



JANUARY-MARCH 2011



APEX Update

SHOWCASING INDIAN AGRI EXPORTS

Celebrating
A TRIUMPHANT JOURNEY

25

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India signs agreement, becomes Country of the Year 2012

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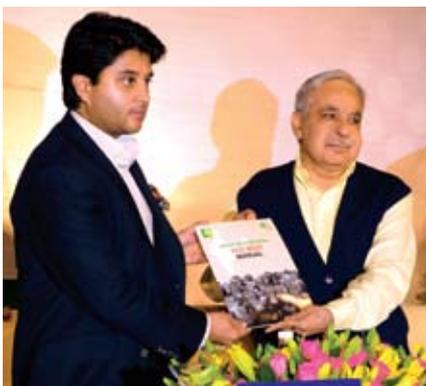
APEDA's largest ever participation and branding initiatives

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Much to Look Forward to

The statistics received from DGCIS up to December 2010 reveal very positive trends and we are expecting a robust growth of 15 per cent at the minimum for APEDA product exports, for the fiscal 2011-12.

Asit Tripathy | Chairman, APEDA

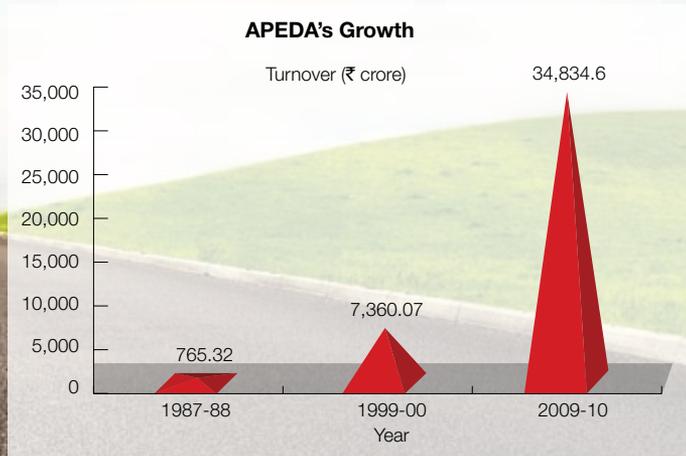
THE LAST quarter witnessed the celebrations of APEDA's journey of 25 years with a series of events culminating to the 19th APEDA Annual Export Awards ceremony graced by Shri Jyotiraditya M. Scindia, Honourable Minister of State for Commerce & Industry and Dr. Rahul Khullar, Commerce Secretary, as well as other luminaries from the government and corporate sector. The traceability software, 'TraceNet', was formally launched at the event. This software has already attracted worldwide attention and drawn appreciation from USDA and EU.

The statistics received from DGCIS up to December 2010 reveal very positive trends and we are expecting a robust growth of 15 per cent minimum for APEDA product exports, for the fiscal 2011-12. (This is encouraging; the significant growth in guar gum and processed foods being the highlights). As always, the meat industry is surging ahead and is expected to reach the ₹ 8,000 crore market. In spite of a ban on the export of several commodities including Non-Basmati rice, the overall performance can be commended as excellent.

I wish all the exporters and other stakeholders in APEDA's activities all the very best for the fiscal 2011-12 ■

Crossing the Silver Milestone

An overview of APEDA's journey so far



FROM A humble beginning 25 years back, APEDA evolved itself as per the changing dynamics of global trade to ensure that India remains a key player in global agricultural and processed food market.

Beginning of a journey

India is the world's largest producer across a range of commodities due to its favourable agro-climatic conditions and rich natural resource base. India is the biggest producer of coconuts, mangoes, bananas, milk & dairy products, cashew nuts, pulses, ginger, turmeric and black pepper. It is also the second largest producer of rice, wheat, sugar, cotton, fruits and vegetables.

Being a critical sector of the economy, agriculture does provide direct employment to about 60 per cent of the

working population in the country and also forms the basis of vital industries including textile, jute, and sugar industries. Agriculture contributes about 31 per cent to the GDP and about 25 per cent of India's exports are agricultural products.

Realising the importance of high value food products exports from the country, the government back in 1985 had set up the Agricultural and Processed Food Products Export Development Authority (APEDA) through an act of Parliament under the Commerce Ministry replacing the erstwhile Processed Food Export Promotion Council.

Initially, APEDA with a smaller infrastructure and staff strength started indentifying problems faced by exporters and found out key challenging areas as such – research and development, improvement in marketing and packaging and training. It started with a set of working programme specially focused on key items mainly meat, fruits and vegetables, Basmati rice, guar gum. Then APEDA formulated schemes for each of the sectors for boosting exports.

Since mid-1990s, with WTO regime and globalisation, issues such as phytosanitary or sanitary norms, market access, non-tariff barrier have become quite prevalent in global trade. Besides this, Hazard Analysis Critical Control Point (HCCP) has also become quite prevalent in the global

Since mid-1990s, with WTO regime and globalisation, issues such as phytosanitary or sanitary norms, market access, non-tariff barrier have become quite prevalent in global trade.



market which concerns food safety. APEDA had to scale up its operations for meeting the stringent quality standards of the food products from the importing countries.

During the last 25 years, APEDA had been undertaking host of activities from undertaking feasibility studies to setting up industries which adhere to international standards spanning 14 products categories which include fruits & vegetables, dairy & poultry products, and floriculture & cereals.

It has been handling issues concerning product safety and promotion for as many as 550-odd products. With greater awareness about environmental and food safety issues in the importing countries increasing by the day and constantly changing food norms in various countries, APEDA has been not only providing training to exporters but also setting up various facilities for ensuring top quality exports.

Export surge

With a small beginning worth of only ₹ 582 crore during 1986-87, the country's agricultural and processed food exports from APEDA basket has grown manifold to more than ₹ 34,000 crore during 2009-10. In this fiscal as well, the exports are anticipated to rise further.

The huge jump in exports during the last two years have been achieved despite the continuance of the government's ban on the export of Non-Basmati rice in 2008 which used to contribute around ₹ 7,000 crore to the APEDA exports basket. The major chunk of exports have been from the Basmati rice and fruits & vegetables.

APEDA has allocated substantial financial resources annually for the protection and promotion of Basmati rice.

There has been better realisation from the Basmati rice exports to the tune of ₹ 10,838 crore during the last fiscal which was ₹ 9,477 crore during 2008-09.

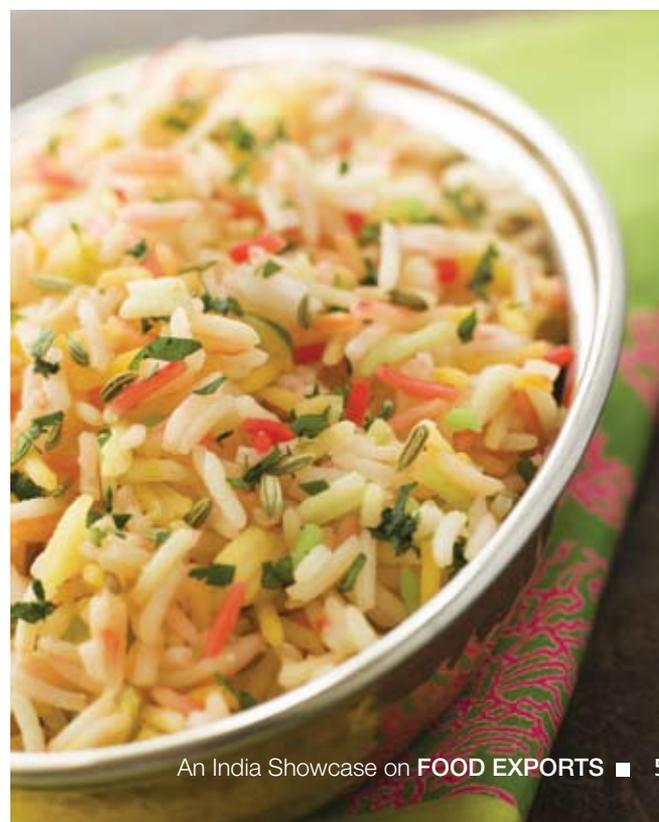
Basmati – The key driver

One of the key factors of growth in exports from the APEDA basket during the last decade has been Basmati rice, an aromatic premium rice mainly grown in Punjab, Haryana and parts of Uttar Pradesh. Due to huge success mainly because of the initiatives taken by APEDA for the brand promotion of Basmati in key markets such as Saudi Arabia, Iran, Europe and the United States, the volume of exports of Basmati rice have gone up to ₹ 2 million tonne during 2009-10 from a level of half million tonne a decade back.

Besides, APEDA has allocated substantial financial resources annually for the protection and promotion of Basmati rice as a geographical indication in India and abroad. A worldwide watch agency has been appointed to monitor the trademark registers across the globe for any third party attempted registration of the name – Basmati. Besides these measures, of the Basmati Export Development Foundation (BEDF) and a state-of-the-art laboratory at Modipuram, Uttar Pradesh, was formed to provide facilities for DNA profiling of Basmati rice.

Traceability

With most of the importing countries following stringent sanitary and phytosanitary regulations and quality standards, APEDA initiated Grapenet in 2006-07 as a first of its initiative in the country in the fresh fruits sector which replaced the earlier system of monitoring pesticide residue which was supported by all the stakeholders. This



software system integrated all stakeholders in the supply chain of grapes exports, such as farmers, horticulture department, testing laboratories, etc. With the success of Grapenet, similar steps were taken in monitoring pesticide residue in grapes, pomegranates, groundnuts and organic products.

With the demand for more stringent certification growing in Europe and other importing countries, APEDA is setting up a traceability system for all horticulture products exported from India. The traceability system for grapes, pomegranates, groundnuts and organic products would be integrated into the new system.

For promoting high value mango exports to the United States and Europe, an irradiation facility at Bhabha Atomic Research Centre (BARC) at Lasalgaon, Nashik was set up with the assistance of APEDA. Lasalgaon facility can handle 500 tonnes of mangoes annually. For boosting mango exports, APEDA has already requested the horticulture departments of mango producing states to set up irradiation centres and seek financial assistance under the Rashtriya Krishi Vikas Yojana (RKVY). All these measures have resulted in Indian mangoes commanding better price in the last few years. In 2008, Indian mangoes were sold at around USD 20 per 3.5 kg, but last year the price had touched a high of USD 28 for the same quantity. More than 100 tonnes of juicy Kesar and Alphonso varieties have been exported last year.

For boosting agricultural products exports further, APEDA has been promoting Good Agricultural Practice (GAP) standard for ensuring that Indian food products are accepted by consumers across supermarkets in Europe, USA and other developing countries.



Rising meat exports

Another milestone achievement for APEDA has been the rise in meat exports. The exports of frozen meat have been rising steadily during the last few years because of various safety measures initiated by APEDA. From ₹ 3,279 crore of meat export achieved during 2006-07, the exports have risen to ₹ 6,285 crore during the last fiscal.

Despite of lack of harmonisation of Minimum Residue Levels (MRL) across the European Union, the exports of fruits and vegetables have been growing northwards with an annual growth of more than 20 per cent during the last four years. During 2008-09, the exports from APEDA basket, was more than ₹ 3,200 crore.

Organic products

A decade after launching the National Programme for Organic Production (NPOP) to export green products from India, APEDA last year launched a comprehensive web-based traceability software named 'TraceNet' to trace operations from farms to consumers online.

The 'TraceNet' software is expected to boost the existing certification system for the export of organic products. The system would help us in maintaining authentic and updated production, certification and export data of organic products online. The European Commission and the US, the key export destinations for the country's organic produce, recognise NPOP standards, due to stringent standards in place. India is the first Asian country to get recognition from EU and Switzerland for equivalence and by US for conformity assessment.



One significant step taken by APEDA has been participation in most of the global food fairs for the promotion of brand India.

India has set a target of exporting organic food worth USD 1 billion in the next five years with its produce receiving wide acceptance in many mature markets of the US and Europe. During 2009-10, India exported 135 organic products under 18 categories worth of more than USD 125 million. The overall growth of organic food exports, thus, was a huge 50.31 per cent over the previous year.

Opportunity for expansion

Although India exports products from the APEDA basket to 80 countries, the country's share in the global trade of agri processed products is only about 1.6 per cent. Only about 15 countries including Saudi Arabia, United Arab Emirates, United Kingdom, Bangladesh, South Africa, etc. account for more than 63 per cent of the country's export of fruits, vegetables and other agri products. This calls for significant market expansion drive from the export promotion body.

One significant step taken by APEDA has been participation in most of the global food fairs for the promotion of brand India. Be it in Gulf Food, BioFach (Germany and US), Fine Food Australia Fair or SIAL France, APEDA's presence in these trade fairs provide a platform to its member exporters for showcasing their products and enable them to update themselves about the development in the global market.

With substantial rise in exports of agricultural products during the last five years, APEDA is aiming at increasing exports to reach close to ₹ 1 lakh crore in the next five years. In the last five years, APEDA-monitored exports in the developed world rose by 35 per cent, which was

growing at 20 per cent before 2003-04. If such momentum is maintained, there would be significant rise in the total volume of exports when APEDA turns 30 in the next five years ■

APEDA exports trend

Year	Exports (₹ crore)	% change
2010-11*	24,119	
2009-10	34,686	Negligible
2008-09	34,450	8%
2007-08	31,870	46%
2006-07	21,805	16%
2005-06	18,782	

*During April-November 2010 Source: APEDA

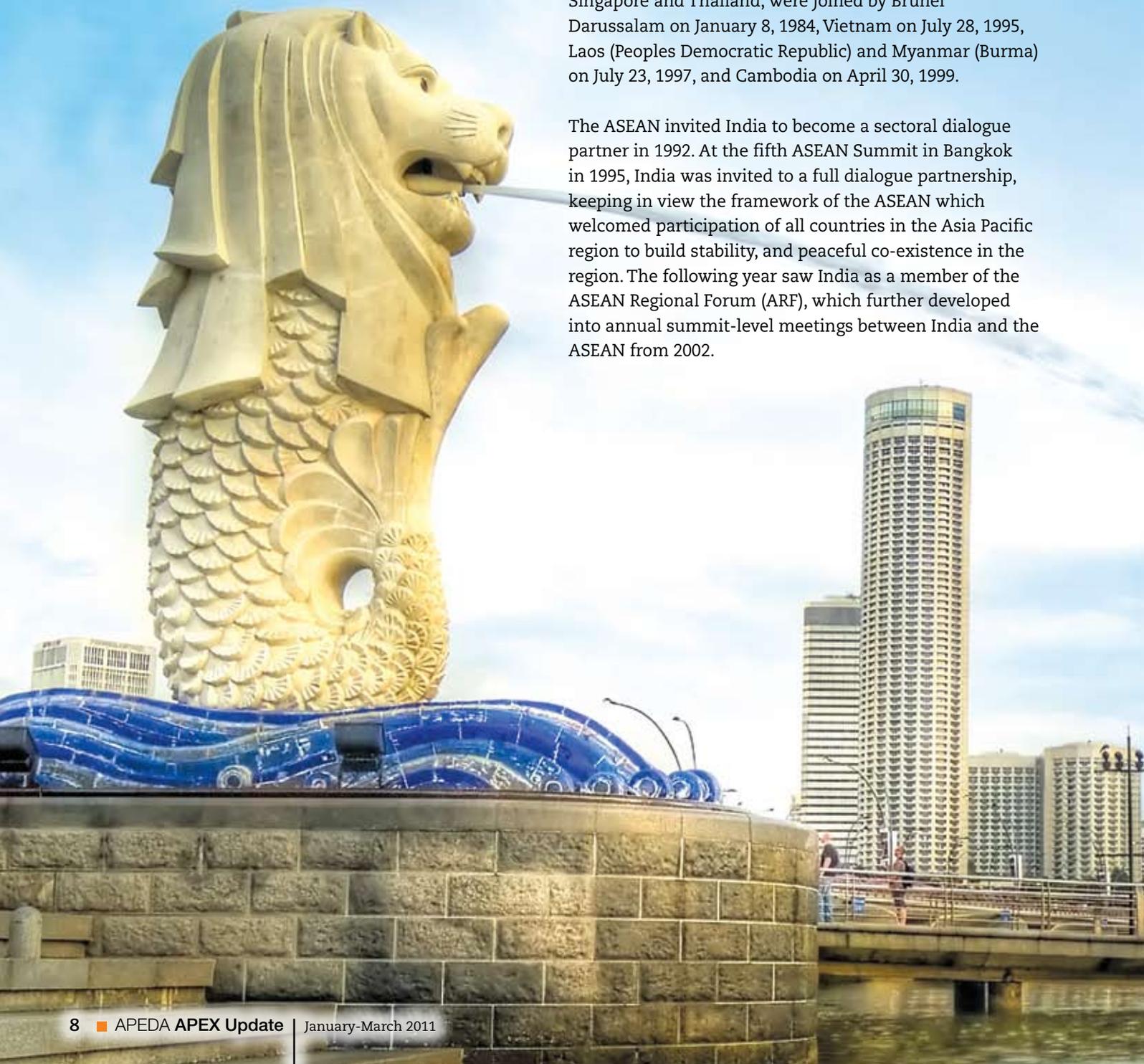


The Next Door Neighbours

ASEAN: An exports hub

THE ASSOCIATION of Southeast Asian Nations (ASEAN), was established on August 8, 1967 in Bangkok by five countries with the aim to foster economic, social and cultural growth in the region. The original member countries comprising Indonesia, Malaysia, Philippines, Singapore and Thailand, were joined by Brunei Darussalam on January 8, 1984, Vietnam on July 28, 1995, Laos (Peoples Democratic Republic) and Myanmar (Burma) on July 23, 1997, and Cambodia on April 30, 1999.

The ASEAN invited India to become a sectoral dialogue partner in 1992. At the fifth ASEAN Summit in Bangkok in 1995, India was invited to a full dialogue partnership, keeping in view the framework of the ASEAN which welcomed participation of all countries in the Asia Pacific region to build stability, and peaceful co-existence in the region. The following year saw India as a member of the ASEAN Regional Forum (ARF), which further developed into annual summit-level meetings between India and the ASEAN from 2002.



In August 2009, India concluded a Free Trade Agreement (FTA) with the ASEAN in Thailand, under which it was decided to lift import tariffs on a large number of traded merchandise; the phase-out period of which is likely to begin in 2013 and end in 2016. India entered into another FTA with Malaysia, Singapore and Thailand in January 2010, with the other ASEAN countries likely to follow soon. In the meantime, negotiations pertaining to agreements on trade in services and investment are being conducted.

Import-export: Focus on agriculture

India has been consistently importing more from the ASEAN countries, who in turn, have been importing from countries other than those under the ASEAN umbrella. China is India's main competitor and has benefited from exports, while India's performance in exports to the ASEAN countries has been lustreless.

India could aim at a higher export market for mangoes, for which it is the world's leading producer. Currently, Thailand has captured larger volumes of this markets by supplying mangoes to Malaysia and Singapore at much cheaper rates. Strategies have been suggested by experts for making mangoes like Totapari available in the Malaysian market, and varieties like Suvarnrekha, Kesar and Alphonso to Singapore at cheaper prices while maintaining quality. Further, to save on logistics, mangoes could be exported from Andhra Pradesh's eastern port to these countries. Simultaneously, production costs within India can be brought down by greater emphasis on group farming and high density plantations.

The demand for grapes in the ASEAN countries have increased by 50 per cent from 2003. USA, Australia, China, and South Africa are India's main competitors in this segment. Supplies from the US and China are made during September to December, so India's competition is mainly with South Africa and Australia. India can use its proximity to the ASEAN countries to further exports. The FTA with Thailand and Singapore is expected to

boost exports to these countries. Since import duties are to the order of 5-7 per cent in Indonesia, Malaysia, and Philippines, experts expect a surge in the next 4-5 years, with India being able to export thousands of tonnes of grapes annually, aided by skilful marketing to nurture this segment.

Indian pomegranates are slowly finding a market in the ASEAN countries. This tiny fruit is an excellent source of nutrient and a key to preventing and over-riding various ailments. A campaign to raise awareness about its' therapeutical properties could increase exports of this fruit from India. This could be achieved through participation in fruit festivals and exhibitions in these countries.

For the first time in 2006-07, India exported 406 tonnes of tomatoes to Singapore. India is not a major exporter in this segment, yet it's tomato processing industry is considered to be the largest in Southeast Asia, more than double that of Japan, and much greater than Thailand, or Taiwan. With increasing global consumption of tomato ketchup, purée and juice, there is a huge potential for these in the ASEAN countries, which should be explored.

Though India is exporting fresh onions to the ASEAN countries, China has scored here too, by supplying onions at a cheaper rate to Indonesia and Thailand. The FTA with these countries should see India exporting greater quantities of onions to these countries.

Traditional exports and organic produce

An internal report of APEDA states that, India's traditional agricultural export items to the ASEAN countries, like tea and coffee, are fast losing their international market share. There is an urgent need to repackage and add value to these for regaining lost territory. The report also said that the country enjoys a 'monopoly situation' in exporting products like guar gum, Basmati rice, castor oil, molasses and tobacco, and no tough competition in export of these products is envisaged in the near future.



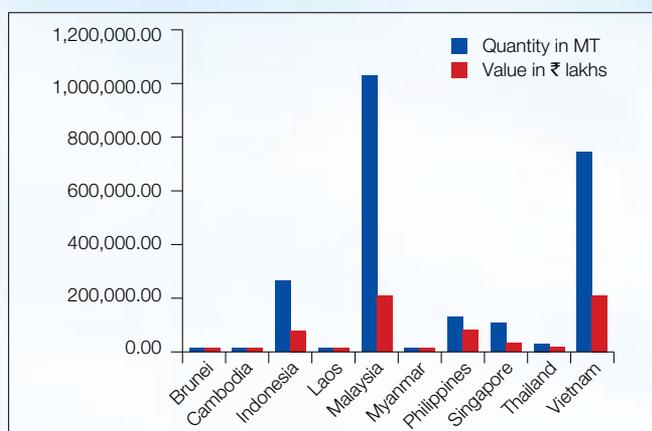
Another factor that should see an upward surge in export of agricultural products is related to organic produce. There are many Indian farmers who practice the traditional method of organic farming. With increasing global awareness about health risks due to chemicals used in agriculture, the world is harking back to organic farming. This is labour-intensive and involves high production costs in developed countries, with cost of labour being high in those countries. In India, labour is abundantly available and relatively cheaper. At present, production costs are a little steep for many farmers in India. With the government providing seeds and agricultural implements to poor farmers at subsidised rates, India is most likely to transform into one of the important producers of organic foods in the foreseeable future, and augment its exports.

India's agrarian communities need to address market demand and international competitiveness issues to remain viable. With the FTA in action, India needs to tap potential markets in the ASEAN countries to boost future exports, by maintaining quality while offering lower prices, and building on strategic advantages offered by its location in the Asian continent.

Looking ahead: ASEAN interest

In the last decade, in response to fast-changing international consumption patterns, India's exports of fresh and processed vegetables, fruits, cereals, and livestock, are growing much faster. APEDA expects the share of India's farm exports to grow more than double over the next five years.

Table showing India's exports to ASEAN countries (Data from DGCIS Annual Report for 2009-10)



Country	Quantity in MT	Value in ₹ lakh
Brunei	6,011.17	2,384.22
Cambodia	82.92	58.78
Indonesia	265,356.81	74,907.70
Laos	23.28	15.19
Malaysia	1,041,622.89	206,665.00
Myanmar	1,326.46	1,543.31
Philippines	131,095.92	81,433.75
Singapore	103,943.44	28,575.49
Thailand	29,063.03	13,185.26
Vietnam	752,637.36	211,541.07

Data from the DGCIS Annual Report of 2009-10 reflects that the ASEAN countries are banking on India for fresh/processed/dried/preserved fruits & vegetables, besides fruit & vegetable seeds, cereals, Basmati and non-

Basmati rice, cereal and milled products, miscellaneous preparations, groundnuts, walnuts, alcoholic beverages, and the versatile guar gum (which has wide ranging industrial uses, besides being consumed by humans and a good source of fodder). Buffalo meat is a huge favourite with these countries, while pork, sheep and goat meat also have a big demand. Cocoa products from India, as well as jaggery and confectionery are very popular, as are natural honey, dairy and poultry products.

India could do well to build on its flagging floriculture trade with the ASEAN countries, who have shown great interest in this segment. India has a tremendous variety of cut and dried flowers, ferns, and potpourri, aesthetically packaged to win over anyone.

Other Indian products that could do well are rubber and jute from India, both of which are of high quality and produced in large quantities. Growing an estimated 400 varieties of rubber, India is the world's third largest rubber producing country. Superior quality bamboo and cane are other products that have impressed the Asian market. India's exquisite jewellery, gems, handlooms, silks, woollens, furniture and handicrafts, reflecting the ethnicity of the country's various states, have left a mark wherever they have been exhibited in trade fairs and other exhibitions at home and abroad. India's industrialised goods, as trade with Singapore has shown, also have good market value.

According to official data, India's exports to countries under the ASEAN during 2008-09 touched USD 19.14 billion, while the imports during the same period hovered around USD 26.3 billion. During



April 2009-December 2010, India made exports worth USD 12.8 billion to the ASEAN countries, while its imports in the same period stood at USD 18.09 billion. Singapore spent as much as USD 8.45 billion for exporting goods from India in 2008-09. During April 2009-December 2010, exports of ships, floats, floating structures, oil, mineral fuels, pearls, gems and jewellery fetched for India USD 5.12 billion from Singapore.

Considering India's budding produce, exports actually made to the ASEAN countries are meagre, and for this, the benefit of FTA to India has been debated. Critics have been vociferous that the floodgates for cheap imports have been opened, and that ASEAN countries have been offered thousands of products at a cheaper rate from Indian shores, while benefits to India are limited to a mere 25 per cent of those under this agreement. Rationalists reason that India being amongst the top 10 service importing nations of the world, the FTA could find placements for a large number of english-speaking Indian professionals in teaching, medicine, nursing, architecture and chartered accountancy in the ASEAN countries.

Further, the FTA can also help India to expand its' trade in IT, telecommunication and banking sectors. With so much on offer, from deserts to scenic mountains and seas, lush forests and rivers to vibrating plains, India's vast yet not fully tapped tourism potential for business and leisure is another sector which can bring in much higher foreign revenue for the country ■



BUDGET: Thrust on Agriculture

FM announces series of measures to boost agriculture and allied sector in the Union Budget

FOR THE first time in the recent years, Pranab Mukherjee, Finance Minister devoted considerable amount of time on the subject 'agriculture and allied industries' during his budget speech. This is a major boost for food production and create infrastructure for processing and preservation of the huge agricultural produce is expected.

Mr. Mukherjee dealt at length on the agriculture sector by announcing a series of initiatives in areas like augmenting farm credit and boosting oilseeds and pulses production, besides expressing his intention to grant infrastructure status to cold chains for preventing wastage of horticultural crops.

To boost agricultural credit flow, the Finance Minister announced a higher target, aiming to take agricultural credit to ₹ 4.75 lakh crore for the next fiscal from ₹ 3.75 lakh crore in the current fiscal. "Banks have been asked to focus on farm credit lending to small and marginal farmers," he said.

One of the significant proposals announced was providing agricultural loans at low interest rates



for those farmers who have repaid their crop loan on time “In the last Budget, I had provided an additional 2 per cent interest subvention to those farmers who repay their crop loan on time. In order to provide further incentive to these farmers, I propose to enhance the additional subvention to 3 per cent in 2011-12,” Mukherjee said.

In a bid to attract investment in the supply chain management of the agricultural sector for timely processing of the horticulture crops, Mr. Mukherjee said that capital investment in the creation of modern storage capacity would be eligible for a viability gap funding scheme from the Finance Ministry. “It is also proposed to recognise cold chains and post-harvest storage as an infrastructure sub sector,” he announced during his Budget speech.

He acknowledged that despite growing production of vegetables and fruits, their availability is inadequate due to bottlenecks in retailing capacity. An estimated 40 per cent of the fruit & vegetable production in India goes waste due to lack of storage, cold chain and transport infrastructure. Addressing the issue, Mr. Mukherjee said that the 11th plan target for number of mega food parks was set at 30. “So far, 15 such parks have been sanctioned. During 2011-12, approval is being given to set up 15 more mega food parks,” he announced.

For proper storage of huge foodgrain stocks by Food Corporation of India (FCI), The Finance Minister announced the creation of 20 lakh metric tonnes of storage capacity under the Public Entrepreneurs Guarantee (PEG) scheme through modern silos. “We will be able to add about 2.6 lakh tonnes of capacity by March 2011, based on existing sanctions, the addition will reach 40 lakh tonnes by March 2012. During 2010-11, another 24 lakh metric tonnes of storage capacity has been created under the Rural Godown Scheme,” he said.



Investment in cold storage projects also found special mention in the Budget. During this year, 24 cold storage projects with a capacity of 1.4 lakh metric tonnes have been sanctioned under the National Horticulture Mission. In addition, 107 cold storage projects with a capacity of over 5 lakh metric tonnes have been approved by the National Horticulture Board.

The Finance Minister also hiked the allocation under the Rashtriya Krishi Vikas Yojana (RKVY), which incentivises states to invest in the farm sector, to ₹ 7,860 crore in 2011-12 from ₹ 6,755 crore in the current fiscal. And to keep prices of essential food items in check, the FM also announced a Budget outlay of ₹ 2,200 crore to boost production of vegetables, pulses, oilseeds, millet and fodder.

As a part of its focus on augmenting food production, the government continued with two schemes one for a Green Revolution in eastern states with an allocation of ₹ 400 crore and the other for the promotion of pulses output with an outlay of ₹ 300 crore. Mr. Mukherjee also announced an allocation of ₹ 300 crore each for new schemes to augment production of vegetables, oil palm, nutri-cereals, protein supplements and fodder.

Mainly because of the government’s initiatives, the country is all set to harvest a record 165 lakh tonnes of pulses production as against 147 lakh tonnes last year. “While consolidating these gains, we must strive to attain self-sufficiency in production of pulses within the next three years. I propose to provide an amount of ₹ 300 crore to promote 60,000 pulses villages in rainfed areas for increasing crop productivity and strengthening market linkages,” the Finance Minister announced.

For reducing the country’s over-dependence on edible oil import, the FM announced measures for increasing palm oil plantation. “Our recent interventions and good rains are expected to result in a higher oilseeds production of 278 lakh tonnes in 2010-11 as against 249 lakh tonnes in 2009-10. To achieve a major breakthrough, we have to pay special attention to oil palm as it is one of the most efficient oil crops. I propose to provide an amount of ₹ 300 crore to bring 60,000 hectare under oil palm plantation, by integrating the farmers with the markets. The initiative will yield about 3 lakh metric tonnes of palm oil annually in five years,” he said.

For the promotion of organic farming, Mr. Mukherjee said “while the need to maximise crop yields to meet the growing demand for foodgrains is critical, we have to sustain agricultural productivity in the long run. There has been deterioration in soil health due to removal of crop residues and indiscriminate use of chemical fertilisers, aided by distorted prices” ■



19th Annual Agri Export Awards of APEDA on its Silver Anniversary

AT A grand function on February 13, 2011, APEDA gave away the 19th Annual Export Awards to agricultural exporters, which coincided with its Silver Jubilee celebrations.

These awards were given to exporters who played a vital role in boosting India's agricultural and processed food exports during 2009-10, despite the adverse global financial conditions, in sectors including fresh fruits & vegetables, bovine meat, poultry & dairy products, processed fruits & vegetables and floriculture.

Shri Jyotiraditya M. Scindia, Honourable Minister of State for Commerce & Industry, along with Dr. Rahul Khullar, Commerce Secretary felicitated the exporters representing 36 export houses with commendations of excellence for their outstanding achievement in augmenting exports during the last fiscal.

From a small beginning of exports of a mere ₹ 582 crore during 1986-87, APEDA's kitty has grown manifold to more than ₹ 34,000 crore during 2009-10.

Basmati rice, fruits & vegetables have formed the major chunk of exports. The price realisation in Basmati rose to ₹ 10,889 crore during 2009-10. Despite the continuance of the government's ban on the export of Non-Basmati rice in 2008, which brought ₹ 7,000 crore from exports, the last few years have been outstanding.

The trends indicate that this impressive performance is expected to be repeated during the current fiscal. With significant rise in the export of processed fruits & vegetables, meat & poultry products, the export basket netted ₹ 20,600 crore during April-October 2010, from ₹ 19,335 crore in the previous year. Exports of frozen meat have been rising steadily; from ₹ 5,129 crore of meat during 2007-08, to ₹ 7,200 crore during the last fiscal.

APEDA has now decided to focus on the export of floriculture, pomegranates, organic foods, ready-to-eat foods, frozen foods, poultry & poultry products, honey, and mangoes.

For more information on APEDA's new business initiatives in export of Alphonso mangoes, GI Resolution between the Governments of India and Pakistan on the registration of Basmati rice, testing of Basmati rice samples at the Centre for DNA Fingerprinting and Diagnostics in Hyderabad, GrapeNet, organic farming initiatives, and APEDA's business vision for the future amidst others, you can log on to <http://www.apeda.gov.in> ■



Silver Sports Day – APEDA on the Move

APEDA CELEBRATED its glorious run of 25 years by organising various sports activities for its employees, which evoked much excitement and saw excellent participation.

First off the mark was a Quiz, held on January 21. Six teams comprising four members participated in this. After series of tough competition, three teams were adjudged to be the first, second and third respectively. Hard on the heels of this event was the Athletics Meet on January 29. The Relay runners were divided into different age groups – below 30, 30-45 and 45-60; different lengths were defined for the race – 50 m and 100 m. A Spoon race was also organised. Besides these, there was another exciting game of Tug-of-War. Both men and women participated in all these athletic events. A badminton match for women was conducted along with game of Musical Chairs for men and women, separately.

The ceremonial ‘setting free of the pigeon’ preceded the special Cricket match on February 6, between APEDA and the National Horticulture Board (NHB), to commemorate the occasion. Mr. Siddharth, Joint Secretary, Ministry of Commerce & Industries (MOC&I), Mr. Asit Tripathy, Chairman, APEDA and other senior officers from APEDA, Mr. Bijay Kumar, Managing Director, NHB with his senior officers were present for the event. Though the ‘Best Batsman’ and ‘Best Bowler’ were both from NHB, APEDA won the match – winning the match, as well as the title of the ‘Man of the Match’, which was given to the best performing player from APEDA.

On the occasion of APEDA Day on February 13, 2011, Mr. Asit Tripathy, Mrs. Namrata Tripathy, Mr. Gokul Patnaik, ex-Chairman, APEDA, Mrs. Tita Patnaik, Mr. Anurag Saxena, Joint Secretary, MOC&I and Mrs. Saxena gave away certificates of commendation to the winners of all events. For the Tug-of-War, the participants of the winning team, as well as the runner-up team, were given certificates ■





APEDA Bags Award in Horti and Flora Expo 2011

APEDA PARTICIPATED in the 6th Flora Expo and 3rd Horti Expo, held in February 2011 at Pragati Maidan in New Delhi. This international event comprised a trade fair for greenhouse technology, cultivation & plant propagation techniques, fresh handling, international workshops and conferences.

With an impressive concept design, effective audio-visual displays, information brochures, CDs and professional management of large turnout of visitors, the APEDA pavilion received an 'Excellent Display Award'. Ms. Vinita Sudhanshu, Assistant General Manager, APEDA received the award from Mr. Henk van Duijn, Counsellor for Agriculture, Nature and Food Quality, as well as Mr. M B Naqvi, Managing Director of Media Today Group. Various senior officials from the government, NHB, state horticulture directors, foreign delegates from 14 countries, horticultural & floricultural farmers and officials from 24 states were present at the occasion.

The Horti Expo facilitates the coming together of exhibitors, visitors and GOI. A substantial increase in the number of participants and visitors, from India and abroad, is indicative of its success; marking its emergence as an event with substantive communication and networking feasibility. Combining the Flori and Horti



events greatly enthused companies and exhibitors, to come forth with fresh ideas.

This event was sponsored and supported by the National Horticulture Mission, Ministry of Agriculture, NHB and, in part by APEDA ■

Tamil Nadu

Three vegetable clusters in Tamil Nadu get support from APEDA

APEDA, in association with the State Horticulture Department of Tamil Nadu, has identified for developing three vegetable clusters to facilitate export of fresh vegetables from Dindigul, Villupuram and Coimbatore districts of Tamil Nadu. The State Department of Agricultural and Agri Business had identified these clusters for developing cold chains, grading halls and other related infrastructure. APEDA has sanctioned approximately ₹ 100 lakh for the development of infrastructure projects in these clusters.

Veterinary College and Research Institute in Namakkal gets APEDA grant

APEDA has sanctioned ₹ 500.96 lakh to modernise the Veterinary College and Research Institute Laboratory at Namakkal, to improve testing of animal and poultry products, in accordance with various global parameters ■

Indo-China Trade: Addressing Risks Faced by Indian SMEs

THE EMBASSY of India in Beijing hosted an advisory statement on their website on February 17, 2011, to help Indian entrepreneurs in conducting business with their Chinese counterparts. It is based upon the increasing number of trade disputes reported by the Indian Small and Medium Enterprises (SMEs) with Chinese companies particularly from Henan and Hebei provinces and the municipality of Tianjin. An amount of over USD 7,843,000 was involved in these disputes in 2009, and USD 5,434,162 from January-November 2010. These can be categorised under five broad heads.

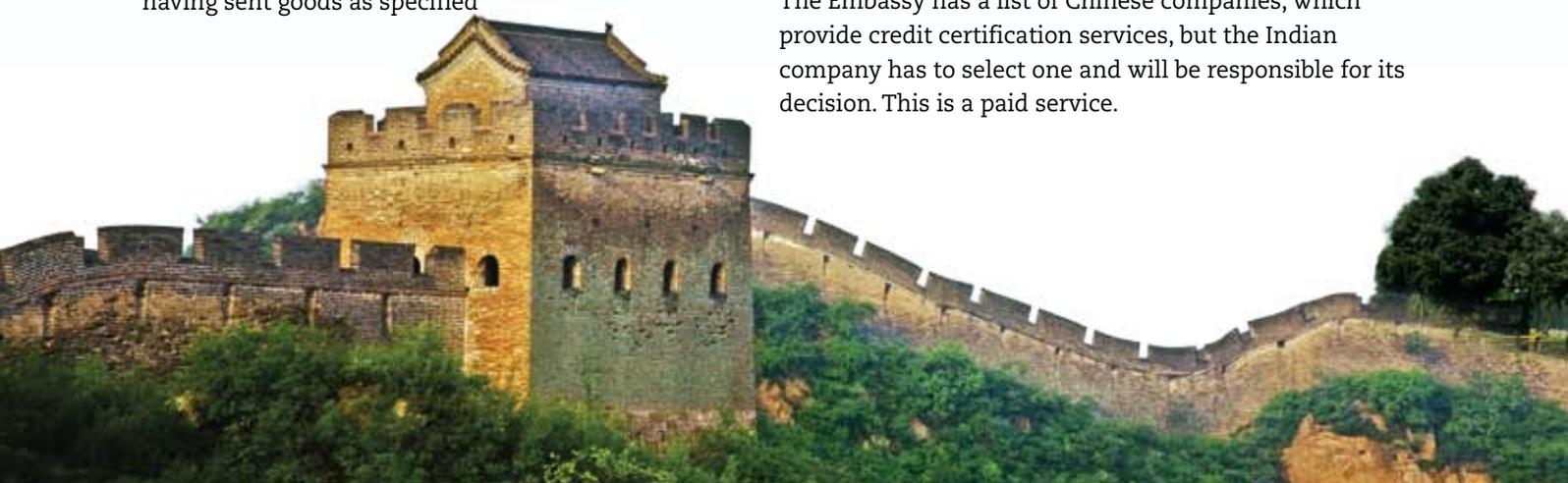
- (a) At times, an Indian company is contacted by a Chinese company for business. Following several emails and phone calls, just prior to the Indian company proceeding to China, the Chinese company asks them to bring cash for arrangements and gifts for their senior executives and local officials. The Indian company does accordingly, but once back in India, it does not hear further from the Chinese company
- (b) In other instances, an Indian company wishing to import goods from China, contacts a Chinese exporter from online sources or B2B portals. The Chinese company insists on receiving a percentage as advance payment, which the Indian company gives, but after this, the Chinese company breaks-off communication
- (c) Yet in other cases, when an Indian company contacts a Chinese company (or vice versa) online, and finalises a deal, the Chinese company sends samples that match required specifications. The Indian company then makes an advance payment and, as agreed between the two, when the goods arrive at the designated Indian port, after inspecting the Bill of Lading, the Indian company releases the Letter of Credit (LC). On inspecting the consignment, the goods are often found to be sub-standard, but when the Indian company complains to their Chinese partner, the latter blames storage conditions and insists on having sent goods as specified

- (d) In yet another scenario, once an agreement is concluded, and the Indian company pays a percentage of the total amount as advance payment, the Chinese partner becomes lax. On persistent enquiries by the Indian SME, the Chinese company states that the advance was not received on time, or the raw material cost has increased, or their supplier failed to make timely delivery. On repeated requests by the Indian company, a demand is made by the Chinese counterpart for full payment
- (e) Lastly, disputes have risen when the Chinese company insists on Notarisation of the Agreement, before or after finalising a deal, for which both parties have to share the cost. The Indian company pays its share, but on returning to India, is asked by their Chinese counterpart to pay more since the fee has increased

In all these instances, the Indian company stands to lose money (a) either for accommodation/gifts/transportation; (b) advance payment; (c) advance payment and amount paid towards LC; (d) losing entire advance if it does not make full payment, or losing entire amount if the Chinese company does not send the goods; or, (e) losing their share of notarisation fee if it does not pay the extra amount, or losing total amount if it does pay the extra fee.

The Embassy of India has accordingly made several recommendations to safeguard Indian SMEs wishing to conduct business in China, the most important of which is that the Indian company should check the credentials of their prospective Chinese partner. The Chinese counterpart should be asked to produce a passport or ID card, as well as a company registration document, which have to be attested by the Chinese Ministry of Foreign Affairs and the Embassy of India or its Consulates in China.

The Embassy has a list of Chinese companies, which provide credit certification services, but the Indian company has to select one and will be responsible for its decision. This is a paid service.



Orissa

First packhouse in under-developed area of Orissa gets APEDA's backing

An MoU for developing a common infrastructure facility (packhouse) in Titlagarh, District Bolangir (the first in an under-developed area) was signed by Mr. B K Rath, Chairman, APICOL (Government of Orissa) and Mr. S Dave, Director, APEDA. The total cost is projected at ₹ 7.39 crore, for which APEDA will be providing ₹ 5.28 crore as financial assistance ■



Unless and until the quality and quantity of the goods are ensured, the Indian company should not make an advance payment. If at all required, this should be routed through an Escrow Account or Bank Guarantee; and the Indian company should insist on a guarantee before making the advance payment. Advance payment should be made through bank transfer, only if the credibility of the Chinese partner has been established.

The contract between both the parties should be in English, which should include an arbitration clause, with another provision that only when the quality and quantity of goods has been verified by an internationally accredited inspection agency at the port of destination, will the Indian company release the LC. The Indian SMEs should insist on a Sight Letter of Credit. The goods can also be physically verified at the time of loading in China.

The Indian entrepreneurs can also request the Chinese company to produce the quality certificate for any goods imported by it, which also requires authentication by the Chinese Ministry of Foreign Affairs and the Embassy of India or its Consulates. Indian SMEs are also advised to desist from going in for offers of cheap products.

The Embassy further recommends that trade queries should be referred to them or the Consulates, instead of B2B companies, and caution exercised when dealing with Chinese companies in Hebei (Shijiazhuang), Henan (Zhengzhou and Luohe) and Tianjin.

The Embassy has also displayed lists of Chinese defaulters involved in disputes with Indian SMEs in 2009 and 2010 on its website ■



Kerala

Cold storage facility to be developed at Calicut airport

A proposal by the Kerala State Industrial Enterprises Ltd. for setting up a cold storage facility at Calicut airport received the nod from APEDA. APEDA will be giving a grant of ₹ 145.14 lakh for this project to facilitate export of fresh vegetables to the Middle East from Kerala ■





Australia Warms Up to Indian Mangoes

APEDA GAVE exporters the pleasant news regarding market access of Indian mangoes to Australia on April 13, 2011. After conducting an import risk analysis, Biosecurity Australia intimated APEDA earlier in April that a notification had been issued by them pertaining to the import of Indian mangoes post Vapour Heat Treatment (VHT) and hot water dip treatment.

This leaves the Australian market wide open to mangoes from Saharanpur, Lucknow and Barabanki in Uttar Pradesh, as these accord to the pest-free concerns of the importing country, with Biosecurity Australia already having approved the VHT facility in the UP *mandi* at Saharanpur ■

USDA-NOP Team Satisfied With India Visit

IN 2006, the USDA recognised India's National Programme for Organic Production (NPOP) conformity assessment procedures of the certification bodies for organic products as per ISO 17011. This resulted in the acceptance of NPOP-accredited certification bodies, certifying organic products, as per US-NOP specifications, making organic products thus certified in India acceptable in USA. This has facilitated exports from India to USA, with certified organic produce worth nearly USD 19 million being shipped from India. 10 certification bodies (out of 20) have been extended NOP accreditation currently.

In January 2011, a two-member team from the USDA visited India for 10 days to review NOP accreditation and compliance of certification bodies involved in organic certification. During this period, the USDA team met APEDA officials, visited two certification bodies and four NOP-certified projects in different parts of the country. The team appreciated that the accreditation procedures and operational compliance of the certification bodies fully met NOP requirements ■

Karnataka

Parliamentary Standing Committee on Commerce visits Bengaluru

A delegation comprising the Parliamentary Standing Committee on Commerce (MPs and officials of the Rajya Sabha & Commerce Ministry) visited Bengaluru for interaction with exporters, associations, trade bodies and senior state government officials, from January 30-February 1, 2011. Mr. Asit Tripathy, Chairman, APEDA welcomed the delegation at Bengaluru, who visited the gherkin processing unit of M/s Intergarden India Pvt. Ltd., and the unit of M/s Namdhari Farm Fresh dealing in the export of fresh and exotic vegetables & fruits. The visit was coordinated by APEDA's Mr. R K Boyal, General Manager and Mr. Sudhanshu, Assistant General Manager from New Delhi, with Mr. R Ravindra, Assistant General Manager in Bengaluru.

APEDA provides assistance for cold chain facility in Belgaum

A proposal by KAPPEC – a Government of Karnataka enterprise – for setting up a state-of-the-art cold chain facility at Bellada Bagewadi in Belgaum has been approved by APEDA. This will facilitate export of fruits (grapes, pomegranates, bananas and other fruits) and vegetables from Belgaum and adjoining areas. APEDA's assistance will be to the tune of ₹ 653 lakh, while the entire project cost is estimated to be ₹ 838 lakh ■





Four vegetable clusters in AP get support by APEDA

To improve post harvest management facilities from AP, APEDA has agreed to assist the state government with a grant of ₹ 95.50 lakh in order to boost exports of fresh vegetables from four identified clusters – Ranga Reddy, Medak, Nizamabad and Visakhapatnam. The proposal had been made by the Commissioner of Horticulture, AP to set up cold storage, grading halls and related infrastructure in these vegetable clusters.

GAP training at Vissanapet, Vijayawada

APEDA's regional office in Hyderabad organised a two-day training programme to promote Good Agricultural Practices (GAP) at Vissanapet, Vijayawada on February 2-3, 2011.

About 80 farmers who attended the training were taken for field visits to mangroves on the first day, while the second day consisted of indoor training. The state's assistant director of horticulture, horticulture officers from the Krishna region and mango exporters attended the GAP training ■



Andhra Pradesh

APEDA-CII's one-day Conference on Exports of Agro Products at Hyderabad

A conference based on 'Export of Agro Products from Andhra Pradesh – Present and Emerging Scenario' was organised at the ITC Kakatiya Hotel in Hyderabad on March 16, 2011 by APEDA and CII-Hyderabad. The conference was inaugurated by Mr. Asit Tripathy (IAS), Chairman, APEDA; while Mrs. I Rani Kumudini (IAS), Commissioner of Horticulture, AP, delivered a special address. Mrs. Shylaja Ramaiyer (IAS), Vice Chairperson and Managing Director of AP Agros (AP), too, gave a special address. Dr. Kondaiah, NRC-Meat, also graced the event and addressed the gathering.

Mr. R Ravindra, Assistant General Manager, APEDA in Hyderabad welcomed all assembled. APEDA's Mr. A K Gupta, Advisor and Mr. Sudhanshu, Assistant General Manager made presentations at the conference, which had four technical sessions handled by experts from various institutions and the industry. The event which was well-covered by the electronic and print media, was attended by over 160 participants from the state and central government, financial bodies, industry representatives, exporters and management students.

In Focus – Agra Potato

AGRA IS renowned the world over for the Taj Mahal. Lesser known, but another tiny wonder, is its potato, huge quantities of which are produced here. What is holding it back from taking pride of place is the lack of processing facilities, which is a persisting cause of concern.

The National Chamber of Commerce & Industry (NCCI), Agra recently invited Mr. Vinod K Kaul, Deputy General Manager, APEDA to discuss the possibilities of enhancing the development of this crop. Mr. Shiv Kumar Agarwal, President, NCCI took the lead and introduced all participants, including 20 members of the NCCI, to the reason for these deliberations.

During the brainstorming, an urgent need to set up processing industries in the Agra belt emerged, which would better utilise the high production of potatoes by manufacturing processed products like potato chips, potato flakes, or potato powder.

NCCI will now take up this matter further with relevant authorities in the state government and central government agencies for availing whatever schemes may be available in this regard ■

19 Major Infrastructure Projects Cleared by APEDA

APEDA'S ENDEAVOURS to generate proposals for the creation of state-of-the-art infrastructure facilities in various states, have borne fruit. Recently, 19 MoUs were signed with APEDA sanctioning support of ₹ 71.37 crore. Even hitherto traditional states such as Madhya Pradesh, Himachal Pradesh, Tamil Nadu, Orissa and Goa responded and sent 15 proposals for enhancing the infrastructure for: packhouses and CA stores for apples (Himachal Pradesh), packhouse for bananas (Madhya Pradesh), packhouse for mangoes (Goa) and packhouses for vegetables (Orissa). Besides this, there were proposals from other states including a Quality Control Lab for meat in Uttar Pradesh.

These infrastructure facilities are critical to enhancing India's exports; not only will these help in commanding control over quality, but also help to improve the country's reputation globally, thereby increasing acceptability of these products. This will also encourage the farmers to practice horticultural farming and fetch better returns for their efforts ■



APEDA – Export Statistics

DGCI'S PROVISIONAL data for April-December 2010 reflects a marginal negative growth in the export of fresh fruits of 0.59 per cent in rupee terms over the corresponding period of previous year (from ₹ 1,507.59 crore to ₹ 1,498.64 crore). In dollar terms, the growth is positive at 5.02 per cent (rising from USD 310.20 million to USD 325.79 million). The impact of the CCC in grapes and lesser export of mangoes (due to a lean season) to the US and Japan can be attributed as reasons for this drop.

In fresh vegetables also, there is a marginal negative growth of 4.88 per cent (from ₹ 2,096.81 crore to ₹ 1,994.47 crore). In dollar terms the growth is positive at 0.50 per cent (rising from USD 431.44 million to USD 433.58 million).

High domestic prices led to a drop in the export of onions. Overall exports suffered also because of the government placing a ban on the export of onions in December 2010.

The high domestic prices of fruits and vegetables, coupled with appreciation of rupee versus dollar during the year resulted in a drop in the realisation in rupee terms, though in dollar terms the growth remained positive ■

SIAL 2010

WITH RESPECT to the event synopsis of SIAL 2010 in the previous issue, we deeply regret that the names of two members of APEDA were missing. We hereby state that Mr. S S Nayyar, DGM and Mr. U K Vatsa, DGM, were responsible for organising APEDA's participations in the event ■



APEDA's New Offerings

APEDA Agri Exchange

APEDA's recently launched Agri Exchange Portal provides market intelligence and informs exporters and budding entrepreneurs about opportunities available to them. This marks the culmination of initiatives taken by APEDA's Computer & Information Divisions for about a decade, to provide market-specific intelligence to facilitate the agri trade. Shri Jyotiraditya M. Scindia, Honourable Minister of State for Commerce & Industry, launched this much-needed Agri portal ■

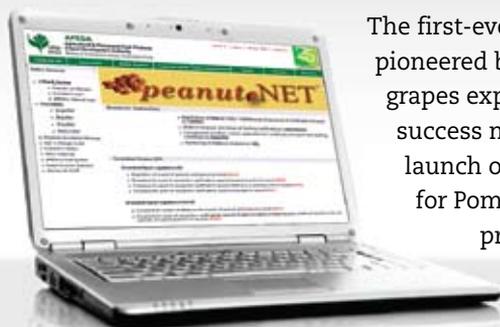


APEDA brings out Export Statistics CD-ROM

Meeting the requirement of exporters by disseminating trade statistics, APEDA has prepared an Export Statistics CD-ROM for 2009-10. The CD contains useful reports besides other important information, related to exports made through APEDA ■

Peanut.Net Traceability System

With food safety becoming a global concern today, farm-to-fork traceability is becoming increasingly pronounced in the developed world. Towards this end, Dr. Rahul Khullar, Commerce Secretary, Government of India, launched APEDA's fourth traceability system – Peanut.Net for peanuts.



The first-ever national traceability system, pioneered by APEDA, was GrapeNet, for fresh grapes exported to the EU countries. The success met by GrapeNet spurred APEDA to launch other similar traceability systems for Pomegranates – AnarNet and Organic products – TraceNet, followed recently by Peanut.Net ■

Special Souvenir – Savouring Silver

Celebrating its silver anniversary, APEDA brought out a special souvenir with articles penned by its former chairpersons, officers and employees ■



The Event Synopsis



Delicious Fruits Lead the Way at Fruit Logistica

February 9-11, 2011, Berlin, Germany

Fruit Logistica, a leading international trade show for fruits, was hosted at Berlin, from February 9-11, 2011. With an estimated 54,000 top decision-makers from 125 countries in attendance, producers to food retailers globally rely on this event to showcase their fresh food products. To exhibit India's large variety of fresh fruits & vegetables, APEDA took a space of 65 square metres. APEDA's aesthetically designed and decorated pavilion was in Hall 5.2 where leading international brands such as Total Produce, Univeg, Fyffes and Pink Lady, amongst others, were present.

Mr. Asit Tripathy, Chairman, APEDA led the Indian participation in Berlin, while Mr. Ashok Sinha, Secretary, Ministry of Food Processing Industries (MOFPI) and the Joint Secretary, MOFPI were important visitors. Mr. R K Boyal, General Manager, APEDA, was the coordinator for the Indian participation. Mrs. Ilse Aigner, Honourable Minister for Food, Agriculture & Consumer Protection of Germany visited APEDA's pavilion on February 9, interacted with all participating exporters, and signed the visitor's book, wishing India – "All the best".

Leading agricultural exporters from India – Kay Bee Exports, Neeraj International, Suri Agro Fresh Pvt. Ltd. and Panacea Energizers Pvt Ltd – participated in Fruit Logistica. About 30 other Indian exporters of fresh (processed) fruits & vegetables were present, for whom the APEDA pavilion was a platform to meet prospective buyers. Pomegranate arils and tender coconuts that were offered as samples at the Indian pavilion, received an overwhelming response from visitors.

Trade enquiries were generated from Pakistan, China, Russia, Saudi Arabia, Italy, Ghana, Israel, Romania, Ukraine, the Netherlands, South Africa, UK, UAE, Spain and Zimbabwe. Besides general enquiries for India's fresh fruits & vegetables, many specific enquiries were made for grapes, pomegranates, apples, pears, mangoes, peaches, apricots & tropical fruits, besides onions, potatoes, coconuts, chestnuts, beans, garlic, okra, chillies, spring onions & herbs, lettuce, baby-leaf, vegetable seeds, etc.

As Fruit Logistica is the largest international exhibition in the fresh horticultural segment, APEDA is likely to participate in this fair on a larger scale in future ■

BioFach 2011: The Rich, Colourful, Organic India

February 16-19, 2011, Nuremberg, Germany

BioFach Messe of Nürnberg (Nuremberg), Germany, in association with the International Federation of Organic Agriculture Movements (IFOAM), organised BioFach from February 16-19, 2011. APEDA has been participating in this trade show since 2001.

This important annual global event provides exhibitors a platform to showcase their organic produce ranging from fruits & vegetables, processed foods, spices, beverages, dairy products, as well as garments and cosmetics. It provides the latest information to stakeholders, including tie-ups and almost 140 seminars are hosted.

Mr. Asit Tripathy, Chairman, APEDA formally concluded India's acceptance to be the Country of the Year-2012 at BioFach 2012, by inking an agreement with Mr. Bernd A





Diederichs, Managing Director, BioFach Messe GmbH on February 17. Dr. P V S M Gouri, Advisor (Organic Products), APEDA and Mr. Bidyut Baruah, Assistant General Manager, APEDA were also present on the occasion.

India has always made its presence felt at this fair. The Coffee Board, Spices Board and the Organic Trade Association (OTA) participated with leading organic exporters. Besides, around 44,000 trade visitors, 2,544 exhibitors and visiting professionals from 86 countries participated. Pre-event mailing ensured that key representatives from important international organic organisations, gourmet store owners, culinary entities, distributors and exhibitors visited the Indian pavilion. A show guide covered the story of India's organic products and an attractive advertisement about India's participation in the BioFach 2011 catalogue vetted the curiosity of all.

An aesthetically designed, huge pavilion was set up for APEDA in Hall No. 4, while Indian organic textiles were displayed in Hall No. 8. With its vibrating colourful ambience, filled with exotic aromas of Indian organic spices and tea, APEDA's pavilion attracted innumerable visitors. All the booths were beautiful and different, but had an underlying thematic similarity. An interpreter and three hostesses, wearing traditional Indian costumes, interacted with visitors.

Mr. Anup Mudgal, Consulate General of India, Munich, inaugurated APEDA's one-hour workshop, 'The Recent Developments in NPOP' on February 16, which was

attended by representatives from IFOAM, EU, IOIA, EcoCert, GOMA, US-OTA, Canada Inspection Agency, Canada-OTA and the International Organic Inspectors Organisation. Mr. Tripathy welcomed the guests, while Dr. Gouri and Mr. Sameer, Vice President, OTA made presentations.

The highlights of the Indian participation included:

- Wet sampling of vegetarian and non-vegetarian Biryani of organic Basmati rice on all four days to visitors at the APEDA pavilion
- A flyer and a special recipe book, 'Tastefully Organic', featuring Indian and Western recipes were distributed to all visitors at the Indian pavilion
- A fashion show with models displaying garments of four Indian organic textile manufacturers – Chetna, Pratibha Syntex, Eco Farms and Jharcraft – attracted huge audience
- A box of organic candles bearing the colours of the Indian flag was given to selected delegates and the guests who visited the Indian pavilion and were invited to attend the workshop organised by APEDA
- A henna artist drew beautiful and skilful designs on the hands of the female visitors, giving them a feel of India's colourful and traditionally rich cosmetology

A grand participation is being evolved for India for its role as Country of the Year-2012 at BioFach. Besides involvement of the Tea Board, Coffee Board, Spices Board and important exporters, advertising in trade fair catalogues and journals, APEDA is planning to add other cultural events such as folk dances, henna application, an exclusive fashion show and yoga demonstration to catapult the Indian brand to the forefront of the global community ■





Gulf Food 2011 – APEDA’s Largest-ever Participation with Branding Initiatives
February 27-March 2, 2011, Dubai, UAE

The Gulf Food Show, an immensely popular international food festival, has been hosted by the Gulf region for several years. Considering the interest of the Gulf and the Middle East regions in the Indian agricultural and processed food segments, APEDA has been regularly participating in this show. This year, it was held at Dubai, from February 27-March 2, 2011.

APEDA certainly left its mark by taking up a space of 434 square metres for its pavilion with booths for individual exporters. It also promoted Indian Basmati rice by branding seven buses of the Dubai World Trade Centre (DWTC), which were moving all over the city. Hoardings of Basmati rice also greeted visitors at the main entrance and outside the Indian pavilion.

40 Indian exporters of various agri products including rice, meat & meat products, mango pulp, pickles & chutneys, ready-to-eat foods, dehydrated onions, gherkins, fruit



juices, snacks, sweets and an assorted range of other processed foods, participated in the Gulf Food Show through APEDA. Mr. D N Pathak, Executive Director of the All India Rice Exporters Association (AIREA), with a nine-member exporters team, actively participated by taking up a large area in APEDA's pavilion.

Mr. Asit Tripathy, Chairman, APEDA, inaugurated India's pavilion, while Mr. Sanjay Verma, India's Consulate General in Dubai visited the pavilion. Mr. Yusuf Ali, Chairman of the well-known EMKE Group also visited the APEDA pavilion, accompanied by his senior officers and representatives of other leading import houses.

Standees at various places – directing visitors to APEDA's pavilion, display of APEDA's logo on the floor map in various parts of the Gulf Food Festival, as well as special carry bags for the Event Directory which were given to visitors, all succeeded in stirring interest in India's participation. Indians in the city and visitors were happy and proud of the Indian visibility in the show.

A networking dinner with cultural programme for buyers and exhibitors was organised on March 1, 2011 at Hotel Crown Plaza. It was sponsored by interested exporters such as Allanasons, Amroon Foods, Sunstar Overseas, RSKS Overseas, Amira Foods & Alkhair Exports and was attended by nearly 200 people including exporters, importers and senior officials from the Indian Consulate. Mr. Sudhanshu, Assistant General Manager, APEDA, after welcoming the guests, gave a brief about APEDA's initiatives regarding its participation. Mr. Asit Tripathy addressed the guests and expressed his happiness over the tremendous response of the importers of the Gulf region towards India's participation. He said, "We have age-old trade relations with the Gulf region and India 'is and will be' the most reliable supplier for the Gulf region consumers". A small gift hamper of Indian food products was presented to each guest at the dinner. All participants at the dinner highly appreciated this initiative including foreign trade invitees ■





AAHAAR – Mega Participation by APEDA-MOFPI

March 10-14, 2011, Pragati Maidan, New Delhi

For providing a platform to its member exporters to display their products and finalise business deals, APEDA regularly participates in the AAHAAR event through the Ministry of Food Processing Industries (MOFPI). This year also, APEDA along with MOFPI participated in the event, held from March 10-14, 2011, on a large scale and set up its pavilion by taking a space of 2,366 square metres in Hall No. 18. The theme for the pavilion was titled 'Moving away from Commodities to Processing'.



Around 43 exporters of processed food products, rice and fresh produce participated through APEDA. State nodal agencies of MOFPI also set up their booths in the pavilion to showcase the potential of food processing in the state. The main states that participated through APEDA-MOFPI were Uttar Pradesh, Jammu & Kashmir, Haryana, Andhra Pradesh, Meghalaya, Assam, Karnataka and Punjab.

APEDA also organised a Buyer-Seller Meet (BSM) for the participating exporters on March 11-12 at the event. Buyers from Bahrain, UAE and South Africa attended the BSM.



The APEDA pavilion was inaugurated on March 10, 2011 by Mr. Ashok Sinha, Secretary, Ministry of Food Processing Industries.

The APEDA-MOFPI pavilion was given the 'Excellent Display Award' ■





Mango Pulp

A potential product in processed food basket



EXPORT OF mango pulp solely depends on the crop production of varieties used in processing, mainly Alphonso, Totapuri and Kesar. On harvesting, these ripe mangoes go through an entire process beginning with inspection and washing, until they are thermally processed and aseptically filled to maintain sterility. Refined pulp is packed in cans and aseptic bags, while frozen pulp is pasteurised and deep-frozen. The natural flavour and aroma of the fruit is inherent in the final product. India's mango pulp has a good standing in the international market, with Europe, Japan, US and the Middle East importing substantial quantities from the country.

Presently, there is no central point for production of mango pulp in India. There are two main clusters of mango pulp – Chittoor in Andhra Pradesh (AP) and

Krishnagiri in Tamil Nadu (TN), while some processing units are located in Maharashtra and Gujarat. The production of Totapuri in Chittoor and Krishnagiri, Alphonso in Maharashtra and some pockets of Gujarat and AP, and Kesar in Gujarat, is producing mango pulp substantially.

Fruit borers and stone weevils are the main pests attacking mangoes, while spongy tissue eats into the Alphonso variety. R&D projects have been initiated at Hyderabad, Chittoor and Bengaluru to overcome these problems. The State Horticulture Departments of AP, Maharashtra and Gujarat help farmers involved in mango plantation and provide necessary support for adopting GAP and HACCP.

Progressive farmers who follow proper harvesting methodology have achieved good results, while farms/mangroves where obsolete technology is practiced, have suffered. Pepsico, Godrej and Parle, are few of the major corporates involved in this segment, and are utilising the latest technology and producing mango pulp in accordance with international quality specifications.

In this entire process of establishing new units and modernising the existing infrastructure, financial support rendered by APEDA and the Ministry of Food Processing Industries has acted as a catalyst. APEDA also provides training to farmers and exporters.

Experts feel there is a need for addressing each element of the supply chain in the export of mango pulp, in association with all agencies concerned, with proper delineation of roles; adoption of GAP and HACCP; latest technology for processing; availability of packaging material near the cluster, and availability of containers. GI Registration of the mango pulp of each cluster can help in marketing the produce in the international market.

Establishment of a common infrastructure in the major cluster of Chittoor, to provide aseptic packing of mango pulp, due to shift of packaging from cans to aseptic bags globally, has been sanctioned by APEDA. This will benefit





small and medium processors/exporters who lack finances to install aseptic packing lines.

Timely availability of containers, with the shipping lines, is a matter of concern, as absence of containers hamper consistency in supply. Roads also need to be revamped. Though some improvement has been observed in the Chittoor cluster, further improvement is essential. However, the Krishnagiri cluster and some pockets of Gujarat and Maharashtra, are lagging far behind; and, all farms need proper connectivity up to the seaports.

Along with strengthening the critical infrastructure, proper implementation and exemption of market cess for the movement of the raw produce, from one state to another, needs to be urgently addressed. Another issue that requires to be swiftly tackled is the availability



of electricity for running the processing units and reduction in power tariff in the peak seasons, since the mango pulp industry is a seasonal one.

Considering the potential of the export of mango pulp and its good contribution to the kitty of the processed food segment, there seems to be good scope for increasing the share of exports of mango pulp further ■

Export – Top 10 Destination of Indian Mango Pulp										Quantity in MT., Value in Lakhs	
Country	2005-06		2006-07		2007-08		2008-09		2009-10		
	Qty	Value	Qty	Value	Qty	Value	Qty	Value	Qty	Value	
Saudi Arabia	45,033.19	10,237.6	48,420.78	13,516.62	46,434.62	11,835.86	53,563.57	20,116.66	63,479.94	22,156.43	
The Netherlands	9,291.71	3,938.07	19,190.91	8,439.78	19,044.4	7,732.91	19,311.31	10,662.69	16,073.35	9,013.29	
Yemen Republic	16,616.28	3,160.54	19,611.92	4,320.37	21,678.93	4,302.11	15,562.6	5,339.15	21,752.56	6,849.66	
UAE	13,296.54	3,177.8	14,135.08	4,009.54	15,177.48	3,992.91	21,895.7	8,497.82	17,053.9	6,135.87	
UK	4,602.75	1,577.31	5,410.78	2,034.08	7,283.1	2,895.67	8,204.04	3,751.56	10,626.15	4,750.26	
Kuwait	6,839.75	1,653.42	7,082.2	2,132.82	8,439.11	2,163.25	7,568.59	2,963.68	11,013.78	3,969.42	
United States	2,934.18	1,182.34	3,650.88	1,516.25	4,043.57	1,862.29	4,342.88	2,290.55	4,467.05	2,842.3	
Sudan	2,857.5	725.48	3,648.28	1,058.61	3,077.44	765.7	4,867.87	2,393.91	5,758.37	2,240.52	
Japan	2,459.07	1,593.98	3,950.47	2,615.03	5,375.99	3,487.57	4,971.26	3,730.99	2,471.53	1,938.34	
Others	30,682.23	9,177.54	31,734.2	10,939.69	36,197.55	11,930.28	32,725.8	15,551.89	33,501.25	14,564.65	
Total	134,613.2	36,424.08	156,835.5	50,582.79	166,752.2	50,968.55	173,013.6	75,298.9	186,197.9	74,460.74	

Source: DGCIS

For Your Information

Export Highlights

- Government scraps import duty on sugar till March 2011
- Government mulls ban on fodder export
- New Centre of Excellence for Vegetables opened in Haryana
- ASSOCHAM offers a prescription to control soaring vegetable price
- Higher rice export from Vietnam eases price fears
- Meat lovers get food for thought in futuristic US lab
- Basmati exports set to dip on Iran payment issue
- Inviting applications for accreditation of nodal agencies to facilitate single window
- Exporters Notice – APEDA Extended Support for Execution of Sea Shipment of Mangoes during 2011 season



Agricultural and Processed Food Products Export Development Authority (APEDA)
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