

# ADITYA BIRLA



Global GAP & Food Safety Conclave  
– Food Forum India 2011

*Click to edit Master subtitle style*

Thomas Varghese

CEO, Aditya Birla Retail Limited (ABRL)

29th March, 2011

**RETAIL**

## Relevance of Conclave Theme & Discussion Today

- ✓ India has moved from being the 10th largest economy in the world in 1990 to the 4th largest today in terms of Purchasing Power Parity (PPP)
- ✓ Indian economy is estimated to grow further at ~ 8 to 9 % levels over the next few years
- ✓ This growth will be driven primarily by the increasing consumption levels across the different sections of the society
- ✓ Agriculture sector is under tremendous pressure to increase productivity and grow in line with expectations & economy
- ✓ In this context, it's of paramount importance for us to ensure that we achieve a sustainable growth that benefits all sections of the society

## Indian Agricultural Sector – Context

- ✓ India ranks second in terms of available arable land and is among the largest producers of food in the world
- ✓ India is second largest (next to China) producer of staples (such as Wheat and rice) and fruits and vegetables
- ✓ India is the largest producer of milk and second largest producer of livestock
- ✓ At this backdrop, Indian agricultural sector grew by only 0.4% in FY 09-10 and estimated to grow by 5.4% in FY10-11
- ✓ Increase in agricultural production is the current need of the hour
- ✓ This will increase the incomes of farmers, improve nutritional levels and address concerns of food security

# Indian Agricultural Sector – Challenges

- ✓ Thus challenges ahead for Indian agriculture sector is two fold,
- ✓ Food security:
  - ✓ To find ways and improve agricultural yield / productivity
  - ✓ This is crucial given the fact that availability of additional cultivable land is scarce and yields per acre of almost all the crops are very poor
- ✓ Food safety:
  - ✓ To ensure that agricultural practices followed across the country are harmonised and
  - ✓ Food at the hands of the consumer is nutritional and safe
- ✓ Further, multiple ownership of land, heavy dependence on nature, lack of cold chain infrastructure adds up to the challenge

## Way Forward & Discussion Items

- ✓ Educate & enlighten farmers on sustainable agricultural practices such as:
  - Usage of safe pesticides
  - Soil management
  - Irrigation and water management
  - Environmental considerations
- ✓ Incentivise farmers suitably to adopt sustainable agriculture practices
- ✓ Leverage technical innovations and promote R&D investments in high yielding hybrid crop variants
- ✓ Enable good manufacturing practices and food safety in the supply chain to reduce wastages

## Way Forward & Discussion Items

- ✓ Promote investments in development of food parks & warehouses
- ✓ Promote collaboration between farmers and modern retailers and enable seamless exchange of information on demand, quality, best practices
- ✓ Adopt standards for product definition and identification which helps in:
  - ✓ Traceability of the product
  - ✓ Product shelf life management
  - ✓ Effective product recall
- ✓ Incentivise traders and retailers to champion and promote the food safety standards

**Thank You**