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Agricultural Situation

Weekly Highlights & Hot Bites, #32

2005

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Report Highlights:

Farmers and NGOs oppose Seed Bill, *Fruit juice market attracts new players*.

Includes PSD Changes: No
Includes Trade Matrix: No
Unscheduled Report
New Delhi [IN1]
[IN]

Welcome to Hot Bites from India, a weekly summary of issues of interest to the U.S. agricultural community. The report includes information that has been garnered during travel within India, reported in the local media, or offered by host country officials and agricultural analysts. Press articles are included in this report. Significant issues will be expanded upon in subsequent reports from this office.

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FARMERS AND NGOS OPPOSE SEED BILL

The government's Seed Bill, 2004 has run into rough weather with farmers and non-government organizations (NGOs) describing it as "anti-farmer". They have called for the Bill's early withdrawal and asked for immediate notification of the Plant Varieties Protection and Farmers' Tight Act, 2001, as this law "genuinely protects the interests of farmers." They also demanded framing of a new law under which farmers would get compensation on account of crop failure. Mr. Kishan Bir Choudhary, Executive Chairman of Bharat Krishak Samaj, the ruling Congress Party's farmers' outfit, said: "The [Seed] Bill seeks to create corporate monopoly over agriculture. The farmers will be reduced to nonentities and will have to depend upon domestic seed companies and MNCs [multi national companies] for supply of high priced seeds every year." (Source: Financial Express, 08/15/05)

Post Comment: The full text of the proposed Seeds Bill, 2004, is available at: http://agricoop.nic.in/seeds/seeds_bill.htm On May 10, 2005, the Bill was referred to the Parliamentary Standing Committee on Agriculture for examination and report (See IN5053).

FRUIT JUICE MARKET ATTRACTS NEW PLAYERS

The Rs. 6.5 billion (\$150 million) fruit juice market has attracted four new players with their brand of juices and delivery formats. Market sources report that another half a dozen are waiting in the wings. Along with the Indian players, foreign juice manufacturers are also eyeing this market. Canadian juice bar chain, Juice Zone, has entered India through a Delhi based master franchisee. The Indian juice market grew nearly 40 percent last year, second only to the bottled-water segment. This growth has been fueled by rising health consciousness and fast changing eating habits. Juices are appearing on breakfast tables. Also, juice is increasingly used in cocktails and wholesome health drinks. Proliferation of malls add to demand as almost 45-50 percent of kiosks/carts in the malls carry some sort of juice packs. (Source: The Economic Times, 08/13/05)

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