

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

UNSTARRED QUESTION NO:1891
ANSWERED ON:17.12.2013
PROCESSING OF PERISHABLE FOOD COMMODITIES
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Will the Minister of FOOD PROCESSING INDUSTRIES be pleased to state:

- (a) the present level of processing of the perishable food commodities in respect of value addition;
- (b) the specific steps proposed to be taken in the Vision Document-2015 to strengthen the food processing sector keeping value addition in mind so that its share in the world food trade could be increased;
- (c) whether the Government is contemplating the use of state-of-the art technology available abroad for processing, preservation and storage of the perishable food commodities; and
- (d) if so, the initiatives taken in this regard and the methodology being chalked out to utilise foreign technology for food processing industries?

Answer

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

- (a) As per Vision 2015, the level of processing in 2005 was 6%. It is estimated to have gone over 10%. The level of processing of fruit and vegetable in the country is estimated at 2.20%. The low level of fruit and vegetable processing is due to non-availability of processable varieties of raw material of right quantity and quality, seasonable nature of industry, lack of adequate post harvest infrastructure such as lack of cold chain facilities, transportation, proper storage facilities etc.
- (b) 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 has been finalized by the Ministry of Food Processing Industries (MFPI), which envisages trebling the size of the processed food sector by increasing the level of processing of perishables from 6% to 20%, value addition from 20% to 35% and share in global food trade from 1.5% to 3% by 2015.
- (c) Yes, Madam. For the growth of processed food products and use of modern technologies available in foreign countries, the extant policy permits Foreign Direct Investment (FDI) under the automatic route for food processing sector except for items reserved for the Micro and Small Scale Sector. FDI brings in, apart from capital, State-of-art technology and best managerial practices, thereby providing better access to the domestic industry to foreign technology and integration into the global market.
- (d) Ministry of Food Processing Industries has entered into agreements with some developed countries viz. Germany & France for bilateral co-operation in the field of food processing which generally include processed food segments including fruits & vegetables. Besides, the Department of Agriculture & Cooperation has entered into number of umbrella agreements with some developed countries like USA, France, Canada, The Netherlands, Argentina, Austria, Brazil for bilateral co-operation in the areas of agriculture and allied sectors which generally include agro and food processing. Apart from this, MoUs have been entered into by two institutions under the Ministry, namely National Institute of Food Technology Entrepreneurship & Management (NIFTEM) & Indian Institute of Crop Processing Technology (IICPT) with universities in such industrial countries. These MoUs relate to collaboration in teaching and research in the food processing sector.

The Ministry is implementing following schemes to provide financial assistance to the entrepreneurs to create modern infrastructure and set up food processing industries:-

- (i) Scheme of Infrastructure Development
 - (a) Mega Food Park;
 - (b) Cold Chain, Value Addition and Preservation of infrastructure; and
 - (c) Setting up/ Modernization of Abattoir
- (ii) National Mission on Food Processing (NMFP)
- (iii) Technology Upgradation/Establishment/Modernization of Food Processing Industries

(iv) Quality Assurance, Codex Standard, Research & Development (R&D) and Promotional Activities

(v) Human Resource Development

(vi) Strengthening of Institutions