

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

UNSTARRED QUESTION NO:1500

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Status of FPI

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

- (a) the present status of food processing industry in the country and the steps taken by the Government to improve its status;
- (b) the details of the food processing units that have been set up/ proposed to be set up particularly for processing of grapes, pomegranate, banana, onion and palm oil in the country during the last one year, State-wise;
- (c) the details of the initiatives taken by the Government to create employment opportunities and impart training to improve the skill of persons/farmers engaged in the food processing industry during each of the last three years and the current and the achievement thereof;
- (d) the details of the foreign assistance sought and provided for the development of food processing sector in the country during the said period, country-wise alongwith the steps taken by the Government to increase the ceiling of loan amount in the food processing sector and to make this sector globally competitive; and
- (e) the quantum and the value of processed food products exported by the country's food processing industries during the said period, commodity-wise?

Answer

THE MINISTER OF STATE FOR FOOD PROCESSING INDUSTRIES
(SADHVI NIRANJAN JYOTI)

(a) As per the Annual Survey of Industries 2013-14 the total number of food processing industries registered under the Factories Act, 1948 has been estimated at 37,445. To promote food processing units in the country, the Ministry of Food Processing Industries is implementing schemes of Mega Food Parks, Cold Chain, Value Addition and Preservation Infrastructure, Setting up/Modernization of Abattoirs and Strengthening of Institutions. Under these schemes, grant-in-aid is given for setting up projects. In addition to permitting 100% foreign direct investment in food processing sector through automatic route Government has also allowed 100% FDI in retail marketing of food products produced and manufactured in India through approval route. To encourage the development of food processing industries Government has reduced excise duty on food processing and packaging machinery from 10% to 6%, allowed food processing units 100% income tax exemption on profits for the first five years of operation and after that at the rate of 25% income tax exemption on the profits for the next five years, etc.

(b) Under the pending liabilities of the Scheme for Technology Upgradation/ Establishment/ Modernization of Food Processing Industries, 562 units were assisted by the Ministry of Food Processing Industries during the last one year (2015-16) which include units under fruits and vegetable sector as well. State wise details of the units are given in Annexure I. The said scheme was subsumed in the centrally sponsored scheme National Mission on Food Processing with effect from 01.04.2012. Thereafter, on 01.04.2015 the said scheme got delinked from Government of India's assistance and it was left to the State Governments to decide on its continuance from their increased resources following the award of 14th Finance Commission.

(c) Ministry of Food Processing Industries is implementing schemes of Mega Food Parks, Cold Chain, Value Addition and Preservation Infrastructure which would create employment opportunities. The Ministry is working in close collaboration with Food Industry Capacity and Skill Initiative (FICSI), the Sector Skill Council in food processing and regularly guiding and assisting it in achieving its mandate. National Institute of Food Technology Entrepreneurship and Management at Kundli, Sonapat, Haryana and the Indian Institute of Crop Processing Technology at Thanjavur, Tamil Nadu under the administrative control of Ministry of Food Processing Industries also impart training by offering academic programmes i.e. Bachelor's, Master's and Ph.D. degrees in food processing. These Institutes are also conducting regular programmes/courses on skill development and entrepreneurship for the youth, farmers, self-help groups and industry. On the initiative of Ministry of Food Processing Industries to give fillip and to strengthen entrepreneurship, a module on entrepreneurship has been included in the course content of all the job roles of FICSI.

The number of persons trained /skilled by the National Institute of Food Technology Entrepreneurship, Indian Institute of Crop Processing Technology and under Pradhan Mantri Kaushal Vikas Yojana and the National Mission on Food Processing (Human Resource Development) is given below:

S. No.	Financial Year(s)	Number of persons trained/ Skilled
1	2013-14	7970*
2	2014-15	9506*

3 2015-16 3203

4 Current Financial Year up to June-2016 4231

*Includes persons trained/skilled under National Mission on Food Processing. National Mission on Food Processing (Human Resource Development) has been delinked from Central Government support with effect from 01.04.2015.

(d) The details of foreign direct investment in food processing sector during last three years 2013-14; 2014-15 and 2015-16 are given in the Annexure II. As per the circular of RBI dated 23rd April, 2015, the food processing sector including cold storage has been included under the priority sector lending of the commercial/scheduled banks of India with the ceiling on loan per borrower increased to Rs. 100 crore from the banking sector. To make the sector globally competitive, the Ministry of Food Processing Industries has been participating in food fairs abroad with Agricultural and Processed Food Products Export Development Authority to promote exports of food and food products. This Ministry has also signed MOUs with several countries to facilitate transfer of knowledge and expertise into the food processing sector so as to make its products globally competitive.

(e) The details of India's export of food products during the last three years (2013-14; 2014-15 and 2015-16) and the current year (for April 2016) are given in the Annexure III.
