

MSMEs can set up units to process organic crops that have strong demand

India is endowed with rich natural and human resources and every district has a legacy in growing a particular agriculture commodity or producing a particular handicraft and other manufactured goods. MSMEs in every district should form clusters to produce those goods where they have such historical advantage. Government is encouraging the commercial development of products from every district under the 'One district - One product scheme'.

Many districts in the country grow organic farm commodities such as ginger, turmeric, medicinal plants, tea, flax seeds etc. Government of India encourages MSMEs to form food processing clusters in the districts where these organic commodities are grown for value addition and sale. Since 2015, Government has been encouraging organic farm production under the Paramparagat Krishi Vikas Yojana (PKVY). There is huge demand potential for local organic products, both in the domestic and global market. In 2018-19, India's organic food exports is said to have grown at a whopping 50% to Rs. 5151 crore and majority of these commodities are flax seeds, sesame, soybean, tea, medicinal plants, rice and pulses. India is already exporting these goods to UK, USA, Italy and there is huge potential to explore other world markets. The COVID crisis is an opportunity to encash on the increasing demand for healthy and nutritious food commodities by producing value added organic food.

Therefore, MSMEs and women entrepreneurs should come forward to explore the huge demand for locally produced organic products by setting up value addition units in towns near villages where these products are grown.

Some of the northeastern states have stepped up efforts to embrace organic production in a big way. Sikkim is the first State in the world to become fully organic and other states such as Tripura and Uttarakhand are taking steps in this direction. Assam, Mizoram, Manipur and Nagaland have also started exporting organic food to the world market.

The government supports about 40,000 clusters under and in north eastern states itself the government is encouraging 160 farmer producer organizations to grow organic food. The government has identified ginger, turmeric, black rice, spices, nutri cereals, pineapples, medicinal plants, buckwheat, bamboo shoots to be the commodities with high demand potential. Food retailers such as Mother Dairy, Revanta Foods and Big Basket have already started procuring organic goods from farmers and clusters in north eastern states. Therefore, MSMEs need to take advantage of the growing demand for these products and set up value addition units.

Notifications

Press Information Bureau, Government of India

BRICS Anti-Drug Working Group holds 4th meeting online

<https://pib.gov.in/PressReleaseDetail.aspx?PRID=1646245>

PM speech on Independence Day

<https://pib.gov.in/PressReleaseDetail.aspx?PRID=1646045>

Foreign Trade for July 2020

<https://pib.gov.in/PressReleaseDetail.aspx?PRID=1645841>

Minister calls for industry-wise study on issues faced by MSMEs

<https://pib.gov.in/PressReleaseDetail.aspx?PRID=1645746>

Ministry to organize webinar on steel usage in construction and aviation sectors

<https://pib.gov.in/PressReleaseDetail.aspx?PRID=1645742>

CBIC

Extension of levy of anti-dumping duty on imports of Diketopyrrolo Pyrrole Pigment

<https://www.cbic.gov.in/resources//htdocs-cbec/customs/cs-act/notifications/notfns-2020/cs-add2020/csadd24-2020.pdf;jsessionid=683FE70DA7EC070076E74C74DC93276E>

Notification on tariff value for select goods

<https://www.cbic.gov.in/resources//htdocs-cbec/customs/cs-act/notifications/notfns-2020/cs-nt2020/csnt72-2020.pdf;jsessionid=D0C6EAC4D2A6DBF9883BBB3E483CF140>