra Modi on Independence Day to do away with use of single-use plastic.

So far, **12 items have been identified for ban**. **These include carry bags, non-woven carry bags, small wrapping, straws, plastic cups, bowls, plates, sticks for earbuds, balloons and flags, cigarette butts, small plastic bottles, thermocol and thin road side banner.**

The Central agency has asked the companies to give their views on the subject.

The industry feels that there is no alternative for PET (polyethylene terephthalate) at the moment and **if small bottles are banned then it would have huge implication on the industry wherein 40% market share is with small bottles.** Thus, the industry does not find the ban feasible. However, the authorities are yet to bring in clarity over the issue leading to confusion.

“The scenario is confusing. There is no clarity as yet as to what will happen. We are just waiting and trying to understand. What other plans we can have? PET has no other alternative. In fact, the world over there is no alternative,” said Anjana Ghosh, director, marketing & business development, Bisleri International Pvt. Ltd.

She added, “On our part, we are at the moment conveying our views as there is no alternative. Both BIS and FSSAI does not permit anything else except PET. Until and unless there is clarity we can't do anything.”

Meanwhile, the government is gearing up for the ban. Ram Vilas Paswan stated that the ban will be imposed gradually in different phases.

While talking to press here recently, he said that the government’s intentions are clear and the industry needs to come up with alternatives. The new plan and ban can go hand in hand and therefore there is no need for a delay on the subject.

NDDB set to launch second phase of National Dairy Plan

World Bank to aid ₹8,000-cr project

Business Line, Sep 16, 2019

As the phase-1 of the ambitious National Dairy Plan (NDP-1) comes to an end this November, the National Dairy Development Board (NDDB) has initiated talks with the World Bank and the government departments concerned to go ahead with the second phase of the Plan.

While the **first phase was launched in 2012 with an outlay of ₹2,242 crore, the second phase will have a projected financial outlay of about ₹8,000 crore**.

'Targets achieved'

Dilip Rath, Chairman, NDDB, told mediapersons on Monday that the NDP-1 has mostly achieved its aims as it comes to a close next month.

"We have achieved most of the targets. Now, we are looking at the second phase, which is currently under discussion with the World Bank. The model of operation for second phase will mostly be the same with five-year tenure," Rath said here on the sidelines of the launch of a week-long nutrition awareness campaign. The **second phase of the NDP will primarily focus on developing milk processing infrastructure and establishment of milk quality testing equipment at critical points of procurement areas**.

Coverage expansion

"We are also looking at expanding our coverage into uncovered areas. Today, there are about 3.20 lakh potential villages. Out of them, we have reached to about 2 lakh villages. **About 1.25 lakh villages are still uncovered.** So, we have to reach out to the farmers in those areas," Rath said. The NDP-2 **will also look at promoting biogas for households in villages**.

Giving credit to the implementation of NDP-1, Rath stated that the rise in country's milk production can be attributed to the ambitious NDP-1.

Milk production

"The production of milk has grown at 6 per cent-plus rate in the last five years and it would continue to grow at the same rate. Now we are carrying forward some of the activities to Rashtriya Gokul Mission. Milk prices too have been stable for last 2-3 years and are likely to remain so," he said, adding that going forward India could even have an exportable surplus production of milk.

The aim of the NDP-1 was to improve breed with production of high-genetic bulls and enhance the reach of co-operative structure. Additional 55,000 villages were covered for milk collection. The NDP was largely financed with loan from International Development Association of the World Bank with implementing agencies appointed in States by NDDB.

RGCA develops live feed for shrimp

Business Line, Sep 16, 2019

In a major breakthrough, Rajiv Gandhi Centre for Aquaculture (RGCA) has indigenously **developed a top quality live feed, which can stimulate shrimp and fish seed production in the country and reduce its dependence on imports from the US and China**.

Artemia, the most important live feed in shrimp and fish hatcheries, has been developed by RGCA, the research wing of the Marine Products Export Development Agency (MPEDA), under the brand name 'Pearl'.

India currently **imports around 300 tonnes of Artemia in dried cyst form worth ₹300 crore annually,** mainly from the US and China. It is an important consumable in shrimp and fish hatcheries for the larvae of farmed aquatic organisms, MPEDA Chairman KS Srinivas said.

Artemia appears only in waters of high salinity. There is a **huge potential for Artemia live feed** in the country and its operations can be expanded on a large scale **in States such as Maharashtra and Gujarat**, he added.

India is **looking to double its seafood exports** from the present $7 billion to $15 billion by 2024 through introduction of new varieties, and expansion of aquaculture cultivation to new areas.

“Our indigenous Pearl brand of Artemia is a big step in realising this ambitious target,” Srinivas said

Describing the breakthrough as one of the most successful stories in the country’s aquaculture sector, S Kandan, Project Director, MPEDA-RGCA, said the University of Kent in Belgium, an authority to test Artemia, has certified the product as the best of its kind in the world. The price of **imported brands of Artemia costs around ₹5,300 for 450 gm in India. The ‘Pearl’ brand is priced at ₹3,500 for 450 gm.** The cost can be brought down further once the production increases, Kandan said.

Artemia is being produced in the facilities of MPEDA-RGCA in Tuticorin and Ramanathapuram in Tamil Nadu, with a total capacity of 500 kg a year.

Kandan said the production of Artemia can become a source of additional income generation and employment, especially for women entrepreneurs and self-help groups engaged in salt pans.

At present, MPEDA-RGCA produces Artemia on 18 hectares. However, the country has a potential area of 12,000 hectares that could be used for its production, he said.

RTE and RTC foods to reach $647 million by 2023

Food and Beverage News, Sep 17, 2019

Cooking is the biggest challenge faced by today’s generation. In order to overcome that scenario ready-to-eat and ready-to-cook food emerged in the Indian market. It has **gained popularity due to the change of lifestyle, increased number of tourism** and the change of appetite in and across India. The concept of ready-to-eat food was introduced in India by a Pune-based company called Tasty Bite Eatables in the year 1987.

Initially, the product did not get a good response, but later, as the days went by, it gained utmost importance among contemporary Indian consumers. Ready-to-eat or RTE food products are known as the form of food derived from plants and animals that can be provided to the customer after it is being washed, cooked, freezed and processed. RTE food items are readily cooked and can be taken only after they are heated. Such products are convenient for consumers since they save time and energy and make life much easier. Whereas ready-to-cook food is the vice-versa of ready-to-eat food and cooking is required.

Ready-to-cook market

The ready-to-cook (RTC) foods have emerged as an alternative to a complete home-cooked meal. **Growing urbanisation, rising income and increasing number of employed women with children and single parent working and moreover a busy lifestyle has powered the ready-to-cook market in the country**.

The Indian consumers are looking at effectively utilising their time and for faster solutions to help prepare food at a faster rate while taking care of their role to bring up the economic conditions of the family.

India ready-to-eat food and ready-to-cook food markets have gradually increased and stood at **$261 million in 2017** and projected to grow at a **compound annual growth rate of about 16% in the period 2018-2023 to reach about $647 million** by the upcoming years roughly predicted by 2023.

The enormous growth in the market is known for the reason because of rising urbanisation, increasing profitable income of middle-class consumers and changing taste preferences of Indian population and Westernisation of the culture must have created a great impact. Moreover, the growing demand for quickly served food and presence of quality having freshness as a main factor and high nutritional content in these foods is further increasing the growth of India ready-to-eat food and ready-to-cook food markets.

Demand for ready-to-eat food and ready-to-eat food products **growth is seen more in metros than urban areas** where a lot of working people do not get sufficient time to cook proper, healthy and wholesome meals. On the contrary, longer sustainability and easy availability of ready-to-eat food products is further pushing their demand for more production across the country.

The most popular ready-to-eat items include preparations of paneer, chana masala, rajma masala and pav bhaji. The range of products commonly declared to as RTC include dessert mixes (gulab jamun mix, kheer mix, rasagulla mix, rasamalai mix and much more), snack mixes (rava idly mix, dhokla mix, puttu mix, idly dosa mix, biryani mix) and curry making enablers (gravy mix, masala mix etc.).

Rise in demand for ready-to-eat food products has created interest and a sense of marketing among many companies to enter this space of ready foods which is to contribute to the enormous growth of the market in the upcoming years. Moreover, to innovative products, shelf life and packaging, while some frozen foods are preferred for single serving, aggressive and speed marketing & promotional strategies that would kickstart the growth in the Indian market.

With a growing population of men and women busy proving themselves at the workplace, convenience has been a big driving force for the ready-to-cook industry in India. And companies are trying for different innovative ways to please the customer who are all interested in fast and convenient cooking without consuming too much of time.

The most popular ready-to-eat food in India is **roughly around 92 items** and the most popular ready-to-eat companies are

Britannia Industries Limited: Britannia, started in 1892, is the largest producer and seller of biscuit products in India. This company is based in Kolkata, West Bengal, and is known as 'The King of Biscuits.' The company delivers a wide range of food products like Good Day, Britannia Cracker, Britannia NutriChoice, Britannia Little Hearts, Britannia bread and Britannia fruit-cakes, which are fresh and full of nutrients.

Parle Products: The famous Parle-G, Monaco, Krackjack biscuits and many other confectionery such as Poppins, Melody and Mango Bites are produced by Parle Products, which is one of the largest Indian food companies.

Hatsun Agro Products Ltd: Since 1970, Hatsun Agro Products Ltd has been a pioneer in promoting dairy products. It is the largest private sector dairy in India. Dairy ingredients are exported to 38 countries. It holds various quality certifications.

Kwality Wall's: It is famous for its delicious ice creams. Having founded in 1956, the Kwality Wall's ice cream is now a household name in India. It's headquarters are in Mumbai and its popular products are Cornetto, Feast, Creamy Delights and Cassatta.

Vadilal Industries Limited: Vadilal is an Indian food processing company. It serves its customers with high quality and best products. The products of this company are ice cream and processed food which satisfies the customers' need to a great extent.

There are around 23 companies who will produce ready-to-eat and ready-to-cook food around in India. Particularly in RTC there are many top brands which are playing a vital role in the Indian market. One such brand, that has tried to bring in new flavours to match the consumer's need, is MTR - an established company in the fast moving consumer goods market. Indian foods have a very localised and regionalistic flavour and MTR understood this need for the consumers. Operating in almost seven food categories, MTR was the first company which made RTC popular among the Indians.

Even though, there are many advantages in these concepts, there must be a drawback in all the proposed ideas likewise, "The Indian food processing market faces serious problem due to the lack of effective product distribution system." Also, **the elderly population of the country has a negative perception** about the **nutritional value of packaged RTE products**. Such mindset and **increased health concern among Indians are affecting consumer behaviour adversely**.

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Growth & Significance of RTE in Indian Market

Food and Beverage News, Sep 17, 2019

India has undergone immense change over the last decade with respect to lifestyles and cooking habits. **Rapid urbanisation, increase in trend of nuclear family, rise in per capita income, increment in the number of working women are some factors that have brought changes in food habits**. In today's scenario, hectic life and work pressure have influenced the choice of people to easy and short ways of cooking rather than traditional cooking practices.

Due to above reasons, Ready-to-Eat (RTE)/Ready-to-Cook (RTC)/ Ready-to-Serve (RTS)/Convenience foods has gained a strong limelight among the consumers in past few years. Due to rise in literacy levels and improvement in communication technology, consumers are becoming more aware of the foods they consume and they take decision based on the wealth of resources available.

Although the basic concept of all four categories of food is nearly similar, yet there are few differences among them.

Ready-to-Eat Foods: Foods that have been prepared so that they can be directly consumed as it is, without any additional cooking, are ready-to-eat foods. Ready-to-eat foods can be refrigerated, shelf-stable, require minimal heating or are served hot. Ready-to-eat foods have specific guidelines that ensure that there is zero contamination after preparation. The concept of RTE food was introduced in India in 1987 by a Pune-based company named Tasty Bites Eatables. The products launched initially did not get much popularity among the contemporary Indian consumer.

Ready-to-Cook Foods: Ready-to-cook food means that the food ingredients are semi-cooked and need some minimal cooking steps before being served. E.g. instant mixes like cake mixes, gulab-jamun mix, falooda mix, ice cream mix, jelly mix and pudding mix, pasta products like noodles, macaroni and vermicelli.

Ready-to-Serve Foods: Ready-to-Serve foods are defined as prepared foods representing a main dish requiring no further supplementation. E.g., Gravy of vegetables, dishes in restaurants.

Convenience Food: Convenience food is food that is commercially prepared (often through processing) to optimise ease of consumption. It is a concept that is prevalent in the developed world for a long time, but its platform in the Indian market has recently been established. This type of food has extended shelf-life and is available off the shelves in market. The convenience food can be classified into two categories: Shelf-stable convenience food and Frozen convenience food.

Growth of Ready-to-Eat Products in Indian Market

The processed food sector in India is heading towards a ready-to-eat revolution. Grocery stores are unveiling, almost on a monthly basis, new convenience food products, with a startling range of heat-and-eat foodstuffs, sauces, pastes and potions. Currently, the **total branded market for RTE foods estimates to Rs 500 m (US$10.8m) and is expected to reach Rs 3.0 bn within a duration of three years.** However, the market has recently undergone a transformation after two or three years of slow growth. The increase in demand of RTE foods associates with the growth of supermarkets and other specialised retail chains like Food World and Nilgiris.

According to "India Ready-to-Eat Food Market Forecast & Opportunities, 2019," the Indian RTE food market is projected to **grow at a CAGR of 21.99% during 2014-19**, in value terms. **Increasing workforce, improving consumer lifestyle, and expanding retail formats are the key drivers buoying growth in RTE food products**

demand in the country. **Northern and western region are the key revenue contributors** in the RTE food market, with major demand emanating from cities like Delhi-NCR, Mumbai and Ahmedabad. Segment wise, shelf-stable RTE food demand exceeds that of frozen RTE food in the country.

The key growth factors of RTE products in India
The average income level of Indians is increasing in recent years. In addition to it, nowadays, both men and women are employed as a result, the number of people earning in a given family is increasing. This has in turn raised the per capita spending capacity. These factors are increasing the average consumption of RTE products in India.

As per the United Nations (UN) World Urbanization Prospects 2018 report, the rate of urbanisation has increased to a considerable level since the 2009 census. The fast changing urban lifestyle and the new trend of living away from home for studying and employment purposes have eventually resulted in the growing demand of RTE food in India.

Ready-to-Eat food market is the future food shortcut market. In India, people being workaholic, they do not have time to cook time taking dishes, so they prefer to either go to restaurants or use ready-to-eat food market products. The industry has not set completely till yet, but it's very soon would be. People are aware about the product but due to one or another reason they are **hesitant to use them**. The reasons are as follows: **Ready-to-Eat packets are not readily available; They are not good as freshly cooked food; They might cause serious health issues; They are costly; Smaller packs are not available.**

Technological changes, Government policies, Changing pattern of living and tastes and the changes in the lifestyles of people are the main reasons behind the rapid growth of the RTE/RTC/Convenience food industry. There is a greater demand for instant food products and the major reasons for the same are convenient usage, easy availability, less time consumed and better taste. Today due to long working hours, people are ready to use convenience food products.

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FSSAI issues request for proposal to conduct audit of slaughterhouses

Food and Beverage News, Sep 17, 2019

FSSAI has issued a **request for proposal for conduct of the food safety audit of state or Central licenced slaughterhouses across the country**. The country's apex food regulator, in a statement, said that this was a part of its programme, Clean and Safe Meat Campaign, and **over 400 slaughter houses** in the country were to be audited.

The **request for proposal is open to all auditing agencies covered under the Food Safety and Standards Auditing Regulations.** Only financial bid was to be submitted by the agencies, which can be either for one or all zones as per their preference. The **deadline** for filing the bid is 3pm on **September 30**, 2019.

The bids will be opened at 4pm the same day at FSSAI's headquarters and a pre-bid meeting shall take place at 11am on October 20, 2019. The audits need to be **completed by five months from the date of approval of the request.**

According to the regulator, the audit should be conducted as per the provisions of the Food Safety and Standards Act, and a report needs to be made thereunder.

"For the reporting of the audit, the agency has to forward the report to FSSAI and the respective state food safety commissioners within 15 days of the conduct of food safety audit. Besides, the auditors can be asked to conduct more audits, if required," stated the notice issued by the regulator.

There are 166 slaughter houses in Zone-I, which includes the states of Kerala (27), Tamil Nadu (106) and Telangana (29) and the Union Territory of Andaman and Nicobar Islands (four); 153 in Zone-II, which includes Andhra Pradesh (10), Chattishgarh (nine), Goa (four), Gujarat (four), Karnataka (24), Madhya Pradesh (one), Maharashtra (87), and Rajasthan (16), and 165 in Zone-III, which includes Assam (three), Chandigarh (three), Delhi (six), Haryana (12), HP (seven), Jammu and Kashmir (14), Jharkhand (21), Meghalaya (two), Mizoram (two), Punjab (26), Uttar Pradesh (60), Uttarakhand (one) and West Bengal (eight).

Undernutrition and obesity challenges in India

Food and Beverage News, Sep 17, 2019

The double burden of malnutrition continues to pose a serious challenge in India. The **double burden** is characterised by the World Health Organization (WHO) as the **coexistence of undernutrition along with overweight and obesity, or diet-related noncommunicable diseases**, within individuals, households and populations, across the life-course. On a global scale, over 88% of countries have overlapping burdens, meaning that 124 countries face more than one form of malnutrition.

In India, while **undernutrition remains a leading cause** of childhood morbidity and mortality, problems relating to **overnutrition are becoming increasingly prominent**. The rise in prevalence of obesity and overweight has been described by some as a 'silent epidemic.' Last year's Global Nutrition Report featured many alarming statistics on obesity and overweight that should be a cause for concern. **Two per cent of children under-five in India, for example, are currently overweight, and a staggering 21 per cent of women and 19 per cent of men are overweight or obese.**

The health risks associated with being obese or overweight can be severe, both are associated with high rates of diabetes, cardiovascular diseases and chronic renal failure. The rise in levels of obesity and overweight in India have been attributed to rapid industrialisation and urbanisation in India, which has consequently led to the **wider availability of processed and fast food; food which is often energy-dense and nutrient-poor**.

Harvard School of Public Health remarks that urban centres typically host more multinational supermarkets and large fast-food chains which offer inhabitants **easy access to products high in sugar, fat and salt**. Densely populated cities like many of the cities across India also have more **passive transportation methods** which contribute to a **more sedentary lifestyle**, not to mention more **sedentary jobs**, which is a strong feature of urban settings. All the above factors, alongside **increased exposure to mass marketing of (often processed) food and beverages** within cities, have contributed to a shift in diets in urban areas which in turn contributes to higher rates of overnutrition.

As was emphasised in a recent article, the prevalence of **undernourishment is a major cause for concern** in both urban and rural areas in India. Almost **nine in 10 children between the ages of six to 23 months are not receiving an adequate age-appropriate diet**. Furthermore, **one in three children under five years old are underweight**.

Last year's aforementioned report also highlighted other areas that require immediate attention; **India is worryingly home to the largest number of stunted (46.6 million) and wasted (25.5 million) children in the world**. Anaemia is also an issue affecting people in both urban and rural centres, around 70% of adolescent girls in India are anaemic.

Though there has been some progress in tackling these issues, and despite strong economic growth in India in recent years, progress in eradicating undernutrition has been limited and varied. This can be partly attributed to inadequate breastfeeding and lack of appropriate complementary feeding, child health services, food security and dietary quality. Additionally, poor water, sanitation and hygiene can exacerbate levels of undernutrition.

Maternal and child nutrition is particularly important for India to prosper. Optimal infant and young child feeding is widely recognised as one of the most important factors in preventing infant deaths and addressing undernutrition.

Given their scale and reach, food and beverage **companies in India have a crucial role to play** in making sure everyone has a choice of affordable and healthy products and tackling the double burden of malnutrition once and for all. A study in 2016 showed how large food manufacturers in India can improve their contributions to tackle malnutrition.

The food and beverage market in India is the sixth-largest in the world, with retail contributing 70% of the sales. It has been estimated that by 2020 the India food retail market is set to reach US$894.98 billion; this should be seen as a major opportunity to bring about positive change and tackle the many nutrition challenges India faces. In the coming years, leveraging the power of this market will be vital to make sure consumers who chose to buy and eat packaged and/or processed foods have an option to buy healthy and affordable varieties.

(The author – Mark Wijne- is senior program manager, Access to Nutrition Foundation)

Fearing action, Maharashtra farmer uproots HTBT cotton

Business Line, Sep 16, 2019

A farmer in Wardha district **uprooted herbicide-tolerant Bt (HTBT) cotton crop in his field after the government threatened to file a criminal case against him** under Section 15(1) of the Environment Protection Act, 1986. However, Shetkari Sanghatana has said the organisation will stand firm with those who have planted HTBT cotton and want to protect the crop.

About **25 per cent of the cotton fields in the State have reportedly been put under HTBT cultivation** this season.

Govt ultimatum

Gajanan Chikram of Gaimukh village received a notice from Taluka Agriculture Officer in Selu stating that the Indian Council of Agriculture Research (ICAR), Nagpur, had confirmed that the cotton planted by him is HTBT (BG-III). The notice asked the farmer to uproot the crop within 24 hours or else face criminal action. If the State decides to go ahead, about 25 per cent cotton crop in the State will have to be destroyed.

According to Shetkari Sanghatana President Anil Ghanwat the farmer uprooted the crop after receiving the notice. "This is the first case. The Sanghatana will stand firm with farmers who have cultivated HTBT cotton and will launch an agitation to protect the crop," he told *BusinessLine*. Ghanwat said the organisation anticipates similar notices to other farmers. He added that any effort by the State government to destroy HTBT cotton crop would be strongly resisted. State farmers under the banner of Shetkari Sanghatana **had launched a drive to sow HTBT cotton in June this year to protest the Centre's ban on GM crops**.

FIRs filed

On the basis of complaints filed by agriculture officers, the police has been registering FIRs against farmers under Section 420 of IPC, Section 15(1) of the Environment Protection Act, 1986 and Seeds Act, 1966. Two farmers, Lalit Bahale and Laxmikant Kauthakar, have already moved the high court to get the FIRs quashed. The Nagpur bench of Bombay High Court, last month asked the Maharashtra police not to take "coercive action" against the farmers who have sowed HTBT cotton seeds.

Structural reforms in agri, exports must to revive growth: Amitabh Kant

Admitting that the structural reforms like GST, and IBC etc had some impact in growth, he said in the long-run these reforms will take the country to higher growth path.

The Economic Times, Sep 17, 2019

Mumbai, Sep 17: **Structural reforms in agriculture and exports are needed** to bring growth rate back to higher levels, Niti Aayog chief executive Amitabh Kant said Tuesday.

He also said the fundamentals of the economy are intact which will help the government take back the economy to the higher growth trajectory soon despite the global slowdown.

Comments come at a time when the **economy has slowed to a six-year low of 5 percent in the June quarter** and exports began to degrew, amidst the deepening slump even in the low- ticket FMGC sector, leave alone the high-ticket automobiles.

"If we have to grow at a higher rate of 9-10 percent for a long period, we need to take structural reforms in agriculture and exports," Kant told a function.

Admitting that the structural reforms like GST, and IBC etc had some impact in growth, he said in the long-run these reforms will take the country to higher growth path.

The government is alive, receptive and despite the global headwinds, we are very conscious that we have to take the country back to very high trajectory growth rate as our fundamentals are totally intact and we have a very vibrant private sector and have a government which is committed to reforms, he said.

On divestment, he said soon the government will do a lot of asset monetization. "We will put on block roads, airports, power transmission lines, and shipping terminals for privatisation and that is when credit flow will start."
It is **not possible to grow for a long time without structural reforms in the agriculture sector where close to 58 percent of the country's lives**, he said, adding, "you cannot keep growing on subsidies or just by giving assistance to farmers without ensuring better markets, technology or contract farming."
It is **not possible to grow at a higher rate for long without exports** and we need to **learn the art of size and scale of manufacturing**.

"Many of you will say that this is not an opportune time for exports because there is a trade war going on. Our share in global exports is under 2 percent so every crisis is an opportunity. This is the **best time to penetrate global markets**," he added.

FSSAI permits hotels to serve water in paper-sealed glass bottles

Food and Beverage News, Sep 18, 2019

The Food Safety and Standards Authority of India (FSSAI) has **permitted hotels to serve drinking water in paper-sealed glass bottles to their in-house guests**.

"**Hoteliers have made several representations** in this regard, wherein they termed such a move as their **commitment to environment sustainability**," added the regulator.

FSSAI has, in this regard, passed an order saying that it had taken cognisance of the matter and decided to allow serving drinking water in paper-sealed reusable glass bottles within the hotel premises.

At present, hotels across the country serve packed drinking water in plastic bottles.

Parveen Jargar, joint director, regulatory compliance, FSSAI, said, "The overall consumption of plastic bottles used in hotels results in **considerable plastic wastage**. Taking cognisance of this, it has been decided to allow to serve drinking water in paper-sealed reusable glass bottles for captive use within the hotel premises."

However, the order mandated that **hotels will be required to follow the sanitation and hygienic conditions as**

per the regulations for drinking water and **set up in-house drinking water bottling systems on their premises**.

The hotels also need to ensure that **water served in such bottles follow the BIS (Bureau of Indian Standards) specification IS 10500:2012 (for drinking water).**

And the paper-sealed glass water bottles **will not be for sale and served free of cost** to in house guests, while their labels will prominently specify Not for Sale, along with the name and address of the hotel.

The plastic waste problem is also a serious concern for frequent Indian travellers who stay in hotels.

“Clearly, plastic waste management is no longer a buzzword, because the country’s top hotels are keen to lead the way forward with eco-friendly and sustainable solutions,” stated an industry insider, on the condition of anonymity.

Dutch bank FMO to invest Rs 120 crore in Sahyadri FPC

Alpen Capital, a Delhi based consultant company is assisting to Sahyadri to get this proposal implemented.

The Economic Times, Sep 18, 2019

PUNE: FMO, the Netherlands’ entrepreneurial development bank will be **financing €15.00 million (around Rs 119.24 crore) in Nashik based Sahyadri Farmers Producer Co. Ltd. (SFPCL)**.
"According to the principles of FMO Bank, there is widespread social interest in such financing. This is called 'Social Impact Fund'," a release from Sahyadri said.
“This **financing is expected to give a boost to the agriculture and food processing operations of Sahyadri and reduce wastages and spoilage**,” FMO said in a disclosure. Alpen Capital, a Delhi based consultant company is assisting to Sahyadri to get this proposal implemented.

"FPOs, like Sahyadri, provide **an effective platform for the provision of farm production inputs and marketing of output**; this can immensely **enhance farm productivity and increase farm income**, thereby contributing to the reduction of poverty. **Farmers benefit from economies of scale, technology-driven enhancements, marketing of the products and adequate facilitation to realize higher returns**," FMO added.
FMO said the proposed investment will help Sahyadri **finance the construction of collection centres for the warehousing and transport of produce**. The capital will also help with financing **distribution centres with cold storage facilities and a fleet of refrigerated trucks** for managing logistics and transport, it added. Sahyadri will also use the funding to **set up retail store**s in parts of Mumbai, Pune and Nashik, as well as the expansion of its existing production plant.
The team led by Peternal Bogard, Global Head of Agri-Business FMO, visited Sahyadri Company in May 2019 and understood the whole process. The team interacted directly with the farmers associated with Sahyadri. Farmers shared their experiences how they are getting support for production as per the global practices & food security norms. "Member farmers strongly mentioned financial growth happened in their lives due to combining efforts," the release said.
"All the farmers affiliated with Sahyadri are happy. Through the Sahyadri, we saw the progress of small farmers in this cluster," said Bogard.
"Vilas Shinde, Chairman & MD, SFPCL said, "The decision by the FMO to fund a Farmers Producer Company in India should be considered promising and proud moment not only for Sahyadri but entire FPC movement in the country. It is very important for farmers to come together through the FPC and build the collective strength of marginal farmers. Having achieved this, it is easier to acquire the proper markets, technology and funding."

India’s fish production pegged at 12.6 million tonnes in ’17-18

Govt keen on better fishing infrastructure

Business Line, Sep 19, 2019

Total fish production in India was 12.59 million tonnes (mt) and the country **exported 1.38 mt fish and fish products** with a value of over ₹45,000 crore in 2017-18, according to latest data released by the government on Thursday.

According to the Handbook on Fisheries Statistics – 2018, unveiled by Minister of Animal Husbandry, Dairying and Fisheries Giriraj Singh, while inland capture fisheries accounted for 8.9 mt, the share of marine fisheries was 3.69 mt. India is **currently the second largest producer of fisheries** after China.

Growth in production

The **total fish production in 2017-18 was 10.14 per cent more** than 11.43 mt produced in 2016-17. **Inland fisheries**, which grew at 14.05 per cent **accounted for much of the growth**. **Marine fisheries production, on the other hand, went up by only 1.73 per cent** in 2017-18.

Top five fisheries States in India in 2017-18 *(in lakh tonnes)*

States	Inland	Marine	Total
Andhra Pradesh	28.45	6.05	34.5
West Bengal	15.57	1.85	17.42
Gujarat	1.34	7.01	8.35
Kerala	5.34	1.51	6.85
Tamil Nadu	1.85	4.97	6.82
All India production	**89.02**	**35.88**	**125.9**

Trend in export of marine products *(In ₹ cr)*

2011-12	16,597.23
2012-13	18,856.26
2013-14	30,213.26
2014-15	33,441.61
2015-16	30,420.83
2016-17	37,870.90
2017-18	45,106.89

Top States

Andhra Pradesh, which captured **3.45 mt** of fish, topped the Indian States, followed by **West Bengal which accounted for 1.74 mt**. While Andhra Pradesh, retained the top position in inland capture fisheries with 2.85 mt, Gujarat with 7.01 lakh tonnes was number one in marine fisheries. There has been steady growth in the export of fish and fish products from India.

During 2017-18, the **volume of fish and fish products exported was 1.38 mt and ₹45,107 crore in value**. The export of marine fish products registered **an annual growth of 21.35 per cent in volume and 19.11 per cent growth in value.**

Boosting exports

Briefing the media on the occasion, the Minister said the government had drawn up **plans to increase marine exports to ₹1 lakh crore over the next five years.** Towards this, the Centre **will invest ₹ 25,000 crore** in the fisheries sector, he said.

Investment in infra

The funds will be used mainly for **improving fishing infrastructure and strengthening processing and post-harvest management**. The Centre has already extended financial support to the States to **develop fishing harbours in seven major ports** and commissioned 181 fish landing centres, he said.

Currently, the **productivity** of India's inland fisheries is just **3 tonnes per hectare**, which Singh said **needs to be improved** substantially.

While the government cannot force people to eat fish, the growing protein intake in the country would lead to more people opting for fish, Singh said. As against a global average of 25 kg per annum, Indian's protein intake is less than 5 kg per year. This is expected to go up significantly in the coming years, the Minister said.

To cut imports, Centre plans to boost oilseed cultivation

Move to cut dependence on imports

Business Line, Sep 20, 2019

After achieving self-sufficiency by incentivizing production of pulses, the Centre is keen on giving a push to oilseeds cultivation, a move that could help reduce the country's dependence on edible oil imports.

"The government is fully **interested in promoting oilseeds** now and various options are being explored," Parshottam Rupala, Union Minister of State for Agriculture and Farmers Welfare, told BusinessLine on the sidelines of the World Seed Congress 2019.

Rupala said the **government wants to cut down on the huge edible oil import bill, which exceeds ₹60,000 crore per year**. Besides focusing on **improving the productivity, output and expanding the cultivation** in the irrigated areas, the government **also proposes to incentivise farmers to take up oilseeds**, Rupala said.

The success achieved in pulses production by incentivising the farmers could be replicated in the area of oilseeds, Rupala said.

Pulses output saw a major increase after the Centre increased the minimum support price (MSP) and strengthened the procurement mechanism. Pulses production rose from 16.3 million tonnes in 2015-16 to 25.42 million tonnes in 2017-18, an increase of 55 per cent over three years. As per the fourth advance estimates, pulses production during 2018-19 stood at 23.40 million tonnes. India's pulses consumption is estimated at around 24 million tonnes.

India's **edible oil consumption is estimated at around 22 million tonnes a year**. Over **two-thirds** of the edible oil requirement is **met through imports**, entailing a huge foreign exchange outgo. The **domestic production** of edible oils is estimated to be **between 6-7 million tonnes**. Oilseeds production has gone up **from 25.1 million tonnes during 2003-04 to around 32.26 million tonnes during 2018-19**.

However, the production has been **stagnant over the past three years**, hovering around 31-32 million tonnes.

Fertiliser demand to go up in rabi season

Better soil moisture content, higher reservoir levels expected to increase crop acreage

Business Line, Sep 20, 2019

The **demand for fertilisers** during the forthcoming rabi season is expected **to go up substantially as better soil moisture content and greater availability of water in reservoirs may push farmers to plant more**.

Accordingly, the government has **made provisions for higher stock of all fertilisers, including urea**. As per presentations made at a meeting on rabi campaign convened here on Friday by the Agriculture Ministry, the expected **requirement of urea during the 2019-20 rabi season would be 17.4 million tonnes (mt), nearly seven per cent more** than 16.24 mt consumed in the corresponding period last year.

Similarly **higher demand is expected for other fertilisers as well**. While the assessed requirement of di-ammonium phosphate for the coming rabi season is 5.16 mt as against 4.6 mt used in the previous season, the stocks of NPK complex fertiliser to be made available will be 5.01 mt, nearly 17 per cent more than what was consumed in the previous rabi season. The demand for potassic fertilisers such as MOP is expected to be even higher.

While the fertiliser industry was expecting the demand for fertilisers to go up on account of better monsoon rains this year, the actual demand may be even higher than what was anticipated. The Fertiliser Association of India in a note said there would be a modest 2-3 per cent growth in demand for fertilisers this year.

Time for a better show

Acreage under Kharif crops as on Sept 20, 2019 (in lakh hectares)

	2018	2019	% over 2018-19		2018	2019	% over 2018-19
Rice	383.86	378.62	-1.37	Ragi	8.52	9.77	14.67
Pulses	135.41	132.99	-1.79	**Oilseeds**	178.17	178.04	-0.07
Arhar	45.64	45.49	-0.33	Soyabean	112.62	113.45	0.74
Urad	39.13	38.46	-1.71	Groundnut	40.08	39	-2.69
Moong	34.1	30.99	-9.12	Sesamum	14.07	13.63	-3.13
Coarse cereals	175.02	178.12	1.77	**Sugarcane**	55.51	52.45	-5.51
Maize	78.61	80.72	2.68	**Cotton**	120.64	127.09	5.35
Bajra	65.28	65.97	1.06	**Total crops***	1,055.80	1,054.13	-0.16
Jowar	17.68	16.86	-4.64				

*Including others

It said the demand would be higher than earlier estimates because of better rains received subsequently. Fertiliser offtake in the first three months of the current kharif season was lower than during the year-ago period, but as most parts of the country started receiving good rains since July, there was a spurt in offtake, a source said.

States' demand

At the rabi conference, some States such as Telangana, requested the Centre to increase their quota of fertilisers as there is an increase in acreage, particularly of crops such as rice, pushing up fertiliser demand in those States.

Kharif sowing data released by the Agriculture Ministry on Friday also showed that the country as a whole has inched closer to planting as much area sown till the corresponding week last year. As of now, kharif planting has covered 1,054 lakh hectares so far as against nearly 1,056 lakh hectares sown the same week in the previous season.

Floods force govt to revise kharif output projections to 140 mt

While rice and pulses may dip, an uptick is expected in oilseeds and coarse cereals

Business Line, Sep 23, 2019

The **widespread crop damage caused by floods** during the current monsoon season has forced the government to **downgrade its projections of foodgrain production** during the ongoing kharif season to **140.57 million tonne (mt)**, marginally lower than 141.71 mt harvested in the corresponding season in 2018-19.

According to the First Advance Estimates of Production of Foodgrains released by the Agriculture Ministry on Monday, rice output during the 2019-20 kharif is slated to be 100.35 mt, about 1.6 per cent less than 102 mt estimated in the 4th advance estimate for 2018-19.

Till mid-September, the country as a whole received a cumulative rainfall 4 per cent above the long period average. **The drop in pulses production,** on the other hand, is **expected to be over 3 per cent**. As against 8.59 mt produced in the previous monsoon crop season, the pulses production in the same season this year is slated to be 8.32 mt, largely because of anticipated dip in moong yield and a marginal drop in the production of urad. The Ministry is expecting moong production to drop by 23 per cent, while that of urad to come down by 5 per cent in the 2019-20 kharif season.

Coarse cereals production, on the other hand, is projected **to go up by nearly 3 per cent**, thanks to expected increase in the production of most coarse cereals, barring bajra. According to official estimates, coarse cereals output during the current kharif would go up to 32 mt as against around 31 mt projected for the same season in 2018-19 in the 4th advance estimates.

Kharif crop production

(in million tonnes)

Crop	4th adv est 2018-19	1st adv est 2019-20
Rice	102.13	100.35
Pulses	8.59	8.23
Coarse cereals	30.99	32.00
Total foodgrains	141.71	140.57
Oilseeds	21.28	22.39
Cotton*	28.71	32.27
Sugarcane	400.16	377.77

*million bales of 170 kgs each

Among the **crops that may witness a spurt in output are cotton and oilseeds**, particularly **groundnut crop**. An anticipated **17 per cent increase in yield is projected to push groundnut production** to over 6.3 mt as against 5.4 mt in 2018-19 kharif season. However, there will be a projected 9 per cent reduction in sesame output, while that of soyabean is expected to dip marginally to 13.51 mt as against 13.79 mt in the previous kharif season.

A boost in cotton production, on the contrary, was rather expected as the cotton yield last year was sub-par. According to the first advance estimates for the year, **cotton yield this year would be 32.27 million bales, about 12 per cent more** than 28.71 million bales plucked last year.

Another **crop that may witness significant reduction in output this kharif season is sugarcane**. According to the estimates, the sugarcane yield this year would be around **377.77 mt as against 400.16 mt in 2018-19**.

International training centre for food safety and nutrition inaugurated in Mumbai

Agro and Food Processing, Sep 24, 2019

In a move to enhance food safety and reduce export rejections that Indian products face in the global market for quality compliance failure, in a **public-private partnership** model, **an international training centre for food safety and nutrition was inaugurated in Mumbai to train government officials and private players from the food industry on quality testing and global standards**.

The training centre is a **joint collaboration of Food Safety and Standards Authority of India (FSSAI), Export Inspection Council and Global Food Safety Partnership (GFSP)**.

This centre is one such in the global network and is spread over 3.5 acres in Export Inspection Agency with latest technology on food testing. **Antibiotic microbial resistance** that has become an emerging threat **and pesticide residue can also be tested in the centre**.

Currently Mumbai has no such centre to test microbial resistance and products are tested in private laboratories before export.

Exporters, food safety regulators, manufacturers and government officials will be trained on latest regulation, technology, and food accreditation in global food industry.

FSSAI plans to collaborate with other countries through this training centre. This centre will build confidence in other countries about Indian food quality and testing mechanism and boost exports.

Indian grapes, mangoes, prawns and spices export have faced rejection in Japan, Vietnam, and Gulf countries due to failure to comply with standards.

FSSAI is trying to work with industry of commerce and agriculture to plug gaps in food standards. Farmers need to be trained on proper use of pesticides and this **Mumbai centre is based on US' International Food Safety Training Laboratory**. Through an international curriculum, businesses will be trained on nutrition analysis and latest food-testing methods.

TN sugar producers seek support from govt to tide over crisis

Business Line, Sep 25, 2016

Sugar producers in Tamil Nadu have sought a relief package and staggered repayment option in order to tide over the crisis faced by them.

In an interaction with Union Finance Ministry Officials and CEOs of select banks, State government officials on Tuesday here, representatives of South Indian Sugar Mills Association (SISMA) and sugarcane farmers explained their grievances and sought help from the government.

Representatives of SISMA pointed out that **sugarcane planting area had drastically come down in the State and that had resulted in poor capacity utilisation of mills**.

At least **14 of the 25 private sugar mills in Tamil Nadu will not commence operations in the 2019-2020 sugar season** due to shortage of sugarcane and liquidity constraints, a statement quoting SISMA said.

SISMA members requested for **staggering repayment and debt restructuring**. They also sought a **special relief package to the entire industry**.

However, they pointed out that the industry had just started to turn around and with proper relief measures, and will come out of the stress cycle in the next 18 months. A special request was made to the Banks and RBI to consider fresh loans and restructuring.

Farmers' representatives expressed their grievances on persistent drought, withering crops, unpaid dues, mounting debt. They also informed that increasing overdues affected their other financial sources. They requested for a special relief package to resolve the NPA issue.

Pankaj Jain, Additional Secretary, DFS said the Central government was looking into the market challenges and pricing fundamentals.

In July, EID Parry India said it decided to shut down its unit at Pudukottai in Tamil Nadu. The factory, which was not in operation due to continuous non-availability of adequate sugar cane, will not be operated in future as the expectation of the revival of cane cultivation in the area is low due to a variety of factors. Last season, Thiru Arooran Sugars did not crush cane in any of its mills in the state.

Deficient rainfall in the past few years has caused huge stress to the sugar producing units in the state. While capacity utilisation fell significantly, sugar production has also fallen from 23.79 lakh tonnes in 2011-12 to 8.6 lakh tonnes in 2018-19.

Onion importers demand relaxation in phytosanitary conditions to ease imports

The wholesale prices at Lasalgaon APMC in Nashik declined slightly this week and stabilised around Rs 40/kg.

The Economic Times, Sep 26, 2019

PUNE: As onion prices are expected to remain firm till Diwali, **traders have started placing import orders**, while central government has announced to make onions available for less than Rs 24/kg to the consumers by supply it to the states at Rs 15.58/kg.

Mumbai based onion exporter Ajit Shah said that **onion can be imported from Dubai in 10 days provided government relaxes phytosanitary norms**. "**If government insists on importing from original source of the commodity, here Egypt, it will take many weeks to receive shipments**. However, importing Egypt origin onion from Dubai is possible in just 10 days," said Shah.

The wholesale prices at Lasalgaon APMC in Nashik declined slightly this week and stabilised around Rs 40/kg. **Delay in arrival of fresh kharif crop due to combined effect of drought and excess rainfall has created inflationary sentiments in onion trade**.

Farmers are angered by efforts of the government to put pressure on traders about rising prices. "We have to realise that having suffered losses or received marginal profits till now, getting good prices can help improve average income of the growers," said Jayadatta Holkar, chairman, Lasalgaon APMC.

Meanwhile, **central government has decided to provide onion to state's at Rs 15.59/kg**; caps state's selling price at Rs 23.90/kg.

Union minister Ram Vilas Paswan tweeted: "Delhi govt has requested for 100 metric tonnes onion per day between September 28 to November 5. We will provide required quantity of onion to Delhi. Centre is ready to provide onion to all states as per their requirement at Rs 15.59/kg."

Paswan in his tweet said that the Centre has adequate stock of onion and asked state govts to take as much onion they want. "So far we have released 1850 tonnes to Tripura, 2000 tonnes to Haryana and Andhra Pradesh governments at the rate Rs of 15.59/kg. States will provide it to public at maximum Rs 23.90/kg," he said.

Subsidy may hurt tea planters: Tea Board

Business Line, Sep 26, 2019

The tea industry should stop looking for subsidy to give an impetus to planters, said Arun Kumar Ray, Deputy Chairman, Tea Board of India. He further opined that subsidy should be given only on incremental production to incentivise planters and to increase orthodox production, and not for CTC.

The **Indian tea industry has been asking for incremental incentives to planters to move from CTC to orthodox**.

Orthodox tea accounts for nearly 40 per cent of the total demand in the international market, with CTC accounting for another 40 per cent and the remaining 20 per cent demand is for green tea.

"**Excess dependence on subsidies would impact quality and thereby returns**," he said while speaking at the 55th annual general meeting of Tea Research Association (TRA) here on Thursday.

The **Tea Board is itself in for a restructuring by way of right-sizing manpower, closing some offices and merging certain functions.** Manpower would be brought down to 250 from 312 and at least six offices will be closed. The department of law and computer would also be outsourced.

Financial sustainability

According to PK Bezboruah, Chairman, **TRA, the association, which has been facing fund shortage for some years, is coming up with a detailed financial sustainability plan** that would make it self-sufficient at the end of the next five years.

The plan includes establishment of seven verticals, namely: certifications and overseas collaborations; training, skill development, educational courses on tea, conferences, seminars and workshops; sale of bio-formulations, bio-products, botanicals, tea seeds, tea plants and made tea from experimental tea estates; testing at T-Labs Kolkata and Tocklai; tourism and hospitality; unlocking real estate value through housing projects and Tocklai Tea Awards.

"Through these verticals we are looking at a detailed plan to generate annual revenues of ₹15 crore in five years. But, continued assistance from the Commerce Ministry for this and the next medium term framework are essential to enable us to successfully implement the plan," he said.

Traditionally, **TRA has been funded partly by government and partly by tea companies**. The allocation of funds by the Department of Commerce to the R&D **budget of Tea Board has seen a cut, from an average of ₹25 crore annually to about ₹9 crore**.

Agriculture Ministry plans to boost oilseed output from 32 million tonnes to over 45 million tonnes by FY22

Agro and Food Processing, Sep 27, 2019

The Agriculture Ministry has planned **enhance the oilseed output from 32 million tonnes to over 45 million tonnes by FY22**. The Ministry's renewed focus on oilseeds is **due to the stagnating output of oilseeds and a rising edible oil import bill**.

This step is thoroughly welcomed by the edible oil industry, given that this **is one of the few food crops where India has made limited development in accomplishing self-sufficiency with a 65-70 per cent import dependence.**

Both India's oilseed growers and its solvent extraction industry continue to be in deep distress, in spite of persisting shortages of edible oil. While they've been **powerless to take advantage of the mushrooming demand, importers and speculators have made merry** as India has shelled out $10-11 billion a year on imports, making this one of the largest import items after crude oil and gold. The lack of a holistic policy for the edible oil sector that balances the interests of domestic consumers with processors and growers, and ad-hoc trade interventions have hamstrung the sector.

Agriculture Ministry has established that its **new production targets on technology support, geographical diversification of the oilseed crop and increasing rain-fed cultivation**, but hopefully they have not forgotten that identical efforts in the past have failed.

Growers in India find oilseed cultivation deliberately uneconomical relative to cash crops such as maize and cotton, as the substantial hikes in Minimum Support Prices (MSPs) have remained on paper.

In the 2018-19 crop year, despite 'record' procurement of oilseeds by NAFED and FCI under the PM Aasha scheme, these agencies mopped up less than half of their Central target, and oilseed prices at mandis ruled well below MSPs. The lack of any clear policy on how procurement agencies are expected to liquidate their acquired oilseed stock has impeded these operations.

While oilseed growers are dented by poor prices, solvent extractors have been squeezed by indiscriminate imports of cheaper palm and soya oil, due to irrational tariff structures that pay no heed to domestic production costs. In the current year, for instance, the Centre's move in January to slash the import duty on crude palm oil from 44 to 40 per cent and to shrink the duty differential between crude and refined oil to just 5 per cent led to a flood of Malaysian refined oil imports, before a recent rethink. **Apart from price-sensitive consumers, lax regulation of the packaged foods and hotels industry in India also opens the doors to low-quality imports.**

For domestic growers and solvent extractors to have the economic incentive to ramp up output, policymakers need to rethink on several counts. Including cooking oils in the PDS may provide a fillip to procurement operations while ensuring affordable supplies. To revive distressed processing capacity, import tariffs need to be dovetailed with domestic MSPs and refining costs, with no ad-hoc tinkering with the tariffs. Consumer awareness efforts may be needed to showcase the benefits of indigenous varieties.

Centre bans onion exports, imposes stock limits for traders

As per the latest directive, wholesale traders can stock up to 500 quintals, retail traders can store 100 quintals

Business Line, Sep 29, 2019

As onion prices continue to spiral in the retail market, the Centre on Sunday **banned the export of all varieties of the bulb** with immediate effect and **imposed stock limits on both retail and wholesale traders**.

In a notification, the Director-General of Foreign Trade (DGFT) said the **export policy of onions is amended from "free to prohibited till further orders**".

Providing relief

The Consumer Affairs Ministry, meanwhile**, imposed a stock limit of up to 100 quintals on retail traders** and **500 quintals on wholesale traders to improve the domestic availability of onion**, hoping this will provide some relief to consumers.

The DGFT took the decision to ban exports with immediate effect following a letter from Consumer Affairs Secretary Avinash K Srivastava on Sunday.

In the letter, Srivastava said that **increasing the minimum export price (MEP) of onion to $850 per tonne on September 13 had some positive impact**, with exports coming down for a few days. **However, exports, particularly to Sri Lanka and Bangladesh, at prices lower than $850 a tonne, are still continuing, prompting the Ministry to impose a total ban.**

"The ban is expected to improve its (onion) domestic availability and cool prices," the Ministry said.

The Ministry also urged State governments to carry out anti-hoarding operations against unscrupulous traders by organising raids.

Buffer stock offloaded

In a related move, the Centre **decided to offload its buffer stock of 50,000 tonnes across the country**. These stocks will be made available to consumers in Delhi, Haryana and Andhra Pradesh at regulated prices, it said. Consequently, the state-run Mother Dairy and the cooperatives Nafed and NCCF are selling onion at a cheaper rate of ₹23.90 per kg in Delhi.

The Centre had, last month, **warned of strict action against hoarding onion amid supply disruption due to floods in parts of major growing States Maharashtra and Karnataka**.

Illegal duty-free imports worry edible oil mills as crushing season begins

Solvent Processor Association of India claims duty evasion of Rs 2000 crore

Business Line, Sep 30, 2019

The Soyabean Processor Association of India has **raised concern over illegal import of edible oil duty-free from Nepal, Bangladesh, Sri Lanka and other SAARC countries without following the mandatory procedure**.

The loss to exchequer due to the duty evasion could be over Rs 2000 crore, said the Association in a letter addressed to Prime Minister Narendra Modi.

The association had informed the Ministries of Commerce, Finance and Agriculture on the illegal imports, but the imports are continuing with impunity and have increased in recent months, said the association.

Concerns ahead of crushing season

The large duty-free imports have raised industry concern, particularly when the **crushing season is about to start next month**.

The government had increased import duty on edible oil to protect the domestic industry. The duty-free imports are negating the advantage of customs duty increase on edible oil which was imposed to help farmers realise a remunerative price. The illegal excessive imports are not only causing customs duty evasion but also unnecessary outflow of foreign exchange, it said.

The matter has been bought to the notice of the **Central Board of Indirect Taxes and Customs to investigate** the fraudulent imports and ensure that rules are strictly followed.

Seeking the Prime Minister's Office intervention, the association said **necessary direction needs to be given to restrict duty-free imports of edible oil from Nepal, Sri Lanka and Bangladesh by implementing Rules of Origin strictly and save domestic oilseed industry**.

After a favourable climate condition during the crop season (that starts from October), oilseeds growing farmers in Gujarat, Madhya Pradesh, Maharashtra and Rajasthan are facing a bleak future due to incessant rain. The groundnut crop in Gujarat has been infested with white fungus due to water logging in the field. This is expected to spoil the groundnut seeds and affect the yield.

Though oilseeds sowing in kharif season 2019-20 was tad lower at 178 lakh hectares against last year's coverage of 178.17 lakh hectares, the soybean area has increased to about 113.45 lakh hectares against the normal sowing of 111.49 lakh hectares. Groundnut sowing was lower at about 39 lakh hectares, against normal 42.44 lakh hectares.

Oilseed production estimates

According to Government estimates, oilseed production is likely to be higher at 22.39 million tonnes as against 21.28 mt reported in the fourth advance estimate for 2018-19.

However, as per industry estimate, oilseed production this year is expected to be tad lower than 35 mt produced last year.

"Floods and bad weather may pull down the main soybean production to 9.2 mt from earlier estimate of 9.5 mt following the crop damage," said an industry expert at the recent Globoil Summit.

Oilseed grown in India are soybean, groundnut, sunflower, niger seed, sesame, and mustard.

Lower oilseed production and growing domestic demand are expected to boost India's edible oil imports to an all-time high of 15.9 mt against 15.4 mt logged last year. India imports crude and refined palm oils along with crude soyoil, sunflower oil, and mustard oil.

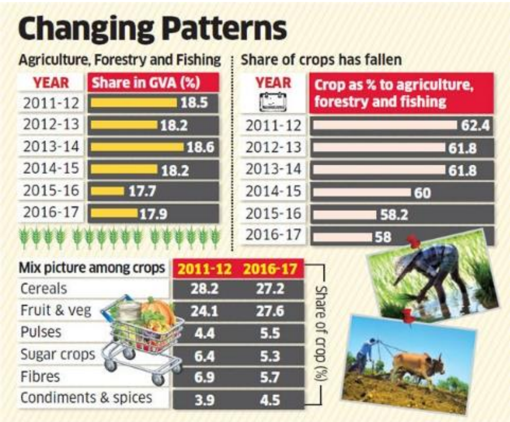
Agriculture share in India's 'Gross Value Added' fell to 17.9% in FY17 from 18.6% in FY14

The crops sub-sector accounted for nearly 62% of the agriculture and allied sector in 2011-12, which has gradually come down to about 58% in 2016-17.

The Economic Times, Sep 30, 2019

NEW DELHI: The **share of agriculture, forestry and fishing declined to 17.9% in India's gross value added (GVA) in 2016-17 from 18.6% in 2013-14**, the ministry of statistics and programme implementation (MoSPI) said in a report.

"The share of this sector in overall GVA of the country is showing a declining trend except in the years 2013-14 and 2016-17," Mo-SPI said in the report on agriculture, forestry and fishing from 2011-12 to 2016-17. India's economy grew 8.2% in 2016-17.



The **crops sub-sector accounted for nearly 62% of the agriculture and allied sector in 2011-12,** which has gradually **come down to about 58% in 2016-17**. Of the 12 sub-sectors of crops, the **share of cereals, oilseeds, sugar crops and fibres declined over the five year period**. As per the report, India ranks first in the world in arable land (156.46 million hectare), third in production of cereals; second in groundnut, fruits, vegetables, sugarcane, tea; and first in jute.

Worldwide as of 2016, the country had the largest herds of buffalo and ranked second in cattle; third in sheep; second in goat and sixth in chicken population. It is the largest producer of milk; third in production of eggs and sixth in production of meat. Among fruits, output was highest for mangoes, followed by banana.

The report showed that the output of cereals was highest among all the crop-groups in 2011-12. But in 2016-17, the output of fruits and vegetables was the highest.

"A **move towards fruits and vegetables suggests greater diversification of diet from a cereal consuming country**. High cereal consumption is a mark of poverty. However, the shelf life of fruits and vegetables is short and their wastage is not being estimated. This is key because while storage has improved, transportation and handling can be better," said former chief statistician Pronab Sen.

Among cereals, jowar and bajra have lost share while paddy, maize and wheat have gained.

Among states, Uttar Pradesh recorded the highest output of cereals in all the years, although its share in all-India output has reduced marginally from 18.6% in 2011-12 to 17.9% in 2016-17.

During 2011-12 to 2016-17, the output of 'fibre' group of crops reduced from about Rs 82,000 crore in 2011-12 to about Rs 73,000 crore in 2016-17. Kapas accounted for nearly 95% of output of 'fibre' crops. During this period, the output of cotton was lowest in 2015-16 at Rs 64,000 crore, which rose marginally in 2016-17 to Rs 68,000 crore.

Government Policies and Initiatives

India gears up to take the foot and mouth disease head on

Though the govt's target is ambitious, experts say country will be able to procure enough vaccine to fight the scourge among livestock

Food and Beverage News, Sep 16, 2019

The Union Ministry of Animal Husbandry has **put the 'spotlight' on tackling Foot & Mouth Disease (FMD)**, a major scourge of livestock, specially buffalo and cattle population, **with a ₹12,652-crore allocation over the next five years**.

Announced by Prime Minister Narendra Modi himself, the National Animal Disease Control Programme (NADCP) will be implemented on a 'war footing', with **all animals getting two shots of the vaccine, ear-tagged and followed up across all States**.

The **challenge, however, would be to get the vaccine in adequate quantities** to fast-track the programme.

According to industry estimates, **India's FMD control programme requires 1,000 million doses every year, whereas the current production is only around 500 million doses**. There is an unmet need for 500 million doses.

However, a senior veterinary scientist at the Indian Council of Agricultural Research (ICAR) said the country would be able to have vaccines in adequate quantities.

India currently has capacity to produce 850 million doses of FMD vaccines, which is more or less sufficient to take care of the cattle and buffalo population in the country, said Raj Kumar Singh, Director of Indian Veterinary Research Institute, an ICAR laboratory, based in Izatnagar in Uttar Pradesh.

But if other livestock is also to be covered, as the control programme envisages, India may need additional shots of vaccine. Singh was hopeful that the country would be able to meet the demand as **vaccine companies are gearing up to increase their production targets**. In addition to nearly **400 million cattle and buffaloes, India has 135 million goats, 65 million sheep and 10 million pigs**.

As per the plan, each animal would get FMD vaccination twice a year. "Unlike the earlier FMD control programmes, implemented in a phased manner, this is going to be **much more comprehensive**. The **vaccinated animals will have RFID tags to track and also get past history and exposure to the virus**," Singh said.

Besides, the **farmers do not need to pay for the vaccination as the Centre is footing the entire bill**. The cost of the existing scheme was **shared between the Centre and the States at 60:40**. Some critics argue that despite the efforts, not much headway has been made. The demand-supply of the vaccine is also mismatched.

Vaccine scenario

As for the vaccine availability, the major producer in the country is the **Hyderabad-based Indian Immunologicals Ltd**, which is also the **world's largest manufacturer of FMD vaccine**, with **capacity to deliver 360 million doses per annum**. Union Minister Giriraj Singh recently visited the company's facilities and **discussed expansion plans**.

Biovet, the animal vaccine maker from Bengaluru, recently announced **an investment of ₹200 crore as part of its expansion** to meet the growing market demand, especially to tackle FMD and Brucellosis in animals. It has started expansion work at its manufacturing unit in Malur, Karnataka.

Krishna Ella, Promoter of Biovet, said, "Expansion of our FMD vaccine facilities to **deliver 200 million doses per annum** is an important step to increase our contribution to meet the shortage of this vaccine in the country."

The company will also construct a new Brucella vaccine production facility to produce 100 million doses, another vaccine that is being covered under the NADCP, he added.

Food ministry pushes for increase in allocation of subsidised food grains

Food minister Ram Vilas Paswan has written to PM Modi seeking his approval for this proposal, which has been lying before the Cabinet for some time.

The Economic Times, Sep 18, 2019

NEW DELHI: The food ministry has **revived the proposal to increase by 2 kg each the allocation of subsidised food grains to 810 million poor people covered under the National Food Security Act**.

Food minister Ram Vilas Paswan has written to Prime Minister Narendra Modi seeking his approval for this proposal, which has been lying before the Cabinet for some time.

If the proposal gets clearance, it will help the government offload massive stocks piled up in granaries ahead of the fresh procurement season, which starts in October.

The **government currently gives 5 kg of food grains per month to every poor individual at a subsidised rate of Rs 1, Rs 2 and Rs 3 per kg for coarse grain, wheat and rice, respectively, besides allocating 35 kg of food grains to extremely poor Antyodaya families.**

"We have been trying to push this **proposal which would allow every beneficiary to get 7 kg of food grains (rice/wheat/coarse cereals) at the subsidised rate** instead of the existing quota of 5 kg per month, **initially for at least six months.** This outgo of additional food grains **will ease the storage problem** the government is facing due to record procurement for the last few years," said an officer close to the development.

The government has **71.1 million tonnes of food grains (rice and wheat) in its godowns as against the minimum stock requirement of 30.7 million tonnes.** The **storage capacity is around 85 million tonnes** including 12.67 million tonnes of cover and plinth facility with **over 100% capacity utilisation in Punjab and Haryana, which observe the maximum procurement of food grains**. "Procurement of summer (kharif) rice will begin in October. Rice can't be stored open in plinth storage. So, it is important to evacuate godowns for fresh harvest. There is a risk of damage to old stocks. So, this is the best way for finding space for fresh harvest while feeding poor families," said another official.

16 lakh farmers opt for pension scheme

Business Line, Sep 20, 2019

Over **16 lakh farmers in the country have so far enrolled for a pension scheme for small and marginal farmers launched by the government**. **One-fourth of them are from Haryana**, a senior Agriculture Ministry official said on Friday.

Pradhan Mantri Kisan Maan Dhan Yojana, formally launched by Agriculture Minister **Narendra** Singh Tomar on August 10, **was for farmers within the age group of 18-40 years, who have less than 2 hectares of cultivable land.** Under the scheme, the farmers who enroll by **paying a monthly premium of ₹55-200 will get a monthly pension of ₹3,000 from the age of 60**.

“So far, close to 16 lakh farmers have joined the scheme and a **large number of them are from Haryana where the State government has shown the willingness to pay the premium for the farmers**,” said Vivek Aggarwal, Joint Secretary, who is in charge of the scheme at the Agriculture Ministry.

Bihar, Chhattisgarh, Jharkhand, Odisha and Uttar Pradesh are the other States where the enrolment has already crossed 1 lakh so far.

Aggarwal hoped that the enrolment would pick up further momentum in the coming months.

Closed sugar mills may be revived soon as govt mulls ethanol production

Union Minister Nitin Gadkari said ethanol production through sugar could boost the economy of sugarcane-producing states like Uttar Pradesh, Bihar and others.

The Economic Times, Sep 23, 2019

New Delhi: The government is **planning to come out with a policy to revive closed sugar mills by using their land for ethanol production**, Union Minister Nitin Gadkari said on Monday. He said the **ethanol economy has the potential to reach Rs 1 lakh crore from about Rs 25,000 crore and can reduce the annual Rs 7 lakh crore crude imports.**

"A lot of sugar mills are closed... I am going to frame a policy. Condition of these sugar mills is such that they are not getting finances. I want to proceed for a Cabinet note. ...Some 5-6 acres of land in a closed sugar mill which can be used for making of ethanol," Gadkari said.

The minister said land of the sugar mill can be utilised for ethanol production from sugar, sugarcane juice and molasses and a policy will be framed soon.

Gadkari said there was an agreement with multilateral banks like KfW for low-cost funds green energy.

"**Already we have signed an agreement with KfW for green energy in MSMEes. I will try to convince them to finance sugar mills proposal** and we will find out a mechanism with the petroleum ministry for this," the minister said.

He said **ethanol production through sugar could boost the economy of sugarcane-producing states like Uttar Pradesh, Bihar, Maharashtra, Punjab and Haryana**.

The minister also said the government does not intend to ban petrol or diesel by giving thrust to alternative fuel.

"There are no talks on ban of petrol or diesel...We want to encourage alternative energy... GST is less (on alternative energy fuel). A time will come when India will become the hub for manufacturing of electric vehicles and vehicles on alternative fuel," he said.

Last week, Gadkari said he has cleared a Cabinet note on the proposed vehicle scrappage policy, which has been approved by the finance ministry as well.

In May 2016, the government had floated a draft Voluntary Vehicle Fleet Modernisation Programme (V-VMP) that proposed to take 28 million decades-old vehicles off the roads.

Stubble burning may put farm grants at stake in Punjab, Haryana

In poll-bound Haryana, students of NCC and NSS have lined up a campaign against stubble burning in the upcoming paddy harvesting season.

The Economic Times, Sep 24, 2019

Chandigarh: **Stubble burning may hinder farm grants in paddy-producing states like Punjab and Haryana** this year as the governments have gone on a major drive to check air pollution.

In poll-bound Haryana, students of NCC and NSS have **lined up a campaign against stubble burning in the upcoming paddy harvesting season** and about a dozen departments in Punjab have been pressed to desist setting crop residues on fire.

Open-field burning of paddy stubble in October and November badly affects the air quality, leading to health issues across large parts of North India. The students will be the eyes and ears to report such cases in Haryana this year. "**These vigilantes will be equipped with a mobile app to send real-time picture and location of burning incidents**," a Haryana agriculture department official said.

Each student first to report the incident will earn Rs 100 through direct benefit transfer and all member students will get a certificate from the agriculture department.

The students have been roped in to bridge the time-lag of four hours that slows down real-time inspections. "It **takes four hours for information to come from the use of satellite imagery. The students' participation will cut it down to one hour**," a Haryana government official said.

"The pictures of fire incidents sent by the students will reach us in real time and trigger administrative action through physical identification of violators", he said.

In Punjab, exhaustive awareness drive by the government and mechanisation of stubble management equipment are underway.

This year, **over 50,609 agricultural implements to manage stubble have been provided to farmers funded through subsidy from the Centre**. A social awareness campaign at the village and block level has been planned to highlight the impact of lighting up fields.

The retribution action will be taken by the agriculture department that will withhold the subsidies and other benefits to the violators. The subsidy for groundwater irrigation, agricultural implements and other benefits will be withdrawn for a year and will be retained only after a procedure.

Volunteers from villages and government employees will organise cultural activities and road shows to urge the farmers not to burn stubble and keep an eye on violators. The best performing team will get an incentive of Rs 21,000.

Premium rates under PM Fasal Bima Yojana continue to rise, pinching farmers and the govt

Insurance companies say changing guidelines under PMFBY have increased their costs

Business Line, Sep 25, 2019

With **insurers increasing premium rates every year, farmers and the government -- State and the Centre -- are coughing up more under the Pradhan Mantri Fasal Bima Yojana** (PMFBY).

Sample this: **In 2016-17, the premium rate was 10.75 per cent (of sum insured)**. This increased to 12.36 per cent in 2017-18 and to **12.60 per cent in 2018-19**. For **2019-20**, the rates have gone up further in Kharif, and is **likely to be around 15 per cent** for the full year.

The increase in premium rates has led to **higher premium outgo, despite minimal change in the gross cropped area covered under the scheme**. In 2018-19, the **total premium paid to insurers under PMFBY was Rs 29,429.6 crore**, up from Rs 25,480.8 crore in 2017-18 and **Rs 22,008.1 crore in 2016-17**.

Given that a large portion of the premium under PMFBY is paid by the government, the higher premium outgo is pinching it year after year. For farmers, too, rising premium has been a concern.

According to PMFBY guidelines, **a farmer is required to pay 2 per cent of SI in case of Kharif crop and 1.5 per cent of SI in case of Rabi crop (5 per cent of the SI as premium for a horticulture crop) as premium**; the **balance is shared 50:50 by the state and Centre**. However, when seen as a percentage of premium, what the **farmer pays out of his pocket is a hefty sum**.

With the increasing **challenges that farmers face in getting claim settlement from insurers, the rising premium rates are another reason why farmers may not willingly come forward to take the cover**.

Why the increase?

Insurance companies blame the changing guidelines under PMFBY for the increased costs, which has forced them to increase the premium rate. **While in the first year there was not much of a push from the government** on insurers empanelled under PMFBY **to open offices at the block (tehsil) level, now that has become mandatory**, said a highly placed source inside an insurance company.

He added that effective rabi 2018-19, **the formula for calculation of 'threshold yield' that forms the basis for claim settlement, has been changed.** "**Earlier, it was an average of 7 years excluding up to 2 calamity years**; now **insurance companies have to take the moving average of the best five years out of seven… so threshold yield has gone up across all the states**."

When threshold yield rises, the claims outgo increases for insurance companies and **they adjust this by increasing premium.** Further, given the mandate that every insurance company empanelled under PMFBY should necessarily spend 0.5 per cent of premium collected for publicity and awareness, costs have further gone up, rue insurers.

Another reason for premium rates going up is **manipulation of yield data by states to help their farmers get a higher settlement**. A source in a large crop insurance company, who didn't want to be named, said, "**It happens routinely in some states such as Gujarat** (in case of groundnut) and we insurers factor that in premium…"

This practice by states will only backfire on them, he added. Over a period of time, the threshold yield for the particular district will become so low that farmers may not be eligible for compensation at all.

Agriculture minister Tomar launches app based CHC services

Agriculture minister Narendra Singh Tomar, while launching the app, said that farmers will now have easy access to high value and technical agricultural equipments at their doorsteps

The Economic Times, Sep 25, 2019

Farmers will now be able to hire farm machineries including tractors at an affordable price through an app based mobile application the way people hire Ola and Uber taxis over mobiles. The government, on Tuesday, launched multilingual app based service - **CHC Farm Machinery for Custom Hiring Centres (CHCs)**. This service, will **facilitate local farmers the use of shared resources including tractors and other farm machineries at affordable prices.**

Agriculture minister Narendra Singh Tomar, while launching the app, said that farmers will now have easy access to high value and technical agricultural equipments at their doorsteps.

"Through CHC farm machinery app, farmers can select and order the required machinery at the rates feasible for them **from the Custom Hiring Centers located in the radius of 50 Kms**," he said.

He said that **till date more than 40,000 custom hiring service centers have registered on this mobile app for renting over 1,20,000 agricultural machineries and farm equipments**.

The CHC Farm machinery app is already available to custom service providers for registration and uploading with geo-reference photographs of agricultural machinery custom service centers and photographs of machinery available in it. Through this app, farmers, especially small and marginal farmers, will have easy access to high value and technical agricultural equipments which will facilitate optimum use of all types of inputs using these farming machines. This will not only increase the income of the farmers, but it will also take mechanization to maximum farm holdings in a short time frame. This app connects the farmers with Custom Hiring Service Centres in their area.

Tomar also launched another app Krishi Kisan, which will provide farmers the information of best demonstration of high-yielding crops and seeds in their nearby area.
Any farmer with high quality of crops can utilise this platform to demonstrate best practices of cultivation to other farmers so that this will help other farmers also to adopt these methods," he said.

The app will also help in geo-tagging and geo-fencing of crop and give weather forecast message to farmers.

FSSAI norms on fortification insist on specified micronutrients levels

Food and Beverage News, Sep 25, 2019

FSSAI has issued **draft regulations that aim to strengthen the fortification programme** it has launched by **directing manufacturers to ensure that declared value of micronutrients on labels adhere to the maximum and minimum levels specified.**

The draft norms—Food Safety and Standards (Fortification of Foods) Amendment Regulations, 2019—state, "Any manufacturer who fortifies any food shall ensure that the declared value of micronutrients on label of such fortified food shall fall within levels (minimum-maximum) specified in Schedule-I during the declared shelf life of products."

Offering an insight into the new regulations, Ashwin Bhadri, CEO, Equinox Labs, explains that fortification is a process to enrich food products with nutrients that are of utmost importance to human bodies.

"While the manufacturers focus on micronutrients, it is equally important to abide by the minimum requirements stated by the apex body. Also, **the added value which shall be seen on the label of the products will give a fair idea to the consumers about the same**. This shall **retain transparency and avoid illegal issues**. Shelf life plays a vital role as the product that is claimed to be fortified with certain limits should remain constant until the end of the duration," he tells FnB News.

The draft proposes that in Regulation 7 relating to "Packaging and Labelling Requirements" after Sub-Regulation (3), the provision shall be inserted, namely: "Provided that tolerance of +/- 10 per cent of the declared value of micronutrients on the label may be allowed for the purposes of compliance and analysis at any point in time within declared shelf life of the product."

Bhadri elaborates, "The proposed draft is for fortification of foods in which the term tolerance indicates the limits to which the maximum and minimum deviation is allowed for the declared micronutrients. So, during **analysis of a product within its shelf life period, the minimum and maximum deviation of the declared micronutrients on the label can be +/- 10%."**

He adds, "For compliance, we suggest the minimum and maximum level of micronutrients for the fortified foods along with the source of nutrient as per the Fortification of Foods Regulations, 2018."

The objections or suggestions, in this regard, may be mailed to the apex food regulator on or before Oct 11, 2019.

International Trade

Dairy sector should be out of RCEP negotiations: NDDB

Agro & Food Processing, Sep 17, 2019

The National Dairy Development Board (NDDB) is concerned about country's nutrition and food security, and in this regard has **recommended the government to keep the dairy sector out of the purview of negotiations under the Regional Comprehensive Economic Partnership** (RCEP).

Dilip Rath, Chairman, NDDB, said, "We are against it (dairy being part of RCEP negotiations). We feel that it is **against the interest of our milk producers, most of whom are small and marginal milk producers. Some of the countries with reduced duties may dump their products (in India),** and then it will adversely affect the livelihood of our farmers," said on the sidelines of a nutrition awareness campaign for the week 16- 20 September 2019 at Anand.

Dilip Rath also stated that the inclusion of dairy sector in the proposal for Free Trade Agreement (FTA) with milk producing nations like New Zealand and Australia under the proposed RCEP will be **detrimental to the country's milk and food security**.

In fact, recently NDDB had given its views to the government that they were concerned about RCEP (negotiations) as this **dumping of milk products in India, will jeopardize India's nutrition and food security**. The government is undertaking a consultation process by speaking to various stakeholders including dairy cooperatives, private dairies besides the NDDB, which is the country's apex dairy body.

The dairy sector has been vocal in raising its voice against its inclusion in the RCEP negotiations, which are **expected to conclude by November this year**.

As projected by Niti Aayog, **India's milk production is likely grow to 330 million tonnes by 2033, from the current about 180 MT, while the projected demand is about 292 MT. This indicates that India will have sufficient surplus to meet its own requirement, and hence would not need to import milk products even after a decade.**

Currently, **India imports mostly whey powder and speciality cheese at higher import duty in the range of 30-35 per cent**.

It is believed that **large dairy producers, such as New Zealand, are trying to push their dairy products into large consumer market like India**.

In this view, earlier, **the cooperative dairies including Gujarat Cooperative Milk Marketing Federation (GCMMF) and other private dairies as well as the Indian Dairy Association (IDA), have strongly recommended not to permit the import of dairy products** under the HSN 0401 to 0406 categories under the proposed RCEP.

RCEP talks: Commerce Ministry to take views from dairy-consuming industry

Stakeholders' consultation meet will explore export benefits under RCEP

Business Line, Sep 17, 2019

The Union Commerce Ministry is set to meet members of the dairy consuming-industry to seek their views on whether or not to allow dairy as part of negotiations under Regional Comprehensive Economic Partnership (RCEP). This is part of the **stakeholders' consultation process on dairy sector**.

The meeting is to be held on Wednesday in New Delhi.

It is learnt from the sources that the Department of Commerce is meeting multinational dairy product players, besides some home grown companies, as well as dairy federations to explore how RCEP can provide an export opportunity for dairy products in high-value-added segments, using imports from the RCEP partners.

The agenda

About **60 top dairy consuming-players** including Ferrero, Hersheys, Nestle, Kwality, Unilever, Lotte, Pepsico, besides domestic private players such as Reliance, Havmor, Dinshaw's and some dairy federations have been **invited for the meet**.

"The agenda of the meet clearly shows it aims to lay the ground for allowing dairy imports under RCEP talks. While it aims to discuss issues of price and product differentiation, it appears that it will primarily focus on the consumption side of the dairy industry, than the production side. The agenda is silent on safeguarding interests of milk producers and dairy farmers," said an industry source in the know of the meeting.

Earlier on July 22, the Union Commerce Minister Piyush Goyal met dairy sector players in context of RCEP negotiations in Mumbai. The Minister, dairy players claimed that the Minister said that the government will not venture into anything that will harm interests of the dairy farmers.

Many concerns

It is feared that latest meeting scheduled in New Delhi, looks to further build a case for allowing cheap and duty-free imports of dairy products from surplus producers such as New Zealand and Australia.

"**There is a fear among the industry that discussions with consuming-industry will only lead to exploring ways for cheaper inputs through imports**. **Consuming companies may benefit, but it will cause massive job-losses in dairy farming**, and will ruin the decades of efforts went into building the robust dairy structure in the country," a private player, who has received an invitation for the meeting, told *BusinessLine*.

Earlier cooperatives and private dairies had raised their concerns during the meeting with Goyal stating that **allowing cheaper imports from surplus countries will destroy the livelihood of the millions in the dairy farming.** They will be forced to quit the sector because cheaper imports may reduce their incomes by half.

Recently, apex dairy body, National Dairy Development Board (NDDB) had also expressed its view to **keep dairy sector out of the purview of RCEP negotiations to safeguard the interests of small and marginal farmers**.

IG International all set to import fresh lemons from Argentina

IG International will be currently importing around 500 MT (2020) for consumption majorly in Delhi, Mumbai and Bangalore among other cities.

The Economic Times, Sep 25, 2019

Fresh fruit importer IG International is all set to import fresh lemons from Argentina since the access to import has been granted. These lemons are exported by San Miguel, Argentina's biggest growers and exporters of lemons.

The opening of the first container of this season's lemons was graced by the representatives from San Miguel, the Consul General of Argentina and the representatives of the Argentina Embassy in New Delhi.

IG International will be currently importing around 500 MT (2020) for consumption majorly in Delhi, Mumbai and Bangalore among other cities.

Eureka lemons are large, averaging 5 centimeters in diameter, with an oblong shape. They have a vibrant yellow skin with sunken oil glands, resulting in a textured surface. The rind is full of volatile oils, providing an intense citrus aroma. Eureka lemons have a pronounced blossom-end knob, called a mammilla, and a medium-thick white pith. The juicy, yellow flesh contains few to no seeds and offers a tart and acidic flavor.

India is a grower of limes and this variety of lemon is currently not grown in India. The **Indian consumer has become very diverse and wants to try anything new.** IG International **represented almost 86% of the total imported lemon market in India**. Though **the volume is really small** we are really keen to work on lemons to grow this category in India for the future," said Mr. Tarun Arora, Director- IG International.

We have complete confidence in the quality of lemons imported from Argentina and are positive that we can increase the **quantity of lemons imported to India from the current 100MT to around 2000MT in the next 3-5 years**, Mr. Arora added.

Lemons are known to lower risk of heart disease and cancer, according to some studies. In today's time people consume lemon due to its content of Vitamin C which helps in improving digestion, weight loss, skin quality, burns among others.

"We were very happy to learn that a company with the credentials of IG International has chosen the Argentine lemons. As you well know you are getting a world class product so you won't disappoint your sophisticated clientele. I would like to congratulate IG. International for this first shipment and look forward to seeing the Argentine lemons in the best Indian supermarkets." said Guillermo E. Devoto, Consul General, Argentina.

IG International imports 31 global varieties of fruits to India from across 22 countries. It uses its outstanding Pan-India distribution network to cater to multiple cities including Mumbai, Bangalore, Delhi, Ahmedabad, Chennai, Pune, Ludhiana, Jalandhar, Hyderabad, Lucknow, Kolkata, Cochin, Patna, and Nagpur. The company also has global offices in Belgium, the Czech Republic, Hong Kong, China, and the US.

Malaysian and Indian Palm Oil Industry Join Hands to Promote Sustainable Palm Oil Production and Trade

"The objective of this MoU is to jointly promote Malaysian Sustainable Palm Oil (MSPO) and Indian Palm Oil Sustainability Framework (IPOS) through harmonization between the two national standards."

The Economic Times, Sep 27, 2019

PUNE: A **Memorandum of Understanding (MoU) is signed between The Solvent Extractors' Association (SEA) of India, the Malaysian Palm Oil Board (MPOB) and Global Sustainability support organisation-Solidaridad Network Asia Limited (SNAL)** during the Globoil Annual Conference held on 26th September, 2019 at Mumbai. The MoU is signed by Atul Chaturvedi, President , SEA , Dr Ahmad Parveez Hj Ghulam Kadir, Director General, MPOB and Dr Shatadru Chattopadhayay, Managing Director, SNAL in the presence of Madam Teresa Kok, Minister of Primary Industries, Government of Malaysia.

"The objective of this MoU is to **jointly promote Malaysian Sustainable Palm Oil (MSPO) and Indian Palm Oil Sustainability Framework (IPOS) through harmonization between the two national standards.** It would lead to the **joint promotion of IPOS aligned MSPO certified palm oil to Indian markets and support smallholder palm oil producers in Malaysia to produce sustainably.** There are plans to start promotional campaigns in India to close the gap between the issues of perception, allegations and the realities of palm oil," a release from SEA said.

It added further: "Solidaridad's role would be to convene the dialogue process between India and Malaysia and scale up its support to the smallholder palm oil farmers in Malaysia. Solidaridad has been partnering with MPOB to support more than 70,000 palm oil smallholders to produce better and prepare them for MSPO certification. It has developed digital support tools which will offer new perspectives for continual improvement at farm level, and smart use of big data will boost innovation in markets."

Atul Chaturvedi, President of the Solvent Extractors' Association of India (SEA), said "Time has come to prepare countries for having their own national standard, rather looking elsewhere, like Malaysia is having Malaysian Sustainable Palm Oil (MSPO), Indonesia is having Indonesian Sustainable Palm Oil (ISPO) and India too have Indian Palm Oil Sustainability (IPOS). I am confident that **synergies between IPOS and MSPO would jointly safeguard the competitiveness of the palm oil industry, readiness for facing future consumer demands in sustainable manner and fulfil the national commitments towards sustainable production and trade of palm oil.** This would lead the way for long term sustainability of palm oil sector in the region by reducing barriers and facilitating enhanced production and trade of sustainable palm oil"

Dr Ahmad Parveez Hj Ghulam Kadir, Director General, Malaysian Palm Oil Board (MPOB), said "Through this tripartite MoU between MPOB, SEA and SNAL, the Parties agreed to broadly promote MSPO and IPOS through harmonization between the two national standards to ensure ease of passage of Malaysian Palm Oil into India".

Dr Shatadru Chattopadhayay, Managing Director of Solidaridad Asia, said: "National initiatives like MSPO and IPOS led by the Government and local stakeholders are the critical tools for broad-based inclusive sector transformation in the palm oil. Asian stakeholders have decided to define for themselves what is sustainable for their producers and consumers. It is a movement that Solidaridad appreciates and seeks to support for making sustainability a local agenda from being perceived as a "western agenda".

It is expected that the cooperation between SEA – MPOB – Solidaridad, will accelerate the process towards the continued growth of the palm oil industry and thereby transforming sustainable palm oil sector. Overall, this collaboration will be a long-lasting one and a win-win for both Malaysia and India.