



# MONTHLY POLICY TRACKER FOOD AND AGRICULTURE

Volume 1, No. 2/2012

July 1, 2012

## INVESTMENT IN AGRICULTURE

- **Edward Food Research and Analysis Centre Limited (EFRAC)**, a state-of-the-art analytical and R&D laboratory, approved by MoFPI, is established in Kolkata. The laboratory is approved under the 11th Five Year Plan scheme for setting up/'up-gradation' of quality control / food testing laboratories and will address the food safety concerns for both domestic and export markets.
- **Central Grain Analysis Laboratory (CGAL)** is established by the Ministry of Consumer Affairs, Food and Public Distribution in Krishi Bhawan, New Delhi to ensure quality of food grains under the public distribution system. Quality monitoring cells have also been set up at Bangalore, Bhopal, Bhubaneswar, Hyderabad, Kolkata, Lucknow and Pune.
- **Inland fisheries and aquaculture** in India will be given a boost through investment of Rs 100 crore by the Government. The plan is to set up pilot projects in each state. These projects would have their own ecosystem with integrated demand and supply chain.

## TRADE

### Exports

- DGFT has notified lifting ban on exports of skimmed milk powder but the notification has not clarified on quantity to be exported and the subsidy issue. The exports of milk and cream, concentrated or containing added sugar or other sweetening matter, including whole milk powder, dairy whitener and infant milk foods are still prohibited.
- Amendment in the conditions and modalities for registration of contracts with DGFT for export of sugar in the current sugar season (1st October, 2011-30th September, 2012) has been notified by Ministry of Commerce & Industry. Some modifications in the earlier provisions are;
  - ✓ The application for issue of RC can be for an amount up to a maximum quantity of 25,000 MT, earlier the limit was 10,000 MT per RC
  - ✓ In addition to export against Letter of Credit (LC) and/or FIRC, export would also be permitted against Cash Against Documents (CAD).
  - ✓ Export against RC shall be completed within 60 days from the date of issuance of such certificates, earlier it was 30 days
  - ✓ Applicant is at liberty to seek split RCs for export through more than one port, within the overall quantity limit of 25,000 MTs
  - ✓ Application for second and subsequent RC can be submitted only on completion of at least 50% of export against RC issued to the exporter and proofs for the same are to be submitted. In Industry opinion this clause makes the entire process cumbersome.

## FOOD SAFETY & STANDARDS REGULATION

- According to the advisory issued on the FSSAI web portal the Conversion of existing Licenses to new licenses under FSS (Licensing & Registration) Regulations, 2011, should be completed on or before 4th August 2012. The list of documents to be enclosed with the application is also available on the portal.
- Department of Consumer Affairs has notified amendments in Packaged Commodity Rules (PCR), 2011 vide notification nos. GSR 427 (E) and GSR 426 (E), dated 5th June 2012. The notification suggests that the proviso to Rule 5 shall continue until 31st of October 2012, which was earlier stated to be omitted with effect from 1st July 2012. The Second Schedule of PCR has also been revised, allowing more flexibility in the packaging size of commodities by bringing them under standard sizes.

## COMMODITY - SUGAR

- The Central Government has decided to make available 45 lakh tons of non-levy sugar for the quarter of July to September, 2012. The sugar factory shall deliver/ dispatch the entire non-levy quantity within the validity period of the release order with the condition that 'the sugar mills should not sell less than 25% of the quarterly quota in each month of the quarter and the remaining 25% can be sold at any time during the quarter as per their commercial prudence'.

## SUBSIDIES

- To give fertilizer subsidy directly to farmers a committee under the chairmanship of Nandan Nilekani has worked out a scheme that proposes checking the subsidy at the retailer level and once retailer gets the stock, subsidy to be released to the beneficiary farmers. A pilot project is on and it will be implemented all over the country by end of June 2012.

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*Published by:*

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