

**Assocom-India Pvt. Ltd.**

Flat No. 601, DDA Building,  
Plot No. 4, Laxmi Nagar,  
District Centre, Vikas Marg,  
Delhi - 110092

**Telephone :**

+91-11-47675200 (50 lines)  
+91-11-22457226, 22457230

**Telefax :**

011-47675201/06

**E-Mail :**

email@assocom-india.com

**Website :**

www.assocom-india.com

## Government projects record food output

The Live Mint

February 4, 2012

India is likely to see record foodgrain production in the current year on good rains, the second advance estimate of the agriculture ministry showed on Friday. Output of total foodgrains comprising rice, wheat, coarse cereals and pulses was seen at 250.42 million tonnes (mt) in the July-June crop year of 2011-12, up 2.3% from the year-ago 244.78 mt, the data showed. This is significant as the optimistic projection comes just ahead of the government's plans to launch an ambitious food security programme. However, while the aggregate story is positive, there are sectoral concerns with the estimates projecting a decline in the output of oilseeds and pulses that could potentially revive pressures on food inflation. Production of total pulses was estimated at 17.28 mt, down 5.26% from the previous year's 18.24 mt. Production of nine oilseeds was seen at 305.29 mt, down 6% from last year's 324.79 mt.

"For the first time, we are beating the target," P.K. Basu, agriculture secretary, said in an interview, referring to the target of 245 mt for foodgrains set earlier in the year. "The third and the fourth estimates (to be made later) generally show higher numbers, so there are chances the final output could be even higher." Basu said conducive monsoon and winter rains, increasing focus on foodgrains by several state governments and measures implemented by the Centre are responsible for the increase in production. "Traditionally, Punjab and Uttar Pradesh were agri-centric," he said. "Now many state governments have got involved, which has helped in increasing investments in foodgrains." Basu said, "An excessive energy" was seen in states such as Jharkhand, Gujarat and Haryana, helping raise expectations of output. Mint's Ruchira Singh says the latest advance estimate from the government indicates India will see strong growth in rice and wheat output even as output of oilseeds and pulses fall. Moderating inflation: An economist said the higher foodgrain estimate was in line with expectations and will help ease food inflation in the near term. "We can take a lot of comfort from the fact that rice and wheat production are expected to be higher given that we have had high inflation and are looking at the food security Bill," said Madan Sabnavis, chief economist at CARE Ratings.

"But the concern is over the prices of pulses and edible oils in the international market and the exchange rate of the rupee (as the shortfall in pulses and edible oils is met by imports)," he said. As the harvest of the winter-sown, or rabi, crop in March-April draws closer, international prices are expected to react to India's demand, which could pressure food inflation. India's food price index declined 1.03% in the year to 14 January, government data showed last Friday, against an annual drop of 0.42% in the prior week, a Reuters report said. Food inflation has slowed from nearly double digits last year, largely because of rising demand for higher proteins and rising incomes. Sabnavis said until March he expected food inflation to rise to 2-3% as the low base effect wanes, but after April, when the harvest starts arriving and the import estimates of pulses and oilseeds is clearer, food inflation could crawl up to 4-5%. CARE's headline inflation estimates are at 6.5-7% till March, after which in 2012-13, headline inflation is likely to be at 5% on an average basis, with some blips during the year.

**Drought impact :** Basu said a part of the pulses and oilseeds belt was facing a drought that had made farmers shift to coarse cereals and cotton, when they saw a delay in rains. However, this would be offset by the performance of other regions. "Every year, there are patches where something goes wrong, but the overall picture is not affected," he said. To be sure, the current crops at the stage of maturity still face a threat of damage in case the weather turns unfavourable. Friday's data also showed cotton output is estimated at 34.09 million bales (one bale is 170kg) in 2011-12, up from 33 million bales in the previous year. Sugar cane production is estimated at 3,478.65 mt this year, up from 3,423.82 mt a year ago. The higher foodgrain output could improve prospects for more exports in the next fiscal after 2 mt each of wheat and common rice were allowed in the current year. However, Sabnavis said this was unlikely as the food security Bill is expected to become a law next year and implementing it would necessitate the need to have higher stocks.

## Bumper harvest poses problem of plenty for govt

TNN

February 4, 2012

The country will enjoy another bumper harvest in 2011-12, with an estimated 102 million tonnes of rice and 88 million tonnes of wheat projected as per the revised estimates of the Union government. But this could also create a problem of plenty for the government with the National Food Security Bill pending in Parliament, and the government unable to offload existing stocks to the states.

The bill, if implemented with a wider coverage, could ensure that the stocks are taken out of the Central and state warehouses though different arms of the government are still tied up in debate about how expansive the beneficiary list be.

## Wheat output jumps to record high, pulses, oilseeds drag

February 03, 2012

Government's effort to keep the food inflation under check could get a jolt as production of pulses and oilseeds -- the two food supplements significant quantity of which is imported every year -- is projected to drop by 5.2 per cent and 6 per cent respectively this year. However, there is no such worries from foodgrains as production for 2011-2012 crop marketing year that started in July is estimated to reach an all-time high of 250.42 million tonnes, largely on the back of record wheat and rice output, according to the second advanced estimate of crop production for 2011-2012. The estimates released today showed that production of wheat this year is expected to be around 88.31 million tonnes, around 1.6 per cent more than last year. Output of rice is expected to be around 103 million tonnes, up a staggering 7 per cent from last year. Food articles in India continued to witness deflation for the fourth week in a row for the seven-day period ended January 14. The rate of price fall accelerated to 1.03 per cent for the week compared to 0.42 per cent in the previous mainly due to drop in prices of fruits and vegetables.

Meanwhile, the data showed that production of cotton is projected at a record 34.09 million bales (1 bale=170 kg), up 3.3 per cent from last year. Similarly, production of sugarcane this year is expected to be around 1.6 per cent more than last year at 347.87 million tonnes. The big worry though will come from pulses and oilseeds. Officials said production of both these crops suffered because of uneven rains in kharif season and thereafter low pre-winter rains in northern parts of the country. According to the India Meteorological Department (IMD) between October to December the country received almost 50 per cent less rainfall. "The near absence of winter rains badly impacted sowing of rabi pulses and also mustard which is primarily grown in this season," a senior official said. He said this year once again the country will have to rely on imports to augment supplies. In 2010-2011, India's pulses imports had come down to around 1.5 million tonnes from an average of 2.5-3 million tonnes as domestic production reached an all-time high 18 million tonnes.

Almost half of India's annual pulses import comprises of yellow pea while the other pulses like tur, urad, moong and chana make up for another 50 per cent. The pulses are imported from Canada, Myanmar, Australia and some African countries. A similar situation is also expected in oilseeds, where a drop in production largely because of fall in mustard output could further push up imports. "Mustard is crucial for total edible oil availability in the country as it is one of highest oil-bearing crop," a senior industry official said. The overall fall in production of pulses and oilseeds also raises a big question mark over government's effort to allocate an additional

**Assocom-India Pvt. Ltd.**

Flat No. 601, DDA Building,  
Plot No. 4, Laxmi Nagar,  
District Centre, Vikas Marg,  
Delhi - 110092

**Telephone :**

+91-11-47675200 (50 lines)  
+91-11-22457226, 22457230

**Telefax :**

011-47675201/06

**E-Mail :**

email@assocom-india.com

**Website :**

www.assocom-india.com

Rs 80 crore to 12 major pulses growing states to raise their rabi output. The allocation was cleared after kharif pulses production dropped by around 10 per cent also because of uneven rains.

February 5, 2012

Kolkata-based Priya Food Products Ltd manufacturers of biscuits, wafers and puffed snacks which currently holds a four per cent share in the biscuits market in Eastern India, plans to double its share in the next two years. The company also plans to expand its footprint to the rest of the country. Priya, which has two production units in the State, plans to set up a third unit to ramp up its production and increase the market share, said Mr Ganesh Prasad Agarwal, chairman, Priya. With the setting up of the third unit, the company's total production capacity would increase from 50 tonnes a day to 100 tonnes a day. "We plan to set up a factory at Sankrail near Howrah. We have already taken about 12 bigha (3.96 acres) of land and the work will commence soon. We plan to invest close to Rs 25 crore on this expansion project which is likely to be complete in the next one and half years. We plan to add another 50 tonnes a day capacity in this new plant," Mr Agarwal told Business Line. According to market sources, the biscuits market in the eastern region is estimated at about Rs 2,000 crore in terms of value. With a turnover of Rs 70 crore in 2010-11, Priya holds 3.5 per cent share in the biscuits market in the region. Apart from the domestic market, the company also has a presence in overseas markets which accounts for close to 10 per cent of its total revenues. While the company sells its biscuits under the Priya brand in countries like Korea, Taiwan, Bangladesh and Maldives, in the US, Canada and Australia, they are sold under brands such as Chelsea, Little Treats, Cookie Treats and Global, Mr Agarwal said. "We want to take the share of overseas business to out total revenues to 20 per cent (10 per cent) over the next two years," he said



Hindu Business Line

January 31, 2012

Dara wheat and flour prices continued to tumble on account of easy availability and low off-take on Tuesday. The Food Corporation of India sells stocks to flour mills under the Open Market Sale Scheme at Rs 1,170 a quintal excluding VAT, said Mr Sewa Ram, a wheat trader. Based on the FCI's call, every flour miller can procure 90 quintals of wheat a day, he added. In the physical market, Dara prices decreased further by Rs 10 a quintal and was quoted between Rs 1,200-1,205 a quintal. Only around 20 tonnes of dara variety arrived from Uttar Pradesh, while a stock of about 10 tonnes of dara was offloaded by local stockists and were directly delivered at the mills. Mill delivery of dara was at Rs 1,200 a quintal, while delivery at chakki was at Rs 1,205 a quintal. On the other hand, low stocks kept desi wheat varieties firm; Tohfa was quoted at Rs 2,300 a quintal, while Red Rose was trading at Rs 2,200 a quintal. On Tuesday, the February wheat contract on the National Commodity and Derivatives Exchange went up by Rs 3 to Rs 1,252 quintal. While wheat for March delivery decreased by Rs 2 to Rs 1,239 a quintal.



**Assocom-India Pvt. Ltd.**

Flat No. 601, DDA Building,  
Plot No. 4, Laxmi Nagar,  
District Centre, Vikas Marg,  
Delhi - 110092

**Telephone :**

+91-11-47675200 (50 lines)  
+91-11-22457226, 22457230

**Telefax :**

011-47675201/06

**E-Mail :**

email@assocom-india.com

**Website :**

www.assocom-india.com

**Flour Prices** With a fall in both wheat prices and flour demand, the prices eased further by Rs 20 and was quoted at Rs 1,180 for a 90-kg bag. On the other hand, Chokar ruled flat and was sold at Rs 650 for a 49 kg bag.

**Wheat futures :** Wheat futures are likely to fall this week on higher stocks and increase in area under wheat cultivation. Wheat sowing has been completed in 29.53 million hectares, up from 29.16 million hectares the previous year, says reports.

## Food security Bill will benefit multinational corporations and hurt genuine traders

ET Bureau

February 2, 2012

The charter of the proposed National Food Security Bill (NFSB) is reminiscent of the socialistic era from the 1960s through the 1980s where the state decided how much a person needed and at what price that should be made available, irrespective of the cost of production. That model of nationalisation of grain trade collapsed with the demise of the Soviet Union. Though the intent of NFSB is laudable, its foundation is neither based on sound economics nor does it take into account hazards of implementation.

For one, NFSB is an extension of the polluted distribution system - a realistic interpretation of the official public distribution system, or PDS - granting almost 65% population the right to access rice, wheat and maize at a minimum of 3-2-1 per kg, respectively, through central and state agencies. What is the basis of the 3-2-1 formula? Why not distribute all grains free? Why is the state encouraging parasitical tendencies for consumers on one side and promoting manipulative cravings for trade on the other side? The current BPL price of rice and wheat is 6 per kg and 4 per kg, respectively. Net additional subsidy for these two cereals is, again,  $(6 - 3 =) 3$  and  $(4 - 2 =) 2$  per kg, and, therefore, 'net subsidisation', per se from the existing base is marginal - but the critical concern is the ever-expanding spread between the economic cost of grains and 3-2-1 formula.

The current economic cost of wheat and rice is about 24 per kg and 16 per kg, leading to a net loss, or difference, of 21 per kg and 14 per kg. This spread will increase as the minimum support price (MSP) is hiked annually. Multiplicity of ration cards at the local level will thrive and rise exponentially. Beneficiaries of 'food security' will become retailers of these subsidised grains rather than consumers in the open market as most farmers and labourers in rural areas retain part of their agro-produce for personal consumption. Another channel of middlemen will become active aggregators for these rural retailers who will dispose subsidised grains either in the market or recycle them to state procurement agencies. A bulk of the benefit will accrue to a string of middlemen - a system that policymakers have been attempted to demolish (via FDI), but will be reinforced through this food security Bill.

Even if the Centre intends to buy additional 10 million tonnes of grain for NFSB, states such as Uttar Pradesh, Bihar, Chhattisgarh and West Bengal will remain bereft of any procurement at MSP due to lack of a viable mechanism. Procurement of these crops is predominantly done in Punjab, Haryana and Andhra Pradesh despite paucity of scientific storages. If the intention is to mop up grains in these states by engaging large corporates such as ITC, Adani, Pepsi, Hindustan Unilever and others, banks will first need to liberally finance them. Secondly, the purchase protocol will involve payment to farmers first followed by reimbursement from FCI or controller of accounts, and that would pose challenges. Corporates could be saddled with large arrears due to insufficient availability of funds in 'head of accounts', lack of compliance with procedures, complaints of payment below MSP, audit objections and so on, thereby constraining liquidity.

The availability of grains in the open market will shrink by extra procurement on government account as envisaged to the extent of 10 million tonnes. Logically, it should result in inflation, but no, it will be deflationary on account of much lower quotes offered by the intermediaries selling massive quantities of pilfered grains. It will be difficult for a genuine trader to survive when pushed to the brink



**Assocom-India Pvt. Ltd.**

Flat No. 601, DDA Building,  
Plot No. 4, Laxmi Nagar,  
District Centre, Vikas Marg,  
Delhi - 110092

**Telephone :**

+91-11-47675200 (50 lines)  
+91-11-22457226, 22457230

**Telefax :**

011-47675201/06

**E-Mail :**

email@assocom-india.com

**Website :**

www.assocom-india.com

by the 'subsidised forces'. They will be pressured to enhance bargain in the 'component of diversion'. Will government then set up a vigilance force to regulate that activity? The Lokpal Bill will be saddled with additional responsibility to track possible corruption under NFSB.

Historically, after almost every six years, India imports wheat due to poor agro climatic conditions. So far, import has ranged between 6-8 million tonnes and that can now cross 10 million tonnes when buffer norms and security reserves are revised upwards. Since India announces its import requirement well in advance, it will be a golden business opportunity for Cargil, Glencore, Louis Dreyfus, Toepfer, ADM, Concordia and others to sell wheat of Russian/Australian/EU/Argentinian origin at elevated prices on Indian shores with little storage capacity in the interior. The need to import corn due to its inclusion in NFSB cannot be ruled out. Multinational corporations all over the world will be thrilled to strategise by exploiting the urgency of Indian sovereign demand.

State intervention in cereals is likely to induce severe imbalance in the production of oilseeds and pulses, resulting in substantially outsourcing of imports in the coming years. The current level of India's import of edible oil is around 10 million tonnes and pulses three million tonnes. Import intensity will intensify at higher prices creating inflationary pressures, and net beneficiaries will be MNCs such as Bunge and Wilmar, in addition to the countries of origin like Malaysia, Indonesia, Brazil, Argentina, etc, for oil, and Myanmar, Australia and Canada for pulses. India will then be an active consumption market for such basic necessities of food. Vegetable production too may be affected - pushing food inflation further. The NFSB is a political master-stroke, but its economic viability and detailing of delivery could pose challenges. These have to be factored in before it is made a law.

## Budget 2012: Social schemes and India's flawed development plans

**EconomicTimes**

**February 6, 2012**

India's excellent economic growth has had little impact on its social indicators, and India is likely to miss achieving the Millennium Development Goals in respect of poverty reduction, health, nutrition, sanitation and gender. Two recent reports confirm this. According to the latest Global Hunger Index Report, India continues to be in the category of those nations where hunger is 'alarming'. Then, the recent hunger and malnutrition (HUNGaMA) report released by the Prime Minister shows that there has been no decline in the number of malnourished children since 1998, which continues to be above 40%. This dismal performance is despite the central allocation for programmes in the social sector, including agriculture, often going up by almost 10 times in the last decade. Unfortunately, many central programmes have a serious design flaw, besides being tarred by inappropriate policies and a total lack of oversight. For instance, the government should reexamine the focus on self-employment in poverty alleviation programmes such as Swarnjayanti Gram Swarozgar Yojana (SGSY) and Swarna Jayanti Shahari Rozgar Yojana (SJSRY). The capacity of the poorest to absorb credit and start enterprises is limited due to their lack of business skills, illiteracy, inability to take risks and lack of motivation for business.

It would be much better to upgrade their skills and make them employable in the newly emerging industries and trades. The poor would prefer to be wage employed on a regular basis at a decent salary due to improved skills, rather than face the risk of operating in an uncertain market plus the ignominies of humiliation from insensitive police and municipal officials. Hence the National Rural Livelihoods Mission (NRLM) should focus more on skill upgradation than on self-employment. Major food-related programmes, such as the Public Distribution System (PDS) and the Integrated Child Development Services (ICDS), are plagued by corruption, leakages, errors in selection and little accountability. They also tend to discriminate against and exclude those who need them the most. This is compounded by state hostility to migrants, street and slum residents, dispersed hamlets, and unorganised workers such as hawkers. In Rangpur Pahadi, a slum area just a few kilometres away from Vasant Kunj in Delhi, people living there since 1980 have

**Assocom-India Pvt. Ltd.**  
Flat No. 601, DDA Building,  
Plot No. 4, Laxmi Nagar,  
District Centre, Vikas Marg,  
Delhi - 110092

**Telephone :**  
+91-11-47675200 (50 lines)  
+91-11-22457226, 22457230

**Telefax :**  
011-47675201/06

**E-Mail :**  
email@assocom-india.com

**Website :**  
www.assocom-india.com

not been given a voter ID card or a ration card. Thus, the Delhi government denies their very existence! A recent evaluation of the ICDS in Gorakhpur by the National Human Rights Commission showed that despite Supreme Court orders to provide hot cooked meals, all centres supplied only packaged ready-to-eat food. This only had 100 calories, as against a norm of 300 calories, and 63% of food and funds were misappropriated. The food being unpalatable, half of it ends up as cattle feed. However, such reports, though few, are never discussed in state assemblies, as they meet now for less than 30 days a year. We need a new law making it compulsory for Parliament and state assemblies to meet for at least 150 days a year.

Moreover, state governments actively encourage reporting of inflated figures from the districts, which renders monitoring ineffective and accountability meaningless. Objective evaluations show that 43.5% children are underweight, of which 17% are severely malnourished. However, the state governments report 13% children as underweight and only 0.4% as severely malnourished (India Human Development Report, 2011).

One district collector, when confronted with this kind of bogus figures, told me that reporting correct data is "a high risk, low reward activity"! The Prime Minister may call our performance as a "shame", but he has not been able to persuade the states to accept that the problem exists! We certainly need more government teachers and doctors, but what if almost half of them are absent, and busy in private practice? It is deplorable that neither the government of India nor the states monitor and measure absenteeism regularly. Policy makers admit that huge errors of inclusion and exclusion exist in identifying the poor, but when did we last measure this? Seven years back, in 2004-05. When was PDS last evaluated? Nine years back, in 2002-03. Surely, more frequent assessments by the government of India could have put pressure on the states to improve delivery. Incidentally, the recent joint statement of the Planning Commission deputy chairman and the minister of rural development that the present state-wise poverty estimates will not be used to impose ceilings on the number of households to be included in government programmes will further encourage them to inflate the number of the poor in their states. So far, with a cap on each state, when a non-poor was selected as a BPL household, it was at the cost of a poor in the same state; it did not increase the total number of poor beneficiaries in that state because of the state cap. Once the cap is removed, showing more deprivations in a state will be advantageous to that state as it will be at the cost of the poor of other states. We will thus incentivise and encourage wrong reporting. Inter-state bickering will also increase: states with less number of priority households will blame other states for deliberately fudging their numbers.

To sum up, whereas the problems of governance deficit in delivery are well known, the track record of government of India ministries in formulating and monitoring policies and programmes that can alleviate poverty cannot be called satisfactory. The gap is most glaring where the poorest of them all, tribals, are concerned. Persistent problems faced by tribals have by and large remained unattended. The current approach of the ministry of tribal affairs is to confine its attention to its own budget and the schemes that are under its control, such as grants to NGOs, scholarships, etc. The ministry does not put any pressure on other ministries that have been vested with the responsibility to ensure that basic justice and development reaches the tribals. The ministry does not even monitor whether the basic services in education, health or nutrition are reaching the tribal hamlets. The Prime Minister's Office will do well by looking at the performance of its own ministries rather than only blame the states for poor delivery

## Iranian Trader Interested in Indian Wheat Imports, Khullar Says

February 9, 2012

An Iranian trader is in talks to import "a very large quantity" of Indian wheat, the South Asian nation's Trade Secretary Rahul Khullar said today. "It is true that there is one private sector trader who is interested in importing a very large quantity of wheat," Khullar told reporters in New Delhi. "It is not a government- to-government transaction. The guy has to come here and find someone who sells

**Assocom-India Pvt. Ltd.**

Flat No. 601, DDA Building,  
Plot No. 4, Laxmi Nagar,  
District Centre, Vikas Marg,  
Delhi - 110092

**Telephone :**

+91-11-47675200 (50 lines)  
+91-11-22457226, 22457230

**Telefax :**

011-47675201/06

**E-Mail :**

email@assocom-india.com

**Website :**

www.assocom-india.com

wheat." The foreign ministry has proposed paying for Iranian crude imports with wheat exports to the Persian Gulf nation, the Economic Times reported today, citing an unidentified person with knowledge of the development.

Iran and India are seeking a solution for payment for bilateral trade amid escalating economic and financial sanctions against the Islamic Republic. The U.S. and its allies are using economic and financial sanctions to curb Iran's nuclear program, which they say has military objectives. Iran denies the claim.

## State Food Ministers meet Resolved to Modernize the PDS

February 9, 2012

The Government is considering a Special Purpose Vehicle for transportation of foodgrains from procuring states to consuming states and GPS tracking system to monitoring the movement of foodgrains. Briefing the media persons after the conclusion of two days' Conference of State Food and Agriculture Ministers here today, Minister of Consumer Affairs & Food and Public Distribution, Prof. K V.Thomas said that States have resolved to modernize the Public Distribution System and create modern storage facilities.

Prof. Thomas said that during deliberations, it was reported by some of the States that there would be massive savings in foodgrains and subsidy amount if biometric-based bar-coded ration cards are issued to the beneficiaries. The intention was to ensure that the fruits of subsidy reach the poor and needy sections of the society and the PDS is streamlined / modernized with the help of modern techniques of Information Technology. It was stated that a Plan Scheme had already been drafted and sent to the Planning Commission for giving financial assistance to the States to computerize the PDS. He said that the Conference also resolved to create modern storage facilities including 2 MMT of storage in the shape of silos. The States were strongly urged to provide lands for setting up silos and take advantage of the Viability Gap Funding (VGF) scheme of the Government of India.

The purpose of the conference was to provide a common platform to all the key decision makers involved in Food and Public Distribution System of India, from Centre and States / UTs to discuss and debate the various issues in modernizing the TPDS, to arrive at an action plan to be implemented by the various agencies and also to set timelines for completion of the same. Minister of Consumer Affairs & Food and Public Distribution pointed out that this is the time to act given the huge subsidy of 60-80% on the price of foodgrains. Hence, it is the moral responsibility of all those involved to ensure that it reaches the true beneficiaries at the right time. He complimented the FCI for reducing storage losses from 2.5% to 0.1% through modernization of godowns. He requested all the States to prepare a 5-year prospective plan to create intermediate storage capacity at the district, block, Gram panchayat and fair price shop level by leveraging existing schemes, both at the Central and State level.

During the deliberations, the Chairman UIDAI expounded on the tremendous possibilities that the Aadhar Scheme held for modernization of TPDS. He also spoke on the recommendation of the task force on reform of PDS and the PDS Network (PDSN). In the Interactive sessions spread over two days, all the States and Union Territories made their presentation highlighting the issues faced by them and also giving their valuable suggestions for the smooth functioning of the TPDS and storage initiatives. Further, the States elaborated their plans in the direction of achieving transparency, modernization through latest technology and the progress made in the creation of storage. Many States provided details of the best practices evolved by them for improving the efficiency of TPDS, such as the use of coupons, SMS, bar-codes, biometric identification, smart cards, GPS enabled vehicles, etc.

North Eastern States were vocal in their demand for increased financial assistance to meet their transportation cost and to improve their transportation infrastructure. Many of the smaller States asked FCI to procure in their States until such time that they set up their own procurement infrastructure and institutions. Similarly hilly States and NE States also wanted maintenance of 3-4 months

**Assocom-India Pvt. Ltd.**

Flat No. 601, DDA Building,  
Plot No. 4, Laxmi Nagar,  
District Centre, Vikas Marg,  
Delhi - 110092

**Telephone :**

+91-11-47675200 (50 lines)  
+91-11-22457226, 22457230

**Telefax :**

011-47675201/06

**E-Mail :**

email@assocom-india.com

**Website :**

www.assocom-india.com

buffer stocks at district level as transportation is severely affected during winter and monsoon.

The Conference was attended by Food and Agriculture Ministers from 20 different States / UTs. The Union Finance Minister, Shri Pranab Mukherjee was the Chief Guest. The Agriculture Minister, Shri Sharad Pawar, Dr. Montek Singh Ahluwalia, Deputy Chairman, Planning Commission, Shri Nandan Nilekani, Chairman, UIDAI and Shri Ajit Seth, Cabinet Secretary were some of the important participants in the Conference.

## Climate change may hit wheat in N India

TNN

February 10, 2012

Warning that an average rise of 1.5-2.5 degrees celsius in temperature would bring 20-30% of living species in the world on the brink of extinction, director-general of The Energy and Resources Institute (TERI) Dr R K Pachauri on Thursday said it would also impact the cultivation of wheat crop in north India. He said droughts, floods, change in cycle of seasons was evidence of change in the climate and underlined the need to reorient thinking and save energy to enhance economic prosperity.

Pachauri also stressed on strengthening the information system up to the grass root level. "Extreme precipitation events are becoming frequent with large quantity of snow and rain being witnessed more regularly. Besides, heat waves too have increased in intensity or frequency," he said. Hill Council: Recommending the constitution of a global union of mountain states to protect environment and check climate change, Pachauri said this would provide a common voice to hill states across the globe for the special problems they face and bring them on the radar of the global community.

## Punjab looking at record wheat output

February 09, 2012

Punjab hopes to achieve an all time high wheat production of 167 lakh tonne for 2011-12 season if weather conditions continue to remain favourable till April. If the weather remains suitable in coming days, the production of wheat could touch 167 lakh tonne this year, which will cross highest ever output of 164.72 lakh tonne achieved last year, the Director of Agriculture in the state M S Sandhu said today. Notably, at the time of sowing, Punjab had projected wheat output at 155.40 lakh tonne. Wheat sowing starts in October end and goes on till mid-December with the harvest taking place in April. The month of January saw intense cold conditions which are beneficial for the wheat crop as it helps in development of tillering or multiplication of crop shoots and brings in higher yield. Besides conducive weather conditions, timely crop sowing and absence of any major attack of fungal disease 'yellow rust' are other factors which strengthened the state's hope of achieving bumper wheat output this season. "Right time of sowing of wheat in November and rains in mid January has been quite beneficial for wheat crop which may increase crop yield," said Sandhu. Punjab, which contributes over 50 per cent of wheat to the central pool, expects record yield of 47 quintals per hectare. Last year, wheat yield stood at 46.93 quintals a hectare. Area under wheat went up marginally from 35.10 lakh hectares in last season to 35.15 lakh hectares in 2011-12 season. However, Sandhu said that the yellow rust disease may affect wheat yield of DBW -17 and DH-711 varieties in Ropar, Hoshiarpur and Gurdaspur districts. He said maximum area was brought under different wheat varieties like HD-2967, PBW-621 and PBW-550 types, which were more resistant to yellow rust disease.



**Assocom-India Pvt. Ltd.**  
Flat No. 601, DDA Building,  
Plot No. 4, Laxmi Nagar,  
District Centre, Vikas Marg,  
Delhi - 110092

**Telephone :**  
+91-11-47675200 (50 lines)  
+91-11-22457226, 22457230

**Telefax :**  
011-47675201/06

**E-Mail :**  
email@assocom-india.com

**Website :**  
www.assocom-india.com

## Ministry to hold talks with states over food Bill imbroglio

February 10, 2012

As states, irrespective of their political affiliations, raise objections to the proposed Food Security Act, the food ministry on Thursday said it would analyse all suggestions and refer these to a standing committee. It has also decided to hold separate discussions with all states to find a workable solution for proper implementation of the programme. The Food Security Bill, which proposes to provide cheap grains to 63 per cent of the population, is being discussed by a parliamentary standing committee. The Bill has been criticised by some states, on the grounds that it would increase their financial burden. A few states, including West Bengal and Tripura, have called upon the central government to provide cheap grain to 100 per cent of the population and bear the entire financial implication of the move.

"We will continue having discussions with states on the Food Security Act, as their cooperation is foremost in implementing it," food minister K V Thomas told reporters after a two-day meeting of state food and agriculture ministers. He is expected to visit West Bengal next month to discuss issues related to foodgrain procurement in the state. The minister said a nationwide programme to create an additional storage mechanism would be suitably altered to address concerns of states like Chhattisgarh, Andhra Pradesh and Madhya Pradesh, whose grain production has risen sharply in recent times. "The PEG (private enterprise guarantee) scheme will be re-distributed to enable non-traditional grain-producing states get adequate storage facilities," Thomas said. The government is adding 15 million tonnes of additional storage space in different parts of the country to boost the country's grain-storing capacity, currently at 62 million tonnes. The distribution of storage is based on three-year average production or procurement of grains.

Thomas said to facilitate faster movement of foodgrains through railways, the food ministry was working on setting up a special purpose vehicle in association with the Indian Railways. This would work towards the creation of dedicated corridors for transportation of grains and storage facilities. On the demand of a few grain-producing states like Punjab, Haryana and Andhra Pradesh to allow more export of wheat and rice, he said the food ministry was in favour of the move. "Currently, we have allowed the export of one million tonnes of wheat and two million tonnes of non-basmati rice, of which 300,000 tonnes of wheat has already been shipped. Hence, as requested by some producing states, we might consider more exports.

## Separate the grain and the chaff

Indian Express

February 11, 2012

What ideologically driven criticism, from the left and the right, misses about the food security bill

The food security bill, now tabled in Parliament, has been subjected to a barrage of ideological criticism. Interestingly, at this late stage, critics from the right are raising questions not just about practical concerns of implementability, but also more fundamental questions about the need for it. While the National Advisory Council is often criticised for its leanings, the ideological nature of this attack has gone unchallenged. While the NAC displayed its dogma by expressing distrust towards any market-based alternatives like cash transfers to deliver the food subsidy, the right seems to be in denial about the extent and nature of Indian poverty.

Let us examine the main points of the criticism. First, the affordability: the bill will create a need for additional production of additional 20-25 million tonnes of foodgrain and if we take the investment cost of making this into account, the bill is simply unaffordable. This argument is based on an unfounded assumption about the relationship between income and foodgrain consumption. Recently Angus Deaton and Jean Dreze have shown that an increase in the income of the poor in India has not

**Assocom-India Pvt. Ltd.**

Flat No. 601, DDA Building,  
Plot No. 4, Laxmi Nagar,  
District Centre, Vikas Marg,  
Delhi - 110092

**Telephone :**

+91-11-47675200 (50 lines)  
+91-11-22457226, 22457230

**Telefax :**

011-47675201/06

**E-Mail :**

email@assocom-india.com

**Website :**

www.assocom-india.com

translated into a significant increase in consumption of foodgrain. There is no reason to believe, therefore, that the bill would cause a significant increase in foodgrain demand. But even if one were to believe that the bill would increase the demand for food, boosting foodgrain productivity would in any case be the right policy for various reasons. First, a significant proportion of India's poor are engaged in foodgrain cultivation and they would gain from such policy. Clearly, they would also gain as consumers if foodgrain prices declined through an increase in supply. We need to invest in agriculture whether or not the bill passes, if we expect the incomes of the poor to rise. And if we are concerned about inflation in the short run, before the investment-led supply responds to the additional demand triggered by the bill, the answer lies in selling on the open market the ever-rising foodgrain stocks in FCI godowns to bring the prices down.

Consider the second objection to the bill. Some believe that subsidised foodgrain will make people lazy. Who will work if the food is given so cheap? Before imagining such an effect of the bill, one must look at the net food subsidy transfer in rupee terms. At the current food grain prices the average subsidy transfer by the bill will be just Rs 3 per person per day. Is this big enough to make people lazy? We should not be surprised if tomorrow, similar arguments are made against free elementary education and subsidised public health. In fact, the food subsidy, like the expenditure on health and education, must be considered an investment in our human capital. Would employers not prefer to have healthy workers rather than malnourished ones?

The third objection to the bill draws on the huge leakages in the public distribution system. The PDS is certainly very leaky but then, they should demand alternative mechanisms like cash transfers (and the bill has opened up that possibility). How can the flaws in the delivery system be a reason to oppose the very need for food subsidy when promising alternatives exist? The fourth objection to the bill has to do with its coverage. Critics view the expansion of the coverage to include nearly 64 per cent of population as sheer populism. Here, they choose to overlook the oft-made point that we simply do not have a reliable method of identifying the poor. They refuse to see that 60 per cent of our poor have been left out of the PDS because of wrong targeting

The Left should take some blame for this state of affairs. The leaky PDS diminishes the political appeal of the bill. The left-leaning supporters of bill, by and large, remain averse to any market-based alternative. They also refuse to accept that market-oriented economic reforms have brought in an unprecedented economic dynamism in the society, and that it is only because of increased government resources resulting from high growth that we are able to imagine massive anti-poverty programmes such as National Food Security Act.

The writer is a food and agriculture policy economist

## Rajasthan launches food fortification programme

**The Hindu**

**FORTIFIED FOOD:**Rajasthan Minister for Food and Civil supplies Parsadilal Meena at a function to launch the ambitious Food Fortification programme in Jaipur on Friday. Photo: Rohit Jain Paras In a major intervention on the dietary front after the successful mid-day meal scheme and iodisation of salt, the Rajasthan Government on Friday launched an ambitious food fortification programme. While hundreds of children in school uniform at Rajkiya Prathamik Vidyalaya tasted the fortified soya daal and sweet rice served by the Akshaya Patra Foundation a day before, a gathering of political functionaries, heads of international donor agency GAIN and the local implementing agency IIHMR at a city hotel marked the formal launching the scheme here on Friday.

**February 6, 2012**



**Assocom-India Pvt. Ltd.**  
Flat No. 601, DDA Building,  
Plot No. 4, Laxmi Nagar,  
District Centre, Vikas Marg,  
Delhi - 110092

**Telephone :**  
+91-11-47675200 (50 lines)  
+91-11-22457226, 22457230

**Telefax :**  
011-47675201/06

**E-Mail :**  
email@assocom-india.com

**Website :**  
www.assocom-india.com

The gathering included Jay Naidoo, Chairman of GAIN who was a member of the government headed by Nelson Mandela in South Africa; V. S. Vyas, Member of the Prime Minister's Economic Advisory Committee; M. L. Mehta, former Chief Secretary of Rajasthan; and Lad Kumari Jain, Chairperson, State Women's Commission. The food fortification programme or IPS (Integrated Programme Strategy)-Rajasthan aims to make fortified wheat flour (fortified with iron, Vitamin B12 and folic acid) and fortified edible oil (fortified with Vitamin A) widely available across the State. The Indian Institute of Health Management and Research (IIHMR) is spearheading the project with technical and financial support from the Global Alliance for Improved Nutrition (GAIN).

Rajasthan has high levels of stunting (40 per cent), wasting and under-nutrition (37 per cent) among children and high prevalence of anaemia cutting across all age and income groups -- with 79 per cent of children under 3 years, 62 per cent pregnant women and even 21 per cent men, becoming anaemic. Apart from supplying fortified flour and edible oil, plans are afoot to fortify milk with Vitamin A also in a three-way approach to bring down high prevalence of micronutrient malnutrition in the State. Under the project, it is envisaged to fortify the lentils (daal) with folic acid and iron, which would be provided through the centralized kitchens in the Mid-day Meals (MDM) and Integrated Child Development Scheme (ICDS). "Wheat flour fortified with iron and Vitamin B 12 could go a long way in dealing with the situation. Such substantial and significant step will definitely have a positive impact on the health and nutrition status of the general population," said Mr. Naidoo.

Rajasthan's Minister of Food and Civil Supplies Parsadi Lal Meena announced the launch of fortified wheat flour and edible oil for the open market. "I am hopeful that we can replicate this programme across the State. The State Government is determined to reduce the current high prevalence of anaemia and Vitamin A deficiency," he said. "Taking on the nutritional challenge, our aim is to implement food fortification programme. To make this successful, GAIN is partnering with wheat flour millers, oil millers and all stakeholders and providing financial support," said Marc Van Ameringen, Executive Director of GAIN. While the Rajasthan initiative is considered one of the most ambitious and the biggest food fortification programme in India, similar GAIN-supported initiatives are targeted to reach out to more than 100 million people across India.

## Subsidies are an area over which a finance minister should lose sleep

**February 10, 2012**

Finance Minister Mr Pranab Mukherjee says he is losing sleep over mounting subsidies. This is reassuring at a time when populist subsidies push government finances to the brink and fiscal slippage hurts growth. The composition of the fiscal deficit, more than its size, determines its adverse impact on growth. If the government borrows to subsidise consumption, it depresses investment. So, Mr Mukherjee must take bold action to ruthlessly trim subsidies and create fiscal space for investments to spur growth. He should set time-lines for comprehensive reforms in petroleum, fertiliser and food subsidies in this Budget.

The first priority should be to eliminate petroleum subsidies. The government should free up diesel prices and allow competition in fuel retailing. Both state coffers and internal combustion engines across the country would turn healthier, if kerosene prices are freed up, so as to remove the incentive for its use to adulterate other fuels, and rural lighting is entrusted to solar lamps that require subsidy once. The subsidy on cooking fuel should be shifted to cash transfers and phased out and city gas distribution encouraged. Import duty on crude and products should be fixed at a low, uniform 2.5%, to boost revenues and allow third-party marketing through imports. Fertiliser subsidy should be weeded out, and the farmer helped out with higher prices. Merger of the fertiliser ministry into the agriculture ministry would remove a separate constituency pitching for a stand-alone fertiliser subsidy. Third, food subsidy should be pruned by allowing competition in the physical distribution of foodgrains through involvement of the private trade

**Assocom-India Pvt. Ltd.**

Flat No. 601, DDA Building,  
Plot No. 4, Laxmi Nagar,  
District Centre, Vikas Marg,  
Delhi - 110092

**Telephone :**

+91-11-47675200 (50 lines)  
+91-11-22457226, 22457230

**Telefax :**

011-47675201/06

**E-Mail :**

email@assocom-india.com

**Website :**

www.assocom-india.com

and direct transfer of subsidy to people.

This would be far more efficient than the practice now of reimbursing the Food Corporation of India for the cost that it incurs to procure, store and distribute foodgrains. The subsidy bill, budgeted at Rs 1,40,000 crore this fiscal, is expected to overshoot the target by Rs 100,000 crore. Reforms brook no delay. There is no other way to fund vital social and physical infrastructure. The point is to communicate to the people the need to sacrifice some jam today to have a whole lot of jam tomorrow.

## GPS, dedicated rail lines to update PDS: minister

**The Mint**

Special vehicles, dedicated rail lines, global positioning systems, new silos and biometric identification are a part of the revamp of the public distribution system (PDS), minister for consumer affairs and food and public distribution K.V. Thomas said on Thursday, a day after agriculture minister Sharad Pawar said the National Food Security Bill can't be implemented given the dire state of the network.

"Almost all the states have taken action to modernize the PDS system, either by computerization or Aadhaar and this has given results," Thomas told reporters, referring to a two-day meeting of state food ministers that ended on Thursday. "States have also raised certain issues connected with the Food Security Bill." Aadhaar refers to the government's unique identity programme that's aimed, among other things, at ensuring that benefits reach the right people. On Wednesday, a PTI report cited Pawar saying it will be difficult to implement the proposed Food Security Act with the existing distribution system and that it needed massive reforms.

"I will be failing in my duty if I do not emphasize the fact that the Food Security Act will never succeed in achieving its goal in letter and spirit, if we try to push the same through the existing PDS apparatus," Pawar said. That criticism, along with doubts expressed by some states, could hamper the passage of the ambitious Bill, which seeks to give low-cost foodgrains to 63.5% of India's population at an estimated cost of Rs.65,000 crore. Thomas said Kerala, West Bengal and Jammu and Kashmir (J&K) had spoken against the Bill, adding that the parliamentary standing committee examining the draft Bill and the food ministry will discuss the issues.

Since "Kerala has almost universal rationing" and the Bill calls for this to be 50% for the urban population and 75% for the rural population, the state may get less than what it is getting now, Thomas said.

"A similar problem is there in J&K. J&K has some special items. Each state has got its own problem," he said, adding that the government will seek to arrive at a solution. In states such as Kerala, Andhra Pradesh and Tamil Nadu rice is being given at Rs.1 per kg, whereas rice under the Bill will cost Rs.5-6 a kg, he said. Besides this, transportation charges between Food Corporation of India godowns and ration shops were also issues that needed to be resolved, he said.

Thomas said he was in discussions with the Planning Commission and the finance ministry on what support can be given financially to the state governments for PDS modernization

## Budget 2012: Injecting growth into agriculture

**February 6, 2012**

It is no secret that Indian agriculture is in doldrums. Lakhs of farmers have committed suicide. Millions supplant their meagre



**Assocom-India Pvt. Ltd.**

Flat No. 601, DDA Building,  
Plot No. 4, Laxmi Nagar,  
District Centre, Vikas Marg,  
Delhi - 110092

**Telephone :**

+91-11-47675200 (50 lines)  
+91-11-22457226, 22457230

**Telefax :**

011-47675201/06

**E-Mail :**

email@assocom-india.com

**Website :**

www.assocom-india.com

earnings from farming by working in local factories and brick kilns, or by migrating to cities to work as labour. Step into the house of a small and marginal farmer, who now comprise 92% of all farming households in India, and you will see gnawing impoverishment. A complex set of factors is to blame. The most fundamental threat to Indian agriculture is that its ecological underpinnings - soil and water - are collapsing. Two-thirds of our farmland, says the 11th Five-Year Plan document, are either degraded or sick.

Intensive agriculture has leached nutrients and organic carbon from the soil. With the fertiliser ministry decontrolling everything except urea, it has ensured farmers chiefly replenish their fields with just Nitrogen. The outcome? Large swathes of India's farmlands are seeing multiple deficiencies. Yields are plateauing. Nutrient deficiencies are showing up in our diets. Water is a similar mess. Today, a third of India is seeing a collapse in groundwater levels. A recent Planning Commission study says the "level of groundwater extraction is unsustainable" in Punjab, Rajasthan and Haryana; and that Tamil Nadu, Gujarat and UP are "fast approaching that stage". These six states accounted for half the foodgrain production in 2008-09. Apart from jeopardising food production, the falling water table is hammering farmer economics.

Take Kishore Lal Singh of Mansinghpura village in Madhya Pradesh's Dewas district. As water levels fall, he needs a tubewell to find water - wells are too shallow. But banks do not lend for tubewells. And so, shortly before ET met him last year, he had borrowed Rs 1 lakh at 36% interest from fellow villagers. "It will take us five years to repay this loan," his acerbic wife told ET. "Till then, we will live on mirchi roti." Or take dryland agriculture. These rain-dependent fields account for 60% of India's net sown area. Farmers here used to grow pulses and coarse cereals, which handled vagaries of climate better than high-yielding varieties. Click here to visit our budget page

Now, dryland areas were ignored by the Green Revolution which was designed around growing high-yielding varieties of wheat and rice, which needed plenty of water and chemical inputs. In response, farmers here reproduced the green revolution template in their lands, by relying on groundwater. Today, they are trapped. The green revolution template is increasingly inviable as costs of inputs (like water, not to mention seeds and fertilisers) rise. At the same time, they cannot go back to the old crops. Their yields are low and the demand ever lower. These are the objective realities. India's soil and water situation is grim. Most farmers in India are small and marginal -- less than two hectares. Most agriculture in India is done in the drylands. We need policies which factor in these conditions. Take agricultural research. "The entire agricultural research framework, incentive structure, price support, input subsidies, extension system were designed to 'flow' along with irrigation," says Ravindra working with Watershed Support Services and Activities Network (WASSAN), a NGO coordinating the national Revitalising Rainfed Agriculture Network.

That needs to be fixed. Also needed is better extension work to ensure the breakthroughs move from labs to fields. Then, as the instance of Kishore Singh shows, rural credit needs to be reviewed. Providing inputs and marketing produce needs to be overhauled as well. This is especially critical, says Nabard chairman Prakash Bakshi, because farm sizes are shrinking. Not only can small farmers invest little in their fields, they are also unable to wait for prices to improve before they rush to sell. Fix these. And India's farmers will stop wondering how to leave agriculture.

## National Food Security Bill, a historic initiative by central government

February 10, 2012

National Food Security Bill, a historic initiative by central government Puducherry, February 11, 2012 Union Minister of State for Consumer Affairs, Food & Public Distribution, Prof. K.V. Thomas, has said that the National Food Security Bill is a historic initiative by the government of India and marks a paradigm shift in food security - from welfare to a rights-based approach. This Bill is perhaps the only legislation of its kind in the world, says the Minister. Prof. K.V. Thomas was addressing the All-India Editors' Conference on Social Sector Issues (ECSSI) in Puducherry today. According to Food Minister, the NFSB seeks to address the issue of food security in

**Assocom-India Pvt. Ltd.**

Flat No. 601, DDA Building,  
Plot No. 4, Laxmi Nagar,  
District Centre, Vikas Marg,  
Delhi - 110092

**Telephone :**

+91-11-47675200 (50 lines)  
+91-11-22457226, 22457230

**Telefax :**

011-47675201/06

**E-Mail :**

email@assocom-india.com

**Website :**

www.assocom-india.com

a comprehensive manner by adopting a life cycle approach. Prof. Thomas clarified that the additional financial implication of the NFSB is not going to be large. With the current coverage and entitlement and also taking into account estimated allocations under other welfare schemes, the food subsidy for 2012-13 is expected to be about Rs. 88997 crore. However, if we were to just update the coverage under TPDS (Targetted Public Distribution System) using 2011 census, the subsidy will be Rs. 109795 crore. In comparison, the estimated subsidy requirement under NFSB is estimated to be Rs. 1,12,205 crore, i.e., an additional amount of Rs. 2410 crore.

Prof. Thomas said that the perception of some states about the coverage under TPDS provide in the bill being restrictive and which will come in the way of universal PDS for a much higher coverage being implemented by them is misplaced. The Bill only specifies the minimum entitlement under TPDS and places obligations on central and state governments to fulfill them once the Act comes into force. He said that the apprehensions in some States about their food grain allocations under NFSB getting reduced is premature. The issue of state-wise coverage, corresponding the all-India coverage specified in the Bill, is yet to be decided. Ministry of Rural Development and Planning Commission will consult the states to arrive at a consensus on the methodology that will seek to ensure that no poor or deprived household is excluded from coverage under different government programmes and schemes. The Minister clarified that the major impact of NFSB will be in terms of food subsidy which is estimated to be additional Rs. 23228 crore more in 2012-13, compared to the estimated requirement under existing TPDS and other welfare schemes.

On computerization of TPDS, Prof. Thomas said steps have been initiated for the computerization of the PDS in the country. States have been asked for the digitalization of ration card, computerized allocation of fair price shops to make the PDS more effective. Computerisation of TPDS has been taken under Mission Mode Project under national e-governance plan. The Standing Committee on Food & Consumer Affairs and Public Distribution is to hold consultations with the stake-holders in various states and modifications will be made in NFSB based on the consultations by the committee.

## A crisis ignored

**The Hindu**

**February 13, 2012**

The advance estimate of national income in 2011-12, released recently by the Central Statistical Organisation points to a decline in India's GDP growth rate from 8.4 per cent last year to 6.9 per this year. The government, obsessed with growth rates, is deeply disappointed. Hence there is already talk of the need to respond and demands that the Reserve Bank of India should reduce interest rates are being heard. There are others, however, who would not waste time with numbers such as these. Not because, as a pure growth number, 6.9 per cent cannot be dismissed as too low, especially when the world is still in the midst of a recession. Rather it is because they do not see growth rates of even 8 and 9 per cent as being indicative of economic health when there is much else that points to poor performance.

Remaining within the growth discourse high GDP growth rates have been viewed with scepticism because for more than a decade now much of India's growth has been based on incomes generated in the services sector, with the goods producing sectors either languishing or performing poorly. Seen from that perspective there are other elements in the recently released growth projections that should give cause for concern. Principally, the 'agriculture, forestry and fishing' sector is expected to record growth of just 2.5 per cent in its GDP during 2011-12, as against the previous year's growth rate of 7.0 per cent. Within agriculture, the value of food grains production is expected to slow to 2.3 per cent as compared to 12.2 per cent in the previous agriculture year.

The problem here is not that agricultural output has registered a dip just with respect to the previous year. In a country where in many regions agricultural production is still dependent on the vagaries of the monsoon this should not be surprising. Rather, the

**Assocom-India Pvt. Ltd.**  
Flat No. 601, DDA Building,  
Plot No. 4, Laxmi Nagar,  
District Centre, Vikas Marg,  
Delhi - 110092

**Telephone :**  
+91-11-47675200 (50 lines)  
+91-11-22457226, 22457230

**Telefax :**  
011-47675201/06

**E-Mail :**  
email@assocom-india.com

**Website :**  
www.assocom-india.com

problem is that decline in annual growth occurs in a context where for two decades now production in the agricultural sector has been languishing. Taking a long view, agricultural production has been stuck in the two per cent-plus range since Independence. And as the accompanying Chart illustrates, even after the 1980s, when the Indian economy reportedly migrated out of the "Hindu rate of growth" to a higher growth trajectory, agriculture has remained stubbornly on the 2 per cent plus growth trajectory. The government has tended to play down this aspect of the growth scenario. In fact, early into the XIth Plan, it had argued that India had not merely seen a substantial acceleration in its aggregate GDP growth rate to 8-9 per cent per annum, but that the evidence was pointing to this dynamic affecting agriculture as well, generating hopes of a four per cent or more rate of growth in that sector. It is now clear that such assessments based on a few years' data had come too early and were wrong. Agriculture as a sector still languishes.

In fact things seem to be getting worse. Though the aggregate rate of growth of agriculture seems to have remained constant, even if low, a more disaggregated view points to significant differentials across crops. Thus, the observed low rate of growth has been sustained in the 1990s and the 2000s because of specific categories of crops like fruits and vegetables and oilseeds. On the other hand, food grain production seems to have decelerated during the last two decades when compared to the 1980s and coarse grains and pulses have recorded particularly low rates of growth. That is, agricultural growth has been maintained even at its low level because of higher growth in a few non-staple crops.

As some economists not beguiled by the statistics have noted, this evidence points in two directions. The first is that in the period of reforms, when the Indian economy had ostensibly turned dynamic as suggested by the GDP growth figures, agriculture continued to be neglected, resulting in a silent agricultural crisis. That neglect had many components. Public investment in agriculture has been in long-term decline. The extension system aimed at reaching new agricultural technologies and information on better farming practices to India's agriculturists has either been dismantled or allowed to degenerate. Agricultural research, which served India well during the Green Revolution years, has been given inadequate attention and resources. And a "reform"-induced combination of trade liberalisation and domestic deregulation, has raised costs while inadequately compensating farmers with remunerative prices, damaging the viability of crop production and increasing farmer exposure to income volatility.

The second is that the country is experiencing a food crisis that is concealed by claims of self-sufficiency. The per capita availability of food in a country where much of the population is below the level of nutritional adequacy has been low and declining. This has for much of the period not proved to be much of a problem because low incomes and purchasing power among a significant section of the population kept demand in check as well. But with low levels of per capita availability persisting even as the indirect demand for grain on the part of the well-to-do has increased, food prices are finally turning buoyant in India, squeezing the poor even further. Farmers may not be benefiting from remunerative prices, but consumers have to pay more. Put together this and other evidence indicates that Indian agriculture is in the midst of a crisis that adversely affects farmers and the non-farm poor. But given the government's obsession with growth this receives far less attention and provides much less cause for concern than the projected 1.5 percentage point decline in the official GDP growth rate

## Global wheat consumption down slightly, stocks record high

**USDA**

**February 13, 2012**

Beginning 2011/12 wheat stocks added another 0.8 million tons to supplies this month. The Kazakhstan wheat consumption and stocks' series for several years was revised, with an extra 0.6 million tons of wheat going into the country's 2011/12 beginning stocks. A higher estimate for Chilean 2010/11 wheat imports boosted Chile's 2011/12 beginning stocks by 0.1 million tons. A very small adjustment of wheat beginning stocks is also made for Canada. Projected global 2011/12 wheat consumption is down 1.0

**Assocom-India Pvt. Ltd.**

Flat No. 601, DDA Building,  
Plot No. 4, Laxmi Nagar,  
District Centre, Vikas Marg,  
Delhi - 110092

**Telephone :**

+91-11-47675200 (50 lines)  
+91-11-22457226, 22457230

**Telefax :**

011-47675201/06

**E-Mail :**

email@assocom-india.com

**Website :**

www.assocom-india.com

million tons to 680.5 million. Food, seed and industrial (FSI) use is down 1.1 million tons this month. The largest change is for India, down 1.6 million tons to 82.9 million, reflecting a lackluster pace of domestic demand for wheat in one of the world's largest wheat-consuming countries. India's projected consumption is still up 1.2 million tons on the year, but not enough to maintain stable per capita consumption of wheat.

In a country that ranks 67th out of 122 developing countries, according to the Global Hunger Index, and where an estimated 20 percent of its 1.2 billion population is undernourished, the Government is trying to strengthen the safety net for the poor and increase per capita consumption. These interventions have so far proved both inefficient and ineffective, and a new food security bill is currently under consideration that could increase, or at least maintain, per capita consumption for staple foods in India. Partly offsetting are several small upward adjustments for FSI use in Australia, Chile, Ethiopia, and Kazakhstan, up 0.1 million tons each. World feed and residual consumption is raised slightly this month, up 0.1 million tons to 130.7 million. Feed and residual, however, is up sharply on the year increasing 18.2 million tons from 2010/11.

For 2011/12 this month, a 1.0-million-ton reduction in Kazakh wheat feed and residual use (a result of already mentioned revision of the series for wheat consumption and stocks for the last 3 years) is more than offset by increased feed consumption in several countries. In Ukraine, where poultry production is showing robust growth on the year, feed consumption is projected up 0.4 million tons to 4.6 million. Feed wheat consumption is also up in Saudi Arabia by 0.3 million tons to 0.35 million because of an unusual increase in feed-quality wheat imports mainly from Ukraine. Feed consumption is up 0.2 million tons in both Canada and in Mexico. Canada has an abundance of low quality wheat that faces tough competition in world markets from the EU, Russia, and Ukraine. Reduced export prospects and lower domestic wheat prices make feeding more attractive, and as a result, more low quality wheat is projected to be used domestically as feed, causing an increase of 5 percent. In Mexico, higher imports of competitively priced soft red winter and white wheat from the U.S. are attractive partly because of tight supplies of U.S. sorghum.

World wheat ending stocks are projected up 3.1 million tons to 213.1 million this month, beating a historical record of 1999/00 by 2.4 million tons. Stocks are up because of an increase in global wheat production and a drop in consumption. The largest increases occur in India and Kazakhstan, up 2.9 and 1.8 million tons, respectively. In both countries, a combination of increased supplies and lower-than-expected wheat consumption (and also lower exports by India) resulted in a rise in the countries' stocks. Stocks are also up 0.6 million tons in Ukraine following lower projected exports that are partly offset by increased feeding. In Canada, Chile, and Morocco, stocks are up for a total of 0.6 million tons as a result of trade (Canada and Chile) and production (Morocco) changes.

Reduced stocks are projected this month for Russia (down 1.0 million tons), Argentina (down 0.5 million tons), Brazil (down 0.5 million tons), and United States (0.7 million tons), due to higher projected exports. Australian stocks are reduced slightly due to increased food and industrial consumption.

## Sweetwell to offer dextrose-free sugar substitutes

**Hindu Business Line**

**February 15, 2012**

Sweetwell, a Belgium-based player, hopes to sweeten the sugar substitute market here by launching its zero calorie dextrose-free products in Delhi and Mumbai soon. Sweetwell, which is on a global rollout, has partnered with local firm Chandak Brothers to form a joint venture Sweetwell India Pvt Ltd to launch its sweeteners. Mr Carlos Mateo Peralata, CEO, Sweetwell, said the sugar substitute product could be used for cooking too.

Dr Danny Deschuttere, Director, Sweetwell, said the Sweetwell product, developed over six years, was made out of natural



**Assocom-India Pvt. Ltd.**

Flat No. 601, DDA Building,  
Plot No. 4, Laxmi Nagar,  
District Centre, Vikas Marg,  
Delhi - 110092

**Telephone :**

+91-11-47675200 (50 lines)  
+91-11-22457226, 22457230

**Telefax :**

011-47675201/06

**E-Mail :**

email@assocom-india.com

**Website :**

www.assocom-india.com

ingredients extracted from corn, beet and chicory. He claimed that Sweetwell does not contain dextrose and had a relatively lower glycemic index, as testified by the Reading Scientific Services Ltd of the Lord Zuckerman Research Centre United Kingdom.

In India, the product has the approval of the Food Safety and Standards Authority of India, said Mr Deepak Chandak, CEO of its India operations. The joint venture is investing about Rs 60 crore in the India operations, which will look at manufacturing the product locally a year later. Sweetwell India is also in talks with a big business group to leverage their distribution network to market its product in the country, Mr Chandak said. In the first year, the company is targeting a turnover of Rs 12-15 crore. The market for sweeteners in India is growing between 20-25 per cent annually on rising demand for sugar substitutes from health-conscious consumers.

The current market size for such products is estimated at around Rs 125 crore.

## Record 250 mn tonnes food grain production in 2012-13, says Prime Minister

Jagaron

February 16, 2012

India's food grain production could touch a record 250 million tonnes in 2011-12, exceeding the annual target by five million tonnes, Prime Minister Manmohan Singh said on Wednesday. Addressing a workshop on 'Policy Initiatives for Promoting Partnership between Stakeholders in Agriculture with Particular Reference to Rainfed and Dryland Farming' at Rashtrapati Bhavan, the prime minister said production of cotton in 2011-12 was estimated to be 34 million bales, also a new record.

"The second Advance Estimates for 2011-12 indicate that the production of foodgrain is expected to reach the record level of over 250 million tonnes, exceeding the target for the year by five million tonnes. The production of cotton in 2011-12 estimated at 34 million bales is also a new record," he said. Noting that Indian farmers had "done us proud" again this year, he said: "But we still have a long way to go." Manmohan Singh said he believed the United Progressive Alliance (UPA) government over the last seven and a half years had given considerable attention to agriculture and was able to channel about Rs.4.74 lakh crore of bank credit into the agriculture and allied sectors.

"Minimum support prices for key agricultural commodities have been significantly enhanced. Indeed, they have been enhanced as never before. We have increased public investment in agriculture, with the Rashtriya Krishi Vikas Yojana giving states a strong incentive to increase their involvement and their investment in agriculture," he said. Consequently, the prime minister added, allocation for agriculture and allied sectors as a proportion of state plan expenditure has gone up from 4.88 percent in 2006-07 to 6.04 percent in 2010-11. "I am very happy that our agricultural policies have yielded positive result. Gross capital formation in agriculture and allied sectors has increased from 13.1 percent of gross domestic product (GDP) in agriculture in 2004-05 to 20.1 percent in 2010-11."

"Agriculture and allied sectors have grown at an estimated rate of 3.5 percent during the Eleventh Plan compared to the growth rates of 2.4 percent and 2.5 percent during Tenth and Ninth Plans respectively," he said. Recollecting what he had said at the Foundation Day celebrations of the Indian Council of Agricultural Research (ICAR) in July last year, Manmohan Singh said the challenges that India's agriculture faces in the coming years remain enormous.

"As an illustration, to meet the total demand of food grains in the year 2020-2021, we need a growth rate of at least two percent per year in food production. This has to be contrasted with the average annual rate of only one percent that we achieved in the 10-year period from 1995-96 to 2004-05," the prime minister said.

**Assocom-India Pvt. Ltd.**  
Flat No. 601, DDA Building,  
Plot No. 4, Laxmi Nagar,  
District Centre, Vikas Marg,  
Delhi - 110092

**Telephone :**  
+91-11-47675200 (50 lines)  
+91-11-22457226, 22457230

**Telefax :**  
011-47675201/06

**E-Mail :**  
email@assocom-india.com

**Website :**  
www.assocom-india.com

"Although food production has regained momentum in the recent years, we cannot afford to be complacent since the demand for horticulture and animal products is increasing very rapidly and this will require some shift of area away from production of food grains. Therefore, agricultural productivity in food grain production has to go up handsomely," he added.

## Delhi govt launches e-PDS system for greater transparency

February 14, 2012

In a first of its kind initiative to reform the public distribution system, Delhi Government today launched an online system under which beneficiaries will get details about ration and related details through SMS. Under the online system, the government will also monitor movement of trucks carrying PDS foodgrains through Global Positioning System fitted in them to check diversion of food grains. A central control room, set up in Paharganj area of Central Delhi, to operate the electronic Public Distribution Supply Chain Management (ePDSCM) system was today launched by Food and Civil Supplies Minister Harun Yusuf. Elaborating on the scheme, Yusuf said through the ePDSCM system information regarding movement of every truck from Food Corporation of India godown carrying food grains for targeted beneficiaries will be conveyed to the card holders as well as to all concerned officials through SMS. Officials said government provides food grain to around 17 lakh beneficiaries under PDS. He said the details about delivery of food grains at fair price shops and quantity entitled by the beneficiaries will also be made available through SMS. A beneficiary wanting to avail the service may register their mobile number at the dedicated portal (<http://epds.nic.in/nic-scbpdsDEL/epds>) set up for the purpose. "This is a major initiative by Delhi government to bring transparency into the PDS," he said.

## Use space technology for food security: UR Rao, former ISRO chief

EconomicTimes

February 15, 2012

India must embark on a "new evergreen revolution" with the extensive use of appropriate bio- and space technology inputs to ensure food security for all and enable the country to compete successfully in a globalised economy, says renowned space scientist UR Rao. India's population is bound to cross 1.6 billion by 2050, which will demand doubling of our foodgrain production to ensure food security to all our people, according to him.

And in the past one decade, India's agricultural production has remained stagnant between 220 and 240 million tonnes. Agricultural productivity (1.8 tonne per hectare) is much less than the world productivity of 2.6 tonne per hectare. The solution, the former chairman of the Indian Space Research Organisation (ISRO) said, lay in the application of science and technology. Rao was a member of an expert committee headed by economist A. Vaidyanathan which in a recent report to the agriculture ministry suggested using remote sensing technology in the development of agriculture.

The committee has also recommended setting up of a National Crop Statistics Centre to deal with all aspects of crop area and yield estimation. In a free-wheeling chat with IANS here Tuesday, Rao said development of Indian satellites and their posting at the space orbits were for the development of humankind. "Improvement and posting of satellites in space are meant for development of agriculture, education, health and medical treatment, forest and environment, communication, resource assessment and banking business."

Rao, who was here to attend the 4th convocation of the National Institute of Technology, Agartala, as guest of honour, said India's remote sensing satellites were being used to monitor and manage agricultural practices. These include analysis of cropping system

**Assocom-India Pvt. Ltd.**

Flat No. 601, DDA Building,  
Plot No. 4, Laxmi Nagar,  
District Centre, Vikas Marg,  
Delhi - 110092

**Telephone :**

+91-11-47675200 (50 lines)  
+91-11-22457226, 22457230

**Telefax :**

011-47675201/06

**E-Mail :**

email@assocom-india.com

**Website :**

www.assocom-india.com

(satellites provide valuable inputs for diversification and intensification of crops), mapping of sodic and usar soils, assessing the impact of droughts and floods, weather forecasting and monsoon prediction.

He said the Indian software industry had emerged as the fastest growing economic sector from a modest \$150 million two decades ago to over \$75 billion. Closely following IT, bio-technology had now become the new pulse and the buzz, with a revenue exceeding \$5 billion. It has been found that plant biotechnology offers significant and tangible benefits to farmers, consumers and the environment- from increased agricultural productivity to improved food quality, increased farmer incomes, and reduction in the environmental impacts of agriculture. In a flourish, Rao added, "We in the next few decades would not only explore the solar system planets but also must begin exploiting the mineral and energy resources of other planets."

## Food Scientist John Floros Named Dean of College of Agriculture and Director of K-State Research and Extension

February 14, 2012

A renowned food scientist and academic leader with significant experience at top-ranked land-grant universities will be Kansas State University's new dean of the College of Agriculture and director of K-State Research and Extension. John D. Floros will begin his new role Aug. 1. He comes to Kansas State University from Pennsylvania State University, where he is a professor and head of the department of food science. His past experience includes working as an international industry consultant for more than 25 years and serving as a professor at Purdue University.

"Kansas State University's College of Agriculture and K-State Research and Extension have a proud history and a bright future," Floros said. "Together, they make a dynamic, well-respected academic entity with an enviable reputation for supporting the state's agricultural industry and contributing to a safer, healthier and more sustainable food supply throughout the nation. I feel honored, delighted and proud to be the next dean and director, and ready to lead such a fine institution." "As Kansas State University works to become a top 50 public research university, we must build on our strengths in animal health and food safety," said Kansas State University President Kirk Schulz. "John is highly respected as a researcher in the international community and brings a tremendous network of global connections to our university. He has developed strong academic programs at all levels."

Floros' achievements include increasing enrollment in undergraduate and graduate programs at Penn State and doubling the size of the doctoral program. He played an integral role in increasing outreach and distance education programs, while raising funds to build the largest food science building in the country. "John Floros brings a distinguished career of research, teaching, service and administration to the position of dean of the College of Agriculture," said Kansas State University Provost April Mason. "His experience at top-ranked land-grant institutions provides an excellent foundation to support K-State's outreach mission through our extension service. Dr. Floros is no stranger to the Midwest having been at Purdue University for 12 years."

Floros earned a combined bachelor's/master's degree in food science and technology from the Agricultural University of Athens, Greece, and a doctorate in food science and technology from the University of Georgia. His research specialties include the application of chemical engineering science, applied mathematics and industrial statistics to the field of food process engineering and packaging. He has written more than 120 peer-reviewed articles, book chapters and other publications. Floros' research has been funded by the U.S. Department of Agriculture and private industry. He has been a member of several professional organizations, including the American Society of Agricultural and Biological Engineers and the American Society for Quality Control. He served as president for the Institute of Food Technologists, the leading professional organization in the food science discipline.

## State Food Secretaries meet to Review wheat Procurement

Food Secretaries from wheat procuring states will meet in Delhi on February 21, 2012 to discuss the arrangements for procurement of wheat for Rabi Marketing Season (RMS) 2012-13. The meeting convened by the Ministry of Consumer Affairs, Food & Public Distribution will be chaired by Union Food Secretary, Dr. B.C. Gupta. The meeting will review states-wise estimates of procurement for wheat. Though the production figures of the wheat will be available only after release of second advance estimates, States-wise arrangement of the procurement on the basis of past performance will be reviewed. Last time an all time record procurement of 283.34 lakh tonne wheat was made and in some States like Punjab, Haryana, Madhya Pradesh and Uttar Pradesh, it was recorded very high. Increased procurement will require action in advance for storage. Hence the meeting will also discuss, in detail, adequate storage space arrangements, both covered and CAP. The meeting will also discuss measures to make expedite early movement of wheat stock of previous years and movement of surplus stock of RMS 2012-13 well in advance. To optimize the utilization of the covered storage capacity of FCI in major procuring states, and to take delivery of wheat by the FCI from the State agencies in time, a comprehensive plan will be discussed.

The issue of availability of credit to the state agencies in time, setting of control rooms to monitor procurement, deployment of adequate staff by the FCI and payment of farmers through account payee cheques or bank transfers will also be taken during the meeting. Agenda of the meeting also include arrangements for adequate packaging material for wheat procurement and procurement of coarse grains during RMS 2012-13.

## 24 per cent Indian kids go hungry daily: survey

**IBN Live**

**February 16, 2012**

India may be an economic success story. But a 'Save the Children' study says around a quarter of Indian kids in the 0-6 age group go without food every day. And nearly 30 per cent of Indian families have been forced to cut back on food due to rising food prices, said the study released on Tuesday along with a report on tackling child malnutrition. Save the Children conducted the study in five countries. "It is shocking that parents are telling that they cannot buy food for their children because of high prices. This is destructive for the child's development as malnutrition is fatal and contributes to child mortality," Jasmine Whitbread, Save the Children International CEO, told IANS.

The study was conducted in December and January in Nigeria, India, Pakistan, Bangladesh and Peru. It sampled over 1,000 adults in rural and urban areas. "The reason we chose these countries was because the five nations cover more than half of the world's malnourished children. India is a growing economy and this survey tells (us) the urgent need to set goals and measure progress for achieving the millennium development goals (MDG)," Whitbread added. Nearly 66 per cent respondents in India said that rising food prices were a pressing concern in 2011. Another 17 per cent parents said their children skipped school to work and pay for food.

The report says that in India and Nigeria, parents struggle to feed their children. A large section of the population seems unaffected by the economic progress of these countries. Food inflation in India has dipped after remaining high for a long time. But figures show that although prices of foodgrains have dipped, those of vegetables, milk, eggs, meat and protein diet have risen substantially. According to the study, every year around 1.72 million children under five years die in India. Of these, more than half the deaths take place in the first one month of a child's life. India also ranks 134 among 187 countries in Human Development Index, 73 among 78 countries as the best place to be a mother, and 67 among 81 countries in the Global Hunger Index.

More than a fifth of under five deaths per year take place in India - the highest anywhere in the world. India also holds the 11th



**Assocom-India Pvt. Ltd.**  
Flat No. 601, DDA Building,  
Plot No. 4, Laxmi Nagar,  
District Centre, Vikas Marg,  
Delhi - 110092

**Telephone :**  
+91-11-47675200 (50 lines)  
+91-11-22457226, 22457230

**Telefax :**  
011-47675201/06

**E-Mail :**  
email@assocom-india.com

**Website :**  
www.assocom-india.com

highest rate of stunting globally. Eighty percent of stunted children live in just 20 countries. Fortyeight percent of the children are stunted, said Save the Childrern. Stunting means the children's body and brain have failed to develop properly due to malnutrition.

It said that social protection schemes - which provide families with regular cash transfers or food parcels that provide a safety net during hard times - have proved successful in many countries in protecting families from the worst effects of poverty. Brazil, it said, has shown how investing in social protection can dramatically reduce hunger and malnutrition, and also contribute to economic growth. "Our recommendations include setting up a nutrition mission, better defining and refining the selection criteria of families below poverty line and a host of essential interventions to improve nutritional security of families," said the NGO's India CEO Thomas Chandy.

## President for out-of-box solutions to deal with farming issues

**EconomicTimes**

**February 16,2012**

Reflecting the utmost priority to address farm sector woes, a first-of-its-kind workshop was held on Wednesday at the initiative of President Pratibha Patil where Prime Minister Manmohan Singh pitched for raising agriculture output to provide food security to citizens. At the workshop attended by eight Union ministers, 20 governors, five chief ministers and 37 vice chancellors of agricultural universities, Patil underlined the need for "out-of-the-box" solutions to enhance productivity in rainfed and dryland farming (RFDF) areas. In her speech Patil said: "A willingness to look at out-of-the-box solutions is necessary to usher in noticeable change in handling the subject." The Prime Minister, while hailing farmers for producing an estimated record 250 million tonnes foodgrains this year, cautioned that the nation cannot remain complacent as demand for agriculture products has been increasing rapidly.

He said "although food production has regained the momentum in the recent years, we cannot afford to be complacent since the demand of horticulture and animal products is increasing very rapidly". "...A strong agriculture sector is necessary for our food and nutritional security," he said, adding, the country's foodgrains production is expected to be a record 250 million tonnes in 2011-12, exceeding the target for the year by five million tonnes. Finance Minister Pranab Mukherjee asked the states to encourage organised sector in supply management pending a decision on allowing foreign direct investment (FDI) in multi-brand retail.

The workshop is a part of the initiative of Patil for enhancing farm productivity, especially in rainfed areas. A Committee of Governors constituted by the President has already met twice. Calling for greater thrust on development of rainfed and dryland farming (RFDF), President Patil said 60% of India's cultivated area come under RFDF which provides 44% of food production in the country. It also includes 87% of coarse cereals and pulses, 80% seeds and 65% cotton. These areas support about 40% of the population, mostly belonging to the poorer sections of the society. Besides, it also helps nearly 60% of the livestock population.

The President also expressed concern over "very low investment" in RFDF areas as compared to integrated areas and called for paying urgent attention towards it. "In the 12th Five-Year Plan, it is necessary to give a thrust to RFDF areas that will generate a sense of urgency at the government level to promote partnership between various stakeholders to revitalise Indian agriculture," she added. Prime Minister Singh stressed "...productivity in foodgrains has to go up handsomely". Singh also expressed concern over volatility in prices of farm products. "There is a big gap between farm gate and retail prices that the consumers pay. There is also volatility with prices being low after harvest. We need to address all this by reforming agricultural marketing systems and investing in supply chains," he added. Referring to the issue of inflation, Finance Minister Mukherjee said, "even as we build a consensus on FDI in multi-brand retail, it is important for the State governments to encourage the presence of organised sector in strengthening the food supply chain. There is ample space for the organised sector to co-exist with the family retail shops".

## **Consolidation of Research Programmes and Public-Private Partnership Required for Inclusive Growth in Agriculture: Shri Pawar**

**February 17, 2012**

Annual Conference of Vice-Chancellors And ICAR Directors Inaugurated

Shri Sharad Pawar, Minister of Agriculture and Food Processing Industries has stressed on consolidation of research programmes, development of a long-term human resources plan and Public-Private partnership to ascertain inclusive growth in agriculture. Inaugurating the Annual Conference of Vice Chancellors of Agricultural Universities and ICAR Directors, Shri Pawar said that ICAR Institutes and State Agricultural Universities (SAUs) must reinforce the interface mechanism to improve synergy to minimize duplication efforts and lead to judicious use of the resources.

The Minister said, "Globally, there is an increased interest in agricultural research and development because of the food concerns around the globe and escalating food prices. In India, we have been constantly upgrading our resources to meet these challenges. However, how successful we have been in overcoming them is still a moot point. I am an agriculturist over the last five decades and the Agriculture Minister in Government of India over the last seven years, but I am constrained to say, that but for the successful roll out of the green revolution in the 60s I am yet to see technological breakthroughs which have broken the productivity barrier faced by most of our crops. With such illustrious minds at work and despite huge financial outlays the answers still eludes the nation. While we have been fortunate that our production levels have risen over the last few years, I fear that this growth story will soon peter away unless the ICAR system stands up to count among the solution providers for the farming community." Shri Pawar called for a demand driven approach to research and development of synergies both between the researchers and between the researcher and the end user. He asked the Vice Chancellors who are training the future researchers to see that this aspect of agriculture research is internalized in our students. Shri Pawar said, "Both the universities and their colleges should engage in strategic planning to determine how they can best recruit, retain, and prepare the agriculture graduate of today and tomorrow. Conversations should involve a broad array of stakeholders with an interest in undergraduate agriculture education. This could include faculty in and outside agriculture colleges, current and former students, employers, disciplinary societies, commodity Boards, local organizations focused on food and agriculture, and representatives of the public. Institutions should develop and implement a strategic plan within a year and to revisit that plan every five years thereafter."

The Minister said, "In the knowledge era, knowledge architecture is becoming increasingly important and it is necessary for us to strengthen the knowledge portals created for rice and buffalo and to create more such portals. I am given to understand that the knowledge-Innovation Repository in Agriculture for North-East (Kiran) has been launched for enhancing agricultural production in NE Region. This is a very welcome step. Similarly, the Livestock Feed Portal I am sure will serve as a single window reference on sequential information on livestock feeds and feeding. All these efforts augur well for Indian agriculture and over time these knowledge based initiatives have the potential of becoming the focal point of agriculture development and growth." On the periodic increase of financial support from Department of Agricultural Research and Education to agricultural universities, Shri Pawar urged the State Governments to enhance investment on agricultural research, education and extension. The Minister pointed out that ICAR is devising innovative called "Farmers First and Students Ready" programmes to improve the technology delivery and agricultural education with enhanced emphasis. This would greatly improve the entrepreneurial skills of the agricultural graduates, the Minister added. Dr. K. L. Chaddha and Dr. V.P. Singh, renowned agricultural scientists, who received the Padam Shri Award this year, were felicitated on the occasion. Minister of State for Agriculture, Dr. Charan Das Mahant was also present.

**Assocom-India Pvt. Ltd.**  
Flat No. 601, DDA Building,  
Plot No. 4, Laxmi Nagar,  
District Centre, Vikas Marg,  
Delhi - 110092

**Telephone :**  
+91-11-47675200 (50 lines)  
+91-11-22457226, 22457230

**Telefax :**  
011-47675201/06

**E-Mail :**  
email@assocom-india.com

**Website :**  
www.assocom-india.com

**Assocom-India Pvt. Ltd.**

Flat No. 601, DDA Building,  
Plot No. 4, Laxmi Nagar,  
District Centre, Vikas Marg,  
Delhi - 110092

**Telephone :**

+91-11-47675200 (50 lines)  
+91-11-22457226, 22457230

**Telefax :**

011-47675201/06

**E-Mail :**

email@assocom-india.com

**Website :**

www.assocom-india.com

## India's 2011/12 wheat output to top govt forecast - Pawar

February 17, 2012

India's wheat output in 2011/12 will cross the current official forecast of a record 88.31 million tonnes due to favourable weather conditions, Farm Minister Sharad Pawar said on Friday. The bumper harvest, on top of ample stockpiles, will benefit local farmers and traders, who have struggled to make overseas sales as international prices have been lower.

India has allowed exports of two million tonnes of wheat, easing a ban on overseas sales imposed in 2007, but shipments have only been around 500,000 tonnes. The country's January 1 wheat stocks at government warehouses were 25.7 million tonnes, more than three times the official target for the quarter ending March 31, government sources said last month. "There will be an improvement," Pawar said, referring to a farm ministry forecast this month that the 2011/12 wheat harvest could be at 88.31 million tonnes. India, the world's second-biggest wheat producer, harvested a record 86.87 million tonnes of the grain in 2011.

## Budget 2012: Biscuits should be exempted from VAT line, says FICCI

EconomicTimes

February 16, 2012

FICCI in its pre-budget memorandum has given the following recommendations for the food processing industry

1) The packaged drinking water is a common man's product and accordingly should be put in the NIL category. A total macro view would be necessary than a sectional view focusing only on the revenue generating potential of levy of excise duty on packaged drinking water. However, if the government on revenue consideration is not able to remove the excise duty completely, it may look at reducing the excise duty in a calibrated manner and in the first stage Excise Duty may be brought down to 4% and taken to zero in the next year.

2) Biscuits deserve to be treated as merit goods and to be secured in a more rational, lower rate of VAT or exempted from VAT in line with bread. Biscuits are a food product of mass consumption across all economic and geographical groupings across India. It is significant that biscuits are consumed in higher percentages in rural India. In addition to the rural-urban consumption indices, even on an economic mapping, the consumption of biscuits, particularly lower priced biscuits, is at a significantly higher percentage amongst the lower economic groupings within the country. Biscuits are, therefore, truly the food of the masses in India.

In the Indian economic scenario, the value which accrues to consumers from the money that they spend on food products is an area of critical concern. While several natural agricultural products offer good value for money spent, from a nutritional and calorific perspective, one area of concern is that the natural products have a very short shelf life and are incapable of consumption beyond a point. This factor leads to wastage of precious resource for the lower income groups. Of all manufactured food products, biscuits offer an equivalent, and at times higher, nutritional and calorific benefits to consumers, at price points which are often equivalent or lower to the price of natural agricultural foods. Biscuits, therefore, offer nutritional and calorific benefits, with a longer shelf life of more hygienically packaged and produced food products and at more economical price points than other manufactured food products and several natural food products. .

The higher taxation of biscuits has several adverse points of impact within the Indian economy including the following:

- Biscuits are a highly price sensitive product. Historically it is proven that an increase in the taxation/price of biscuits has an immediate and inverse impact on the consumption of biscuits. Higher taxes and/or prices have inevitably resulted in a sharp diminution in the consumption of biscuits. It is because of the highly price-sensitive profile of biscuits that manufacturers of biscuits

**Assocom-India Pvt. Ltd.**  
Flat No. 601, DDA Building,  
Plot No. 4, Laxmi Nagar,  
District Centre, Vikas Marg,  
Delhi - 110092

**Telephone :**  
+91-11-47675200 (50 lines)  
+91-11-22457226, 22457230

**Telefax :**  
011-47675201/06

**E-Mail :**  
email@assocom-india.com

**Website :**  
www.assocom-india.com

have, despite extreme pressures, sought to maintain the price of biscuits at a largely uniform level over the past several years.

- Lower consumption inevitably leads to lower production which in turn causes a diminished capacity utilization within the industry, resulting in inefficiencies in relation to the capital deployed in the industry.

- Lower consumption and lower production have an immediate and adverse impact on employment, within and related to the biscuit industry. The biscuit industry directly / indirectly employs in excess of 3.5 million people. Most significantly, the employment opportunities are secured to non-skilled and semi-skilled workers involved in the production process. The employment created is at the lowest economic tiers of our work force. In addition to employment in the production of biscuits, employment is generated in relation to storage, transportation, distribution, marketing and retailing. The employment opportunities created are, therefore, not localized, and, extend to the entire country.

The biscuit manufacturing industry has a direct nexus with the Indian agricultural sector. The raw materials for biscuits, viz. wheat flour, sugar and vegetable oil are primarily agricultural or agri-industrial products. The deep connect with the agricultural sector is best illustrated by the fact that in excess of 50% of the retail price of biscuits is contributed by costs related to the acquisition of agricultural raw materials required for the manufacture of biscuits

In formulating the tax structure for biscuits at a state level under VAT, several State Governments have misdirected themselves while finding analogous groupings of food products for the fixation of the rate of taxation. In terms of the virtues of biscuits from a nutritional, calorific and value perspective, biscuits stand apart as food products of merit when compared with other manufactured food products. Biscuits, in terms of nutrition and value, can be compared closest to bread (another food item of mass consumption across all economic strata

## World Wheat Production Increased This Month

**USDA**

**February 13, 2012**

Projections for 2011/12 world wheat production continue to increase. Wheat output is projected up 1.4 million tons this month to 692.9 million, pushing the historical record even further. All changes for 2011/12 world wheat production resulted from the latest government statistical reports and update harvests that were completed a while ago. India's 2011/12 wheat production is up this month 0.9 million tons to 86.9 million following the government announcement. Wheat production is also up in Kazakhstan and Morocco, 0.2 million tons each, to 22.7 and 6.0 million, respectively, reflecting the latest official reports and revisions.

## PM's address at the Golden Jubilee of Indian Agricultural Research Institute

The Prime Minister, Dr. Manmohan Singh addressed the Golden Jubilee of Indian Agricultural Research Institute in Delhi today. Following is the text of Prime Minister's address on the occasion:-

"I am delighted to participate in the Golden Jubilee convocation of the Indian Agricultural Research Institute. I congratulate all those students who are receiving their degrees today, particularly those who are being recognized for their outstanding achievements. I wish them all the very best in their future pursuits. Our government has always recognised that a prosperous, productive and sustainable farm economy is the corner stone of equitable and inclusive growth of our country. We have therefore pursued policies to bring about a comprehensive reform and revitalisation of our agrarian economy. We have adopted a multi-pronged strategy to



**Assocom-India Pvt. Ltd.**

Flat No. 601, DDA Building,  
Plot No. 4, Laxmi Nagar,  
District Centre, Vikas Marg,  
Delhi - 110092

**Telephone :**

+91-11-47675200 (50 lines)  
+91-11-22457226, 22457230

**Telefax :**

011-47675201/06

**E-Mail :**

email@assocom-india.com

**Website :**

www.assocom-india.com

improve returns to farming and step up investment in rural infrastructure. Our flagship programme Bharat Nirman has focussed on increasing investment in rural roads, rural electrification, irrigation, rural housing and rural communications. Over the past seven years we have engineered a shift in the terms of trade in favour of agriculture by raising significantly support and procurement prices. We financed a massive debt write off for indebted farmers of our country. We launched the Mahatma Gandhi National Rural Employment Guarantee Programme which is both a safety net for the poor and also a powerful instrument for undertaking works that will enhance land productivity. We launched the Rashtriya Krishi Vikas Yojana and the Rainfed Areas Development Programme.

These policies have begun to pay off. We have reached new plateaus in foodgrain production. Food production at the end of the 11th Plan will exceed 250 million tonnes, an all time record. Our pulse production, at 18 million tonnes, is well about the previous barrier of 15 million tonnes. We are producing today more milk, more fruits, more vegetables, more sugarcane, more oilseeds and more cotton than ever before. Last year production of vegetables went up by 9.57% and nearly 2 million tonnes of cold storage capacity was created. It now looks as if agricultural growth is likely to be about 3.5% per annum during the 11th Five Year Plan which is much better than in the 10th Five Year Plan. This is a commendable achievement but we must improve upon it in the Twelfth Plan to reach 4 percent growth or even higher. This will call for very determined effort on the part of both the central government and the state governments ranging over many areas including investment in irrigation, investment in watershed management, provision of credit, provision of marketing support etc. One of the key elements in that effort must be the contribution of agricultural research and I would like to use this opportunity to focus on this area.

I am aware that at any given time there is a gap between the yield per hectare that is observed in the field and the yields that can be achieved under ideal farming conditions. That difference is quite substantial at present and it represents the failure of the system to exploit the yield potential which our scientists have given us. In the short run it is the job of the administration to close this gap and our agricultural strategy must give high priority to this effort. This is not the job of research scientists but it does involve close collaboration between our scientific and technical manpower and the administration on the ground. We must do better in this area than we have done thus far.

One of our major concerns has been the worry that our extension services system is no longer sufficiently robust. The First Green Revolution was carried out on the back of an effective rural extension and research infrastructure. The joining of hands between panchayats, rural agricultural staff, agricultural scientists and district level officials created the foundation of a robust extension services system. The Indian Agricultural Research Institute and state level institutions were very much a part of this system. We need now to revitalise this infrastructure of support at the district level. The Krishi Vigyan Kendras which now cover virtually the entire length and breadth of the country and Agricultural Technology Management Agencies (ATMA) have to play a major role in this process of revitalization and transformation of extension network.

Looking beyond the application of known technology, our farm economy needs much greater injection of science and a knowledge-based approach to increasing incomes and productivity. Both land and water are limited and it is vital that we make progress in agricultural technology which raises land productivity while also allowing a significant reduction in water use per unit of agricultural output. We need to develop varieties which can ensure high yield while economising on water and are also capable of withstanding water stress. This is as true of crop production as for livestock. We need to develop improved breeds which can flourish in our agro climatic conditions and do not require high value inputs which our farmers cannot afford.

This depends critically upon the health and vitality of our agricultural research system, centring on the ICAR system and state agricultural universities. We owe a great deal to our scientists for what we have achieved in the past. It is due to the dedicated work of our agricultural scientists that we were able to overcome those constraints. I am very happy that Dr. M.S. Swaminathan the father of the Green Revolution in our country is very much present here. But we should not rest on our laurels. We have a long way to go

**Assocom-India Pvt. Ltd.**

Flat No. 601, DDA Building,  
Plot No. 4, Laxmi Nagar,  
District Centre, Vikas Marg,  
Delhi - 110092

**Telephone :**

+91-11-47675200 (50 lines)  
+91-11-22457226, 22457230

**Telefax :**

011-47675201/06

**E-Mail :**

email@assocom-india.com

**Website :**

www.assocom-india.com

down this road if we want to assure our farmers of prosperity from the fruits of the land they till. The National Agricultural Research System needs to be further strengthened to meet the challenges of the years ahead. One requirement of this is the adequacy of financial resources. Our Government is committed to raising R&D spending as a whole to at least 2% of the GDP by the end of the XII Plan from the current level of about 1%. Given the importance that agriculture has in achieving our national goals, we have to ensure that a significant proportion of increased R&D spending is directed to agriculture and related activities.

Resources are only one part of the solution. I also feel our agricultural research system needs to look inward to see whether it is keeping up with developments globally. We had established two Committees to examine the system and make recommendations on how to strengthen it. One of these Committees was headed by Dr Mashelkar and the other by Dr Swaminathan. We need to review the implementation of the recommendations of these committees to see whether all the recommendations they made have been implemented in letter and spirit. I am particularly keen to ensure that research funding is based on clearly defined research goals which are linked to achieving productivity increases in the field. This calls for a system which focuses on basic research at one end but also encourages a spectrum of activity translating basic research to the development of varieties that meet the needs of our farmers given the circumstances in which they have to operate and their resource constraints.

While the public sector needs to take the lead we also need much greater private sector investment and involvement in agriculture, particularly in R&D. Indeed, it is unlikely that the goal of 2% of GDP in research can be achieved unless a significant part of this is financed by the private sector. Further, greater integration of the agricultural, industrial and Science and Technology sectors of our economy alone can yield large productivity gains based on new innovations and technologies.

We need to promote structured public private partnerships, to foster better synergy among institutions and disciplines. However, for this to happen on an adequate scale, we need to expand the mode of scientific research by funding not just institutions but also research platforms that cut across institutions. Individual researchers and research groups, whether in the National Agricultural Research System, universities, CSIR, scientific establishments or the private sector, should be enabled to form platforms for joint research in key priority areas. These should be funded subject to quality peer review. I am therefore happy that the Indian Council of Agricultural Research has proposed some extra mural funding along these lines in the XIIth Plan.

The institutionalization of an intellectual property rights regime is important for this to happen. Not only must our scientists be rewarded for their innovative work, but an effective IPR regime will also facilitate research partnerships on the basis of sharing of costs and benefits in the larger interest of our economy and society at large. For example, the public sector has invested in a very large collection of genetic material which is of value to private seed producers. Commercial arrangements could be worked out for use of such knowledge, whose proceeds could be ploughed back into scientific research for public good.

In this context, we must never forget that linkage with farming communities is vital to enhance the efficiency and productivity of our agricultural research system. This would help to blend modern science with traditional knowledge and make the system more responsive to the felt needs of our farmers. Special attention needs to be paid to the role of women in the farm sector. Women have historically been the source of much traditional knowledge. Thus special efforts have to be made to make the entire R&D chain more gender sensitive and give priority to technological options that reduce the drudgery of women working on the farm.

As we go forward, we have to keep in mind not only the increase in demand for food but the changing composition of that demand. It is estimated that we would need an addition of nearly 50 million tonnes of food grains in the next 10 years to meet domestic demand. Increased production of foodgrains is certainly an important plank of food security and our efforts to rid the country of the scourge of malnutrition. But proper nutrition also requires a balanced diet. We would need to produce more fruits & vegetables and protein rich products such as milk, eggs, fish and meat. The demand for these products is expected to grow substantially with rising incomes and changing dietary habits and preferences. Therefore we have to pursue a multi-pronged strategy which seeks to boost productivity

and production through product-specific interventions. I have already mentioned the need to deal with the threat of climate change. Climate change and rising demand for commercial energy are expected to have a significant impact on agriculture in India. Rise in energy demand and continued dependence on fossil-fuel based energy will lead to higher costs of cultivation and also lead to increased carbon emissions.

I am happy to learn that IARI has recently set up a new Centre for Environment Science and Climate Resilient Agriculture to address these issues.

I was a student, like many of you here, in the difficult years of the 1940s and 1950s. Times have changed and we have overcome the fears that plagued our nation at that time. But your generation faces even bigger challenges. We achieved higher agricultural productivity through means that used water very intensively and relied heavily on chemical inputs. And we did not have a looming concern on climate change. Your generation has to tackle all these tasks. Fortunately our economy is now much stronger and we are in a position to support research much more than was the case earlier. I assure you that we will do our bit. The glorious history of institutions such as the Indian Agricultural Research Institute, and the quality of the young minds being trained in it today shows that we have the intellectual and institutional capacity to overcome all challenges. I wish each one of you well in your chosen careers and I have no doubt that you will make a major contribution to creating the new green revolution in the years that lie ahead. May your path be blessed."

## Ahead of wheat procurement, state to ask Centre for speedy evacuation of surplus foodgrain stock

Indian Express

February 20 2012

The state government is set to ask the Centre for faster evacuation of surplus foodgrain stock ahead of the wheat procurement season, as the shortage of storage space in the state has reached alarming levels, raising fears of crop damage. "We want from the Centre that the movement of foodgrain stock be expedited on an urgent basis so that the pressure on the state's storage capacity for storing new crops lessens," Punjab Food Secretary D S Grewal told PTI. Punjab will raise the issue with the Centre at a scheduled meeting of state food secretaries convened by Union Consumer Affairs, Food and Public Distribution Ministry on February 21 to review wheat lifting arrangements, he said. The Punjab government wants at least 20-25 lakh tonne of wheat and rice moved out of state per month, while just an average of 14-15 lakh tonne of foodgrain is being moved out at present.

Punjab, whose contribution amounts to over 50 per cent of the total wheat in the central pool, expects to procure 110 lakh tonnes of wheat in the 2012-13 Rabi marketing season starting from April. "Against average opening stock of 52 lakh tonne in the last three years, this season we are going to have an opening stock of 65 lakh tonne of wheat in April (when procurement starts)" he said. The state would have to store about 30-35 lakh tonnes of freshly harvested wheat in an unscientific manner at rice mills, mandi yards or open space after exhausting all available resources for storing crop. Last season, Punjab stored 20-22 lakh tonne crop in an unscientific manner. Eighty six thousand tonnes of wheat has been damaged in Punjab in the last five years due to the poor storing system.

Problems for Punjab have been compounded by the fact that the Railways have not been able to provide adequate rakes to speed up the transportation of food grain from Punjab despite being reminded numerous times. "The state requires 22 rail rakes for movement of foodgrain to other states but it is getting only 17 rakes which is causing slow evacuation of stock," a senior official of FCI said here, adding that the FCI had also taken up the matter with Railways to increase the supply of rakes at the commencement of the wheat procurement season.

## Food security in times of crisis

Deccan Herald

February 23, 2012

The atmosphere of uncertainty has affected growth projections for the world economy.

The uncertainties that lie ahead in the coming year present a challenge to the ability of governments to navigate the challenges that the recession will present to the less well off members of their population. Worry over food insecurity arises from the fact that sluggish job creation and income growth effect the access of the poor to food. The Trimestral Food Security Bulletin of the UN Food and Agricultural Organisation (FAO) reports that the current international situation is marred by the persistence of the sovereign debt crises in various EU countries. If recession strikes the euro zone, world demand will be effected and in turn sap the growth rates of emerging countries, which until now have been maintaining global growth. The atmosphere of uncertainty has affected growth projections for the world economy, which have been lowered for 2012 from 6.2 to 5.4 per cent for developing countries and from 2.7 to 1.4 per cent for high income countries. Averaged, the overall world growth rate is expected to be 2.5 per cent for 2012.

**Slower growth :** Slower growth would mean that international trade would also decrease, which would probably drive down commodity prices. The World Bank calculates that world exports of goods and services grew by 6.6 per cent in 2011 (half of the rate for 2010, which was 12.4 per cent) and estimates they will drop to 4.7 per cent in 2012.

International food prices fell by 10 per cent between June and December 2011. Between December 2010 and December 2011, sugar prices fell 18 per cent, prices of oils and fats fell 14 per cent, and the average price of cereals -an essential component of the human diet- dropped by 8 per cent, while prices of milk products slipped 3 per cent. It is likely that this downward tendency -which effects the expectations of agents of the international markets- will compound increases in the availability of food and generate a prolonged phase of price fluctuation for 2012, though within a narrower band.

However, it should be pointed out that fluctuations in international food prices do not carry over directly into individual countries: Latin America and the Caribbean (LAC) did not experience the increase in prices and it is not expected that the projected decreases will be felt there either. This is not to deny the effects of international price fluctuations but merely to point out the importance of national and local dynamics in pricing.

The record for food availability in 2011 was one of the primary reasons for the drop in prices in the last months of 2011. Supplies of cereals were ten million tonnes larger in 2011 than in 2010. Production also increased and FAO's latest projections for cereal harvests in 2011/2012 are for a record of 2.3 billion tonnes, a 3.5 per cent jump from 2010/2011. Wheat production is projected to rise by 6.5 per cent though secondary grains and rice are expected to experience a slight drop. The LAC countries maintained a relatively low rate of inflation (7 per cent) according to FAO's January LAC Price Report, and annual food inflation shows signs of closing 2011 at 8.5 per cent, down from 9.6 per cent in 2010. Many countries in the region saw significant reductions in inflation rates between 2010-2011, while in some inflation even dropped to levels from before the 2008 global food crisis.

In terms of production, LAC prospects have worsened in Argentina where drought has caused projections for cereal production to be lowered by about 12 per cent. Brazil's wheat harvest is projected to be 16 per cent smaller than that for 2010/2011 because of freezes and reductions in planting. Parts of Mexico and Central America are expected to see lower corn production. In 2012, the governments of Latin America and the Caribbean responded adequately to food price volatility. Some countries expanded income supplementation programmes that guaranteed a significant percentage of the poor access to food.

For the coming year, it is essential that these countries not lower their guard and carefully monitor the threat that a recession might pose for the food security of their poorest citizens, who always bear the brunt of international price volatility.

**Assocom-India Pvt. Ltd.**  
Flat No. 601, DDA Building,  
Plot No. 4, Laxmi Nagar,  
District Centre, Vikas Marg,  
Delhi - 110092

**Telephone :**  
+91-11-47675200 (50 lines)  
+91-11-22457226, 22457230

**Telefax :**  
011-47675201/06

**E-Mail :**  
email@assocom-india.com

**Website :**  
www.assocom-india.com

## Shri Kapoor nominated as Member of National Food Processing Council

**Punjab Newsline Network**

**February 22, 2012**

The Government of India has nominated Shri Kishan Kapoor, Industries Minister as a Member of newly constituted National Food Processing Development Council.

The Council is headed by Shri Sharad Pawar, Union Agriculture Minister and the representation has been given to Assam, Bihar, Himachal Pradesh, Andhra Pradesh and Maharashtra. As per the notification of Central Food Processing Ministry, the Union Minister of State for Agriculture, Food Processing will be its Vice Chairman. (IANS)

## Punjab jittery as MP joins wheat producing states' club

**HindustanTimes**

**February 23, 2012**

As the start of wheat procurement from April 1 is approaching nearer, the worries of Punjab are growing. After Madhya Pradesh announced in Tuesday's meeting with union food secretary that it would procure 65 lakh tonne of wheat in the coming Rabi marketing season, officials from Punjab are worried lot, as more procurement in other states means glut in Punjab. "Please move our stocks first as we have no space to store coming wheat grain which is again going to be a bumper," Punjab's secretary food and civil supplies DS Grewal told union food secretary BC Gupta in the meeting. Grewal's comments came as he understands that higher procurement in MP means slow movement of wheat from Punjab.

"He (Gupta) understands the situation, but has not promised anything," said an official from Punjab who attended the meeting in New Delhi. Gupta, an IAS officer of Punjab cadre, was not available for comments. As per figures procured from Food Corporation of India, Madhya Pradesh's wheat contribution into the national pool has grown from 50000 tonne in 2008, to 47 lakh tonne in 2011 and this year's estimated procurement is 65 lakh tonne. In Punjab another bumper crop with 167 lakh tonne yield is expected this season, and the state hopes to procure 112 lakh tonne for the national pool.

MP is offering Rs 100 per quintal bonus from state's side over and above fixed MSP of Rs 1,285, to increase procurement to its maximum. MP which was a consuming state till a few years ago has joined the elite club of producing states Punjab and Haryana. Moreover, Bihar and Uttar Pradesh also conveyed in the meeting that they don't want wheat from Punjab as their godowns were still full. But national procurement agency Food Corporation of India (FCI) made it clear that it would be purely its decision and states can't dictate.

"FCI will try its best to evacuate stocks from surplus to deficit states, and states can't choose to receive wheat stocks or not, it is purely our decision," FCI CMD Siraj Hussain said, in the meeting which he later conveyed to Hindustan Times. "It is unreasonable to offer Rs 100 bonus by any state, especially when there is no food scarcity, but we can't help, as it's a state's support to its farmers," said Grewal, adding that he had requested FCI and union government to move out already stocked wheat out of the state so that arrangement could be made for fresh stocks. Punjab already has a stock 90 lakh tonne of wheat in its godowns and is falling short of 60 lakh tonne of storage space. It also has good amount of paddy stocks waiting to be moved out. "Year after year our opening wheat stocks are rising, which is alarming. This year it is going to be 65 lakh tonne, either we should increase the storage capacity or movement is increased," adds Grewal.

Punjab has total of 212 lakh tone of storage space (106 open plinths and 106 covered space) and another 30-35 lakh tone covered space is sanctioned by FCI. "I appeal to the states to ensure that already sanctioned storage space is completed at earliest," adds Hussain



## Wheat procurement to touch 32 million tonnes in 2012-13

Hindu Business Line

February 22, 2012

Wheat procurement by the Government for the Rabi marketing season 2012-13 is expected to rise by over 12.5 per cent to a record 31.89 million tonnes (mt). Last year, the Government had procured 28.34 mt for subsidised sales under the public distribution system. The procurement in majority of States such as Punjab, Uttar Pradesh, Haryana and Rajasthan will begin from April 1 and continue till June 30. In States such as Maharashtra, Madhya Pradesh and Gujarat the procurement will start from March 15. Bihar and Jammu & Kashmir are likely to begin procurement from April 15. The Union Food Secretary, Dr B.C.Gupta, reviewed the State-wise procurement strategy with the Food Secretaries of some 13 wheat procuring states on Tuesday. Madhya Pradesh has indicated a record estimate of 6.5 mt for 2012-13, according to the Food Ministry statement. The Government has announced a minimum support price of Rs 1,285 a quintal for wheat this year.

The procurement strategy assumes significance as the country is poised for an all time record harvest of wheat exceeding 88.31 mt. In 2011-12, India harvested a record 86.87 mt of wheat.

**Purchase centres :** The arrangements discussed at Tuesday's meeting include among others, the number of purchase centres to be opened in each State, the route for MSP payment through account payee cheques or bank transfers direct to the farmers, quality control measures, storage and movement of food grains. The States have assured that they are fully gear up to make record procurement this time and they are in process of setting up control room to monitor it, the statement said.

Meanwhile, the Union Agriculture Minister, Mr Sharad Pawar, has stated that the co-operatives have a distinct role in post-harvest management and storage. He was speaking at the 72nd General Council meeting of the National Co-operative Development Corporation (NCDC). Mr Pawar said NCDC has been appointed as an agency for accreditation of warehouses by the Warehouse Development and Regulatory Authority.

## Fighting wheat rust

Business Standard

February 22, 2012

Outbreaks of different forms of rust, the most destructive wheat disease, have frequently lowered wheat production. Wheat scientists have no doubt successfully overcome this peril every time it emerged, especially after the green revolution, by breeding disease-resistant varieties. But the combat seems endless. This menace has surfaced again in the form of yellow rust that took a considerable toll on the crop in the key north-western wheat bowl last year and is threatening to do so this year as well. The disease has already been spotted on the standing wheat crop in parts of Punjab and Haryana, jeopardising wheat output. The main worry is that one of the most dominant wheat varieties, PBW 343, grown on about 10 million hectares, has succumbed to this rust.

The silver lining, however, is that New Delhi-based Indian Agricultural Research Institute (IARI, or Pusa institute) seems prepared to tackle the disease. The institute has contributed enormously in fighting wheat rust in the past too. A new wheat variety, HD 2967 bred and released for cultivation last year by this 107-year old citadel of agricultural research has been found resistant to yellow rust and is deemed an advantageous replacement to the PBW 343 variety in the main wheat-growing belt. This highly productive strain, yielding about 5.5 tonnes of wheat a hectare against 4.8 tonnes of PB 343, carries several genes that provide wide-spectrum immunity against yellow rust. Moreover, its grains are excellent for making "chapattis", the main end-use for wheat in India, and are comparatively more nutritious with high iron and zinc content.

**Assocom-India Pvt. Ltd.**

Flat No. 601, DDA Building,  
Plot No. 4, Laxmi Nagar,  
District Centre, Vikas Marg,  
Delhi - 110092

**Telephone :**

+91-11-47675200 (50 lines)  
+91-11-22457226, 22457230

**Telefax :**

011-47675201/06

**E-Mail :**

email@assocom-india.com

**Website :**

www.assocom-india.com

Many farmers in Punjab and Haryana, who had access to limited quantities of seeds of the new HD-2967 variety last year, affirm that their crop remained free of yellow rust while other varieties planted by their fellow farmers suffered heavy losses. This strain has also proved immune to Ug99 rust – a new form of stem rust first discovered in Uganda in 1999 (hence the name Ug99) that is rapidly spreading in Africa and Asia to become the potential enemy number-one of wheat worldwide.

IARI is in the process of producing some 20,000 quintals of HD 2967 seeds in the current rabi season. Besides, large-scale multiplication of the seeds is also being undertaken through the agriculture ministry and private seed producers. The aim is to have enough seeds to cover vast areas with this high-yielding and rust-resistant variety in the next wheat season. IARI Director H S Gupta maintains that this variety is capable of ushering in another wheat revolution. IARI has also bred a few other wheat varieties that apart from being immune to rust, have an innate capacity to cope with climate change. Among these, the HD 3043 variety is meant specifically for farmers in intensive wheat-growing states like Punjab, Haryana, Rajasthan and western Uttar Pradesh who have limited means of irrigation. Another variety, HD 2985 (also named Pusa Basant), is suited for the eastern plains comprising east Uttar Pradesh, Bihar, West Bengal and adjoining areas.

Another new strain, HD 2987 (christened Pusa Bahar), has been bred for cultivation in rainfed areas of the southern peninsula. These varieties are expected to fit well in IARI's well-judged, long-term strategy for managing wheat rusts through "gene deployment" in different parts of the country. This approach essentially involves introducing improved wheat varieties with area-specific, rust-tolerant genes in different agro-climatic zones that will serve as genetic barriers to rust infection and prevent it from spreading from one part to another. This strategy, notably, had proved its worth during some of the worst rust outbreaks in the 1980s when most wheat varieties responsible for the green revolution had succumbed to this malady.

In fact, since 1980, IARI has released over 70 wheat varieties for cultivation in different parts of the country. As a result, nearly 40 per cent of the country's present wheat output comes from IARI varieties. These strains, moreover, are reckoned to have helped wheat productivity increase annually by an average of one quintal a hectare. However, since new and unforeseeable challenges cannot be ruled out in future, it can be hoped that IARI will, true to its tradition, come up with technologies to meet them as well.

## Manmohan worried about farm technologies not reaching farmers

**The Hindu**

**February 22, 2012**

Agriculture Minister Sharad Pawar confers IARI's honorary doctorate of science on Prime Minister Manmohan Singh at the Golden Jubilee Convocation of the Indian Agriculture Research Institute in New Delhi on Monday. Mos Harish Rawat and agriculture scientist M.S. Swaminathan are at right. Photo: Rajeev Bhatt. Farm technologies are not reaching farmers on the ground, Prime Minister Manmohan Singh observed here on Monday and said "it represents the failure of the system."

He was speaking at the Golden Jubilee convocation of the Indian Agricultural Research Institute (IARI) here. The annual farm growth rate was expected to be 3.5 per cent in the 12th Plan period ending this year, he said, but there was concern over the gap between crop yield per hectare and the achievable potential under ideal farming practices. "It is the job of the administration to close this gap and our farm strategy must prioritise this effort," he pointed out. "The 3.5 per cent per annum growth rate is commendable but we must improve upon it to reach 4 per cent or even higher in the 12th Plan," he said, adding that this would require a determined effort by the Centre and the States. The Prime Minister's remarks came after Union Agriculture Minister Sharad Pawar presented him with a scroll conferring the honorary doctorate of science by the Institute. Mr. Pawar is president of the Indian Council of Agricultural Research, IARI's parent body.

**Assocom-India Pvt. Ltd.**

Flat No. 601, DDA Building,  
Plot No. 4, Laxmi Nagar,  
District Centre, Vikas Marg,  
Delhi - 110092

**Telephone :**

+91-11-47675200 (50 lines)  
+91-11-22457226, 22457230

**Telefax :**

011-47675201/06

**E-Mail :**

email@assocom-india.com

**Website :**

www.assocom-india.com

Dr. Singh said he was worried that the agriculture extension services system responsible for taking the Green Revolution to the farmers was no longer robust. There was a pressing need to revitalise it with the help of Krishi Vigyan Kendras, Agriculture Technology Management Agencies in collaboration with panchayats, farm scientists and district-level officials. Stating that farm research was the key element in achieving higher expansion, he said the agricultural research system should be strengthened to meet future challenges in water and soil management, provision of farm credit and marketing support.

"One requirement is the financial resources. Our government is committed to raising research and development spending as a whole to at least 2 per cent of the GDP by the end of the 12th Plan from the current level of about one per cent," he said. The Prime Minister said policy initiatives in the farm sector had paid off as the country's food grain production this year was set to exceed a record 250 million tonnes.

It is estimated that the country would need an additional 50 million tonnes of food grain in the next 10 years to meet the domestic demand, he added. Earlier, IARI Director H.S. Gupta pointed out that achieving parity with the global level of excellence was possible only if the Indian scientists enjoyed international level of investments to restore the weakening infrastructure. Seeking parity of investments in research and development to two per cent of the GDP as in other developing countries such as Brazil and South Africa, he said: "Higher allocation could make best use of the public funds to ensure food and nutrition security and empower millions of Indian farmers.

## Punjab jittery as MP joins elite wheat club

**HindustanTimes**

**February 23, 2012**

Madhya Pradesh's announcement to appreciably increase its wheat contribution to the central pool has triggered fear of a glut in Punjab. Madhya Pradesh told union food secretary BC Gupta during Tuesday's meeting that it would procure 65 lakh tonnes of wheat in the coming rabi marketing season. Wheat procurement will start on April 1. "Please move our stocks first as we have no space to store the expected bumper wheat crop," Punjab's secretary, food and civil supplies, DS Grewal told Gupta at the meeting.

"Gupta (a Punjab-cadre officer) understands the situation, but has not promised anything," said a Punjab government official who attended the meeting in New Delhi. As per figures procured from the Food Corporation of India (FCI), Madhya Pradesh's wheat contribution to the central pool has grown from 50,000 tonnes in 2008 to 47 lakh tonnes in 2011. In Punjab, a bumper crop of 167 lakh tonnes is expected this season. The state hopes to procure 112 lakh tonnes for the national pool.

Madhya Pradesh is offering Rs 100 per quintal bonus over and above the minimum support price (MSP) of Rs 1,285. MP, which was a consumer state till a few years ago, has joined the elite club of wheat-producing states such as Punjab and Haryana. Bihar and Uttar Pradesh also conveyed at the meeting that they didn't want wheat from Punjab as their godowns were still full. But the FCI made it clear that the states could not dictate their terms.

"The FCI will try its best to move stocks from grain-surplus to grain-deficit states, but states can't choose to receive wheat stocks or not. It is purely our decision," FCI chairman-cum-managing director Siraj Hussain said at the meeting. "It is unreasonable for any state to offer Rs 100 bonus, especially when there is no food scarcity, but we can't help as it's a state's way to support its farmers," said Grewal, adding that he had requested the FCI and the Centre to move out stocked wheat out of the state so that arrangements could be made for fresh stocks. Punjab already has 90-lakh tonne wheat in its godowns and is short of 60-lakh tonne of storage space. It also has some paddy stocks waiting to be moved out.

"Year after year, our opening wheat stocks are rising, which is alarming. This year, it is going to be 65 lakh tonnes. We should either

**Assocom-India Pvt. Ltd.**

Flat No. 601, DDA Building,  
Plot No. 4, Laxmi Nagar,  
District Centre, Vikas Marg,  
Delhi - 110092

**Telephone :**

+91-11-47675200 (50 lines)  
+91-11-22457226, 22457230

**Telefax :**

011-47675201/06

**E-Mail :**

email@assocom-india.com

**Website :**

www.assocom-india.com

raise the storage capacity or increase the movement of stocks," Grewal added. Punjab has 212 lakh tonnes of storage space (including open plinths for 106 lakh tonnes); another 30-35 lakh tonnes of covered space is sanctioned by the FCI.

"I appeal to the states to ensure that already sanctioned storage space is made ready at the earliest," Hussain said. Despite repeated attempts, BC Gupta was not available for comment. Quote: FCI will try its best to move stocks from grain-surplus to grain-deficit states, but states can't choose to receive wheat stocks or not Siraj Hussain, FCI chairman.

## Govt plans fund to offset food subsidy burden

**Business Standard**

**February 24, 2012**

The government is planning to come up with a price protection fund to cushion the burden of food subsidy, which is expected to grow manifold under the new Food Security Bill. The proposed fund, under the ministry of food and consumer affairs, is a Budget proposal for 2012-13. Officials said the framework of the fund was at a nascent stage. "Some inferences are being drawn from the recommendation of National Farmers' Commission report for the price stabilisation fund," said a source. According to the recommendation of the M S Swaminathan committee, set up by agriculture ministry, a market price stabilisation fund must be set up before the end of the 11th Five-Year Plan (2007-12), by the Centre, state governments and financial institutions. The aim is to protect farmers during violent fluctuations in crop prices more so in the case of perishable commodities such as onions, potatoes and tomatoes.

The proposed fund, being raised by the consumer affairs ministry, also looks at the matter from the consumers' point of view. According to officials, the objective of the fund is to rework the subsidy burden on account of the newly proposed Food Security Bill among the states and the Centre rather than overburdening the Union Government with the subsidy Bill. This will be in addition to the food subsidy in place. An official said the view was that a fund might cover a much wider population rather than following the criterion of below poverty line (BPL), the benchmark for the food subsidy.

Initially, the scheme may cover the commodities under the public distribution system (PDS). It may later widen its scope to other commodities, which could be decided based on crop year and trends in demand and supply during the particular year. Thus, at the proposed stage, while the Centre-borne food subsidy will cater to the subsidy bill on account of BPL families, the rest could be borne by a price protection fund and shared among states and Union Government. "After all, central schemes under public distribution system support the state subjects only," pointed out an official. "It becomes only logical for the states to share some of the burden of the food subsidy."

The price protection fund's insulation of volatile and rising prices of essential commodities will ensure food supply to a much wider population irrespective of their earning power, according to officials. While the original budgetary allocation for the food subsidy during 2011-12 was Rs 60,000 crore, the actual subsidy outgo figured at Rs 95,300 crore. The higher outlay was due to an increased payout to the Food Corporation of India and states for foodgrain procurement for 2010-11. The PDS involves distribution of essential commodities such as wheat, rice, sugar and kerosene to BPL families through a network of fair price shops. The system evolved as a major instrument of the government's economic policy for ensuring availability of foodgrains to the public at affordable prices as well as for enhancing the food security for the poor. Aimed at poverty eradication, the scheme reaches out to more 300 million people through a network of about 4.99 lakh fair price shops.

The PDS is operated under the joint responsibility of the central and the state governments. While the central government has taken the responsibility for procurement, storage, transportation and bulk allocation of foodgrains, it is the states that handle the distribution.

**Assocom-India Pvt. Ltd.**  
Flat No. 601, DDA Building,  
Plot No. 4, Laxmi Nagar,  
District Centre, Vikas Marg,  
Delhi - 110092

**Telephone :**  
+91-11-47675200 (50 lines)  
+91-11-22457226, 22457230

**Telefax :**  
011-47675201/06

**E-Mail :**  
email@assocom-india.com

**Website :**  
www.assocom-india.com

## EGoM clears proposal for steel silos

**Economic Times, February 25, 2012**

The EGoM on food, headed by finance minister Pranab Mukherjee, has cleared a proposal seeking the establishment of steel silos with a capacity of two million tonnes, in a move aimed at augmenting the wheat storage facilities and preventing their wastage. The proposal was granted approval by the ministerial panel earlier this month, and would, sources in the food ministry told ET, be executed through the PPP route. The Food Corporation of India (FCI) would be the nodal agency tasked with overseeing the project's completion.

The location of these silos, food ministry sources said, would be needbased. Mott MacDonald, the consultants which had been commissioned by the Planning Commission to undertake a study on the setting up of the silos, had recommended that they be set up in 'consuming' areas, or in regions where the offtake of wheat was high.

The EGoM, however, has left it to the FCI to take a call on the subject. Only the Adanis have so far set up steel silos. They have been in the field since 2005-06, having constructed such facilities at Moga in Punjab and Kaithal in Haryana. They have a capacity of two lakh tonnes each. They have also established smaller silos, with a capacity running in the range of 50,000-25,000 tonnes each, at Mumbai, Kolkata, Coimbatore, Bangalore and Chennai. The Adanis have set up what is called an integrated model, in which special, temperature-controlled wagons are used to transport wheat in bulk. The FCI-run silos, however, will be stand-alone installations. The silos, the food ministry sources pointed out, will have two main advantages. "Manual handling of the foodgrain is reduced drastically. In fact, it is eliminated completely in the integrated model," a senior official pointed out. "Also, quality of the foodgrain in the steel silos is maintained for at least three years."

## Bakery chain Monginis eyes piece of global pie

**Hindu Business Line**

**February 27, 2012**

Three years ago, the Khorakiwala family-owned bakery chain Monginis Foods claimed it missed a possible franchise deal with Starbucks. Today, it is more open to alliances, and looking to expand through that route. "We are in talks with a North Mississippi-based food chain," says Mr Zoher Khorakiwala, CMD, Monginis Foods, describing how the company is looking to forge joint ventures with international food chains eyeing the Indian market. "Becoming a master franchise is also an option, much along the same lines as what food chains like Dunkin Donuts have done in India through Jubilant Foods," says Mr Khorakiwala. The Rs 275-crore family owned brand that already has 550 retail stores across the country is now also nurturing global ambitions. It has appointed a franchise in Cairo, and now plans to take the Monginis brand of cakes and savouries across East Africa and West Asia through the franchise route.

But before that it is ramping up its presence across India. It has been slowly expanding across the country from its origins in Western India (Maharashtra and Gujarat) to Eastern India (Kolkata and Orissa), and is now actively scouting for franchises in northern and southern states. "The first step is to go pan-India before entering the overseas markets," says Mr Khorakiwala. "We should be in Delhi, Chennai and Bangalore in the next 18 months. There would be both manufacturing and retail franchises as they would bring in the local inputs needed for the business to run in every state or region."

**e-commerce for more reach :** Monginis is also enhancing its e-commerce operations to reach out to places as far flung as Assam and Kanyakumari. "We intend supplying our cakes to reach 15,000 households in tier II and III cities. Through local courier our cakes



**Assocom-India Pvt. Ltd.**

Flat No. 601, DDA Building,  
Plot No. 4, Laxmi Nagar,  
District Centre, Vikas Marg,  
Delhi - 110092

**Telephone :**

+91-11-47675200 (50 lines)  
+91-11-22457226, 22457230

**Telefax :**

011-47675201/06

**E-Mail :**

email@assocom-india.com

**Website :**

www.assocom-india.com

will get delivered in 48 hours," says Mr Khorakiwala.

Releasing a new television campaign after a gap of almost 15 years, Monginis believes in winning the trust of its 'vegetarian' consumers by promising them 'eggless' cakes. Growing at 20 per cent CAGR, Monginis has been more of a 'take away' brand with outlets measuring on an average at 200 sq ft.

## U.S. Grains Council: Rapid Rise of Asian Middle Class Likely To Revamp Global Food Systems

February 28, 2012

The sophisticated food demands of newly affluent consumers in China and other developing nations are likely to cause major change in U.S. farming and food production, Asian food policy and world trade, according to Food 2040, a new study of emerging food trends in Asia by the U.S. Grains Council (USGC). USGC President and Chief Executive Officer Thomas C. Dorr presented a preview of Food 2040 today at the U.S. Department of Agriculture's annual Agricultural Outlook Forum.

"Growing affluence in China could change people's diets and the global food system. Consumers will expect more choice, quality, convenience and safety in their food purchases," Dorr said. Food 2040 also reveals important implications for agricultural trade policy between the United States and Asian nations. "We are seeing China become more open to acceptance of new technology, such as agricultural biotechnology, which can help meet the needs of the Asian middle class in a sustainable manner through trade," Dorr said.

U.S. attitudes about feeding the world are likely to change too. "Many of the agribusinesses and agricultural organizations that comprise the U.S. Grains Council are starting to review possibilities for meeting the needs and capturing the economic value that ascendancy of the Asian middle class represents," said USGC Chairman Dr. Wendell Shauman, an Illinois corn farmer and member of the Illinois Corn Marketing Board. "Working together with trading partners around the world to understand emerging trends, we can use a convergence of science, technology and policy reform to meet changing food demands and capture the economic potential of new Asian consumers." The U.S. Department of Agriculture's Foreign Agricultural Service (FAS) is assisting the Council with the launch of Food 2040 in Japan. "Japan and the United States are longstanding trading partners, and we understand each other well. Now, our two nations must learn more about China and develop an understanding of how this emerging mega-market will influence the global food system and our two nations' participation in it," said Geoffrey Wiggin, USDA's FAS Minister-Counselor in Tokyo.

Food 2040 outlines the following possibilities for significant change in the global food system. China is the world's fastest growing economy, and because of the sheer size of its population, Chinese demand will reshape the global food industry over the next 20 years. Although India is expected to surpass China in population numbers, China is likely to remain the dominant economy within the timeframe of Food 2040. Agricultural biotechnology may no longer be dominated by U.S. technology. China is on a path to global bioscience leadership, driven by major central government investments to meet its own food needs and a desire to be an export leader. Asia does not yet have a well-developed food safety and inspection system, but this could change through use of 21st-century nanotechnology, biotechnology, information technology and logistics systems.

By 2040, 70 percent of consumer food expenditures in Japan will go toward foods prepared outside the home, and China is likely to adopt Japan's rapid acceptance of foods prepared outside the home. Food 2040 envisions a proliferation of specialty markets and product differentiation in Asia. This is not a new concept for the United States, where the average U.S. supermarket carries almost 40,000 items, but when four billion people around the world with very different cultures and diets begin to enjoy that degree of

**Assocom-India Pvt. Ltd.**

Flat No. 601, DDA Building,  
Plot No. 4, Laxmi Nagar,  
District Centre, Vikas Marg,  
Delhi - 110092

**Telephone :**

+91-11-47675200 (50 lines)  
+91-11-22457226, 22457230

**Telefax :**

011-47675201/06

**E-Mail :**

email@assocom-india.com

**Website :**

www.assocom-india.com

consumer choice it will significantly affect global food production, processing and distribution systems.

The complete Food 2040 study is available at [www.grains.org](http://www.grains.org). The U.S. Grains Council is a private, nonprofit organization dedicated to building export markets for barley, corn, sorghum and their products. The Council is headquartered in Washington, D.C., with 10 international offices and active market development programs in more than 50 countries. Financial support from the Council's private industry members, including state checkoffs, agribusinesses, state entities and others, triggers federal matching funds from the government and support from cooperating groups in other countries, producing an annual market development program valued at more than \$28.3 million.

The U.S. Grains Council is a private, non-profit partnership of farmers and agribusinesses committed to building and expanding international markets for U.S. barley, corn, grain sorghum and their products. The Council is headquartered in Washington, D.C., and has 10 international offices that oversee programs in more than 50 countries. Financial support from our private industry members, including state checkoffs, agribusinesses, state entities and others, triggers federal matching funds from the USDA resulting in a combined program value of more than \$28.3 million.

The U.S. Grains Council does not discriminate on the basis of race, color, national origin, sex, religion, age, disability, political beliefs, sexual orientation or marital/family status. Persons with disabilities, who require alternative means for communication of program information, should contact the U.S. Grains Council.

## END OF THE MONTHLY NEWS