

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

UNSTARRED QUESTION NO:3887

ANSWERED ON:09.08.2016

Wastage of Agricultural Produce

Adsul Shri Anandrao ;Bidhuri Shri Ramesh;Biswas Shri Radheshyam;Chauhan Shri Nihal Chand;Chinnayan Shri S.Selvakumara;Chudasama Shri Rajeshbhai Naranbhai;Dubey Shri Nishikant ;Galla Shri Jayadev;Godse Shri Hemant Tukaram;Kumar Shri P.;Muddahanumegowda Shri S.P.;Patil Shri Shivaji Adhalrao;Raut Shri Vinayak Bhaurao;Sawaikar Shri Advocate Narendra Keshav;Selvam Shri V. Panneer;Shanavas Shri M. I.;Shetti Shri Raju alias Devappa Anna;Shinde Dr. Shrikant Eknath;Shrirang Shri Chandu Barne;Swami Maharaj Dr. Sakshi;Tadas Shri Ramdas Chandrabhanji;Tumane Shri Krupal Balaji;Yadav Shri Dharmendra

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

(a) whether the food processing sector is playing a vital role in processing of various food products, reducing wastage of farm produces, providing assured income to farmers and generating employment in the country and if so, the details thereof;

(b) whether there is a shortage of basic facilities for processing, storage, preservation and transportation of food products in the country and if so, the details thereof and the reasons therefor along with value and volume of agricultural produce, milk, meat, marine and poultry products got wasted annually due to lack of such facilities in the country;

(c) whether the Government has taken several measures to curb the losses in supply chain of agriculture produce and to improve the existing infrastructure for food processing, cold chain/cold storage, transportation, preservation and storage facilities to prevent the wastage of said food products and meet the growing demand of processed food in the country;

(d) if so, the details thereof including the funds allocated, released and utilised for the purpose and the outcome thereof along with the cold storage/cold chain infrastructure created during each of the last three years and the current year, State-wise; and

(e) whether the Government proposes to chalk out a road map to set up additional cold storage/cold chain projects, food processing industries and mega food parks to meet their requirement in the food processing sector and if so, the details thereof along with the proposed funding, incentives and packages for setting up such projects in rural, backward and North-Eastern Region of the country?

Answer

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

(a) Yes, Madam. The growth rate of gross value added in food Processing industries has increased from 1.91% in 2013-14 to 5.78% in 2014-15 at constant prices. Further, as per the Annual Survey of Industries 2013-14, the food processing industry as compared to other industries in the registered sector has the largest number of factories and engages largest number of employees. Further, as per Annual Survey of Industries 2013-14 the total number of persons engaged in registered food processing sector is 17.41 lakh which constitutes 11.69 per cent of employment generated in all registered factory sector. As per the NSSO 67th Round, 2010-11 unregistered food processing sector provides employment to 47.9 lakh workers.

(b) Dr. Saumitra Chaudhuri Committee in 2012 constituted by the then Planning Commission had indicated cold storage requirement of 61 million tonnes. The present capacity of cold storage is estimated at around 32 million tonnes in the country.

The Central Institute of Post-Harvest Engineering and Technology (CIPHET), Ludhiana has estimated the annual value of harvest and post-harvest losses of major agricultural produces at national level to be of the order of Rs. 92,651 Crore calculated using production data of 2012-13 at 2014 wholesale prices. Annual wastage of agricultural produce, milk, meat, marine and poultry products as assessed by CIPHET is as under:

Commodity/Crop Losses during Transportation

(%) Losses during Farm Operations (including transportation loss)

(%) Losses during Storage

(%) Overall Total Loss

(%) Monetary value of the loss

(in Rs. crore)

Milk 0.02 0.71 0.21 0.92 4409

Meat 0.00 1.99 0.72 2.71 1235

Marine Fish 0.91 9.61 0.91 10.52 4315

Inland Fish 0.17 4.18 1.05 5.23 3766

Egg 0.36 4.88 2.31 7.19 1320

Poultry Meat 0.66 2.74 4.00 6.74 3942

Cereals 4.65-5.99 20698

Pulses 6.36-8.41 3877

Oilseeds 3.08-9.96 8278

Fruits & Vegetables 4.58-15.88 40811

(c) & (d) To curb the losses in supply chain of agriculture produce and to improve the existing infrastructure for food processing, the

Ministry of Food Processing Industries has been implementing the Schemes of Mega Food Parks; Integrated Cold Chain, Value Addition and Preservation Infrastructure; and Setting up/ Modernization of Abattoirs. The scheme for Mega Food Parks aims to provide modern Infrastructure for food processing Units in the country on pre-identified cluster basis. Under the scheme, grant-in-aid is provided @ 50% of the eligible project cost in general areas and 75% thereof in difficult areas and hilly areas i.e., North East Region including Sikkim, J&K, Himachal Pradesh, Uttarakhand and ITDP notified areas of the states, subject to a maximum of Rs.50.00 Crore per project. A total of 42 Mega Food Park projects have been approved by the Government to be set up in the country. The Scheme for Setting up/ Modernization of Abattoirs aims to provide hygienic finished meat and meat products, slaughter waste management and pollution control. The Scheme envisaged grant-in-aid @ 50% of the project cost in general areas and 75% for North- Eastern region subject to a maximum of Rs.15.00 Crore per project. So far, 41 Abattoir projects have been sanctioned. The Scheme of Cold Chain, Value Addition and Preservation Infrastructure aims at arresting post-harvest losses of horticulture & non-horticulture produce and providing remunerative price to farmers for their produce. Under the scheme, financial assistance is provided in the form of grant-in-aid of maximum Rs.10 Crore per project for setting up of integrated cold chain and preservation infrastructure facilities without any break from the farm gate to the consumer. The integrated cold chain and preservation infrastructure can be set up by individuals, groups of entrepreneurs, cooperative societies, Self Help Groups (SHGs), Farmer Producer Organizations (FPOs), NGOs, Central/State PSUs, etc. The scheme is primarily private sector driven and proposals under this scheme are invited through Expression of Interest (EOI). The scheme is available in all States/UTs and rural & urban areas. So far, 134 Integrated Cold Chain Projects have been sanctioned by the Ministry in the country to reduce the cold chain gap. Of this, 88 Integrated Cold Chain projects have achieved completion and commenced commercial operation, 46 Integrated Cold Chain projects are in various stages of implementation. The impact of these 134 integrated Cold Chain projects being assisted by Ministry in the country under the Scheme of Cold Chain, Value Addition and Preservation Infrastructure in respect of expected capacity creation is 4.92 Lakh MT of Cold Storage/Controlled Atmosphere/Deep Freezer, 113.90 MT/Hour of Individual Quick Freezer (IQF), 54.65 Lakh Litter Per Day of Milk Storage/Processing and 761 Number of Reefer Vans. Capacity created from 88 completed cold chain projects is 3.31 Lakh MT of Cold Storage/CA/Deep Freezer, 77.15 MT/Hr of Individual Quick Freezing, 31.80 Lakh Litre Per Day of Milk Processing/Storage and 423 Number of Reefer Vans. State wise funds are not allotted under the scheme of Cold Chain, Value Addition and Preservation Infrastructure. However, Details of number of projects with state-wise and year-wise funds released under the scheme of Cold Chain, value addition and Preservation Infrastructure of Ministry of Food Processing Industries during last three years and the current year are at Annexure-I.

In addition, National Horticulture Mission (NHM), National Horticulture Board (NHB), and National Cooperative Development Corporation (NCDC) under Department of Agriculture, Cooperation and Farmers Welfare, Ministry of Agriculture & Farmers Welfare and Agricultural and Processed Food Products Export Development Authority (APEDA) under Department of Commerce, Ministry of Commerce and Industries, Government of India are also providing assistance for setting up cold storages under their respective schemes.

Various other incentives provided by the Government to promote creation of cold chain infrastructure are at Annexure-II.

(e) In addition to operationalisation of 4 Mega Food Parks and 29 Cold Chain Projects during 2016-17, Government has also approved setting up of 100 cold chain projects and 250 units under the scheme of creation/expansion of food processing and preservation. The projects set up under the Schemes of this Ministry are granted financial assistance at a higher rate in difficult areas and North East Region as compared to general areas.
