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FACE MISSION

“To improve the competitiveness of India’s agriculture sector, by catalyzing innovation, building capacity and enhancing productivity across the agriculture and food value chain, ensuring food security and inclusive growth”

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PRIVATE INVESTMENT IN AGRICULTURE

- A parliamentary panel proposes tougher norms for acquiring land for industrial use while finalizing the new Land Acquisition, Rehabilitation and Resettlement Bill. This is a setback to the industry, which has been lobbying for an expansion of the clause of ‘public purpose’.

TRADE

Exports

- Government is liberalizing exports to improve India's share in global seed trade (~1.22%). A related centrally-sponsored scheme is being implemented to provide credit linked back-ended capital subsidy to encourage private sector in seed infrastructure development

Imports

- Imports of sensitive items, went up by 40.9 % year-on-year where the import of fruit and vegetables increased by 75.3 %, edible oils by 54.7% and milk imports by 33.2%

SECTORS - FOOD PROCESSING

- As per the Monetary Policy Statement 2012-13 by the Governor RBI, Mr. Nair’s committee’s recommendation for including agriculture and allied activities as a composite sector within the guidelines of priority sector lending is under consideration. Mr Nair’s report states that agricultural and allied activities include pre-harvest, post-harvest activities and the entire value chain of farm produce including transport, storage creation, grading, packaging, processing up to the market-end without any distinction between direct and indirect categories.

FOOD SAFETY & STANDARDS REGULATION

- FSSAI has released a notification on the a) documents to be submitted to State / Central Licensing Authority when applying for new licenses or renewing licenses, and b) an Inspection Checklist for various categories of FBO.
- FSSAI issued a clarification on annual licensing fees for the Indian railways. Under Schedule 3 under the FSS (Licensing and Registration of Food Businesses) Regulation, 2011, FBOs with a turnover less than 12 lakhs will be charged an annual fee of Rs.100/- while most FBO's covered under Schedule 3 entry 4 or 5 will be charged an annual fee of Rs. 2000/-.

COMMODITY – SUGAR

- The committee headed by Dr. C. Rangarajan met sugar sector stakeholders in May, where farmer and industry representatives shared their views in Delhi. The notification on the State wise Allocation of Levy Sugar (for June 2012) was released, for 176432.5 MT. Earlier this month the cap on sugar export was removed, thereby placing it under the Open General License.

TAXES / SUBSIDIES

- Concerned over the adverse impact of fertilizers the Government of India plans to divert subsidies to organic manures, bio-fertilizers, green manures and thus promote organic farming.

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