

- (iii) Establish critical limit
- (iv) Establish a system to monitor control of the CCP
- (v) Establish the corrective action to be taken when the monitoring indicates that a particular CCP is not under control
- (vi) Establish procedure for verification to confirm that the HACCP system is working effectively
- (vii) Establish documentation concerning all procedures and records appropriate to these principles and their application.

Food safety is analysed in terms of hazards and risks. A hazard is the capacity of a thing to cause harm under certain conditions. The probability that a defined harm will occur is the risk associated with that hazard. The hazards may be physical, chemical or micro-biological and can occur at any stage from raw material to the consumption by the consumer.

The benefits of testing food by HACCP are;

- (i) Avoids human sufferings;
- (ii) Reduces burden from over burdened health care system;
- (iii) Increases the export of food products;
- (iv) Attracts more foreign tourists; and
- (v) Increases earning potential of citizens.

(b) ECOMARK

The Government of India instituted a scheme known as ECOMARK in February, 1991 for labeling environment friendly products. This scheme is administered by the Bureau of Indian Standards (BIS). The scheme provides for labeling of household and other consumer products which meet certain environmental criteria alongwith quality requirements prescribed in relevant Indian Standards. For a product to be eligible for ECOMARK, the product shall confirm to the relevant Indian Standards as well as additional requirement incorporated for ensuring environment friendly nature of the product. The mark is a combination of BIS Standards Mark (ISI) and the Eco logo.

(c) Mark to Identify Vegetarian/Non-Vegetarian Food Products

The Government of India by an amendment in the Prevention of Food Adulteration Act, 1955 on 4th October, 2001 and 20th June, 2002 has made it mandatory for the manufacturers of food products to put a label indicating whether the food has been prepared using meat and allied products or otherwise. Under this amendment, the packed food products bearing a mark of a dot in a square in green colour is indicator of vegetarian product and a mark in brown colour is indicator of non-vegetarian food. This amendment is applicable throughout the country.

(d) Mark of FPO

The products carrying a mark of FPO in an oval with two hanging strips

(making inverted -V shape) is mandatory on packed containers of fruits and vegetables processed products. This indicates the quality of the product and conveys that the production of processed fruit products has been carried out under clean and sanitary conditions. This mark is issued by the Ministry of Food Processing Industries of Government of India, New Delhi.

Currently, there are 27 laws relating to food in the country. The Government of India has constituted a group of Ministers to prepare a modern food law by integrating all of the multifarious laws and regulations.

CONSUMER EDUCATION AND RESEARCH CENTRE (CREC)

The Consumer Education and Research Centre (CREC) is a political, non-profit organisation situated at Ahmedabad. It is a public charitable trust registered under the Bombay Public Trust Act, 1950. The CREC is recognised as consumer organisation by the Government of Gujarat. This is the only consumer organisation recognised as Research Institute by the Central Government on the recommendation of the Department of Science and Technology.

The main objectives and functions of this centre are:

- (i) To create an enlightened consumer consciousness and public opinion through the mass media;
- (ii) To study analytically and do research on the working of the public utility services;
- (iii) To carry academic programmes for training the workers and leaders for consumer protection;
- (iv) To approach the legislators for lobbying with them for taking up consumer protection issues on the floor of parliament/assemblies
- (v) To mobilise and motivate people and other voluntary organisations for protection of consumers from various ills in the society
- (vi) To take recourse to court for redressal of grievances of the consumers.
- (vii) To establish a two-way dialogue with the consumer organisations in the country and those of abroad for mutual benefit and support;
- (viii) To set up consumer product testing laboratory for testing and evaluation of the product such as food, pharmaceutical and domestic electric appliances; and
- (ix) To set up consumer library with facilities for increasing the consumers' knowledge.

ADMINISTERED PRICES

COMMISSION FOR AGRICULTURAL COSTS AND PRICES (CACP)

Another method of intervention in the market mechanism has been the announcement of different administered prices *viz.*, minimum support prices, statutory minimum prices, procurement prices and issue prices. These prices are announced for different agricultural crops by the Government of India on the recommendations of Commission for Agricultural Costs and Prices

(CACP). This Commission was originally set up in January, 1965 in the name of the Agricultural Prices Commission (APC).

The Agricultural Prices Commission was set up on the recommendations of the Foodgrains Prices Committee headed by Shri L.K. Jha with the aim of advising the Government on price policy of agricultural commodities with due regard to the interests of both producers and consumers. The price policy of the country aims at evolving a balanced and integrated price structure taking into account the overall needs of the economy and with due regard to the interests of both the groups of the economy. While recommending the price, the Commission considers the following aspects:

(i) The need for incentives to farmers for the adoption of improved technology and maximization of production;

(ii) The need for ensuring a rational utilization of land and other production resources; and

(iii) The likely effect of the price policy on the rest of the economy, particularly on the cost of living of masses and industrial cost structure.

The terms of reference of the Commission were made broad based in March, 1980 with the change in its name to Commission for Agricultural Costs and Prices. Since 1966, the Commission has set up a fairly logical scheme for arriving at the administered prices of farm products. The Commission has been recommending two sets of administered prices viz., minimum support prices and procurement prices.

The Commission for Agricultural Costs and Prices is a statutory body. The Commission submits separate reports recommending these prices for the kharif and rabi season crops. The Central Government after considering the report of the Commission and views of the State Government and keeping in view the demand and supply situation in the country, takes decision on the level of administered prices.

The Commission for Agricultural Costs and Prices (CACP), which was instrumental in evolving a balanced and integrated price structure in the country, has been manned by an eminent and experienced agricultural economists. A list of the Chairman of CACP at different points of time is given below:

Year	Name	From	To
1965-66	Prof. M.L. Dantwala	February, 1965	March, 1966
1966-70	Dr. Ashok Mitra	November, 1966	February, 1970
1970-75	Prof. Dharma Narain	March, 1970	May, 1975
1976	Dr. Kamta Prasad	January, 1976	July, 1976
1976-78	Prof. Dharma Narain	July, 1976	May, 1978
1978-81	Dr. A.S. Kahlon	November, 1978	October, 1981
1982-83	Dr. Y.K. Alagh	August, 1982	August, 1983
1983-86	Dr. G.S. Bhalla	October, 1983	October, 1986
1987-91	Dr. S.S. Johl	March, 1987	March, 1991

1991-92	Dr. D.S. Tyagi	April, 1991	May, 1992
1992-96	Dr. S.S. Acharya	May, 1992	October, 1996
1996-97	Dr. D.K. Marothia	December, 1996	June, 1997
1997-00	Dr. Abhijit Sen	June, 1997	Decemer, 2000
2001	Dr. T. Haq	January, 2001	June, 2001
2001-02	Dr. G.K. Chadha	June, 2001	April, 2002
2002	Dr. T. Haq	May, 2002	Continuing

MINIMUM SUPPORT PRICE

This is the price fixed by the Government to protect the producer-farmers against excessive fall in price during bumper production years. These prices give a sort of price guarantee to the farmers which means that a price not lower than the announced minimum price will be paid to the farmers when they bring their produce for sale in the market. In case the market price for the commodity falls below the announced minimum price due to bumper production and glut in the market, government agencies purchase the entire quantity offered by the farmers at the announced minimum price. The minimum price has been assigned a statutory status in case of sugarcane and as such the announced price is termed as statutory minimum price. There is statutory binding on sugar factories to pay the minimum announced price and all those transactions or purchase at a price lower than this are taken as illegal.

Minimum support prices for different agricultural crops *viz.*, foodgrains; oilseeds, fibre crops, sugarcane and tobacco are announced by the Government of India before the start of the sowing season of the crop. This makes it possible for the farmers to have an idea about the extent of price insurance cover provided by the Government for the crop.

The minimum support prices and statutory minimum prices announced by the government for foodgrains (cereals and pulses), fibre crops (cotton and jute), oilseed crops and sugarcane in different years have been given in Tables 7.17 to 7.19.

Sesamum & niger seeds were brought under the support price scheme in the midnineties. The support prices announced for them are as follows:

Marketing year	Sesamum	Niger seed
1995-96	850	700
1996-97	870	720
1997-98	950	800
1998-99	1060	850
1999-00	1205	915
2000-01	1300	1025
2001-02	1400	1100
2002-03+	1450	1120
2003-04	1485	1155

+drought relief of Rs. 5

Table 7.17
Minimum Support/Procurement Prices of Foodgrains

Marketing Year	(Rs./Qtl.)		
	Wheat	Paddy	Coarse Cereals (Jowar, Bajra, Maize & Ragi)
1968-69	65-86	-	47-55
1969-70	66-76	45.00-56.25	52
1970-71	71-76	46-58	55
1971-72	71-76	47-58	55
1972-73	71-76	49-58	57-60
1973-74	71-82	70	70-72
1974-75	105	74	74
1975-76	105	74	74
1976-77	105	74	74
1977-78	110	77	74
1978-79	112.50	85	85
1979-80	115	95	95
1980-81	117	105-113	105
1981-82	130	115-123	116
1982-83	142	122-133	118
1983-84	151	132-140	124
1984-85	152	137-145	130
1985-86	157	142-150	130
1986-87	162	146-154	132
1987-88	166	150-170	135
1988-89	173	160-180	145
1989-90	183	185-205	165
1990-91	215	205-225	180
1991-92	225	230-250	205-210
1992-93	275*	270-290	240-245***
1993-94	330*	310-350	260-265***
1994-95	350	340-380	280-290***
1995-96	360	360-395	300-310***
1996-97	380	380-415	310-320***
1997-98	415*	415-455++	360
1998-99	455+	440-470	390
1999-00	550	490-520	415
2000-01	580	510-540	445
2001-02	610	530-560	485
2002-03	620	530-560 +++	485+++
2003-04	620+++	550-580	505

* Inclusive of Central Government bonus of Rs. 25 per qtl.

** In addition, a bonus of Rs. 60 was given.

*** For maize.

+ In addition a bonus of Rs.55 was given.

++ with effect from 1997-98, MSP is fixed for only two varieties of paddy viz., common and Grade A.

+++ Central Government has announced a drought relief benefit @ Rs. 20 per quintal on paddy, Rs. 10 per quintal on wheat and bajra and Rs. 5.00 per quintal on maize for the marketing year 2002-03.

Note : Crop year and marketing year are one and the same in paddy and coarse cereals while in wheat for the crop year 1967-68, the marketing year is 1968-69 and so on.

Source : Publications of Directorate of Economics and Statistics, Ministry of Agriculture and Reports of CACP, Government of India, New Delhi.

Table 7.18
Minimum Support Prices of Barley, Pulses, Jute and Cotton
(Rs. per quintal)

Marketing Year	Barley	Gram (Common)	Arhar (Common)	Moong & Urad (Common)	Raw Jute W-5. **** (TD-5)	Cotton	
1968-69	—	46	—	—	—	—	—
1969-70	—	—	—	—	—	—	—
1970-71	—	—	—	—	—	—	—
1971-72	—	—	—	—	113	—	—
1972-73	—	—	—	—	115	—	—
1973-74	—	—	NA	NA	125	—	—
1974-75	—	—	NA	NA	125	—	—
1975-76	—	—	NA	NA	135	210	—
1976-77	65	90	NA	NA	136	NA	—
1977-78	65	95	NA	NA	141	255	—
1978-79	67	125	155	165	150	255	—
1979-80	NA	140	165	175	155	275	—
1980-81	NA	145	190	200	160	304	—
1981-82	105	NA	NA	NA	175	NA	—
1982-83	122	NA	215	230 Urad	175	380	—
1983-84	122	235	245	240 Moong 245 Urad 250 Moong	185	400*	527**
1984-85	124	240	275	275	195	410*	535**
1985-86	130	NA	300	300	215	425*	535**
1986-87	132	260	320	320	225	430*	540**
1987-88	135	280	325	325	240	440*	550**
1988-89	135	290	360	360	250	500*	600**
1989-90	145	325	425	425	295	570*	690**
1990-91	180	420	480	480	320	620*	750**
1991-92	200	450	545	545	375*	695*	840**
1992-93	210	500	640	640	400*	800*	950**
1993-94	260	600	700	700	450	900*	1050**
1994-95	275	640	760	760	470	1000*	1200**
1995-96	285	670	800	800	490	1150*	1350**
1996-97	295	700	840	840	510	1180*	1380**
1997-98	305	740	900	900	570	1330*	1530**
1998-99	350	895	960	960	650	1440*	1650**
1999-00	385	1000	1105	1105	750	1575*	1775**
2000-01	430	1015	1200	1200	785	1625*	1825**
2001-02	500	1100	1320	1320	810	1675*	1875**
2002-03+	500	1200	1320	1330	850	1675*	1875**
2003-04	500	1220	1360	1370	860	1725*	1925**

+ Central Government has announced the drought relief benefit @ Rs. 20, per quintal on cotton and Rs. 5 per quintal on moong and urad on MSP for marketing year 2002-03.

Note : Crop year and marketing year are same for Arhar, Moong, Urad, Cotton and Jute. For Barley and Gram for the Crop Year 1967-68 the marketing year is 1968-69 and so on. The marketing year is April to March for barley and gram, November to October for Arhar, Moong and Urad, July to June for Jute and September to August for Cotton.

NA : NA announced,

* = for F414, H777 & 320 F variety of cotton.

** = for H 4 long staple good quality cotton.

*** = up to 1988-89, W-5 variety in Assam and later for TD-5 variety in Assam.

Source : Directorate of Economics and Statistics, Ministry of Agriculture, Government of India, New Delhi.

Table 7.19
Minimum Support Prices of Oilseeds and Sugarcane

Marketing Year	(Rs. per quintal)							
	Mustard (FAQ)	Ground nut (Shell)	Soya-bean Black	Soya-bean Yellow	Sunflower Seed	Copra	Safflower Seed	Sugarcane*
1968-69	—	—	—	—	—	—	—	—
1969-70	—	—	—	—	—	—	—	—
1970-71	—	—	—	—	—	—	—	—
1971-72	—	—	—	—	—	—	—	—
1972-73	—	—	85	—	—	—	—	—
1973-74	—	—	85	—	—	—	—	8.00
1974-75	—	—	NA	—	—	—	—	8.50
1975-76	—	—	NA	—	—	—	—	8.50
1976-77	—	140	NA	—	150	—	—	8.50
1977-78	—	160	145	—	165	—	—	8.50
1978-79	225	175	175	—	175	—	—	10.00
1979-80	245	190	175	—	175	—	—	12.50
1980-81	NA	206	183	198	183	—	—	13.00
1981-82	NA	270	210	230	250	—	—	13.00
1982-83	NA	295	220	245	250	—	—	13.00
1983-84	365	315	230	255	275	—	—	13.50
1984-85	360	340	240	265	325	—	—	14.00
1985-86	385	350	250	275	335	—	—	16.50
1986-87	400	370	255	290	350	—	400	17.00
1987-88	415	390	260	300	390	—	415	18.50
1988-89	430	430	275	320	450	—	415	19.50
1989-90	460	500	325	370	530	1500	440	22.00
1990-91	575	580	350	400	600	1600	550	23.00
1991-92	600	645	395	445	670	1700	575	26.00
1992-93	670	750	475	525	800	NA	640	31.00
1993-94	700	800	525	580	850	2150	720	34.50
1994-95	810	860	570	650	900	2350	760	39.10
1995-96	830	900	600	680	950	2500	780	42.50
1996-97	860	920	620	700	960	2500	800	45.90
1997-98	890	980	670	750	1000	2700	830	48.45
1998-99	940	1040	705	795	1060	2900-3125	910	52.70
1999-00	1000	1155	755	845	1155	3100-3325	990	56.10
2000-01	1100	1220	795	865	1170	3250-3500	1100	59.50
2001-02	1200	1340	795	885	1185	3300-3550	1200	62.05
2002-03+	1300	1355	795	885	1195	3320-3570	1300	69.50
2003-04	1330	1400	840	930	1250	—	1300	—

+ Centre has announced a drought relief assistance for the crop year 2002-03 @ Rs. 20 per qtl. for groundnut, Rs. 15 per quintal for sunflowerseed and Rs. 10 per quintal for soyabean.

Note : Crop year and marketing year are same in Soyabean, Groundnut and Sunflower while in Mustard and Safflower the marketing year is next year of crop year, for example for 1972-73 crop year the marketing year is 1973-74 and so on.

The marketing year is April to March for Mustard and November to October for Kharif season crops. NA = Not announced.

* These are statutory minimum prices.

Source : Directorate of Economics and Statistics, Ministry of Agriculture, Government of India, New Delhi.

under the rationing system, it is called modified rationing.

Statutory rationing of foodgrains was undertaken in the country because of severe shortages. However, with the improvement in the supply situation, informal rationing has been introduced. Statutory rationing was undertaken in places like Kolkata, Mumbai, Asansol and Durgapur towns only in rice. Under this system, side by side with fair price shops exists distribution through private traders. The main purpose is to keep the increasing demand of foodgrains under control. The quantity of foodgrains is fixed under statutory rationing, depending upon the supply, and is increased or decreased over time.

This is a social measure which was adopted by the government to protect mainly the vulnerable sections of society who could not afford to purchase foodgrains at open market prices because of their poverty. The rich and well-to-do can buy foodgrains in the required quantity and are able to meet their basic needs. The main purpose of rationing is to provide relief to the poor; the other sections are automatically protected under the constitution. However, on moral grounds, the rich are persuaded not to purchase the rationed commodity.

GOVERNMENT SPONSORED NATIONAL ORGANIZATIONS AND THEIR ROLE

1. COTTON CORPORATION OF INDIA

The Cotton Corporation of India as a public sector agency was set up by the Ministry of Commerce, Government of India, in 1970. It was organised for handling of imports, purchasing domestic cotton to safeguard the interests of growers and consumers, imparting the needed stability to cotton prices in the long run and maintain the supplies to government and private textile mills. The corporation entered in the domestic market in year 1971–72. Since then it is responsible for price support operations of raw cotton in all the states except Maharashtra, where a state federation performs this job.

The purchases of cotton by Cotton Corporation of India and the Maharashtra State Cooperative Cotton Growers Marketing Federation (MSCCGMF) during 1986–87 to 2001–02 are shown in table 7.20. The Cotton Corporation of India (CCI) makes price support as well as commercial purchases to provide price support to the cotton growers except in Maharashtra State. During the last 14 years, the Corporation purchased 4.30 lakh bales to 12.43 lakh bales of raw cotton from the farmers. The cotton is purchased mainly from the states of Gujarat, Andhra Pradesh, Madhya Pradesh, Rajasthan, Punjab, Haryana, Karnataka, and Tamilnadu. In Maharashtra till recently, the state government did not allow the traders to buy cotton from farmers. The Maharashtra State Cooperatives Cotton Growers Marketing Federation (MSCCGMF) was designated as the state agency to buy all the

Table 7.20
Purchases of Cotton by CCI and MSCCGMF

(Thousand bales of 170 kg. each)

Cotton/Crop year (Sept.–August)	CCI	MSCCGMF	Total
1986–87	883	1258	2081
1987–88	652	1199	1851
1988–89	581	2930	3511
1989–90	1243	2080	3323
1990–91	1019	1348	2367
1991–92	1000	1063	2063
1992–93	1187	1961	3148
1993–94	776	1330	2106
1994–95	843	1100	1943
1995–96	1016	2775	3791
1996–97	1120	3127	4247
1997–98	812	1118	1930
1998–99	430	NA	430
1999–00	482	25	507
2000–01	603	NA	603
2001–02	967	NA	967

CCI = Cotton Corporation of India

MSCCGMF = Maharashtra State Cooperatives Cotton Growers Marketing Federation

Source: Agricultural Statistics at a Glance, 1999 and 2002, Ministry of Agriculture, Govt. of India, New Delhi.

cotton offered by the farmers at a pre-decided prices. The MSCCGMF has purchased considerable quantities of raw cotton from the farmers during these years. The purchase of cotton by these two agencies together accounted for around 20 to 30 percent of the marketed surplus of cotton. Purchases of cotton by the CCI have helped in creating an assured market for the cotton growers and increased competition in the market. However in Maharashtra, government monopoly purchase came in the way of efficient functioning of the raw cotton market. Purchases of cotton by Cotton Corporation of India during the last five years from different states is presented in Table 7.21. In July 2003, the Government of India has directed the CCI to also procure raw wool from sheep reares of Rajasthan to provide them market support.

2. JUTE CORPORATION OF INDIA

The Jute Corporation of India (JCI) was set up by the Government of India in the year 1971 to implement the policy of price support to jute growing farmers. The main objective of the Jute Corporation is to ensure the jute growers a reasonable price for their produce and save them from exploitation by the middlemen. The Jute Corporation undertakes purchases of raw jute from the growers at the minimum support prices so that the market prices of

Table 7.21
Purchases of Cotton by Cotton Corporation of India in States of India

('000 bales of 170 kg. each)

States	1995-96	1996-97	1997-98	1998-99	1999-00	2000-01	2001-02
Andhra Pradesh	211	178	193	119	123	180	468
Gujarat	232	305	249	172	113	127	236
Haryana	73	86	34	5	19	34	10
Karnataka	24	52	24	17	16	15	90
Madhya Pradesh	224	232	189	35	44	62	63
Punjab	122	105	124	16	36	62	13
Rajasthan	123	156	97	63	124	117	67
Tamilnadu	2	3	*	2	2	1	-
Other States	5	3	2	1	5	5	20
Total	1016	1120	812	430	482	603	967

Source : Agricultural Statistics at a Glance, 2003, Directorate of Economic and Statistics, Ministry of Agriculture, Government of India, New Delhi.

raw jute do not fall below the MSP level at any time. The main activities undertaken by this Corporation are procurement, sale, export and import of raw jute. However, the Corporation is also involved in the maintenance of buffer stock of raw jute and import of sisal and manila fibres. The purchases of raw jute by Jute Corporation of India are shown in Table 7.22.

Table 7.22
Purchase of Raw Jute by Jute Corporation of India

(Thousand bales of 180 kg. each)

Year (July-June)	Purchases	Year (July-June)	Purchases
1976-77	813.4	1997-98	985.0
1980-81	1061.9	1998-99	54.5
1985-86	2824.7	1999-00	107.0
1990-91	851.8	2000-01	463.6
1995-96	Nil	2001-02	246.2
1996-97	22.0	2002-03	966.4

Source : Jute Corporation of India, Kolkata & Agricultural Statistics at a Glance, Government of India, New Delhi, 2003.

Raw Jute is purchased by the Corporation from the states of West Bengal, Assam, Bihar, Orissa, Tripura, Andhra Pradesh and Meghalaya. However, more than two thirds of the total jute purchases is only from the state of West Bengal. The purchases of Jute by Jute Corporation of India from different States during the last 5 years are shown in Table 7.23. The presence of JCI has helped the jute growers in realising better prices for their produce.

Table 7.23
State-wise Purchases of Jute by Jute Corporation of India

('000 bales of 180 kg. each)

Year	West Bengal	Assam	Bihar	Orissa	Tripura	Andhra Pradesh	Total
1997-98	600.1	170.6	133.5	21.9	5.4	53.5	985.2
1998-99	48.7	5.3	0.5	-	-	-	54.5
1999-00	91.8	1.3	13.5	0.4	-	-	107.0
2000-01	276.9	113.3	71.4	0.9	-	1.1	463.6
2001-02	159.0	48.0	38.9	0.3	-	-	246.2
2002-03	704.8	119.1	124.6	3.7	0.3	9.3	966.4

Source: Agricultural Statistics at a Glance, Government of India, New Delhi, 2002, 2003.

3. AGRICULTURAL AND PROCESSED FOOD PRODUCTS EXPORT DEVELOPMENT AUTHORITY (APEDA)

The Agricultural and Processed Food Products Export Development Authority (APEDA) was established by the Government of India under the Ministry of Commerce on February 13, 1986 under the Agricultural and processed Food Products Export Authority Act, 1985. The main responsibility of APEDA is the export promotion of fruits and vegetable products, meat and meat products, poultry products, dairy products, confectionery, biscuits and bakery products, honey, jaggery, sugar and coca products, alcoholic and non-alcoholic beverages, pickles, chutneys, papads, cereals (non-basmati rice) and other processed foods.

The main objectives of establishing APEDA are:

- (i) To maximise foreign exchange earnings through increased agro-exports for providing higher incomes to the farmers through higher unit value realization;
- (ii) To create employment opportunities in rural areas by encouraging value added exports of farm products; and
- (iii) To implement schemes for providing financial assistance to improve post-harvest facilities to boost their exports.

The APEDA has brought qualitative changes in the agricultural marketing system and environment and, therefore, has increased the credence of the agri-business in the products. The examples of these may be export of grapes and mangoes from Maharashtra and Karnataka; strawberry and mushrooms from Punjab and Haryana; litchi from Andhra Pradesh, Uttar Pradesh and Bihar; and cutflowers from Delhi, Haryana and Karnataka. The efforts made by APEDA had brought significant impact on the growth of exports of its scheduled products.

The APEDA has build links between Indian producers and the global markets. APEDA has undertaken following development programmes to achieve the objectives for which it has been set-up in the country:

- (i) Development of databases on products, markets and services;
- (ii) Publicity and information dissemination;
- (iii) Inviting official and business delegations from abroad and organization of product promotions and visit of official and trade delegations abroad
- (iv) Organization of seminars, workshops and awareness programmes on exports as well as on latest farming practices;
- (v) Participation in International Trade Fairs in India and abroad and organization of buyer-seller meets and other business interactions;
- (vi) Information dissemination through APEDA's newsletter, feedback series and library;
- (vii) Providing recommendatory, advisory and other support services to trade and industry;
- (viii) Problem solving in government agencies and organisations, RBI, and Customs related to import-export procedures;
- (ix) Offer of financial assistance under various schemes, which seek to promote and develop agro-exports.

The activities for financial assistance from APEDA include;

- (a) Strengthening of market intelligence and data base through studies and surveys
- (b) Quality up-gradation
- (c) Development of infrastructural facilities
- (d) Research & development
- (e) Development of packing quality
- (f) Human resource development, and
- (g) Up-gradation of meat processing facilities

4. MARINE PRODUCTS EXPORT DEVELOPMENT AUTHORITY (MPEDA)

Marine Products Export Development Authority (MPEDA) was set up in the year 1972 to undertake the promotional work relating to the export of marine products. The role of MPEDA includes development of off-shore and deep sea fishing, promoting shrimp farming using latest technology, adopting measures required for diversifying export products and export market, modernizing sea food industry, including new-technology for value addition, extending marketing services and assuming quality control in fishery products. It is also vested with the responsibility of marine product industry development. There are 120 EU approved seafood processing units under MPEDA. Sea food industry accounted for exports worth Rs. 6800 crores during 2002-03.

5. NATIONAL HORTICULTURE BOARD (NHB)

National Horticulture Board (NHB) was set up by the Government of India in the year 1984 as an autonomous society under the Societies Registration Act, 1860 with a mandate to promote integrated development of horticulture

in the country. The specific objectives of setting up of NHB are:

- (a) To promote the development of horticulture industry in the country;
- (b) To help in coordinating, stimulating and sustaining the production and processing of fruits and vegetables;
- (c) To establish sound infrastructure in the field of production, processing and marketing with a focus on post-harvest management to reduce losses;
- (d) To assist in the establishment of growers societies to advance their economic and social status;
- (e) To provide technological, financial and other assistance to various market organizations; and
- (f) To provide market information and build data base in horticulture.

The type of infrastructure being promoted by the NHB include grading and packaging centres, pre-cooling units, cold storages, auction platforms and refrigerated transport facilities. The National Horticulture Board has formulated several innovative schemes in tune with the requirements of the industry. These schemes fall in following broad groups:

- (i) Development of commercial horticulture through production and post-harvest management.
- (ii) Capital investment-subsidy scheme for construction/expansion/modernisation of cold storages for horticulture produce.
- (iii) Technology development and transfer.
- (iv) Establishment of nutritional gardens in rural areas.
- (v) Market information service for horticulture crops; and
- (vi) Horticulture promotion service.

6. NATIONAL DAIRY DEVELOPMENT BOARD (NDDDB)

The National Dairy Development Board (NDDDB) was established in 1965 through an Act of Parliament at Anand (Gujarat) for providing facilities for increasing the production and marketing of milk and promotion of dairy industry in the country. NDDDB provides market support to the producers of milk in rural areas and is instrumental in supply of liquid milk and dairy products (ghee, powdered milk both whole milk powder and infant milk powder, butter and chocolate) to the urban consumers at reasonable prices.

Over the years, the NDDDB has been successful in organising milk producers' cooperatives and linked them to 180 district dairy cooperative infrastructure. The NDDDB fostered strategies for increasing milk production, research on cattle feed and fodder, cooperative training and education and for the development of an efficient system of handling, processing and marketing of milk and milk products. NDDDB has also been instrumental in setting up of infrastructure facilities for milk processing, transportation and marketings of milk and milk products throughout the country.

7. NORTH-EASTERN REGIONAL AGRICULTURAL MARKETING CORPORATION (NERAMC)

The Government of India set-up the North Eastern Regional Agricultural Marketing Corporation (NERAMC) in 1982 to help faster development of agricultural marketing in North-Eastern States of the country viz., Mizoram, Manipur, Tripura, Meghalaya, Nagaland, Arunachal Pradesh and Assam. The main activities assigned to NERAMC are to promote domestic marketing, processing, post-harvest handling and exports. The Corporation acts as a central agency to implement the Central Government policies and programmes and coordinate them in these states to ensure overall development of agricultural and allied commodities marketing. The impact of the establishment of NERAMC is visible in the region by the conspicuous development of marketing and processing infrastructure and their integration with other parts of the country.

8. HIMACHAL PRADESH HORTICULTURAL PROCESSING AND MARKETING CORPORATION (HPPMC)

The HPMC was established in 1974 in the state of Himachal Pradesh with the financial assistance of International Development Association. The primary objectives of establishing HPMC were:

- (a) To modernise the entire post-harvest handling of horticulture produce in the state, and
- (b) To curb the profiteering tendencies of private traders by introducing an element of competition.

HPMC is a service-oriented organization with a commitment to ensure remunerative returns to fruit growers and supply nutritive quality products at reasonable prices to consumers. The HPMC has contributed substantially to (a) merchandised grading and scientific packaging of fruits; (b) introduction of juice-dispensing machines; (c) manufacture of apple juice concentrates; and (d) development of sound base for apple and other fruit products. HPMC also provides services of cool-chains and marketing outlets for fresh fruits and vegetables. HPMC has its processing plants to produce juices, pulps, and concentrates. HPMC also has a well knit distributor's network and more than 400 selling booths spread all over India for sale of apple juice.

9. COMMODITY BOARDS

The Commodity Boards are essentially the producer controlled organizations with government support and authority over a broad range of functions starting with production, processing and marketing of the crops. The commodity boards function under the purview of Ministry of Commerce, Government of India. The state governments have little control over these boards. These commodity boards are mainly confined to plantation and commercial crops in India. The commodity boards also promote both internal and external

trade of the commodity. Each board deals with a specific commodity or group of commodities.

The important commodity boards established for the specific commodity or group of commodities in Indian along with their role are discussed below:

(a) Tea Board : Tea Board is the premier organization for looking after the growth and development of Indian Tea Industry. It is a statutory organization of the Union Government established under the Tea Act of 1953. The board functions under the direction of the commerce ministry of the Union Government. A committee consisting of the representatives of tea producers, workers, exporters, brokers, the state Government concerned and others provides necessary feed back to the board and the decisions are taken accordingly in consultation with the government. Tea Board was not very active in the earlier decades as the main emphasis was on re-plantation programmes. Thereafter, the board started giving emphasis to increase the domestic production and exports. Tea Board advances loans and subsidies for extension, planting, re-planting and refilling besides exploring the possibilities in non-traditional areas and assisting small growers. The Board also advances loans to manufacturers. The Board deals with export promotion, market intelligence and participation in fairs and exhibitions.

(b) Coffee-Board : The Coffee Markets expansion Ordinance, 1940 set-up the Indian Coffee Market Expansion Board on December 21, 1940. The powers of this board were broadened and it was empowered to collect and market the estimated exportable surplus. In the subsequent amendments to the coffee Market Expansion Act, the powers of the Board were extended to all the estates.

The functions assigned to the Coffee Board are:

(i) Promotion of sale and consumption in India and elsewhere of Indian coffee;

(ii) Promotion of agricultural and technological research in the interest of the coffee industry;

(iii) Assistance to the coffee estates for their development;

(iv) Securing better working conditions and the provision and improvement of amenities and incentives for workers; and

(v) Implementation of the measures enumerated in the Coffee Act relating to the operation of the surplus pool.

Market intervention in coffee has helped in maintaining price stability in the internal market and also increased the total earnings of the producers.

(c) Rubber Board : The Rubber Board is a statutory body constituted under the Rubber Board Act, 1947 by the Ministry of Commerce, Government of India. The main functions of this board are to conduct research and training programmes in production and marketing of rubber, extension services and to plan for the welfare of the plantation workers.

(d) Tobacco Board : Tobacco Board was established on 1st January, 1976

under the Tobacco Board Act, 1975 by the Government of India. The main functions of the Tobacco Board are regulation of production and marketing of Virginia tobacco, ensuring remunerative prices to growers by purchasing tobacco from the growers, promoting the grading by growers and recommending minimum prices to the government for export of Virginia tobacco, set up of auction platforms, and conduct of scientific research related to tobacco.

(e) Spices Board : The Spices Board was established by the Ministry of Commerce, Government of India in 1987 under the Spices Board Act, 1986 at Cochin. The main objectives of establishment of Spices Board are to improve the production and quality of spices and promote export of different spices to earn foreign exchange. For achieving these objectives, the Spices Board is providing package of services oriented to different commodities and areas according to potential/scope of increase in earnings and exports.

The Spices Board presently includes 52 different spices crops and has made a good impact in improving export marketing of these spices to different countries.

(f) Cardamom Board : The Cardamom, the queen of spices, is grown predominantly in the ever green forests of western ghats of Kerala, Karnataka and Tamilnadu. It is an important plantation crop in the domestic as well as in external trade of the country. The Cardamom Board was established in the year 1966 under the Ministry of Commerce, Government of India to develop various promotional activities such as extension of plantations, improvement in the quality of cardamom and increasing the productivity of cardamom estates.

LEGISLATIVE MEASURES FOR IMPROVING AGRICULTURAL MARKETING

Another important form of government intervention in the marketing system of agricultural commodities is legislative measures. The legislative measures include framing of rules and regulations for protection of the interests of some or all the sections of the population. The legislative measures intended for improvement in agricultural marketing relate to regulation of markets, licensing of market functionaries, putting up of restrictions on the activities of traders, granting or banning of monopolies to one group of persons, regulating trade in domestic and foreign markets and also the protection of the consumers. A number of legislations were enacted from time to time by the central as well as the state governments. However, these were reviewed from time to time and suitable modifications/amendments were made to make them consistent with the changed marketing scenario of the country.

Special mention need to be made of a recent order of the government which makes a sharp departure from the past regime of controls. For a long time, there were several restrictions on marketing of foodgrains. In order to

facilitate the free trade and movement of foodgrains, the Government of India has issued a control order titled 'Removal of Licensing Requirements, Stock Limits and Movement Restrictions on Specified Food Stuffs Order, 2002 on February 15, 2002. This Order allows any dealer to freely buy, stock, sell, transport, distribute, dispose, acquire, use or consume any quantity of wheat, paddy/rice, coarse grains (jowar, bajra, maize, ragi), sugar, edible oilseeds and edible oils, without a licence or permit. Under this order, the state governments would require prior permission before issuing any order for regulating, by licence or permit, the storage, transport, and distribution of the specified commodities. Another recent important step taken by the government is to integrate 27 laws relating to food into one integrated modern food law.

A comprehensive list of legislations enacted in India at different points of time for regulating the agricultural marketing system is given below:

LAWS AND ORDERS

(1) Laws Regulating the Functioning of Agricultural Produce Markets (market charges and facilities) in States and Union Territories of India.

The state Agricultural Produce Market Regulations Acts were enacted in different States and Union Territories during 1960 to 1995. Since agricultural marketing is a state subject, each state/UT enacted its own Act under the overall guidance of Directorate of Marketing and Inspection, Government of India, Nagpur. The details of these Acts are given in Appendix 7.1.

(2) Laws Regulating Quality, Grading and Standardization

(a) The Agricultural Produce (Grading and Marking) Act, 1937: This Act provides for grading and marking of agricultural commodities. The Act authorises the central government to frame rules relating to fixing of grade standards and the procedure to be adopted for grading the agricultural commodities included in the schedule. The Act of 1937 was amended in 1986. This amendment seeks to review the provisions of the Act, strengthen the same with a view to promoting and protecting the interests of the consumers and makes the penal provisions of the Act more deterrent and thus provides more teeth to the Act.

(b) The Bureau of India Standards Act, 1986 (previously, the Indian Standards Institutions Certification Marks Act, 1952: Manufactured products are graded in accordance with the standards laid down by the Indian Standards Institution established under this Act and graded products, bear the ISI label. The name of Indian Standards Institution has been changed to Bureau of Indian Standards (BIS) under the Bureau of Indian Standards Act, 1986. The status and scope of activities has been enlarged with greater thrust to consumer protection, improving the level of quality of Indian products and providing larger network of testing and consultancy services.

(c) The Export (Quality Control and Inspection) Act, 1963: A comprehen-

sive legislation entitled Export (Quality Control and Inspection) Act, 1963: was enacted with a view to providing sound development of export trade through quality control and inspection and matters connected therewith. The Act came into force on January 1, 1964. Under this Act, powers were vested in the Central Government to notify commodities which shall be subject to statutory pre-shipment inspection, decide the system of inspection, quality control and certification for the notified commodities, recognize, adopt or formulate the standards for the notified commodities, prohibit the export of notified commodities, and satisfy the notified requirements. With a view to encouraging the export of agricultural commodities, there has been considerable liberalization of provisions relating to the exports and imports in recent years (for details see chapter 11).

(d) The Fruit Products Order, 1955 and 1997: The Fruit Products Order, 1955 was issued under the Essential Commodities Act, 1955 with a view to regulating the manufacture, storage and sale of fruits and vegetable products.

(e) The Meat Food Products Order, 1973: The Meat Food Products Order, 1973 was issued under the Essential Commodities Act, 1955 and is in force since July 15, 1975. This order covers the manufacture of meat food products in small factories as well as large factories under a licensing system that examines all aspects of hygiene. Under the provisions of this Order, the meat factories have their own captive slaughter houses.

(f) The Rice Milling Industry (Regulation) Act, 1938 and amendment; Regulation and Licensing Rules, 1976: This Act regulated modernization of rice mills and safe preservation of stocks. This has now been repealed.

(g) Wheat Roller Flour Mill Licensing and Control Order, 1957: This order controlled the purchase of wheat and manufacture and disposal of different kinds of wheat products of the roller flour mills and safe preservation. This order was withdrawn in 1991.

(h) The Milk and Milk Products Order; 1992.

(3) Laws Regulating Weights, Measures and Packaging

(a) The Standards of Weights and Measures Act, 1958: This Act prescribes compulsory use of metric system of weights and measures in the country.

(b) The Standards of Weights and Measures (packed goods) Act, 1997: This Act is aimed at ensuring packing of goods of the correct weight in the packages.

(4) Law Regulating the Storage and Warehousing of Agricultural Commodities

(a) The Agricultural Produce Development and Warehousing Corporation Act, 1956: This Act was passed for creation of scientific storage structures in

the country in 1956, which was later replaced by the Warehousing Corporation Act, 1962.

(b) The Warehousing Corporation Act, 1962—In 1962, the Government of India decided to break up the Act of 1956 into two separate Acts—the National Co-operative Development Corporation Act, 1962 and the Warehousing Corporations Act, 1962. This Act came in to operation on 18th March, 1962. The Act defines the specific functions and the order of operations of central and state warehousing corporations.

(c) The Cold Storage Order, 1964 and 1980: The Cold Storage Order, 1964 promulgated by the Government under the Essential Commodities Act, 1955 has the objective of ensuring hygienic and proper refrigeration conditions in a cold store, regulating the growth of cold storage industry in a planned manner, rendering technical guidance for a scientific preservation of food stuffs in a cold store, and preventing exploitation of farmers by cold store owners. This order was replaced by a more comprehensive Cold Storage Order, 1980. This order was rescinded by the Cold Storage Order, 1997 for allowing free market mechanism for demand based growth of cold storage industry.

(5) Consumer Protection Acts

The important Acts in this category are:

- (a) The Drugs and Cosmetics Act, 1940
- (b) The Emblems and Names (Prevention of Improper Use) Act, 1950
- (c) The Prevention of Food Adulteration Act, 1954, amended in 1964, 1976, 1986
- (d) The Drugs and Magic Remedies (Objectionable Advertisement) Act, 1954
- (e) The Trade and Merchandise Marks Act, 1958
- (f) The Monopolies and Restrictive Trade Practices Act, 1969
- (g) The Consumer Protection Act, 1986, 1991, 1993, 2002.

(6) Laws Regulating Supply, Demand and Prices

(a) The Essential Commodities Act, 1955: A large number of commodities were initially covered under the Essential Commodities Act. The list under this Act was pruned drastically in recent years. The commodities which are still under the purview of the Essential Commodities Act are cattle feed including cakes and concentrates, coal including coke, automatic vehicles—parts and accessories, cotton and woolen cloths, medicines, food products including edible oilseeds and oils, iron and steel and products manufactured by them, paper including newspapers, card boards etc; petroleum and petroleum products, cotton lint, fibre and cotton seed; raw jute and jute goods, fertilizers—organic, inorganic and mixed ones; thread manufactured from cotton, exercise books, insecticides, pesticides and such other chemicals; seeds of food

crops, horticulture crops, fodder crops, jute and onion.

(b) The Forward Market Control (Regulation) Act, 1952: This Act was enacted with a view to regulating forward contracts and dealing with certain other related matters.

(c) The Prevention of Black Marketing and Maintenance of Supplies of Essential Commodities Act, 1980.

(d) The Indian Sale of Goods Act, 1930.

(7) Laws for Setting up of Commodity Corporations

(a) The National Cooperative Development Corporation Act, 1962

(b) The Food Corporation of India Act, 1964

(c) The Cotton Corporation of India Act, 1970

(d) The Jute Corporation of India Act, 1971

(e) The Horticultural Processing and Marketing Corporation Act (H.P. and J & K State), 1974

(f) The North Eastern Regional Agricultural Marketing Corporation (NERAMAC) Act, 1982

(8) Laws for Constituting Commodity Boards

(a) The Rubber Board Act, 1947

(b) The National Dairy Development Board Act, 1965

(c) The Tobacco Board Act, 1975

(d) The National Horticulture Board Act, 1984

(e) The Spices Board Act, 1986

(9) Other Control Orders

(a) Solvent Extracted oil, De-oiled Meal and Edible Flour (Control) Order, 1967

(b) Sugar (Movement Control) Order, 1959

(c) Sugarcane (Press-mud-Control) Order, 1959

(d) The Gur (Movement Control) Order, 1963

(e) Sugarcane Control Order, 1966

(f) Sugar Control Order, 1966

(g) The Sugar (Packaging and Marking) Order, 1970

(h) The Sugar (Restriction on Movement) Order, 1972

(i) The Levy Sugar Supply (Control) Order, 1979

(j) Vegetable Oil Products (Standards of Quality) Order, 1975

(k) Vegetable Oil Products (Control) Order, 1977

(l) Pluses, Edible Oilseeds, Edible Oil (Storage control) Order, 1977

(m) Cotton (Control) Order, 1986

(n) Jute and Jute Textiles (Control) Order, 2000.