

**GOVERNMENT OF INDIA
FOOD PROCESSING INDUSTRIES
LOK SABHA**

UNSTARRED QUESTION NO:3598

ANSWERED ON:19.03.2013

PROCESSING OF FRUITS AND VEGETABLES

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Will the Minister of FOOD PROCESSING INDUSTRIES be pleased to state:

- (a) the quantity of fruits and vegetables being processed in the country and the percentage of wastage of fruits and vegetables due to lack of adequate processing and storage facilities along with its impact on the prices thereof, State/UT-wise;
- (b) the details of the schemes implemented/ steps taken by the Government for setting up and modernisation of fruits and vegetables processing and storage units to reduce wastage in the country during each of the last three years and the current year, State/UT-wise;
- (c) the details of funds allocated, released and utilised for such purpose during the said period, State/UT-wise;
- (d) whether the Government has fixed any target to meet the growing demand of the Food Processing Sector; and
- (e) if so, the details thereof along with the other steps taken by the Government to achieve the target?

Answer

MINISTER OF STATE FOR FOOD PROCESSING INDUSTRIES (DR. CHARAN DAS MAHANT)

(a) Ministry of Food Processing Industries (MoFPI) does not maintain State/UT-wise data on the level of processing of fruits and vegetables as well as that of the percentage of wastage of fruits and vegetables and its impact on the prices thereof. According to the study conducted and reported in 2010 by Central Institute of Post Harvest Engineering & Technology (CIPHET), Ludhiana, the percentage of cumulative wastage of fruits & vegetables had been estimated at 5.8% to 18.0%.

(b) In order to assist entrepreneurs and domestic agro-processing industries, Ministry has been implementing the Scheme for Technology Upgradation/ Establishment/ Modernisation of Food Processing Industries during 11th Plan across the country. This scheme aims at creation of new processing capacity and up-gradation of existing processing capabilities in sectors like Milk, Fruit & Vegetables, Meat, Poultry, fishery, wine, consumer items, oil seeds, rice milling, flour milling, pulse. Under the scheme, the Ministry extended financial assistance in the form of grant-in-aid to entrepreneurs @ 25% of the cost of Plant & Machinery and Technical Civil Works subject to a maximum of Rs. 50 lakhs in general areas & @33.33% subject to a maximum of Rs. 75 lakhs in North-Eastern and difficult areas. This Scheme has now subsumed in the National Mission on Food Processing (NMFP) implemented by States/UTs during 2012-13 w.e.f 1.4.2012.

In addition, to encourage setting up of cold chain facilities in the country, Ministry of Food Processing Industries (MFPI) has been implementing a Plan Scheme for Cold Chain, Value Addition and Preservation Infrastructure during 11th Plan. The scheme envisages financial assistance in the form of grant-in-aid @ 50% of the total cost of plant and machinery and technical civil works in general areas and 75% for North-Eastern Region and difficult areas subject to a maximum of Rs.10.00 crore. The initiatives are aimed at filling the gaps in the supply chain, strengthening of cold chain infrastructure, encouraging value addition with infrastructural facilities like sorting, grading, packaging and processing of horticulture produce including organic produce, marine, dairy, poultry, etc.

(c) Ministry does not allocate State-wise and sector-wise funds under the Scheme for Technology Upgradation/ Establishment/ Modernisation of Food Processing Industries. However, a statement indicating the number of units assisted and financial assistance released during the 11th Plan and current year State / UT-wise under the Scheme for Technology Upgradation / Establishment / Modernization of Food Processing Industries including fruits and vegetables is at Annexure-I.

(d) In order to increase level of processing and to promote food processing industries to exploit both the domestic and international market potential for processed food products, Vision 2015 Document was adopted by the Ministry of Food Processing Industries (MFPI), which envisages tripling the size of the processed food sector by increasing the level of processing of perishables from 6% to 20%, value addition from 20% 35% and share in global food trade from 1.5% to 3% by 2015.

(e) To realize the Vision 2015, Ministry of Food Processing Industries (MoFPI) had launched a Centrally Sponsored Scheme - National Mission on Food Processing (NMFP) during 2012-13 of 12th Five Year Plan. The basic objective of NMFP is decentralization of implementation of the schemes, leading to substantial participation of State Governments/UTs. All the States/ UTs have been empowered to receive the applications, sanction and release the grants-in-aid to the eligible beneficiaries under various components of the Mission. Mission also provides flexibility to State / UT Governments in the selection of beneficiaries, location /region of the projects etc. for the development of food processing sector in their States.

The Major Programmes/Schemes covered under NMFP during 2012-13 are:

- (i) Scheme for Technology Up-gradation / Establishment / Modernisation of Food Processing Industries.
- (ii) Scheme for Cold Chain, Value Addition and Preservation Infrastructure for Non-Horticultural Products.
- (iii) Scheme for Human Resource Development (HRD)
 - (a) Creation of Infrastructure Facilities for Running Degree/ Diploma/ Certificate Courses in Food Processing Technology.
 - (b) Entrepreneurship Development Program (EDP)
 - (c) Food Processing Training Centre (FPTC)
- (iv) Scheme for Promotional Activities
 - a. Organizing Seminar/Workshops
 - b. Conducting Studies/Surveys
 - c. Support to Exhibitions/Fairs
 - d. Advertisement & Publicity