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Grains and Cereals

India has moved rapidly from being an importer of food grains to becoming an exporter. Today, it is the second largest rice producer after China, with a share of 20% of world in production, and is ranked tenth amongst the world's wheat growers. Currently India is one of the largest producers of cereals and grains, with the long grained Basmati rice leading the rest.

Major Products : Flour, Biscuits, and other baked items, Starch, Glucose, Cornflakes, Malted Foods, Vermicelli, Pasta Foods, Beer and Malted extracts, Grain based Alcohol.

India produced about 200 million tonnes of different food grains every year. All major grains – paddy, wheat, maize, barley, millets like jowar (great millet), bajra (pearl millet) & ragi (finger millet) are produced in the country. The country is self sufficient in grain production. Grain processing is the biggest component in the food sector, sharing over 40% of the total value. The basic feature of the sector is the predominance of primary processing sector sharing of 96% of the total value with secondary and tertiary sectors contributing about 4% of the total value addition.

Grains can emerge as a major foreign exchange earner for India in the coming years. India's food grains production is now at around 225-230 million tonnes. These include rice, jawar, bajra, maize, wheat, gram and pulses. Indian *basmati* rice enjoys command over the international market. Besides growing Middle East market for *basmati* rice, many other countries are showing interest for this food grain. In 1998-99, export of *basmati* and non-*basmati* rice stood at 62000 million. There is a total rice milling capacity of 186 million tonnes in the country.

Present Status

Primary milling of rice, wheat and pulses is the most important activity in food grains. There are over 91,000 rice hullers and 2,60,000 small flour mills engaged in primary milling. Moreover, there are about 43,000 modernised rice mills/huller-cum shellers and the quantity of rice bran processed for bran-oil extraction stood at 3.4 million tonnes in 1999-2000.

Around 820 large flour mills in the country convert about 10.5 million tonnes of wheat into wheat products. Also there are 10,000 pulse mills milling about 75% of pulse production of 14 million tonnes in the country.

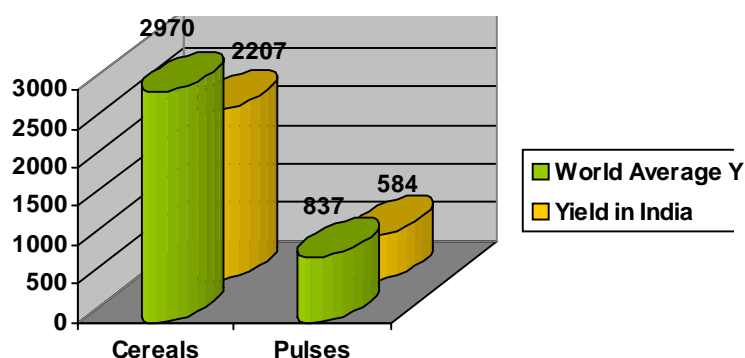
Branded rice is becoming popular in the country and significant corporate presence is there in the domestic as well as export markets. Some quantity of wheat and wheat products have also been exported.

Ninety Four foreign investment and 100% EOU proposals have been approved in the rice milling sector, with a total investment of about Rs.949 crores (US \$ 235 million). Eight pulse milling units as 100% EOU have also been approved.

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Yield of Food Grains - India and the World

(In kg/ha)



Major Markets

- Basmati Rice : Saudi Arabia, USA, Kuwait, UK, UAE
- Non - Basmati Rice : Russia, Saudi Arabia, Sri Lanka, South Africa, Bangladesh
- Wheat : Yemen Arab Republic, Netherlands, UAE, Turkey, Korea
- Other Cereals : Malaysia, UAE, Bangladesh, USA, UK