



MONTHLY POLICY TRACKER FOOD AND AGRICULTURE

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INVESTMENT IN AGRICULTURE

- **The Government has released Rs 1,276 crore** in the current fiscal to support 53,826 projects which are expected to generate over 4 lakh jobs. An outlay of Rs 9,700 crore had been proposed for the Prime Minister's Employment Generation Programme (PMEGP) in the XII Five-Year Plan to set up 4 lakh projects that help create 32 lakh jobs. Under the PMEGP, urban and rural entrepreneurs in the general category can avail a subsidy of 15 percent and 25 percent respectively on the project cost. Urban and rural businessmen from weaker sections of society are provided a 25 percent and 35 percent subsidy.
- **The Government of Punjab's new subsidy of Rs. 500 per quintal on certified wheat seeds** is being given to its farmers. Now subsidized seeds are available at the sale centers of the state's Agriculture Department, including Punjab Agro, Cooperative Societies, IFFCO, KRIBHCO and NSC.
- **The Government of Madhya Pradesh** has announced incentives for the promotion of micro, small and medium enterprises (MSMEs) in the state. Incentives include reservation of land lots for MSMEs in the proposed 27 industrial estates, guaranteed power supply, exemption in payment of export tax imposed by local civic bodies and a cluster development programme. Also a technology development programme for MSMEs will be fully funded by the state government. The government has declared an initial allocation of Rs 10 crore to meet this intended purpose.

FOOD PROCESSING

- **The Ministry of Food Processing Industries is working on a long-term procurement policy** to overcome the issue of huge foodgrain stocks and a burgeoning subsidy bill.

FOOD SAFETY & STANDARDS REGULATION

- **Intertek is commissioned by the Food Safety and Standards Authority of India (FSSAI)** to undertake the testing, inspection and auditing of food business operators (FBOs). This work will enable the FBOs to demonstrate compliance to requirements under the Food Safety and Standards Act (FSSA), 2006 and Regulations, 2011, as well as issue and even renew FSSAI licenses thereafter. Intertek will also train new food business operators on Food Safety Management and Systems besides verifying complaints filed with the FSSAI.
- **New packaging norms under Legal Metrology (Packaged Commodities) Rules, 2012** have been issued, that notified the standard sizes for various commodities like baby food, weaning food, biscuits, bread including brown bread but excluded bun, un-canned packages of butter and margarine, cereals & pulses, coffee, tea, materials which may be constituted or reconstituted as beverages, edible oils, vanaspati, ghee,

butter oil, milk powder, rice (powered), flour, atta, rawa & suji, salt, aerated soft drinks, non alcoholic beverages, mineral water & drinking water.

However, non-standard packs which have already been manufactured and packed on or before October 31, 2012, and are ready for sale in different retail outlets, have been exempted from penal action.

- **Gujarat has become the first state in the country to begin testing food in mobile laboratories. The State Government of Maharashtra** has also approved the proposal sent by Food and Drug Administration (FDA) - Maharashtra, for 37 mobile laboratory vans in every district. The FDA is planning to set up 7 food testing laboratories across the state besides these mobile laboratories.

DAIRY

- **Directorate General of Foreign Trade (DGFT) has lifted the ban on export of milk and cream**, concentrated or containing added sugar or other sweetening matter including whole milk powder, dairy whitener and infant milk foods. This change was initiated in view of surplus availability. Currently there is a stock of 1.12 lakh tonnes of milk powder in the country.

COMMODITY

SUGAR

- **The Central Government will make 70 lakh tons of non-levy sugar quota available for sale in the open market.** The sale and delivery and/dispatch period for the levy converted stock, and the sugar stocks of 2011-12 and 2012-13 production seasons would be allowed from December 1, 2012 up to March 31, 2013, without any inter-month restrictions.

PRICES

- **Low rainfall in major sugar-producing states of India**, including Maharashtra and Karnataka, have resulted in a decline of the country's sugarcane yield by approximately 40 per cent this crushing season. This decline is causing a steep rise in sugar prices both in the wholesale and retail markets.
- **The Centre has sought the views of the states on uniform taxes on wheat and rice** collection in the country to curb market distortions. Currently, taxes on wheat and rice vary from state to state. The high taxes have discouraged private traders' participation, resulting in increased procurement by the central and state agencies. With uniformity of taxes, private traders will not wait for open market sale under the OMSS by the Centre to purchase. Instead they can purchase from farmers directly.

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