



MONTHLY POLICY TRACKER FOOD AND AGRICULTURE

INVESTMENT IN AGRICULTURE

- **Implementation of various schemes related to agriculture in the 12th Plan**, including continuation of Rashtriya Krishi Vikas Yojana (RKVY) with a combined outlay of Rs.63,246 crore got the approval from Cabinet Committee on Economic Affairs (CCEA).

The CCEA has also approved the implementation of the central sector integrated scheme on agricultural cooperation and the Mission for Integrated Development of Horticulture (MIDH) with an outlay of Rs 920.088 crore and Rs 16,840 crore respectively during the 12th Plan.

- **The government has approved the implementation the National Programme for Bovine Breeding and Dairy Development (NPBBDD)** during the 12th Plan period with an outlay of Rs 1,800 crore. This program will combine four ongoing schemes of the department of animal husbandry, dairying and fisheries in the dairy sector. The programme will create milk chilling capacity of 2.8 million litres (ML) of milk per day and processing capacity of 3.01 ML.
- **Odisha state cabinet approved the canal lining and system rehabilitation programme** which will create irrigation potential for 3 lakh hectares of farmland in five years at a cost of Rs 1,000 crore. The new scheme is designed to cover 22 canal systems in 8 major projects, 19 medium projects and 214 minor irrigation projects.
- **The West Bengal Government, in a major initiative to bring in private investment, has decided to set up Brihat Krishi Bazars (BKB) — agricultural marketing ventures.** Investments have been invited from corporate sectors with less than Rs. 150 crore turnovers. These markets, to be formed in the PPP

mode, will include godowns, cold storage units, rice and oil mills and other such required units under one roof.

There is plan to set up around 20 such integrated facilities across the State in Bardhaman, Howrah, Purba Medinipur, Hooghly, Birbhum and in North Bengal.

DAIRY & SUGAR

- **Venturing into dairy production, Oil India Ltd (OIL)** signed a Memorandum of Understanding (MoU) with the Institute of Rural Management-Anand (IRMA) to conduct a feasibility study in the districts of Dibrugarh and Tinsukia in Assam. The study is expected to pave the way for a roadmap and a long-term vision plan while focusing on the prospects of developing a cooperative dairy development project in these two districts.
- **Government's decision to set up a 'sugarcane control board' was approved by the Maharashtra cabinet.** The cabinet also approved the draft Maharashtra Sugarcane (Purchase and Supply) Bill 2013, expected to be tabled in the winter session of the state legislature in Nagpur. The development comes in the wake of the recent violent agitation by farmers, demanding increased price for sugarcane.
- **NDDDB has signed a MoU with the Government of Maharashtra to promote Dairy Development in the less developed areas of the state namely Vidarbha and Marathwada.** This project will provide livelihood to small farmers and focus on increasing production by providing technical inputs including Artificial insemination and advice on nutrition.

EXPORTS & IMPORTS

- **The government reduced the minimum export price (MEP) for onion to \$800 per tonne** from \$1,150 per tonne earlier. The reduction in onion MEP was due to moderation in the prices of the bulb in domestic market.
- **Indian basmati rice exporters are suffering due to the sudden jolt on rice purchase from Iran.** Iran has stopped purchasing the cereal from the world market since October and has not invited bids for procuring rice post the withdrawal of sanctions by the US and five other countries. India is a major exporter of the Pusa 1121 variety to Iran.

Others:

- **The WTO has agreed to allow countries to provide subsidy on staple food crops without any threat of punitive action.** Coming as a major victory for India, the 159-member World Trade Organization (WTO) reached a historic agreement that will boost global trade by \$1 trillion. The deal allows nations such as India to fix a Minimum Support Price (MSP) for farm produce and to sell staple grains to the poor at subsidized rates. It also permits countries to store food grains to meet contingency requirements.
- **The Congress party's decision to delist fruits and vegetables from APMC Act in its 12 ruling states** was taken during the meeting of Chief Ministers of the respective states with the Party's Vice President Rahul Gandhi. According to experts, the delisting fruits and vegetables from APMC Act in these states would break the monopoly of wholesale traders and allow new players, including farmers, to sell their produce directly at mandies and help reduce prices.
- **The limits on stocks of paddy and rice that traders can hold has been extended by one more year.** The validity of stock limits on paddy and rice was to have expired this month has been extended by the cabinet for one year till November 30, 2014. The objective of the orders fixing stock limits is to check hoarding and price rises.
- **The prices of rice basmati firmed up to Rs 100 per quintal in an otherwise steady wholesale grains market.** According to the traders, rise in rice basmati prices was due to the increased demand against restricted supplies from producing belts and restricted arrivals from producing regions. In the national capital, rice basmati common and Pusa-1121 variety rose by Rs 100 and Rs 50 to Rs 8,700-8,900 and Rs 8,000-8,500 per quintal respectively.

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