

Private sector must invest more in contract farming: PM

Beyond the fields: Opportunities exist in primary processing and storage, preservation, cold chains and transportation.

Prime Minister Narendra Modi on Friday asked the private sector to invest more in contract farming, raw material-sourcing and creating agri-linkages, and said there are huge opportunities for global super-market chains considering India as a major outsourcing hub.

Besides, he suggested that aerated drinks manufacturers consider blending 5% fruit juice in their products, and said such a procedure has major potential since fruit-juice based drinks are an intrinsic part of Indian food habits. In addition, he pitched for a venture based on 'nutrition-rich and climate-smart crops' to boost production and supply of India's coarse grains and millets that 'not only have high nutritional value, but can also withstand adverse agro-climatic conditions'.

In his address at World Food India (WFI) 2017, Mr. Modi also said, "Can we link our (India's) potential to the world's requirements? Can we link Indian traditions with the future of mankind? Can we connect India's farmers with markets around the world? These are some questions that I wish to leave you with." He said WFI would provide "valuable insights into our rich culinary landscape, and highlight our ancient wisdom of food processing."

Three-day meet

The WFI — a three-day mega-event being attended by about 2,000 participants, more than 200 companies from 30 countries, 18 ministerial and business delegations, close to 50 global CEOs, including those from leading domestic food processing companies, and representatives of 28 States in India — is likely to see the signing of MoUs to the tune of \$11 billion, according to Food Processing Industries Minister Harsimrat Kaur Badal.

The Prime Minister said, "private sector participation has been increasing in many segments of the value chain. However, more investment is required in contract farming, raw material sourcing and creating agri-linkages. Many international companies in India have taken a lead in contract farming initiatives. This is a clear opportunity for global super-market chains considering India as a major outsourcing hub."

He added that there were opportunities in post-harvest management, including in primary processing and storage, preservation infrastructure, cold chain, and refrigerated transportation. Besides, there was immense potential for food processing and value-addition, especially in niche areas such as organic and fortified foods, he said.

The Prime Minister said many States had come up with attractive food processing policies to attract investment. "I urge each State of India to identify at least one food product for specialisation. Similarly, each district can also select some food items for production, and one item for specialisation," he suggested.

Pointing out that increasing urbanisation and a growing middle class were resulting in an ever-growing demand for wholesome, processed food, he said, "Over a million passengers have a meal on a train in India, every single day. Each one of them is a potential customer for the food processing industry. Such is the scale of opportunity that is waiting to be tapped."

Sweet, blue revolutions

On sub-sectors of the Indian food industry that have the potential to increase farmers' incomes, Mr. Modi said the government aims to take the dairy sector, which is a vital area for the rural economy, to the 'next level' by increasing production levels of multiple products based on milk.

Referring to honey, where India currently ranks sixth in production and export, Mr. Modi said "India is now ripe for a 'sweet revolution'."

Pointing out that India exports fish and fisheries products to about 95 countries, he said, "We aim to make a big leap in the ocean economy through the 'blue revolution'. Our focus is on development of untapped areas, such as ornamental fisheries and trout farming.

We also wish to explore new areas, like pearl farming." India's commitment to sustainable development is at the heart of the government's thrust to organic farming, he said, adding that the entire north-east offers opportunities to create functional infrastructure for organic produce.

Referring to an increase in lifestyle diseases, he said, "The combination of traditional Indian food, with modern technology, processing and packaging, can help the world rediscover the health benefits, and refreshing taste of Indian food ingredients such as turmeric, ginger, and tulsi, to name just a few.

"The perfect blend of hygienic, nutritious and tasty processed food, with the added benefits of preventive healthcare, can be produced economically, here in India."

On the government's stated target of doubling farm incomes within five years, he said the Pradhan Mantri Kisan Sampada Yojana, which aims to create world-class food processing infrastructure, is expected to leverage investment of \$5 billion, benefit two million farmers and generate more than half a million jobs over the next three years."

The creation of Mega Food Parks is a key component of this scheme, he said, adding, "Nine such parks are already operational, and more than thirty others are in the process of coming up across the country."

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