

POTS

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For a healthy growing India

***“Import Dependence & Agricultural
Productivity in India”***



Malaysian Palm Oil Council
INDIA

Presented by

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*“AGRICULTURE NOT ONLY GIVES
RICHES TO A NATION, BUT THE ONLY
RICHES SHE CAN CALL HER OWN”*

– SAMUEL JOHNSON

“INDIA IS A BLESSED COUNTRY”

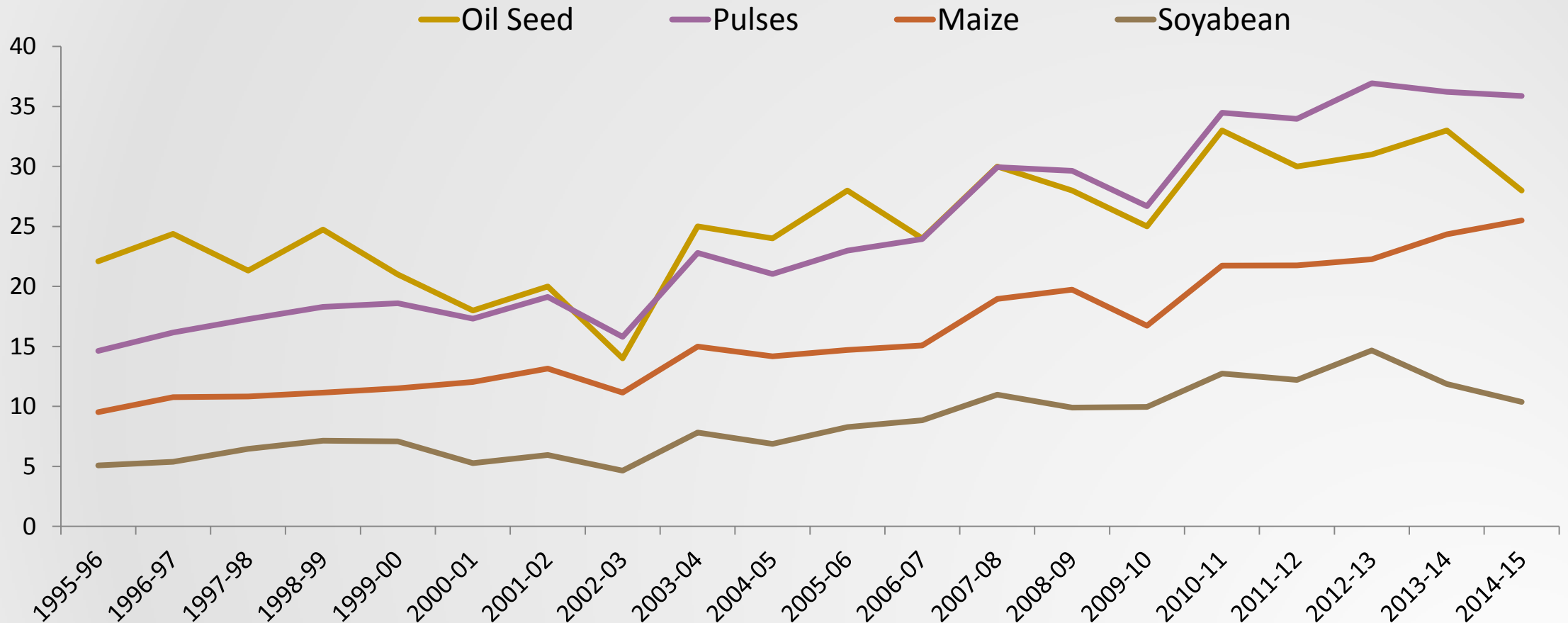
India is a Blessed Country

- Highest Arable land in the World– **160 mil Hectares**
- Largest Gross irrigated crop area– **82.6 mil Hectares**
- Varied Agro climatic zones (mild winter and summer with balanced distribution of Rain throughout the year)
- India has a variety of soil types like (Alluvial, Black cotton, Marine, Lateritic etc) which can sustain very large variety of crops
- **56% of our workforce** engaged in Agriculture
- World's 2nd largest populous country offers the 2nd largest Food consumption centre

“BUT IS THE INDIAN AGRICULTURE SECTOR BLESSED ?

I AM AFRAID NOT

Agricultural Production



The demand of Agricultural commodities in the last 2 decades has outpaced the production by many times, making us more dependent on Imports

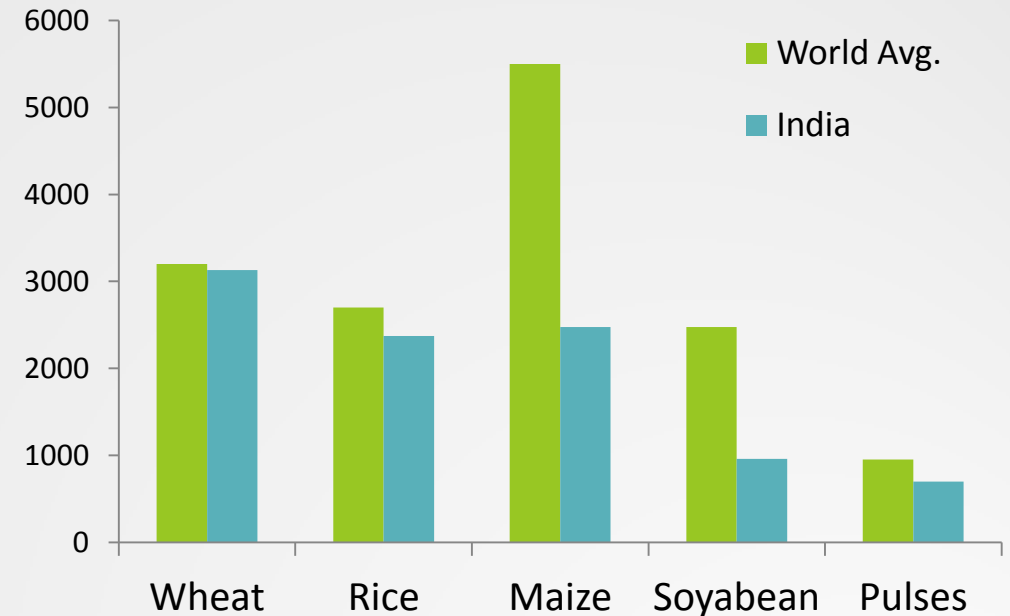
Indian Agriculture in ICU

- Demand outpacing supply
- Agriculture no longer “*Glamorous*”
- Contribution of Agriculture to our GDP down from 50% in 1950 to 14% today
- Agri GDP growth seen at less than 1%
- Farmers suicide due to agrarian distress
- Huge rural debt

Indian Crop Yields

- Apart from Wheat India's productivity of major crops is way behind that of World average
- Despite being 2nd largest producer of rice, India ranks 27th with respect to Rice productivity
- With decreasing Soya bean production and steep demand from the growing Poultry sector, India might be importing Soya bean meal or seeds very soon
- In case of Fruits and Vegetable our yields are at par with World average of 15 tons/hectare

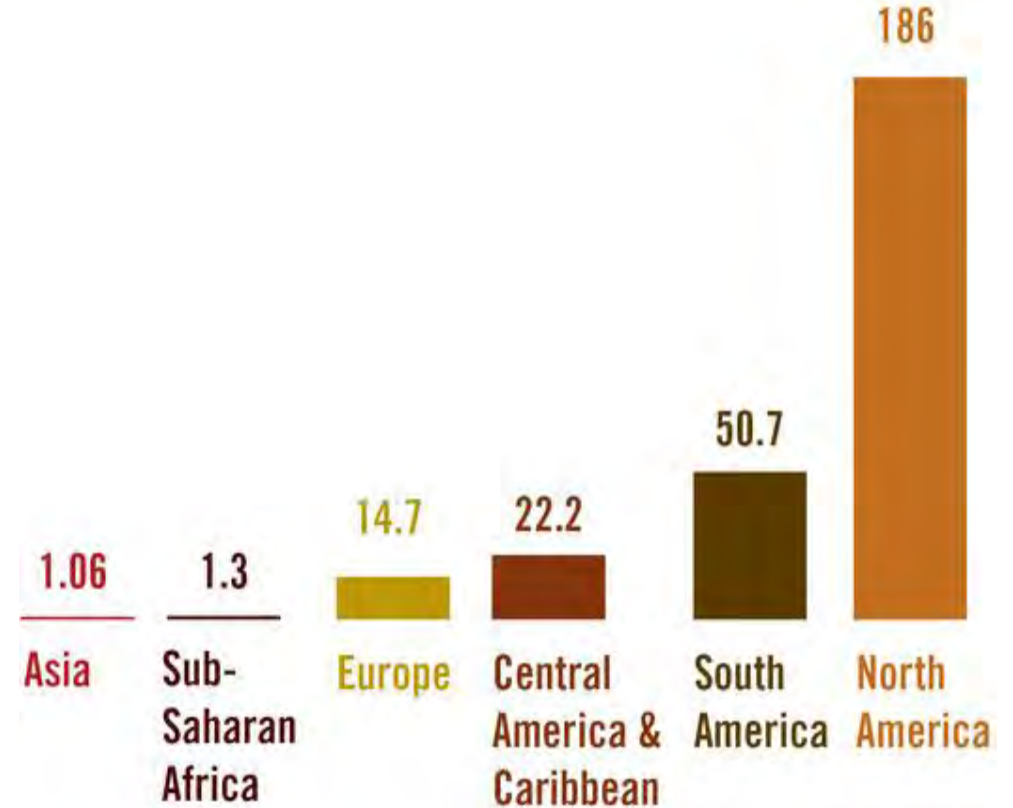
Productivity (kg/hectare)



What Ails Indian Agriculture ?

- Obsolete farming methods
- Small land holding.
- The average size of holdings for all operational classes has come down to 1.16 hectare in 2010–11 from 2.82 hectare in 1970–71
- This is catastrophic for an Agricultural dependent economy

Average Agri. Land Holding in Hectares



Source: IFAD (2010)

What Ails Indian Agriculture ?

- Lustre of “*The Green Revolution*” is now lost
- Massive neglect of use of Technology
- Poor irrigation management
- Lack of direction from policy makers over the years
- Non-existent Post Harvest Management
- Massive food wastage

	2000	2015	CAGR Growth %
Edible oil	6	15	7%
Soyabean Oil	1.4	3.5	6%
Palm Oil	4	9.5	6%
Pulses	0.3	5.5	20%

Indian Agriculture Import Basket

Imports	2000	2015	CAGR Growth %
Edible oil	6	15	7%
Soyabean Oil	1.4	3.5	6%
Palm Oil	4	9.5	6%
Pulses	0.3	5.5	23%

Source-Index Mundi
* All figures in mil MT

Indian Agriculture Import by 2025

I foresee

- Huge gap between demand and supply
- Import dependence on all major crops
- Oilseed/ Oil meals import might become a reality
- Port based crushing plant
- Demand of sugar to outpace *likely* supply
- Huge demand from animal feed sector would force India to import

Maize

Imports	2015	2025	CAGR Growth %
Edible oil	15	30	7%
Soya Bean Oil	3.5	7	7%
Palm Oil	9.5	21	8%
Pulses	5.5	10	6%
Oil meal/Oilseed	0	2-3	NA
Sugar	0	5	NA
Maize	0	15	NA

Source- Industry experts

Policy Response

- Doubling Farmers income by 2022
- More crop per drop
- Serious revaluation of Biotechnology and GM seeds
- Land leasing laws being formed to encourage corporate farming
- Huge budgetary commitment to revive the agriculture sector
- Crop insurance



“Right Intentions but execution most critical”

“Are we too late ??”

THANK YOU