



**AMBASSADE DE FRANCE EN INDE**

**SERVICE ECONOMIQUE REGIONAL**

Press Review

26<sup>th</sup> August to 31<sup>st</sup> August 2019 (sorted by date)

<b>Indian Agriculture and Food Industry</b> .....	2
Bumper rice and wheat output pushes grain yield close to 285 million tonnes.....	2
Floods, landslides lay waste areca plantations on 1,900 acres.....	3
Packaged food in India has been ranked lowest in terms of its healthiness: survey.....	4
Rains push up prices of onion, tomato in North .....	5
Crops on over 4,000 hectares in Punjab damaged by floods.....	5
Kharif acreage down 2%, but cotton planting up by 6%.....	6
As cloud-seeding operations fail, Marathwada faces another drought year.....	6
Govt hopeful of achieving record foodgrain target for 2019-20.....	7
Fortification touches 47% in packaged edible oil, 36.6% in milk: FSSAI .....	8
As toor acreages rise, Nafed begins to offload stocks .....	8
With fish meal units refusing to end strike, Kerala boat operators in dire straits.....	9
Indian food and retail industry is expected to grow to \$482 billion by 2020 .....	10
Potato, onion lift horticultural output; plantation crops hit.....	10
Kharif production will fall, say 2 out of 3 projections .....	11
Marathwada mandarin wants farmers to shun cane.....	12
Maharashtra sugar mills fail to pay FRP dues of 589 crore rupees.....	13
Costly imports pushing up edible-oil prices .....	14
<b>Government Policies and Initiatives</b> .....	15
Government to dairies: By October 2, halve use of plastic.....	15
Seed lobby wants govt to do away with MSP, price-control regime .....	15
FSSAI directs FBOs holding Central licences to undergo frequent audits.....	16
FSSAI to send notice to Amul for 'disparaging' fortified milk category.....	17
Maharashtra to set up seabass hatchery .....	18
Paswan asks States to lift buffer stock to arrest onion price rise .....	18
FSSAI apprises agencies of surplus food distribution steps at meeting.....	19

Maharashtra to mandate mention of calorie count in menus, says Darade .....	20
Call to allow diversion of more sugar for ethanol manufacture .....	21
Punjab farm policy mulls cap on paddy crop, cut in power subsidy .....	22
Destroy alcohol lying in bar for longer than eight days: Delhi excise dept to restaurants .....	23
Sugar industry gets Rs 6,268-crore export subsidy .....	24
Centre to physically verify PM Kisan beneficiaries to rule out financial discrepancies .....	25
Govt to Introduce Sex-sorted Semen Technology for Cows to Ensure More Female Calves, Says Giriraj Singh .....	26
<b>International Trade</b> .....	26
WTO To Decide the Fate of India's Subsidy Programmes Through Dispute Settlement Panels .....	26
Uttar Pradesh to explore contract farming in Russia .....	27
Import of 30,000 tonnes of crude soya oil from Paraguay notified .....	28
India calls for uniform GAP standards in SAARC nations .....	28
Sugar industry gets 6268 crore rupees export subsidy .....	28
<b>Enterprises</b> .....	29
Britannia Industries to expand sourcing of milk across India .....	29
Amul stays out of NDDB's milk-fortification programme .....	30
Danone & Nestle launch new products in health and nutrition sector .....	30
Punjab government partners with agri-tech start-up Cropln for seed potato traceability .....	31
Indian agritech startups to generate 90 lakh jobs, see 300% increase in funding .....	32
Walmart Foundation unveils grants to support farmers .....	33
Rivulis (Israel) sows app-based solution for drip irrigation .....	33

## Indian Agriculture and Food Industry

Bumper rice and wheat output pushes grain yield close to 285 million tonnes

*Staples make up for dip in pulses and coarse cereals*

Business Line, August 19, 2019

Rice and wheat production in the country scaled new heights to make up for the dip in pulses and coarse cereals output and took **total foodgrain output in 2018-19 to 284.95 million tonnes (mt), matching the 285 mt foodgrains produced in the previous year (2017-18), according to the fourth advance foodgrain estimates** released by the Agriculture Ministry on Monday.

Despite a below-par monsoon, rice output touched 116.42 mt, nearly 3.25 per cent more than the 112.76 mt produced in 2017-18, while wheat production crossed the three-digit mark for the first time to achieve 102.19 mt, thanks to a favourable, prolonged winter.

Pulses output, on the other hand, came down to 23.4 mt as compared to 25.42 mt; coarse cereals production, at 42.95 mt, was nearly 8.6 per cent lower than last year.

Oilseeds production was at 32.26 mt, slightly better than the 31.46 mt produced in 2017-18.

Soya production up

A substantial increase in soyabean production in 2018-19 more than covered for the shrinkage in groundnut output. While soyabean output in 2018-19 was 13.79 mt, as against 10.93 mt earlier, groundnut yield dropped to 6.7 mt as against 9.25 mt in 2017-18. The output of rapeseed and mustard too was pretty impressive at 9.34 mt as compared to 8.43 mt the year before.

Pest infestation, however, impacted cotton production drastically with output being pegged at 28.71 million bales (one bale is 170 kg) as against 32.81 million bales in 2017-18. Sugar output on the other hand was 5 per cent higher at 400 mt.

A mixed bag	(Farm output in million tonnes)	
	2017-18 Final estimate	2018-19 4 <sup>th</sup> Advance estimate
Rice	112.76	116.42
Wheat	99.87	102.19
Nutrl Cereals	16.44	13.97
Maize	28.75	27.23
Pulses	25.42	23.4
Total foodgrains	285.01	284.95
Oilseeds	31.45	32.25
Sugarcane	379.90	400.10
Cotton*	328.05	287.08
Jute & Mesta*	100.33	97.68

#lakh bales of 170 kg each \* lakh bales of 180 kg each



## Floods, landslides lay waste areca plantations on 1,900 acres

Areca nut crops on around 1,887 acres bore the brunt of incessant rainfall in the region.

Business Line, August 20, 2019

The recent landslides and floods following heavy rainfall in coastal Karnataka and the Western Ghat regions have severely affected farmers in areca nut-growing regions.

Though the survey to assess the crop loss is in progress, the preliminary reports suggest that areca nut crop was affected on around 1,900 acres.

Vast destruction

Referring to preliminary assessment reports, HR Nayak, Deputy Director, Department of Horticulture, Dakshina Kannada district, told *BusinessLine* that horticulture crops on around 2,180 acres of land were affected by the recent floods and landslides in the region.

Of this, areca nut crops were the major victim. Areca nut crops on around 1,887 acres bore the brunt of incessant rainfall in the region.

Belthangady taluk suffered heavy loss. Of the 1,887 acres of areca nut crops, around 1,360 acres were badly affected in this taluk.

Trees uprooted

Many trees were uprooted and sludge that flowed along with the flood waters has accumulated in the areca plantations in the taluk.

Ravi Poojary, member of the Charmady gram panchayat, said the accumulation of sludge in the plantations will cause major problems in the days to come as it will not allow aeration in the plantation. Charmady is one of the severely flood-affected villages in the taluk.

Farmers, who are not in a position to remove the sludge now, may have to witness the sludge getting dried up in the plantation. Such a development could increase the heat in the plantation, leading to the drying up of the surviving areca trees, he said.

Rot disease

Referring to his interactions with farmers in the arecanut-growing regions, Suresh Bhandary, Managing Director of Central Arecanut and Cocoa Marketing and Processing Cooperative (Campco) Ltd, said **farmers are also complaining about the crop loss to fruit rot disease.**

**Farmers are of the view that there would be a crop loss of around 40 per cent this year**, he added.

## Packaged food in India has been ranked lowest in terms of its healthiness: survey

- *India's packaged foods and drinks were found to be the most energy-dense (kilojoule content 1515 kJ/100 g) in a survey of 12 countries, according to George Institute for Global Health*
- *According to the study, China's drinks were some of the healthiest in the survey*

Livemint, August 21, 2019

**NEW DELHI : Packaged food in India has been ranked lowest in terms of its healthiness in a major global survey of packaged foods and drinks**, according to a global study.

The **George Institute for Global Health analyzed more than 400,000 food and drink products from 12 countries and territories around the world. Countries were ranked using Australia's Health Star Rating system** – which measures the levels of the nutrients such as energy, salt, sugar, saturated fat as well as protein, calcium and fiber and assigns a star rating from ½ (least healthy) to 5 (the most healthy). **The UK tops the charts, with the USA in second place and Australia coming in at third.** The study published in Obesity Reviews Journal has also highlighted the high levels of sugar, saturated fat, salt and calories in many of Indian favorite packaged food items.

**India's packaged foods and drinks were found to be the most energy-dense** (kilojoule content 1515 kJ/100 g) and South African products were least energy-dense at an average of 1044kJ/100 g. The UK had the highest average Health Star Rating of 2.83, followed by the US at 2.82 and Australia at 2.81. India got the lowest rating of just 2.27 preceded by China at 2.43 with Chile coming third from bottom at 2.44.

"The results were concerning because packaged foods and drinks are driving a double burden of diet-related diseases in many low- and middle-income countries. Globally we're all eating more and more processed foods and that's a concern because our supermarkets' shelves are full of products that are high in bad fats, sugar, and salt and are potentially making us sick," said Elizabeth Dunford, lead author of the study.

According to the study, China's drinks were some of the healthiest in the survey with an average Health Star Rating of 2.9 but packaged foods scored low at just 2.39. South Africa, on the other hand, scored low with its drinks at an average 1.92 Health Star Rating whilst its foods came in at 2.87. Canada topped the list for unhealthy salt levels in foods and drinks with an average of 291mg/100g of sodium, with the US coming in second at 279mg/100g. The UK scored best for sugar at just 3.8 grams per 100 g with Canada second best at 4.6 grams per 100 g. China's packaged foods and beverages had the most harmful levels of saturated fat. They also scored worst for average sugar levels at 8.5 grams per 100 g (more than 2x the UK's average) – with India in second place at 7.3 grams per 100 g.

"With packaged foods progressively dominating the world's food supply there is a real cause for concern. Billions of people are now exposed to very unhealthy foods on a daily basis. The obesity crisis is just the first ripple of a tsunami of dietary ill health that is coming for us. We have to find a way that the food industry can profit from selling rational quantities of quality food, rather than deluging us with unhealthy junk. There are few greater priorities for human health," Co-author Professor Bruce Neal, Acting Executive Director of The George Institute, Australia said.

The report also noted that many of the world's major food and drink manufacturers have signed up to the International Food and Beverage Alliance and made pledges to reduce levels of salt, sugar and harmful fat and that these findings could provide an impetus for companies to improve the healthiness of their product ranges.

"The study is a wake-up call for countries like India where the packaged food industry is burgeoning and expanding its reach to small towns and villages. Policymakers and the food industry needs to work together to reformulate products to reduce the ever increasing risk of obesity and its consequences," said Vivekanand Jha, Executive Director of the George Institute for Global Health, India.

## Rains push up prices of onion, tomato in North

Business Line, August 22, 2019

**Prices of tomato and onion have doubled to ₹80 and ₹50 per kg, respectively, in Haryana and Punjab this week due to supply shortage caused by heavy rains in the region and several other parts of the country, according to traders.**

**Prices of other key vegetables such as peas, cauliflower and beans have also surged sharply as heavy rains damaged crops in both these States and the neighboring Himachal Pradesh.**

Onion is selling at around ₹50 per kg in the two States and their joint capital Chandigarh.

"Just a week ago, onion was selling at ₹20-25 per kg and prices have now doubled. There is a reduction in supply of onion in the northern region from States like Maharashtra from where bulk supplies come," traders said on Thursday.

Traders said tomato prices doubled from ₹40 to ₹80 per kg, peas cost ₹90 per kg to ₹120 per kg, cauliflower at around ₹100 per kg from ₹60-70 per kg earlier, beans price jumped to 90 per kg from ₹50 per kg.

Bottle gourd was selling at around ₹50 per kg as against ₹40 per kg earlier, carrot rates have gone up from ₹40 per kg to ₹60 per kg, okra was costing ₹60 per kg as against ₹40 per kg earlier, traders said.

## Crops on over 4,000 hectares in Punjab damaged by floods

Business Line, August 22, 2019

**Crops on over 4,000 hectares in Punjab have been completely destroyed by floods, a Punjab Agriculture department official said here on Thursday.**

Besides, **crops on 24,112 hectares got submerged in 561 villages of 13 districts**, he added.

Maximum damage was witnessed in Rupnagar, the downstream district of the Sutlej river, where crops on 1,715 hectares out of a total 4,000 hectares were completely destroyed in the deluge, the official said.

### ***Affected districts***

Crop loss was also reported from Moga (1,688 hectares), Ludhiana (220 hectares), Mohali (100 hectares), SBS Nagar (56 hectares), Sangrur (140 hectares) and Amritsar (80 hectares), according to a report prepared by the Punjab Agriculture Department.

Crops on over 24,000 hectares were submerged in 13 districts – Upnagar, Jalandhar, Ludhiana, Moga, Kapurthala, Gurdaspur, Ferozepur, Fatehgarh Sahib, Mohali, Patiala, SBS Nagar, Sangrur and Amritsar, as per the report.

Water released from the Bhakra dam in the Sutlej river and its tributaries caused the floods and damaged kharif crop in the State, the report said.

### ***Loss assessment***

Chief Minister Amarinder Singh has said special 'girdawri' (crop loss assessment) would be conducted once the water receded in the affected areas.

Notably, following recent heavy rains and the release of excess water from the Bhakra dam, swollen Sutlej river and its tributaries had inundated villages in several areas in Punjab, causing extensive damage to crops, especially paddy, and homes in low-lying areas.

## Kharif acreage down 2%, but cotton planting up by 6%

Poor transplantation of paddy in rain-deficit eastern States brought down the kharif area

Business Line, August 23, 2019

With farmers in central India deciding to plant more cotton and soyabean, there was a substantial pick-up in kharif sowing this week even though the area covered remained a tad lower than that in the corresponding week last year, according to data released by the Agriculture Ministry on Friday.

Till date, farmers have sown a total of 975 lakh hectares (lh), nearly 2 per cent lower than 998 lh planted in the corresponding week of previous kharif season. Among the crops that reported higher area are cotton, soyabean, maize, bajra and arhar.

Increase in planting in Maharashtra, Rajasthan and Telangana has helped the total cotton area to go up to 124 lh — nearly 6 per cent more than the 117 lh sown in the same week last year. Similarly, both Madhya Pradesh and Maharashtra reported higher area under soyabean crop, helping oilseeds to surpass the area planted during the same week in the previous season. Even though groundnut sowing picked up in Gujarat, the key growing State, the total area is down by nearly 2 per cent because of poor sowing in Rajasthan and Karnataka.

**What actually brought down the overall sown area, however, was the poor rice planting in the rain-deficient eastern States.** All major eastern States of Bihar, Jharkhand, Odisha and West Bengal reported a shortfall of 15 lh in rice planting till this week.

Even though the area under arhar increased as compared to same period last year, there was a shortfall in planting of both moong and urad. As a result, **the total acreage remained 3 per cent lower than last year at 125 lh.**

### Lagging behind

Acreage under Kharif crops as on Aug 23, 2019 (in lakh hectares)

	2018	2019	% over 2018-19		2018	2019	% over 2018-19
<b>Rice</b>	<b>357.97</b>	<b>334.92</b>	<b>-6.44</b>	Maize	73.73	75.09	1.85
<b>Pulses</b>	<b>128.53</b>	<b>124.56</b>	<b>-3.09</b>	<b>Oilseeds</b>	<b>167.55</b>	<b>167.89</b>	<b>0.20</b>
Arhar	43.26	43.43	0.39	Groundnut	37.55	36.03	-4.07
Uradbean	37.43	35.1	-6.23	Soyabean	111.50	112.51	0.91
Moongbean	32.65	29.86	-8.54	Sesamum	13.31	12.35	-7.16
Other pulses	14.79	15.95	7.85	Castor	3.58	5.21	45.25
<b>Coarse cereals</b>	<b>164.09</b>	<b>165.03</b>	<b>0.57</b>	<b>Sugarcane</b>	<b>55.47</b>	<b>52.37</b>	<b>-5.59</b>
Jowar	17.41	14.97	-14.02	<b>Cotton</b>	<b>116.85</b>	<b>123.54</b>	<b>5.73</b>
Bajra	62.02	65.02	4.83	<b>Total*</b>	<b>997.67</b>	<b>975.16</b>	<b>-2.26</b>

\*includes other crops

Maize and bajra were the crops that picked up momentum among coarse cereals, which is now in the positive as compared to last year. While maize is planted over 75 lh (73.7 lh), bajra is grown in 65 lh (62 lh).

As expected, **sugarcane planting this year is lower by nearly 6 per cent at 52 lh** with many cane-growing States including Tamil Nadu, Gujarat and Maharashtra reporting lesser area under the cash crop.

## As cloud-seeding operations fail, Marathwada faces another drought year

Sugar mills in the region move to shut operations

Business Line, August 24, 2019

**With the State government's cloud-seeding efforts not yielding desired results yet, the water crisis in the Marathwada region of Maharashtra, comprising eight districts, is assuming more serious proportions.**

A population of 1.87 crore, which suffered severe drought last year, is yet again staring at a drought. **Dams in the region remain dry and many sugar mills are not in a position to start crushing due to the lack of cane availability.**

The region **continues to experience a deficient monsoon, with all districts receiving 12-43 per cent less than average rainfall for this time of the year.**

Though **90-95 per cent kharif sowing has been completed**, farmers are left in the lurch with rains skipping the region.

**Major crops, including maize, soyabean, cotton, mosambi, pulses, groundnut and sugarcane, have suffered.**

Dams in the region have a total storage of 30 per cent. About 1,168 water tankers are plying in the region to quench the thirst of more than 1,000 villages.

Sources in the State government said that with the available cane only two sugar mills could start operations. One of the private sugar mills in the region has already announced that it will not operate this season as availability of the cane in the locality has completely dried up.

**"The government has started the cloud-seeding experiment, but the results are not positive.** The agency appointed for cloud-seeding is its best, but now we are not sure if the experiment will be successful," said one of the authorities associated with the experiment.

Every year an estimated 15 lakh small and marginal farmers leave Marathwada after sowing to work as cane cutters in the sugar belt of western Maharashtra. Government authorities said that if rain continues to skip the region, the number of people migrating to other parts of the State might double.

## [Govt hopeful of achieving record foodgrain target for 2019-20](#)

*In 2018-19, the foodgrain production was 281.37 million tonnes against the target of 290.25 million tonnes.*

Money Control, August 26, 2019

The government on August 26 said it is hopeful of achieving the record foodgrain production target of 291.1 million tonnes for the 2019-20 crop year even as floods in some parts are expected to hit kharif crops.

"There will be some impact of floods on the production. However the loss will be recovered," Agriculture Minister Narendra Singh Tomar said.

Teams have been sent to flood-hit states to assess the production loss. They are in the process, he told reporters on the sidelines of an ICAR event.

**The Agriculture Ministry has set the production target for foodgrains at a record 291.1 million tonnes for 2019-20 crop year (July-June), comprising 147.9 million tonnes in kharif (summer) season and 143.2 million tonnes during rabi (winter) season.**

Exuding confidence of achieving this year's production target, Agriculture Secretary Sanjay Agarwal said: "Sowing area under kharif crops has improved. The deficit in coverage has narrowed down from 30 per cent earlier to three per cent now. More area will be covered as sowing is still underway in some states."

The lag in rice acreage will be covered as sowing is still continuing in Odisha and West Bengal. The area under pulses is marginally down but yields will be better, he added.

"Overall, things will be perfect. We expect to meet the production target set for this year," Agarwal noted.

Echoing views, Minister of State for Agriculture Parshottam Rupala said **heavy rains does affect crops but it will benefit sowing in the next rabi season.**

**"There will be some impact on kharif crops but that will be covered. Heavy rains in this season will boost rabi sowing."**

**Sowing of kharif crops, which begins with the onset of southwest monsoon (June-September), is underway.**

The India Meteorological Department (IMD) had predicted a 'normal' monsoon. There was a delay in the onset southwest monsoon but later it picked up. However, states like Karnataka, Kerala, Gujarat, Bihar, Assam, and Maharashtra are hit by floods due to heavy rains that have impacted kharif crops.

**In 2018-19, the foodgrain production was 281.37 million tonnes against the target of 290.25 million tonnes.**

### [Fortification touches 47% in packaged edible oil, 36.6% in milk: FSSAI](#)

*Fortification is a complementary strategy to fight malnutrition under which the addition of key vitamins and minerals such as iron, iodine, zinc, vitamins A & D to staple foods such as rice, wheat, oil, milk and salt are done to improve their nutritional content.*

Money Control, Aug 27, 2019

**Fortification of packaged edible oil and milk has gained momentum and reached 47 percent and 36.6 percent,** respectively, food regulator FSSAI said on August 27.

Fortification is a complementary strategy to fight malnutrition under which the addition of key vitamins and minerals such as iron, iodine, zinc, vitamins A & D to staple foods such as rice, wheat, oil, milk and salt are done to improve their nutritional content.

Food Safety and Standards Authority of India (FSSAI) chairperson Rita Teatia stressed the need to revisit the mandate of the National Nutrition Mission with the aim to look beyond the Integrated Child Nutrition programme and put equal emphasis on other aspects that go along with nutrition.

"FSSAI is working in tandem with major National Programmes of Government of India to ensure fortification becomes integral to those programmes," she was quoted as saying in a statement issued by CII.

Teatia said **the FSSAI had rolled out the fortification standards for five staples -- wheat, rice, oil, milk, double fortified salt -- that are voluntary in nature at present.**

Success has been achieved towards the effort in terms of oil and milk, she said at CII's national nutrition conclave held on August 26.

According to the FSSAI, "47 percent of the vegetable oil produced by top players in the refined packaged oil market is being fortified. 36.6 percent of milk is currently being fortified". FSSAI Chief Executive Officer Pawan Agarwal said food consumed by us should be good for the planet also, as sustainability is an important part of nutrition.

He said, "When we refer to nutrition, we refer to healthy diet, but we should have a more holistic, sustainable approach than just talking about positive nutrition."

### [As toor acreages rise, Nafed begins to offload stocks](#)

Business Line, August 27, 2019

As acreages under toor/arhar exceeded last year's levels after widespread rains in early August boosted the sowing, the government has begun to dispose of stocks.



**NAFED, the nodal procurement agency for pulses, has started offloading toor stocks in States such as Karnataka, Maharashtra and Gujarat.**

Tenders floated

**The move is expected to help ease prices of toor dal ahead of the forthcoming festival season while clearing the storage space for the new crop that will be harvested from December, trade sources said. Late last week, Nafed floated tenders for disposing of around 40,259 tonnes of toor from the kharif 2017 crop lying in various godowns across Karnataka, Maharashtra and Gujarat.**

During the 2018-19 cropping season, NAFED procured about 2.75 lakh tonnes of toor. Bulk of the procurement was done in Karnataka and Maharashtra, the large producers of the pulses variety. **According to the 4th Advance Estimates for 2018-19, production of toor had declined to 3.59 million tonnes from 4.29 mt in the previous year. This is mainly on account of drought in parts of Karnataka and Maharashtra.**

Toor prices had firmed up in the recent months on expectations of a lower crop in 2018-19 and also due to sluggish sowing trend in the early kharif period due to patchy rains. But, with monsoon delivering a surplus in August across all key producing regions, the acreages have picked up as sowing of the pulses crop has gained pace.

Higher acreage

Sowing of toor is almost complete and latest data reveals that acreages have exceeded last year's levels. **Toor acreages as on August 23 stood marginally higher at 43.429 lakh hectares as against 43.261 lakh hectares last year.** The growth has mainly come about in Karnataka, Andhra Pradesh, Telangana and Uttar Pradesh (see table). In Maharashtra, it has gone down marginally as a section of pulses growers have shifted to other crops.

Basavaraj Ingin, President of the Karnataka Pradesh Red Gram Growers Association, said rainfall in September and October is crucial for a good harvest. **The Centre has declared a minimum support price of ₹5,800 per quintal for 2019-20, an increase of 2.2 per cent over the previous year.**

Trade sources said that the government's **move to start disposing of toor stocks was timely this year and would help keep prices under check. Toor prices, which were in a bearish phase for almost close to three years, had turned bullish in recent months, mainly from April onwards.**

#### **Inching up** (Area under toor/arhar in lakh hectares as on Aug 23)

States	This year	Last year
Andhra Pradesh	1.930	1.55
Chhattisgarh	1.167	1.239
Jharkhand	2.092	2.014
Karnataka	11.035	9.800
Madhya Pradesh	4.850	5.620
Maharashtra	11.996	12.098
Odisha	1.243	1.327
Telangana	2.714	2.662
Uttar Pradesh	3.487	3.465
<b>All India</b>	<b>43.429</b>	<b>43.261</b>

**With fish meal units refusing to end strike, Kerala boat operators in dire straits**

*The demand was almost 40 per cent down*

Business Line, August 28, 2019

**The strike by fish meal industry since August 1 has forced manufacturing companies to refrain from purchasing fish from landing centres, leading to a subdued demand for certain fish varieties in the domestic market.**

**The demand was almost 40 per cent down and this has resulted in drop in prices of certain pelagic varieties such as sardine, mackerel, cuttle fish, lizard fish, threadfin breams (kilimeen) etc,** said Joseph Xavier Kalappurackal, general secretary of All Kerala Fishing Boat Operators Association.

Drop in demand

He claimed that the **declining demand has forced many fishing boat operators to throw tonnes of fish back into the sea.**

According to Xavier, **the fish meal industry strike has come at an inopportune time as August to October is the season of good fish landings after the lifting of trawling ban. The dwindling industry need has forced boat**

**operators to look at the internal market, but a muted domestic demand, coupled with ice shortage to keep bulk quantities of fish for a longer shelf life, is posing a major problem.**

**He said the fish meal industry consumed around 40 per cent of the landings from various fishing harbours in Kerala.** The association has urged the industry to withdraw the strike at the earliest, as it is affecting the livelihood of lakhs of workers dependent on the sector.

#### Drop in demand

T Mohammed, proprietor, Aquanosh Marine Products India Pvt Ltd, Kannur, said the six fish meal industries in Kerala together procure around 1,000 tonnes of pelagic variety fishes daily from various landing centres and of this, the intake of each unit was around 100-150 tonnes.

Sardines are the most preferred variety for fish meal production because of its high oil content. The strike has forced companies to stop procurement, leaving boat owners to focus on domestic market, where demand is down, he said. **As many as 56 fish meal industrial units in Kerala, Maharashtra, Karnataka and Tamil Nadu are on an indefinite strike since August 1 in protest against GST imposition on fish meal and related products.**

#### Aquatic feed

Fish meal and other similar products such as flours, meals and pellets of fish are major ingredients for aquatic feed manufacturing. Fish meal is processed from fish, fish varieties unfit for human consumption, excess leftover after meeting human consumption and also from offals from fish processing units, said Davood Sait, national secretary, All India Fish Meal and Oil Manufacturers and Merchants Association.

Fish meal industry is a decent source of livelihood for thousands of jobless and illiterate people, he added.

## Indian food and retail industry is expected to grow to \$482 billion by 2020

Agro and Food Processing, August 28, 2019

**Indian food and retail industry is expected to grow to \$482 billion by 2020** and according to industry estimates, the contribution of the food processing industry to India's GDP through manufacturing has been more than 8% in FY17.

The food processing market is ripe for the picking, and brands such as Kagome, that offer processed tomato foods, are leading the charge in making preservative free products. They leverage their own vertically-integrated value chain, which guarantees consistent quality and price throughout the year, without added preservatives, colour or flavour."

Rohit Bhatla, MD of Kagome Foods India, says, "The Indian food processing market is growing faster than any other. **Whether it is salads, home-cooked meals, ready-to-eat packets, or a specific ingredient-based offering, the country's busy diaspora wants nutritious food, without investing too much time and effort into the process.**

**"The role of technology in scaling up operations in the sector will be tremendous. The government is also aiding the development of food processing infrastructure,"** he added.

## Potato, onion lift horticultural output; plantation crops hit

*Coconut, cashewnut output seen falling 10% each in 2018-19*

Business Line, August 29, 2019

**Horticultural crops output is expected to go up marginally to 313.85 million tonnes (mt) in 2018-19 compared with 311.71 mt produced in the previous year.** Production of fruits and vegetables such as potato, onion, banana and citrus fruits will go up significantly, the third advance estimates released by the government said on Thursday.

## Veg production

While the production of vegetables is projected to go up to 185.88 mt as against 184.39 mt in 2017-18, the fruits production will be 98.57 mt, which is 1.25 per cent more than last year's output. Among vegetables, potato production is projected to increase by 3.4 per cent to 53 mt and onion by nearly 1 per cent to 23.48 mt, but a marginal dip of 1.8 per cent in tomato output will take the yield to 19.39 mt.

The production of banana is slated to go up by nearly 1 mt to 31.75 mt, while there will be a decline in the production of mangoes, which will come down to 20.8 mt.

Flat performance (in million tonnes)								
	2017-18 (Final)	2018-19 (3 <sup>rd</sup> Estimates)		2017-18 (Final)	2018-19 (3 <sup>rd</sup> Estimates)		2017-18 (Final)	2018-19 (3 <sup>rd</sup> Estimates)
<b>Veg crops</b>			<b>Fruit crops</b>			<b>Plantation and spices crops</b>		
Potato	51.31	53.03	Banana	30.81	31.75	Coconut	16.41	14.75
Onions	23.26	23.49	Mango	21.82	20.8	Arecanut	0.83	0.85
Tomato	19.76	19.40	Citrus crops	12.55	13.2	Cashewnut	0.82	0.74
Brinjal	12.8	12.66	Papaya	5.99	5.98	Turmeric	1.13	0.93*
Cabbage	9.04	9.10	Pomegranate	2.85	3.03	Ginger	1.12	1.85**
Cauliflower	8.67	9.10	Apple	2.33	2.50	Garlic	1.61	2.84
Okra	6.10	6.17				Cardamom	0.028	0.022
<b>Total<sup>A</sup></b>	<b>184.39</b>	<b>185.88</b>	<b>Total<sup>A</sup></b>	<b>97.36</b>	<b>98.58</b>	<b>Total horticultural production</b>	<b>311.71</b>	<b>313.85</b>

<sup>A</sup>Including others \*Dry turmeric \*\* Fresh ginger

## Citrus fruits

Citrus fruits, on the other hand, is estimated to see a 5 per cent jump in yield to 13.2 mt. Apple production too is expected to top 2.5 mt as against 2.33 mt in 2017-18.

At 25.49 million hectares, the area under horticultural crops in 2018-19 remained more or less at the same as the previous year.

A huge drop in the production of coconuts has adversely hit the plantation crop output, which is projected to be around 16.37 mt as against 18.08 mt in 2017-18. Coconut production is slated to go down to 14.75 mt, which is nearly 10 per cent lower than last year's 16.41 mt. Cashewnut production is also expected to be down by nearly 10 per cent this year.

Even though overall spices production will be marginally up this year at 9.22 mt, chillies production is heavily affected. Compared with 2.15 mt produced last year, the estimated production this year is 1.69 mt. Garlic production, on the other hand, is expected to be bumper one this time.

## Kharif production will fall, say 2 out of 3 projections

*Crisil, Skymet estimate lower output; NCML sees a marginal rise*

Business Line, August 29, 2019

There is no consensus in the projections for kharif foodgrain production in 2019, with three major players in the agricultural space reading the impact of erratic rainfall in the current season differently.

While research agency Crisil and private met services provider Skymet Weather Services said on Thursday that food production may go down slightly as compared to last year, NCML, India's largest post-harvest services firm, felt that it may rise slightly.

**Crisil**, which held a Webinar on Thursday on this year's kharif prospects, said that production would **go down by 3-5 per cent**.

**NCML's projections**, which focussed mainly on foodgrains, said that production may **rise by a marginal 0.7 per cent**.

Skymet, which concentrated on four major crops — rice, pulses, soyabean and cotton — saw the output of the first three crops dipping and that of cotton picking up significantly.

#### Bumper cotton crop

Skymet anticipated a bumper cotton crop of 34.21 million bales, an increase of 14 per cent over the previous year, but the yield of rice and soyabean may fall by 13 and 12.5 per cent, respectively, the forecaster said.

Pulses production may dip marginally by 0.5 per cent, according to Skymet, which has ventured into a detailed crop outlook for the first time. The private weather forecaster mainly looked at rainfall conditions in States where the respective crops are being grown.

Floods in rice-growing States such as Assam and Bihar and a rain deficit in West Bengal and other Eastern States may adversely hit rice output.

Similarly, excess rains in a few districts in Madhya Pradesh and Maharashtra are expected to impact soyabean yields adversely, it said.

NCML, too, agreed that cotton farmers will have a bountiful harvest this season with output going up by nearly 25 per cent as compared to the 4th advance estimates for 2018-19.

#### Monsoon revival

But it estimates that other crops may not do as badly as anticipated earlier as the sharp revival in monsoon rains in July and August has offset the impact of the delayed onset in June.

It projected the foodgrain production in the current kharif season at 142.4 million tonnes, marginally higher than the 141.7 million tonnes in 2018-19.

Crisil, however, does not expect output to go up to last year's levels.

As production is expected to be lower, the crops may command higher prices, boosting the profitability of farmers.

According to its projections, northern States such as Punjab and Haryana will reap the highest profit per hectare, while there would be a healthy rise in profits in Madhya Pradesh and Gujarat.

However, it does not expect eastern Indian States to do well when it comes to farmer profitability.

### Production estimates for major kharif crops

(in million tonnes)

Crop	2018-19 4th Advance Estimate (Agri Ministry)	NCML projections for 2019-20	Skymet projections for 2019-20
Rice	102.13	101.39	88.66
Cotton*	28.71	35.77	34.21
Pulses	8.60	8.66	8.53
Soyabean	13.79	13.84	11.99

\*in million bales of 170 kg each

## Marathwada mandarin wants farmers to shun cane

*Contributes hugely to water woes of the region*

Business Line, August 29, 2019

**The Aurangabad Divisional Commissioner has decided to recommend to the State government that farmers in the Marathwada region be dissuaded from planting sugarcane and persuaded to shift to others crops in view of the recurrent droughts and acute water scarcity in the region.**

#### Water-intensive crop

Depending on local conditions, soil type and methods of planting in the eight districts of Marathwada, on an average, one tonne sugarcane crop needs about 70,000 litres of water. Marathwada's average yield per acre is about 50 tonnes, while the State's average yield is 80 tonnes.

Divisional Commissioner Sunil Kendrekar told *BusinessLine* that at a time when the entire region does not have enough drinking water, sugarcane cultivation adds to the water woes.

**The excessive cultivation of sugarcane has also lead to deterioration of soil.** It has also spurred rampant water theft. Farmers, using high-tech submersible and sometimes deeply buried motors, draw water from lakes and ponds and carry it to their fields through underground pipelines. Such thefts can only be detected with earth moving equipment such as JCB, he said.

**Sugarcane was grown in 2.84 lakh hectares in Marathwada during 2018-19 season, while the total acreage in the Maharashtra stood at 11.62 lakh ha.**

**A total of 18.1 lakh tonnes of sugar was produced in Marathwada during 2018-19. Total production of sugar in Maharashtra stood at 107.2 lakh tonnes in 2018-19. The region has nearly 1.25 lakh sugarcane farmers.**

#### Hardship for community

By indiscriminately drawing water from common water bodies, sugarcane farmers deprive others of their share of water during summer months.

The data on sugarcane farmers are available with sugarcane factories and they should be persuaded to shift to other crops such as oilseeds and soyabean, the Divisional Commissioner said. The report is very detailed and has the facts and figures highlighting the role of sugarcane farmers in aggravating the water stress in the region. **The region needs to come out of sugarcane farming and the mills should be relocated,** he added.

#### Proposal opposed

A farmer leader, Raghunathdada Patil of the Shetkari Sanghatana, has **vehemently opposed any such move,** saying the farmers have the right to plant the crop of their choice. He added that if Marathwada is facing water crisis then the water from other regions of the State should be diverted to the region.

If mega projects such as bullet trains can get funding, then why can't additional water be diverted to the region using large irrigation schemes, he asked.

## Maharashtra sugar mills fail to pay FRP dues of 589 crore rupees

Business Line, August 29, 2019

**Even as the majority of sugar mills in Maharashtra have paid 100 per cent fair and remunerative price (FRP) to farmers, 76 sugar mills have still not paid an amount worth ₹589 crore to cane growers.** Sugar Commissionerate officials said the dues would be recovered before the commencement of the new crushing season.

#### Outstanding dues

Data released by the Sugar Commissioner's office show that sugar mills in the State had to pay ₹23,207 crore as FRP to cane growers. By the end of the crushing season, farmers had received about ₹22,645 crore.

**The Sugarcane (Control) Order, 1966 stipulates payment of the cane price within 14 days of supply, failing which interest at the rate of 15 per cent per annum on the amount due for the delayed period beyond 14 days is payable.**

Sugar Commissionerate officials said that for the first time, **sugar mills have paid 98 per cent FRP and the State will ensure that defaulter mills pay the dues before the new crushing season begins.** According to the Sugar Commissionerate, revenue recovery certificate (RRC) notices have been issued to the defaulting mills.

**This season, 195 sugar mills in the State have crushed 952 lakh tonnes of sugarcane to produce 107 lakh tonnes of sugar with 11.26 per cent extract. This is a record crushing and production, considering the severe drought in the State.**

'Mills owe more'

Former MP and Swabhimani Shetkari Sanghatana leader Raju Shetti said sugar mills owe more to farmers and that sugar mills are hiding facts. “We are going to agitate till all sugar mills pay 100 per cent FRP,” he added.

Sugar mill owners have been saying that excess sugar production and depressed domestic sugar prices have led to accumulation of arrears. **Sugar production in India during the 2017-18 sugar season was about 322 lt, which is a record production.**

## Costly imports pushing up edible-oil prices

*Branded players start passing on the rise in prices*

Business Line, August 29, 2019

**Depreciating rupee, costly imports and likely delay in arrival of the new oilseed crop are set to put on fire edible oil prices this festive season.**

Edible oil industry, which was already facing squeezed margins due to costly imports, has started passing on the price hike to the consumers, in a phased manner though.

### Rupee depreciation

The sharp currency depreciation from ₹68 a dollar a month ago to about ₹71.5 a dollar has disturbed the trade economics of the importers in a short span of time.

While **most branded players have decided to partially pass on the burden to the consumers**, the cost pressure is likely to prevail till at least the new crop arrival.

Branded players, including Adani Wilmar, have started implementing phased price hike across categories of edible oils in the range of ₹1-1.5 per kg in an interval of a week to ten days.

### Costly imports

Of the approximate 22 million tonnes of annual edible oil requirement, India’s imports for the current year is likely to be around 15 million tonnes. As per the data for November to July period compiled by the Solvent Extractors’ Association of India (SEA), the overall imports of edible oils have crossed 10 million tonnes till July 2019.

According to Jyoti Goyal of Kanda Edible Oil in Rajasthan, the landed cost of the imported vegetable oils has gone up due to currency depreciation.

“The landed costs have gone up for major imported oils – soya oil and palm oil. **The imports are rising every year, because the demand is constantly going up.** Most of Indian consumers look for cheaper oils, which mainly happens to be palm oil. Therefore, we see most of the snacks makers using only such cheaper oils. This creates **increased dependence on imported palm oils.** And with rupee depreciating against dollar, the landed cost goes up,” Goyal told *Businessline*.

With the heavy dependence on imports, a sharp depreciation of the rupee against the dollar has pushed up the cost for edible oil players by at least ₹7-8 in past two months.

Commenting on the Indian markets entering the peak festive season next month and likely spurt in demand, Angshu Mallick, Deputy CEO, Adani Wilmar Ltd, said, “People are trying to pass on the cost burden but consumers and retailers are reluctant. Overall, the markets are currently not ready to absorb the price rise. This is not a very comfortable situation for a manufacturer. There is a pressure building on the bottomline and if the international price pressure continues, there will be further squeeze for manufacturers,” he added.

### Festival demand

According to Sudhakar Desai, CEO of Emami Agrotech Ltd, domestic price of palm oil went up by about ₹6 per litre and soya oil by about ₹3 per litre in August. “Out of the rally of ₹6 per litre in palm oil, about ₹4.5 is due to commodity price rally and ₹1.5 per litre is due to weaker rupee to US dollar. Since the import cost is going up,

manufacturers have no choice but to take the same into cost card. However, there is a demand resistance now and festival demand is yet to pick up," he said.

**Additionally, due to monsoon getting extended, the new oilseed crop is expected by the middle of October. But by then, two big festivals Dussehra and Diwali would set in, creating severe demand pressure.**

"After the US-China trade turbulence, the situation is a little tight in the commodities markets. For edible oils, China used to buy a lot of beans from the US. But due to the trade war, they have started buying from Brazil and Argentina instead. This pushed up prices in those countries because India also bought beans and oils from them. It put additional pressure on India," said an industry source.

Govt laxity

Goyal however, underlined the need for self-reliance in oilseed cultivation to avoid dependence on imported oils and contain the risk of price escalation from currency fluctuations.

"The government is not giving much attention to high-yielding oilseed crops. They announce a hike in the minimum support price (MSP) but don't procure in many cases," he said, adding that it results in higher costs for millers and, when markets don't absorb a hike, the millers have to bear the higher cost," he said.

## Government Policies and Initiatives

[Government to dairies: By October 2, halve use of plastic](#)

Business Line, August 21, 2019

It may be a tall order, but a **senior government official on Wednesday requested cooperative milk federations and private dairies to halve their use of plastic before October 2, when the country observes the 150th birth anniversary of Mahatma Gandhi.**

Chairing a meeting of top officials of State cooperative dairy federations and private dairies, Animal Husbandry, Dairying and Fisheries Secretary Atul Chaturvedi said the dairy industry should strive to cut plastic use at least by half by October 2.

He appealed to the **media to run a sustained campaign** to discourage the use of plastic by people.

3R strategy

Chaturvedi **called for a 3R strategy — Reduce, Rebate and Reuse — whereby plastic use is cut by subsidising the price of one-litre pack over half-litre pack, giving rebates to customers for returning plastics, and reuse pouches**, a statement said.

The meeting — also attended by officials of the Ministries of Women and Child Development, Commerce and Industry, and Education — reviewed with milk processors the availability, supply, price their products, and issues relating to export and import.

The milk procurement price, it was observed, has gone up by ₹1-2 a litre across the country.

The representatives were requested to focus on the quality aspects of milk and in reducing the cost of production.

The meeting also sought the views of the stakeholders on breeding, feeding, disease management, traceability issues so as to draw up a policy to double productivity, exports and farmers income in the next five years.

[Seed lobby wants govt to do away with MSP, price-control regime](#)

Calls for long-term policy direction

Business Line, August 21, 2019

**The Federation of Seed Industry of India (FSII) has asked the government to do away with the Cottonseed Price Control order and the minimum support price (MSP).** It felt that agriculture should be treated as an industry.

“The government should not interfere in the pricing of agricultural inputs, especially seeds and fertilisers, and leave the pricing to be determined by open markets,” it said.

**The MSP, it felt, is distorting the market and not benefiting anyone.** “It is, in fact, rewarding inefficiencies. Instead of MSPs and subsidies, it can offer a premium over market price to farmers, instead of interfering with the market forces,” it said.

**The ₹18,000-crore seed industry also called for introduction of a National Agricultural Policy and expedition of the Seed Bill and Biotech Regulatory Authority of India (BRAI) Bill to ensure policy direction and predictability.**

‘Ineffective regulation’

**An ineffective regulatory body, disregard for intellectual property rights and highly unpredictable policies are adversely impacting the fortunes of seed companies and farmers, the Federation of Seed Industry of India (FSII), which represents 41 seed companies, said.**

“A policy that provides a long-term vision for research and development, agronomics and climate resilient practices will ensure agricultural security, which is as important as national security. We need an Agricultural Council on the lines of Goods and Services Tax Council to resolve issues related to agriculture quickly,” VR Kaundinya, Director-General of FSII, told *BusinessLine*.

The association, formed mostly by the agri-biotech companies, recently submitted a memorandum to Devendra Fadnavis, the Chief Minister of Maharashtra and the Convenor of the High-Powered Committee of Chief Ministers’ for Transformation of Indian Agriculture.

Biotech regulation

“Biotechnology regulation has not progressed much in the last nine years. As a result technologies such as HT cotton, GM mustard and brinjal haven’t progressed much. We need clarity and predictability in approvals,” he said.

He claimed that biotech research in agriculture has suffered in the last few years.

**The member-companies of FSII represent 65 per cent of the size of Indian seed industry. They constitute close to 75 per cent of about ₹600 crore that seed industry spend on research and development.**

“As it is the average quantum of R&D spend by a seed firm is very low at 3 per cent as against 10-12 per cent globally. There is a huge scope for improvement if proper policies and regulation are in place,” he felt.

The government should ease the GM regulatory process. It should declare its GM strategy and intentions very clear to all stakeholders.

The association wants a consultative process to bring alignment and uniformity across States in the implementation of the Seed Act. “Currently, there is a considerable mismatch between States, especially in terms of product approvals for marketing,” he said.

Demand driven agri

“From a production driven agriculture, we are moving to demand driven agriculture. It is important to understand the demand side dynamics by involving the end user industries in planning agricultural production,” the association said in the representation to the high-powered committee.

[FSSAI directs FBOs holding Central licences to undergo frequent audits](#)

Agro and Food Processing, August 24, 2019



The apex regulator of the country, **FSSAI, has asked for mandatory food safety auditing of FBOs (food business operators) falling under the Central licences category.**

**It has identified six high risk categories of food businesses as per the Food Licencing and Registration System (FLRS) that will be subject to mandatory food safety auditing.**

FSSAI has issued an order in this regard, stating that as per the Food Safety Standards Food Safety Auditing Regulations, 2018, the food authority is directing that food businesses, including **dairy products and analogues, excluding products of food category 2.0 (Fats and oils, and fat emulsions); meat and meat products including poultry; fish and fish products, including molluscs, crustaceans, and echinoderms; eggs and egg products; foodstuffs intended for particular nutritional uses (food for infant nutrition, etc.), and prepared food (by caterers etc.),** shall be subject to mandatory food safety auditing.

Besides, the order stated that the food businesses identified by FSSAI shall get its business audited by a recognised audit agency at the intervals specified by the food authority. Further the list of recognised audit agencies has been provided to the FBOs and is available on the website of FSSAI.

According to Ashwin Bhadri, chief executive officer, Equinox Labs, “This shall result in periodical surveillance of the food processing activities of FBOs, and will provide a clearer picture of the strengths and drawbacks.”

“Auditing helps in avoiding food mishaps that are fatal and can lower the risks. Moreover, it will also reduce the burden of regulatory inspection and encourage a culture of self-compliance among the FBOs,” he added.

“The six categories introduced by FSSAI are high-risk foods that are used on a daily basis by consumers. These foods are ought to be audited for safety concerns. This move shall affect food manufacturing sector by emphasising on food safety audits. The apex body has also provided list of recognised audit agencies in Annex A in order to facilitate auditing procedure,” stated Bhadri.

## [FSSAI to send notice to Amul for 'disparaging' fortified milk category](#)

Business Line, August 26, 2019

The Food Safety and Standards Authority of India (FSSAI) is set to take dairy major Amul to task for “disparaging” the fortified milk category.

**The food safety authority soon plans to issue a notice to Amul for its comments on fortified milk category, for which standards have been finalised by the FSSAI’s Scientific Panel.**

Pawan Agarwal, CEO, FSSAI told *BusinessLine*, “We will be issuing a notice to Amul for disparaging the fortified milk category as this can send wrong signal to the public... as if there is something wrong with fortified milk.”

He said the dairy major has been making disparaging comments about fortified milk despite being given an opportunity to present its views to FSSAI’s scientific panel. Agarwal stated that the food fortification regulations have been finalised by the scientific panel after careful deliberations and a due consultation process.

**In October 2016, FSSAI had operationalised the regulations for fortification of five categories of staples which includes wheat flour and rice (with iron, vitamin B12 and folic acid) , milk and edible oil (with Vitamins A and D) and double fortified salt (with iodine and iron). After consultation with stakeholders, the food safety authority finalised these regulations last year.** It is not mandatory for companies to fortify their food products. The regulator believes this will help the country tackle high burden of micro-nutrient malnutrition in India. The regulator has been engaging with both private and public milk processors to scale up milk fortification voluntarily over the past two years. It had said that notification of fortification regulations will create an enabling environment and encourage food businesses to adopt food fortification.

However, **Amul has kept out of the milk fortification initiative reportedly stating that it does not want to go for synthetic or artificial fortification.** The National Dairy Development Board (NDDB) has also been pushing

for milk fortification. **In the past two years, 25 milk federations/producer companies or milk unions across 20 States in the country have been fortifying about 55 lakh litres of milk per day,** according to NDDB's estimates.

## Maharashtra to set up seabass hatchery

Business Line, August 27, 2019

The **Maharashtra government has signed an agreement with the Chennai-based Central Institute of Brackishwater Aquaculture (CIBA) to boost farmed fish production.**

The **MoU involves setting up of a seabass hatchery, and continuing the partnership of CIBA with Mangrove Foundation of Maharashtra for the promotion of brackishwater cage farming.** Maharashtra, with huge brackishwater resources along its 720-km coastline, offers good potential in the farming of brackishwater fin-fishes such as seabass, said KK Vijayan, Director, CIBA.

### Location

**CIBA will provide technology support to the hatchery with an annual production capacity of 20 lakh of seabass larvae.** The facility, which is to be established in Vengurula taluk of Sindhudurg district, will provide livelihood support to the fisherfolk and coastal villagers living on the fringes of mangrove forests, he said.

**Seabass is a sought-after fin fish along the west coast with high market demand.** The partnership between CIBA and Mangrove Foundation has already demonstrated the economic benefits in the value chain, from larval production to grow-out in the cages.

CIBA in collaboration with Mangrove Foundation is implementing a project on brackish water cage culture with multi-trophic candidate species in diverse rearing systems for alternate communities living near the mangroves. The self-help groups formed under the project has already undertaken the cage farming of Asian seabass using the hatchery produced seeds.

### First harvest

The first harvest from a single unit of cage was conducted at Malvan in Sindhudurg by harvesting more than 500 kg of seabass, realizing ₹2 lakh.

Currently there are 32 brackish water cage units under the project and Mangrove Foundation is going to double the number in the next cycle, he said adding, that the partnership with Maharashtra government can be a good model for replicating the model across coastal states to increase the fin-fish production when catch from the seas has been stagnated for many years.

## Paswan asks States to lift buffer stock to arrest onion price rise

Business Line, August 27, 2019

New Delhi: **Food Minister Ram Vilas Paswan on Monday urged the state governments to make use of the central buffer stock of 50,000 tonnes of the kitchen staple, to boost supply in the local market and curb rising prices.**

**Onion prices have been inching up in Delhi and select cities across the country on possible tight supply owing to crop loss because of floods in major-growing states Karnataka, Maharashtra and Gujarat.**

Retail onion prices on Monday were ruling the highest at Rs 45 per kg in Chandigarh, followed by Rs 42 per kg in Delhi, and at Rs 40 per kg in six cities including Varanasi and Aizawl, according to data maintained by the Consumer Affairs Ministry.

"We reviewed the price situation of onion and other essential commodities today (Monday). **We have already directed Mother Dairy and cooperative NAFED to sell onion at Rs 23.90 per kg at their outlets. We have also asked state governments to lift the central buffer stock of 50,000 tonnes,**" Paswan told reporters after the meeting.

The Centre has only two agencies -- Mother Dairy and NAFED -- to rely upon for intervention and they are doing their job. The state governments, however, have come forward to address the situation, he said.

"We have enough supply of onion, 50,000 tonnes in the buffer stock. We request the state governments to lift the stock and ensure prices do not rise further," Paswan said.

Stating that the Centre is closely monitoring the price situation, the minister said the price data of other essential commodities, such as pulses and edible oils, shows no major increase in retail rates.

The review meeting was attended by secretaries of consumer affairs, agriculture and commerce ministries besides other officials concerned.

## [FSSAI appraises agencies of surplus food distribution steps at meeting](#)

Food and Beverage News, August 27, 2019

FSSAI, in the third week of August, **hosted a second round of meeting with 20 surplus food distribution agencies** to discuss the steps taken by government to ensure the safe distribution of surplus food.

The first meeting of a similar kind was organised on July 30, 2019, which was attended by 13 surplus food distribution agencies.

**FSSAI had gazette-notified Food Safety and Standards (Recovery of Surplus Food) Regulations, 2018 on August 4, 2019 to establish a uniform national regulation to protect organisations and individuals when they donate food in good faith.**

Overall, **20 such agencies have already registered on FSSAI's licencing portal.**

FSSAI, in a statement, informed that that the **meeting was aimed at apprising these agencies about their roles and responsibilities in ensuring safe food collection and distribution as well as prevention of food waste.**

**The agencies were also told about the mandatory training hygiene practices during food collection and distribution under Food Safety Training and Certification (FoSTaC), as FSSAI has made it mandatory for surplus food distribution agencies to register with FSSAI on the food licencing portal.**

To become a part of Indian Food Sharing Alliance (IFSA) network, created by FSSAI, which is a single portal connecting the food distributors to the one who is in need and even those who wants to be a volunteer, these agencies can connect on share food portal of FSSAI, while Pawan Kumar Agarwal, chief executive officer, announced free FSSAI registration for these participating agencies.

He, on the occasion, added that the forum also provided an opportunity to the surplus food distribution organisations to share their concerns and suggestions to help the network grow.

Agarwal said, "FSSAI has also launched an initiative called Save Food Share Food Share Joy to create a food recovery ecosystem. This initiative aims to bridge the gap between food companies, surplus food distribution agencies and beneficiaries."

"One of the key features is creation of **(IFSA), a network of food collection/recovery agencies in India**, to create a pan-India network of these agencies."

"This network will serve as a common platform for this cause, wherein all of them will be equally benefited with regulatory support, food safety training and capacity-building efforts," he added.

He added that integrated efforts from government, food businesses and surplus food distribution organisations

were necessary to create an ecosystem for prevention of surplus food waste and the initiative is a beginning in this direction.

## Maharashtra to mandate mention of calorie count in menus, says Darade

Food and Beverage News, August 27, 2019

**Maharashtra is planning to introduce a unique scheme soon, under which all the restaurants will be mandated to mention calorie count of the food they serve, alongside the cost they mention in their menu.**

This was **stated on Monday by Pallavi Darade, commissioner, Food and Drug Administration, Maharashtra**, at the Conclave on Refrigerated and Frozen Foods organised by the Confederation of Indian Industry (CII).

“Under the new scheme, which is perhaps unique in the country, we are planning to ask hotels and restaurants to mention calories count of the food they serve. This will enable the consumer to take an informed decision while choosing the food, and not ending up with diabetes and hypertension,” she added.

HFSS (high fat, salt and sugar) food has direct relation to obesity, to hypertension, to diabetes, and to cardiovascular/heart diseases.

“That is the reason why we want to control high calories food. If these are consumed, say once a month, twice a month or once in two months, it will reduce the risk of these diseases substantially,” Darade said.

“Of course, **the policy, which is under consideration of the government now, has to be passed by the Government of Maharashtra**,” she added.

Under the policy, high-end five star hotels and leading restaurants chains, which have the capability of declaring these things, will be asked to do this to start with, followed by hotels smaller in size like three-stars, two-star hotels etc.

Eat Right Maharashtra

Taking cue from Eat Right India launched by the Centre, **Maharashtra has also launched the Eat Right Maharashtra campaign in the state.**

On the recent World Food Day, **Maharashtra FDA launched a scheme to study status of health of children in 20 schools.**

“We were shocked to find that **30 per cent of the students are suffering from diabetes or hypertension**, and identified that the food served in their school canteen was to be blamed for this,” Darade said.

“Later we have developed a food pyramid and suggested the best food the school canteens can serve,” she added. **Even among adolescent children every third or fourth child is obese.**

“**We are in the process of implementing the new diet scheme in 500-600 schools having canteens in their premises across the state**,” Darade said.

Speaking about the FDA Food project, she added, “It was launched on World Food Safety Day (June 7, 2019), and aimed at trying to change the menus of the school and college canteens and explaining the food pyramid. The major emphasis is on safety and sanitation in Maharashtra.”

Darade said, “Maharashtra FDA are the action makers and few of our recent project include the Eat Right Movement and Clean Street Hub. Also, hotels and restaurants should mention the calorie count in food menu. We need to change with the Eat Right Movement, which is happening in Maharashtra.”

“The Food Safety Management System laid by FSSAI, which provides guidelines to each and every food sector, and it is amended based on the Food Safety and Standards Regulations, 2011, which was implemented on January 1, 2019,” she added.

In case of the Mid-Day Meal (MDM) Scheme, the food served there is decided based on hygiene and other parameters already. Recently, FDA has felicitated 25-30 schools and colleges where the menu has been changed based on its suggestion.

Report on frozen food

The Confederation of Indian Industry (CII) report, titled **Indian Frozen Food Industry – Focus Maharashtra** and released at the conclave predicted double-digit CAGR growth for the industry in India in future, as against the over \$300 billion industry globally growing at a compound annual growth rate (CAGR) of 5-6 per cent.

**Frozen food categories such as frozen vegetables and fruits, meat, fish and marine produce, ready meals, soups and appetisers provide an opportunity for domestic consumption.**

Darade said, “India being global food basket we need to maintain the dignity, rise of number of working women, access to social media and accepted consumption of frozen food, I believe there is a bright future for frozen food market.”

Stating that cold chains have the potential to double the incomes of farmers as envisaged by Prime Minister Narendra Modi, B Thiagarajan, co-chairman, CII National Council on Agriculture and managing director, Blue Star Ltd, said, that the efforts to provide cold chain-based forward and backward linkages to the farmers have already started paying off in the form of higher incomes for them.

Thiagarajan asked the government to promote development of innovative technologies by setting some cost- and environment-based benchmarks above the conventional technologies for the same.

“Most frozen foods do not have any preservatives or shelf-life extenders as is perceived generally, and can be part of a healthy diet for everyone. Awareness has to be created about this at the national level,” Arabind Das, convenor, CII National Committee on Allied Sector in Agriculture and former chief operating officer, Godrej Tyson Foods Ltd.

Kashmira Mewawala, chairman, CII Maharashtra State Council and head, business development and chief ethics counsellor, Tata Capital, said that it was predicted that the frozen foods industry was expected to grow at the rate of 17 per cent to \$188 billion by 2024.

Pankaj Mehta, managing director, Carrier Transicold India and South Asia, said, “As per the Ministry of Food Processing Industries (MoFPI), the state has seen a rapid development of cold chain infrastructure for perishables. In the recent years, over 50 cold chain projects have been sanctioned under the SAMPADA scheme of MoFPI.”

The conclave also conducted panel discussions on Innovation and Disruption in the Frozen Food Market in India: Changing times and Technology and innovation - Disruptive Food Tech Innovation Driving Frozen Food Consumption in India.

## [Call to allow diversion of more sugar for ethanol manufacture](#)

Business Line, August 28, 2019

**With sugar supply expected to be at a record level next year, industry body NFCSF on Wednesday urged the government to allow diversion of more sugar for ethanol making and at least 7 million tonnes of export.**

**The country is likely to have 43 million tonnes of sugar supply during the 2019-10 marketing year (October - September), taking into account 14.5 million tonnes of carryover stock and likely production of 28.5 million tonnes next year,** National Federation of Cooperative Sugar Factories (NFCSF) said.

Challenging year ahead

“The next year is going to be the most challenging one. The total availability of sugar would be 43 mt , setting a new record in the history of India’s sugar sector,” NFCSFL President Dilip Walse Patil said, addressing the 60th annual general body meeting of the cooperative.

There is a **“dire need” to allow diversion of as much sugar for ethanol making and permit export of at least 7 mt of the sweetener**, he said, and hoped that the government will soon come out with robust policies in this regard.

On exports, Patil **urged the government to announce the export policy as early as possible, and continue to give WTO compatible fiscal support. He also demanded early creation of a price stabilisation fund to help the industry in times of crisis.**

Minimum support price

Patil also requested the government to compute all finance costs, including depreciation in re-fixing sugar minimum support price, in order to bring it at par with average cost of production.

“Once we do this, the financial stress that the country’s sugar sector is going through will be reduced and a financially confident sugar industry will emerge,” he asserted.

**The sector is in trouble due to surplus sugar production and depressed price situation. The mills are not able to make payment to sugarcane growers due to financial crunch.** However, the government has stepped in and taken several measures to ease their burden and ensure farmers’ payment on time.

## Punjab farm policy mulls cap on paddy crop, cut in power subsidy

Business Line, August 29, 2019

**Limiting paddy cultivation by a Punjab farmer to a maximum of four hectares, sourcing milk and eggs for mid-day meal scheme, cutting down on agricultural power subsidy for big farmers and setting up of a crop compensation fund for failed crops are among the measures that Punjab State Farmers Commission (PSFC) has suggested** for reinvigorating agriculture in the State.

These **recommendations are part of a first-of-its-kind policy for farmers in the State that the commission has been drafting** for some time.

Contentious suggestions

Even though the first draft of the report was ready nearly a year ago, **the State government hasn’t accepted it yet as it fears that some measures suggested in the draft policy may antagonise the farmers**, a powerful bloc in the State. But about three weeks ago, the government showed some willingness to scrutinise the contents of the 15-page document and a Cabinet sub-committee was constituted for the same.

One of the sensitive issues that the draft has dealt with is power subsidy for agricultural pumpsets. **The draft has recommended cutting down power subsidy to big farmers (those with more than 4 hectares of land) to 33 per cent, which can be increased to 66 per cent, if the farmer adopts micro irrigation.**

**Excessive groundwater drawal for agriculture has been a major issue in Punjab. In 2016, 85 per cent blocks in the State were found to be overexploited/critical as against 53 per cent in 1984. Besides, excessive use of fertiliser has been causing water pollution, while the excessive use of water was leading to soil degradation.**

**It also called for drafting a water policy that promotes and regulates conjunctive and optimum use of surface and groundwater as well as a seed policy to ensure proper certification of seeds sold in the State.**

Compensation fund

The commission **suggested setting up of a crop compensation fund that can provide farmers a compensation of ₹12,000/acre in case of 100 per cent loss of crop.** The premium for the scheme can be collected from purchase of agricultural commodities by government agencies, it said.

“This draft farmers’ policy is a unique one. It is not an agricultural policy like that some other States have come out with. It puts farmers at the front. Nowhere in the policy we are talking of increasing agricultural production,

but talks about improving the lot of farmers and others like landless labourers who depend on agriculture for a living,” said Ajay Vir Jakhar, the PSFC Chairperson.

Punjab may have been struggling to maintain high level of farm productivity that it had witnessed in the heydays of the Green Revolution due to loss of soil fertility and dwindling groundwater table, but though the **State has only 1.5 per cent of the country’s cropped area, it accounts for 17 per cent wheat and 12 per cent rice produced in the country. The fact that almost 99 per cent of its area is irrigated helped it achieve the highest cropping intensity (192 per cent) in the country.**

Though the Amarinder Singh **government has not accepted the draft yet, it has implemented some of the recommendations.** For instance, the government has already made it possible for farmers to lay water pipes underneath the field owned by other farmers.

Partial implementation

“Earlier the farmers had to take the pipe around the other farms, which cost a lot more money,” said Jakhar. Similarly, the government has given the nod for regional cooperative banks to merge with one another, which was not possible earlier, he said.

“Many such policies are being implemented without being declared them as policies,” Jakhar added.

## Destroy alcohol lying in bar for longer than eight days: Delhi excise dept to restaurants

*Restaurateurs said this move will result in at least Rs 20 lakh worth of spirits going down the drain every month.*

The Economic Times, August 29, 2019

NEW DELHI: The taxman is set to give city restaurateurs a hangover by setting a shelf life for the liquor they sell.

The **Delhi government’s Department of Excise, Entertainment & Luxury Tax has directed hotels and restaurants to destroy alcohol lying in the bar for longer than eight days**, a decision that restaurateurs slammed as arbitrary. According to a notification dated August 26, the move is meant **to prevent pilferage and adulteration.**

**Restaurateurs said this move will result in at least Rs 20 lakh worth of spirits going down the drain every month.**

**Clock is Ticking**

**Beer/Wine**  
(including champagne and alcopops)  
**RULE:** Can be kept for 3 days

**IMFL/Foreign Liquor**

<b>A]</b> Priced below ₹1,500 a bottle	<b>B]</b> Priced ₹1,500-6,000 a bottle
<b>RULE:</b> Can be kept for 5 days	<b>RULE:</b> Can be kept for 8 days

“We welcome and understand all efforts of excise aimed at preventing bootlegging and adulteration. However, the current rules suggested will make it very, very difficult for the entire industry while hurting business substantially. These need to be reworked immediately and we are very happy to sit with excise and help as best as we can to put together a plan to prevent bootlegging,” said AD Singh, MD of Olive Bar and Kitchen.

“This is most arbitrary, and we have to destroy half my bar, which currently displays top shelf liquor that doesn’t sell every single day. By this logic, I’ll need to shut shop within a few months,” said a restaurateur on condition of anonymity.

The department said that no restaurant can keep alcohol on its bar shelf for longer than three to eight days, depending on the type of spirit and price.

**Starting August 31, beer, wine, champagnes and alcopop will not be stored for longer than three days and hard liquor will not be kept for more than five to eight days**, depending on its price band. Even a bottle of single malt whisky that didn’t sell entirely will need to be poured out within eight days.

“After the expiry of the time limit specified, any stock that remains unexhausted shall be deemed to have been consumed and will need to be removed from the bar counter,” the order said.

The shelf life starts from the time a bottle is issued by the storage unit of the restaurant or bar. Every bar or restaurant that serves liquor has a store on its premises and is required to keep track of alcohol issued to the bar in a logbook or register.

**The excise department, which controls and regulates the liquor trade, said it had prescribed the time limits after receiving complaints of spurious alcohol.** The department said the practice of first-in, first-out and the keeping of liquor bottles at the bar counter for longer than their normal period of consumption can be misused, and bottles can be refilled or adulterated.

A top city hotel that typically maintains Rs 2 crore worth of alcohol inventory may opt to reduce the number of brands it stocks to prevent throwing out unsold liquor.

“It is easier for a restaurant or hotel to say they don’t stock a particular variety rather than have to waste one that needs to be drained,” said another restaurateur.

One person aware of the development said **the department had conducted raids across the city and had found adulteration, even in five-star hotels.**

“The order is both good and bad. It could have been triggered by a recent raid in the basement of a top five-star hotel in the city, which was serving unauthorised alcohol,” the person said.

Calls and mails to the Delhi excise department did not elicit a response.

The order comes amid a clash between restaurateurs and app aggregators including Zomato, EazyDiner, Dineout and NearBuy over discounts offered to dine-in customers. Claiming that discount-led economics was draining their already thin margins, over 2,000 restaurants logged out of the Zomato Gold programme.

## [Sugar industry gets Rs 6,268-crore export subsidy](#)

*The subsidy will be transferred directly to the farmers’ accounts on behalf of the mills against cane price dues*

The Economic Times, August 29, 2019

The government on Wednesday announced a **Rs 6,268-crore subsidy for export of 6 million tonnes (mt) of sugar for 2019-20 marketing year, starting in October, to help cash-strapped mills liquidate surplus and clear sugarcane arrears to farmers.**

**The subsidy will be transferred directly to the farmers’ accounts on behalf of the mills against cane price dues.** This will benefit farmers of Uttar Pradesh, Karnataka and Maharashtra, the second largest sugarcane producing state where assembly elections are due in two months. Mills will have to provide account details to the government for transferring the money in proportion to the cane bought from farmers.

The decision was taken at a meeting of the Cabinet Committee on Economic Affairs (CCEA) headed by Prime Minister Narendra Modi. “A lump sum export subsidy of Rs 10,448 per tonne will be given to sugar mills in the 2019-20 marketing year (October-September). The money will go directly to the farmers’ accounts,” said Union minister Prakash Javadekar after the meeting.

**According to industry executives, cane dues of around Rs 12,000 crore have yet to be paid to farmers for 2018-19 marketing season, which ends this September.**



**“Arrears have come down drastically from Rs 85,546 crore at the start of 2018-19 season due to various interventions by the Centre, including increasing of minimum selling price (MSP) of sugar from Rs 29 to Rs 31 a kg besides extending soft loans to sugar industry to the extent of Rs 7,900-10,540 crore and creating Rs 1,674 crore buffer stock of 4 mt,”** said a senior food ministry official, who did not wish to be identified.

The industry welcomed the step, saying it would not only reduce surplus sugar inventory in the next season but also give additional cash flows to the tune of around Rs 18,000 crore including the subsidy amount.

“This decision will help the mills reduce carrying costs and interest burden as also help them to pay cane price to farmers on time,” said Abinash Verma, director general, Indian Sugar Mills Association (ISMA).

**India’s sugar output is likely to be 32.95 mt in the ongoing 2018-19 marketing year, as against the annual domestic demand of 26 mt.**

According to ISMA, the opening stock of sugar is expected to be at an all-time high of around 14.5 mt on October 1, 2019, as against the normative requirement of around 5 mt.

**Last year too, the government gave export subsidy for exporting at least 5 million tonnes of sugar. It gave export subsidy of Rs 1,000-3,000 a tonne to sugar mills,** depending on their distance from ports. Mills, however, could ship only around 3.5 mt of sugar.

## Centre to physically verify PM Kisan beneficiaries to rule out financial discrepancies

*Punjab’s 1.45 million beneficiaries in particular strangely outnumbered the farmers’ population registered in the 2015-16 census by 28%*

Money Control, August 30, 2019

The Centre will conduct **physical verification of 5 percent of Pradhan Mantri Kisan Samman Nidhi scheme beneficiaries** to rule out discrepancies in cash transfers, The Economic Times reported.

“We will start this exercise in a couple of days and **five percent beneficiaries from each state will be picked randomly,**” the report quoted an agriculture department official as saying.

Moneycontrol could not independently verify the report.

**“State nodal officers will conduct physical verification of beneficiaries to ascertain their genuineness. They will have to submit their reports within 45 days,”** the senior official added.

The official stated that Punjab’s 1.45 million beneficiaries in particular “strangely outnumbered the farmers’ population registered in the 2015-16 census”. The gap is 28 percent.

“There is a big difference in the number. We will look into this as to where is the miscalculation. The physical verification which we are conducting will give us some clue,” the official added.

Under the **PM Kisan scheme, registered farmers are entitled to a minimum income of Rs 6,000 in three annual instalments.**

The government has disbursed the first instalment of Rs 2,000 each to 62.98 million of the 70 million eligible farmers.

## Govt to Introduce Sex-sorted Semen Technology for Cows to Ensure More Female Calves, Says Giriraj Singh

*Uttarakhand, in March, became the country's first state to produce sex-sorted semen, which can enhance the possibility of birth of female calves to ninety percent.*

News18, August 31, 2019

**Nagpur: Union Minister for Animal Husbandry Giriraj Singh on Saturday said the government plans to introduce "sex-sorted semen" technology to ensure that more female calves are born, so as to increase farmers' income.**

The minister was speaking at a product launch event organised by Mother Dairy here. "In coming days, through insemination, the calves that will be born would only be female ones, through (doses of) sex sorted semen," he said.

**Uttarakhand, in March, became the country's first state to produce sex-sorted semen, which can enhance the possibility of birth of female calves to ninety percent.**

The Union minister also said that the **cows which cease to give milk will be made more productive through "IV embryo advanced technology"**.

He also appreciated his cabinet colleague Nitin Gadkari's idea of introducing 'santra (orange) mawa barfi' which Mother Dairy will be selling through its outlets.

## International Trade

### WTO To Decide the Fate of India's Subsidy Programmes Through Dispute Settlement Panels

Agro and Food Processing, August 16, 2019

**The World Trade Organization is going to decide the fate of India's subsidy programmes for sugarcane and sugar producers, including administered mandatory minimum prices, through dispute settlement panels.**

**Australia, Brazil, and Guatemala presently secured the green signal for establishing the panel** to adjudicate over their complaints that New Delhi's support programmes for the sugar sector allegedly violated global trade rules.

India, however, rejected requests from the three countries for a single panel to oversee their complaints jointly on grounds that their claims are similar. India said each case was distinct and therefore, ruled out a single panel to decide the case.

**The three farm-exporting countries confronted the current system of administered mandatory minimum prices for sugarcane and sugar at the federal and state levels. Australia, Brazil and Guatemala sustained that India provides trade-distorting production subsidies, including soft loans and subsidies, to maintain stocks of sugar, and tax rebates.**

Last month, India had blocked the first-time request from Australia, Brazil and Guatemala, which are members of the Cairns group of farm-exporting countries, for establishing the panel. But the three complainants made a second request for establishing the dispute settlement panel that was duly approved on 15 August. Under the WTO rules, a second request is automatically approved.

The three complainants charged New Delhi with providing export subsidies for sugarcane and sugar that are contingent on export through "minimum indicative export quotas" (MIEQ) or other sugar export incentives.

Australia, which is the main spokesperson for the Cairns group of farm-exporting countries, **held India responsible for contributing to oversupply in the international sugar market.** The **production of sugar in India, according to Australia, has increased from 22 million tonnes in 2016-17 to 34 million tonnes in 2017-18, thereby, contributing to a surplus of 12 million tonnes last year.** **Global sugar prices slumped in September 2018 after India announced an additional Australian \$1 billion of additional sugar subsidies,** Australia charged.

Brazil charged India with growing various support programmes for the sugar sector, including higher minimum prices for sugarcane. Over the past two years, **India has augmented from 2 million tonnes to 5 million tonnes sugar allocated for mandatory export,** Brazil maintained.

India, however, **disagreed with the claims** made by the three countries, **saying that its sugar-support programmes are aimed at assisting over 35 million vulnerable low-income resource-poor farmers to have a just and equitable share in economic development.** It maintained that its measures were consistent with global trade rules, and did not create any adverse effect in the global sugar market.

India also expressed discontent that the issues raised by New Delhi about the complications faced by resource-poor farmers in the Doha agriculture negotiations had not been addressed until now, said a person familiar with the dispute.

In all likelihood, there would be one panel that would separately hold the proceedings to address the claims raised by each member.

## Uttar Pradesh to explore contract farming in Russia

Agro and Food Processing, August 19, 2019

**Aiming to have a trillion-dollar economy mark by 2024, Uttar Pradesh has started to look beyond the state and national boundaries to faraway Russia.** It has proposed the proposal of **contract farming by UP entrepreneurs in Russian Far East regions,** which have abundant land, but are sparsely populated to exploit the available natural resources. The state is **looking to create an agricultural value chain** to benefit the state farmers and entrepreneurs.

Chief minister Yogi Adityanath visited the city of Vladivostok, Russia as part of the Indian delegation led by union commerce minister Piyush Goyal and comprising CMs of UP, Gujarat, Goa and Haryana.

The CM has asked the senior officials to prepare a roadmap for harnessing the natural resources and other business opportunities offered by **Russian Far East in the fields of contract farming, mechanised farming, food processing and energy.**

**According to him, Russia has offered unlimited avenues for the state entrepreneurs for investment in agriculture, contract farming, dairy, animal husbandry and allied activities.** In his directive, Adityanath stressed the **roadmap be drafted for each of these verticals** for boosting economic activities but also creating employment for the state youth.

Farm related activities are aimed at boosting the food processing industry in UP. The land could be either leased or procured outright. And Russian Far East has about 5 million hectares of agriculture grade land, however, most of it was fallow due to lack of manpower and modern farm techniques.

Underscoring that the Russian region was also rich in mineral resources, including coal, diamond, natural gas, timber etc. And doubling farmers' income could well be achieved by diversifying into food processing and other allied activities, such as dairy.

**A G2G MoU with Russia's Zabaykalasky Krai for cooperation in farming and food processing has been signed** and Adityanath has also invited Russian entrepreneurs to invest in proposed UP Defence Corridor, which is projected to attract investment of Rs. 20,000 crore. In fact, **the state government will soon send a high level delegation to Russia to discuss investment and trade possibilities.**

## Import of 30,000 tonnes of crude soya oil from Paraguay notified

Business Line, August 19, 2019

India on Monday **notified imports of 30,000 tonnes of crude soya oil from Paraguay at a concessional customs duty rate of 10 per cent under a trade agreement.**

**“TRQ (tariff rate quota) quota** for import of 30,000 tonne of crude soya oil from Paraguay under India-Mercosur trade agreement is notified,” the Directorate General of Foreign Trade (DGFT) said in a notice.

**TRQ is a quota for specified volume of exports that enter India at relatively low import duty. After the quota is reached, a higher tariff applies on additional imports.**

India has a preferential trade pact with **Mercosur, a six- country trade bloc, including Brazil, Argentina, Paraguay and Uruguay.** The pact came into existence in **June 2009.**

## India calls for uniform GAP standards in SAARC nations

Business Line, August 27, 2019

India on Tuesday **pitched for harmonisation of individual national standards on Good Agriculture Practices (GAP) among SAARC nations to boost regional trade in south Asia.**

**GAP is a standard that defines appropriate methodology and inputs to be followed by farmers in order to produce safe and high quality agri-products** which is in demand throughout the world. The Indian version of GAP, called **INDGAP, is developed and managed by Quality Council of India (QCI).**

**“GAP is a crucial tool for India to increase agricultural exports and become a 5 trillion economy by 2024,”** India’s Agricultural Commissioner SK Malhotra was quoted as saying in a statement issued by the QCI.

## Sugar industry gets 6268 crore rupees export subsidy

*The subsidy will be transferred directly to the farmers’ accounts on behalf of the mills against cane price dues*

The Economic Times, August 29, 2019

The **government on Wednesday announced a Rs 6,268-crore subsidy for export of 6 million tonnes (mt) of sugar for 2019-20 marketing year, starting in October, to help cash-strapped mills liquidate surplus and clear sugarcane arrears to farmers.**

The subsidy will **be transferred directly to the farmers’ accounts on behalf of the mills** against cane price dues. This will **benefit farmers of Uttar Pradesh, Karnataka and Maharashtra, the second largest sugarcane producing state where assembly elections are due in two months.** Mills will have to provide account details to the government for transferring the money in proportion to the cane bought from farmers.

The decision was taken at a meeting of the Cabinet Committee on Economic Affairs (CCEA) headed by Prime Minister Narendra Modi. **“A lump sum export subsidy of Rs 10,448 per tonne will be given to sugar mills in the 2019-20 marketing year (October-September).** The money will go directly to the farmers’ accounts,” said Union minister Prakash Javadekar after the meeting.

According to industry executives, **cane dues of around Rs 12,000 crore have yet to be paid to farmers for 2018-19 marketing season, which ends this September.**

**“Arrears have come down drastically from Rs 85,546 crore at the start of 2018-19 season due to various interventions by the Centre, including increasing of minimum selling price (MSP) of sugar from Rs 29 to Rs 31 a kg besides extending soft loans to sugar industry to the extent of Rs 7,900-10,540 crore and creating Rs 1,674 crore buffer stock of 4 mt,”** said a senior food ministry official, who did not wish to be identified.

The industry welcomed the step, saying it would not only reduce surplus sugar inventory in the next season but also give additional cash flows to the tune of around Rs 18,000 crore including the subsidy amount.

## Enterprises

### Britannia Industries to expand sourcing of milk across India

Agro and Food Processing, August 19, 2019

Britannia Industries **operationalized the dairy products line in its Ranjangaon plant in Maharashtra** and is planning to expand sourcing of milk across India after that. **The company has 25-30 milk centres in Maharashtra that collect up to 25,000 litres of milk daily and expanding to have hundreds of such centres around the Ranjangaon plant.**

**The milk collected will be used for its value-added dairy products, like cheese, business, as the company has decided not to enter the liquid milk business.**

Gunjan Shah, Britannia’s vice president of sales and head of dairy business, stated that the company trusts that by direct sourcing milk will help it innovate and roll out quality value-added dairy products quickly.

**“It will be scaled up to hundreds of milk collection centres in the western part of Maharashtra in the coming days and eventually, we will have to go beyond Ranjangaon to other milk surplus states to source milk,”** he added. **Milk collection centres have to be within a 100-km radius of processing plants.** Shah did not specify the amount needed to secure the back-end of Britannia’s dairy business, but estimated said the investment in setting up collection centres around Ranjangaon is likely to be in crores.

The dairy line in this mega food park may come up around 2021.

Britannia will bear part of the investment directly to manage the supply chain, partners, primarily in the logistics front, can be engaged. The company will have greater control over quality of the milk and therefore we will also be able to develop new products faster.

**After coming up with cheese earlier, and then milkshakes in the last year, Britannia is expected to roll out yogurt and yogurt drink by Diwali this year.**

The company has the distribution muscle and it allows the strength to spread very fast and are in around 4-5 lakh touch points. The Winking Cow brand (milkshakes) itself has helped us increase this (distribution) base by 2.5 times.

In the past few years, **the processed milk products market has witnessed sustained growth due to increased urbanisation, rising disposable income and proliferation of retail outlets beyond metro cities. While packaged liquid milk will remain a key driver of the industry growth, value added dairy products are expected to witness healthy growth and the overall organized sector’s contribution is expected to increase to 30 per cent of the industry by 2023.**

**Also changing lifestyles is leading to a shift from home-made traditional dairy products like ghee and curd to packaged forms** and the increasing awareness of nutrition and health benefits of various dairy categories like cheese and yoghurt is driving the growth in this space.

## Amul stays out of NDDB's milk-fortification programme

*Says, will prefer natural fortification as against synthetic fortification of milk*

Business Line, August 20, 2019

The ambitious milk-fortification programme of the **National Dairy Development Board (NDDB)** is seen facing **dissent** on its home ground. The Anand-headquartered apex dairy institution has encountered resistance to its proposal from its neighbour and India's largest dairy player, Amul.

Aimed at **addressing the Vitamin A and D deficiencies in India through a collaborative initiative of the World Bank, Tata Trusts and NDDB, the initiative looks at large-scale fortification of milk with Vitamin A and D.** To this, the **Gujarat Cooperative Milk Marketing Federation (GCMMF), which sells the Amul brand of milk products, has raised an objection and refused to join the NDDB mission to address Vitamin A and D deficiency.**

All for natural fortification

"We don't follow this concept. We are **more in favour of natural fortification to address vitamin deficiency.** The current fortification ... is like a medication, which chemically fortifies the milk. **Amul is not for synthetic and artificial fortification,**" RS Sodhi, Managing Director, GCMMF, told *Businessline*. The natural fortification, as Sodhi explains, would not damage the body even in cases where there is no deficiency. But a chemically fortified product behaves like a medicine, which if used in excess can become toxic for the body and disturbs the synthesis process of the vitamins. "We are seeing an increased trend towards natural fortification even in the Western market," he said. Amul, however, doesn't have any vitamin-fortified product in its portfolio.

Government data under the National Family Health Survey- 4 showed that **among children under 5 years in India, 38.4 per cent are stunted, 21 per cent are wasted and 35.7 per cent are underweight.**

**Micro-nutrient deficiencies such as iron, folic acid, vitamin B12, zinc and vitamin D are highly prevalent in rural and urban centres, impacting public health and economic productivity.**

**India being the world's largest milk producing country, with per capita milk availability at 375 grams per day, milk fortification is seen as an affordable and cost effective way to address vitamin deficiency.** Per NDDB estimates, fortification costs less than 2 to 3 paise per litre. In the past two years, the programme 'Improved Nutrition through Milk Micronutrient Fortification' has seen significant progress.

**About 25 milk federations/producer companies or milk unions across 20 states in India are fortifying about 55 lakh litres of milk per day (LLPD).**

Where it's happening

Last month, Karnataka Co-operative Milk Producers Federation (KMF) or **Nandini Dairy launched its Vitamin A and D fortified milk** across the State.

Besides that, **State dairy federations from nine other States, Bihar, Chhattisgarh, Haryana, Jharkhand, Madhya Pradesh, UP, Uttarakhand, Mahananda and Odisha have officially launched Milk Fortification.**

Also, **six producer companies or milk unions from Jalgaon, Krishna, Maahi, Mulukanoor, Nalgonda, Rajarambapu Union and WAMUL, have also launched the fortified milk, NDDB data showed.**

**The project, which has a duration of 23 months, has two aims — first, to process about 2 million metric tonnes of fortified liquid milk and second, 30 million individuals will be consuming fortified milk.**

## Danone & Nestle launch new products in health and nutrition sector

*Nestle is re-launching Milo in the consumer market and Danone will launch nearly a dozen new products in its pipeline, like low sugar variants, bar and ready-to-drink varieties of its health brand 'Protinex'.*

Agro and Food Processing, August 24, 2019

To end competition in the health and nutrition market, **European food giants Danone and Nestle are collectively gearing up new product launches and innovations.**

Their bellicosity moves in at a time when Hindustan Unilever is close to merge with GSK Consumer brands that it acquired enveloping its portfolio with plans to covering Horlicks into similar nutritional product categories. The incorporation of Complan after the acquisition by Zydus is also in progress.

While Nestle is re-launching Milo, the world's largest malted food drinks brand, **Danone said it has nearly a dozen new products in its pipeline, like low sugar variants, bar and ready-to-drink versions of its health brand Protinex.**

Himanshu Bakshi, MD of Danone India said, **"We have been launching about 10 products every year** but the numbers we are evaluating this year are far higher and aggressive. **In terms of concept, we are testing nearly 20-25 new products** but now the chance of success is much higher. For us, it's expanding the market rather than fighting for space as the household penetration of protein is very low."

Currently, **the Indian nutraceuticals market is worth \$4 billion and is expected to grow at 21% to reach \$10 billion by 2022.** Majority of the fast-moving consumer goods companies have been entering the market in the functional food category. HUL had earlier said that it could look at entering the nutritional and high protein segments through Horlicks while Marico launched protein shakes under Saffola Fittify just few months back.

Danone's Protinex, originally into the niche high protein nutritional segment, has launched mango and kesar badam and have also entered the biscuit division over the past few months. While GSK controls more than half the country's health food drinks category priced at Rs.6,500 crore, rival Mondelez, that owns Bournvita and Abbott, maker of PediaSure and Ensure, has been increasing market share over the past one year.

Studying the market, analysts reported that Nestle's global malt-based drink Milo's relaunching in India as an energy drink for sports, could capture the gap created during GSK and Complan's integration. "It is purely coincidental that this is happening in an environment where GSK Consumer and Unilever are merging. The tenor of our launch might have been different had we got Horlicks," said Suresh Narayanan, managing director, Nestle India.

[Punjab government partners with agri-tech start-up CropIn for seed potato traceability](#)  
Business Line, August 26, 2019

**Bengaluru-based, agri-tech start-up CropIn has partnered with the Punjab Agri Export Corporation (Pagrexco), a Government of Punjab enterprise, to leverage CropIn's AI-powered technology to improve the quality of potato seed production in the State and incorporate a first-of-its-kind 'Seed Potato Traceability' in the entire value chain.**

**By leveraging QR-code tagging during packaging and warehousing process, CropIn will ensure that potato farmers are able to trace the origin of the seeds that they are buying.** They will know exactly where the seeds are coming from, and whether they are Pagrexco certified. From next year, potato growers in India and around the world will be able to differentiate the certified, high-quality seeds produced by Punjab from that of other growers.

**"Punjab produces 27 lakh tonnes of potatoes every year, which means that ensuring high seed quality is absolutely critical. Given the sub-par, spurious seeds that are flooding the market and resulting in low yields and poor ROI, this certification can transform potato seed production.** It will also play a big role in building trust and credibility for Pagrexco's seeds among potato growers," said Krishna Kumar, founder and CEO of CropIn.

Stating that **Punjab caters to 60-70 per cent of the entire seed potato demand in the Indian and global markets,** he said, "This partnership will not only impact the potato seed farmers in Punjab, but also potato

growers across India and in the international markets. **Of the 98,000 hectares that are under potato seed production in Punjab, we are working on 55,000 hectares.”**

CropIn uses its agri-tech solutions to improve the seed production process and help potato seed farmers produce superior quality seeds from the R&D stage. A number of parameters have to be carefully monitored to decide which seed varieties meet the quality benchmark.

Once the certified seeds from Central Potato Research Institute (CPRI) and aeroponic labs are received, Pagrexco takes up a massive seed multiplication process in which the seed varieties are packaged into millions of seed packets. At the seed multiplication stage, CropIn will use a combination of three digital solutions including SmartFarm, SmartRisk and AcreSquare to monitor the entire process, right from planning to production.

[Indian agritech startups to generate 90 lakh jobs, see 300% increase in funding](#)  
*Farmers and agritech startups in India have evolved rapidly over the past few years due to digital penetration and funding, majorly driving the growth in this sector*

Financial Express, August 26, 2019

Indian agritech startups have received 300 per cent more funding in the first six months of 2019 than the total funding received in 2018. **Agri-tech companies raised \$ 248 million until June 2019, which was only \$ 73 million in 2018**, according to NASSCOM. “Farmers and agritech startups in India have evolved rapidly over the past few years due to digital penetration and funding, majorly driving the growth in this sector,” says the report. **New areas in the agritech sector such as market linkage, digital agriculture, better access to inputs, farming as a service (FaaS) and financing are attracting more and more stakeholders** to connect with this new trend in agriculture. Indian agritech companies are also focussing on South East Asia, Europe, Africa and South America.

**NinjaCart remained the top-funded Indian startup with funding of \$ 89 mn received in 2019.** Samunnati Financial Intermediation, AgroStar, WayCool and Jumbotail remained the other startups with the highest funding till June. Tiger, Accel, BII, omnivore and Nuveen remained the top 5 investors till June 2019.

Employment rationalisation — Even with a larger section of the population engaged in agriculture, the sector is not the largest contributor in the GDP. Solutions that enable farm automation and aggregation can rationalise and gainfully redistribute the workforce.

Processing and exports — India ranks among the top 5 countries in food processing. By 2024, the sector is estimated to employ 90 lakh people. Streamlining and traceability can improve farmer income and exports.

Stakeholder empowerment — Mandis and food processing organisations need digitization to bring more transparency into transactions. Data and market connect can empower each stakeholder.

Streamlining supply chain — Post-harvest loss in India amounts to \$ 13 billion, according to NASSCOM. Demand-driven cold chains, warehouse monitoring solutions and market linkage can significantly decrease such losses and boost farmer incomes.

Resource maximisation — 80 per cent of India’s freshwater is used in agriculture. Reduction in the usage of water and pesticides is a significant business opportunity.

Digital Infrastructure — The lack of data and insights at ground and farmer level has restricted the direct benefit transfer schemes to do much good to the farmers. Laying the digital work, solutions that build a layer of data can transform DBT schemes, insurance and loan disbursement.

**Every 9th agritech startup in the world is from India.** Compared to 3,103 global agritech startups, there are 450 agritech startups operating in India, which are **growing at 25 per cent annually**. The government has also



started to show interest in the field of agritech. Maharashtra launched 'Agri – Tech' scheme for digitally tracking agriculture management, Karnataka set up an Agritech fund of \$ 2.5 million with an aim to target at least 21 startups, NITI Aayog has started a pilot project on precision agriculture using AI in 10 districts from seven states and Telangana, Tamil Nadu, Maharashtra have launched an agri open data portal to promote technology as an important tool in agriculture.

## Walmart Foundation unveils grants to support farmers

Business Line, August 27, 2019

**Walmart Foundation on Tuesday announced grants of about ₹34 crore (\$4.8 million) to Digital Green and TechnoServe** as part of its long-term commitments to support initiatives that focus on improving farmer livelihoods.

These grants have been **given to support programmes that will enable smallholder farmers have access to agriculture technology, training on best agricultural practices, enhance access to formal markets and skill and capacity building for farmer producer organisations.**

\$25-m committed

Kathleen McLaughlin, EVP and Chief Sustainability Officer at Walmart and President of Walmart Foundation, said, **"Last year in September, Walmart Foundation had committed to contributing \$25 million (₹180 crore) over the next five years to improve farmer livelihood in India.**

As part of this commitment, we have announced these two new grants to TechnoServe and Digital Green."

The company said these grants are expected to have a positive impact on more than 81,000 farmers in Andhra Pradesh, Telangana and Uttar Pradesh.

Buying from farmers

**Walmart India has also made commitments to source 25 per cent of the produce sold in its Cash & Carry stores directly from farmers by 2023,** McLaughlin added.

"We hope that Walmart Foundation's commitments, alongside the work of Walmart India's direct farm sourcing teams will help contribute to sustainable agriculture development in India," she said.

## Rivulis (Israel) sows app-based solution for drip irrigation

*Using satellite-based models, 'Manna' will also provide realtime crop monitoring maps*

Business Line, August 29, 2019

**Rivulis Irrigation India, part of the global micro irrigation company Rivulis Israel, has launched its customised app Manna, a satellite-based software solution for irrigation in India.**

Manna Irrigation Intelligence provides site-specific irrigation recommendations at the touch of a button. Based on proprietary satellite models and sensor-free approach, **Manna provides farmers with a high-resolution, integrated view of the entire field rather than reading from isolated locations.**

In last three years, Rivulis has brought drip irrigation technology in the fields of over 50,000 farmers. Before downloading the app, farmers have to provide GPS location of the field, soil condition, details on crop to be grown and date of sowing.

Based on these data and weather forecast of the India Meteorological Department, **the app suggest the quantum of water to be released in the field every week after taking into account the moisture and expected rainfall in the area.** It also provides real-time crop monitoring maps indicating vegetation level, vegetation and wetness variability map.

**Farmers have to shell out ₹600 per annum to use the app while their cost saving involve less use of water, besides lower electricity and diesel expenses.**

While the app is currently available in Hindi and Marathi, it will be launched in Gujarati and other languages soon. Rivulis is targeting farmers in Maharashtra, Karnataka, Gujarat, Uttar Pradesh and parts of Tamil Nadu focussing on crops such as cotton, sugarcane, pomegranate, grapes and tomatoes.

Sudhir Mehta, Director, Rivulis India and Israel, said due to limitation on land holdings, most of the farmers have not invested in technology in farming and rely majorly on gut feeling, especially in areas of irrigation and water management.

The company has already approached the Union Ministry of Agriculture and is eager to collaborate with various State governments to assist them in monitoring of water usage and conservation, he said.

**Currently, drip irrigation is used on about 11 million hectares** while the government has set a target to bring another 10 million hectares under drip irrigation in next five years. **The country has the potential to bring about 70 million hectares under drip irrigation.**