

Targets for FPIs during Twelfth Five Year Plan

2653. DR. PRADEEP KUMAR BALMUCHU: Will the Minister of FOOD PROCESSING INDUSTRIES be pleased to state:

(a) whether any concrete measures have been taken by the Ministry during the last three years to improve the Food Processing Industries (FPIs) in the country, if so, the details thereof, if not, the reasons therefor;

(b) the targets fixed in the Twelfth Five Year Plan in terms of building FPIs; and

(c) the manner in which the Ministry is making Food Processing Industry globally competitive?

THE MINISTER OF STATE IN THE MINISTRY OF FOOD PROCESSING INDUSTRIES (SADHVI NIRANJAN JYOTI): (a) For promotion and development of food processing sector in the country, Government is implementing Central Sector Scheme for Development of Infrastructure for Food Processing having components of (a) Mega Food Parks (b) Integrated Cold Chain, Value Addition and Preservation Infrastructure and (c) Setting-up/Modernization of Abattoirs (subsumed in NMFP *w.e.f.* 01.04.2014); Scheme of Technology Upgradation/Establishment/Modernization of Food Processing Industries; Scheme for Quality Assurance, Codex Standards, Research and Development and Other Promotional Activities; Scheme for Human Resource Development and Scheme of Strengthening of Institutions.

Further, during the Twelfth Five Year Plan the Government has launched Centrally Sponsored Scheme of 'National Mission on Food Processing' (NMFP) which is being implemented through the State Governments/Union Territories. The components of the NMFP are (i) Technology Upgradation/Setting up/Modernization of Food Processing Units (ii) Cold Chain, Value Addition and Preservation Infrastructure for Non-Horticulture Products (iii) Setting-up/Modernisation of Abattoirs (*w.e.f.* 01.04.2014) (iv) Human Resource Development (v) Promotional Activities (vi) Creating Primary Processing Centres/Collection Centres in Rural Areas (vii) Modernisation of Meat Shops and (viii) Reefer Vehicles. All the State/ Union Territory Governments have been empowered to receive the applications, sanction and release grants-in-aid to the eligible beneficiaries under NMFP. State/ Union Territory Governments also have the flexibility in identifying sectors for special focus and selection of locations of projects as well as beneficiaries to harness the potential of value addition by using locally grown raw material including fruits and vegetables for setting up food processing industries.

(b) During the Twelfth Five Year Plan, against the proposal for allocation of ₹ 14604 crore for the Ministry, the Planning Commission has allocated a plan outlay of ₹ 5990 crore only for various programmes/schemes of the Ministry. A statement showing the Scheme-wise details of funds sought by the Ministry and allocation made by the Planning Commission is given in Statement-I (See below). A Statement showing the Scheme-wise allocation and expenditure during the Twelfth Five Year Plan (2012-13, 2013-14 and 2014-15) is given at Statement-II (See below).

(c) The Ministry is creating modern infrastructure for food processing sector and assisting industry to modernise and upgrade technology to be globally competitive. The Ministry has been, through its scheme of promoting Human Resource Development, Research and Development for new products and processes and creating infrastructure for quality assurance, encouraging industry to adopt international standards and be globally competitive. The Ministry has also launched the Investors' Portal for promoting investment in Food Processing sector besides online campaign to generate awareness and interest among Investors and online Guidance at Investors' Query of Ministry's Website: www.mofpi.nic.in. The Excise Duty on food processing and packaging machinery has been reduced from 10% to 6% and a Special fund of ₹ 2,000 crore has been set up in National Bank for Agriculture and Rural Development (NABARD) to provide affordable credit to the food processing units in designated Food Parks.

Statement-I

Scheme-wise details of funds sought by the Ministry and allocation made by the Planning Commission is given below:—

(₹ in crore)

| Sl. No. | Name of the Scheme/Component | Funds sought by the Ministry | Funds allocated by Planning Commission |
|---------|--|------------------------------|--|
| 1 | 2 | 3 | 4 |
| 1. | Scheme for Development of Infrastructure for Food Processing | 4949.00 | 2800.00 |
| | (i) Mega Food Parks | 0 | 1714.00 |
| | (ii) Integrated Cold Chain | 0 | 0786.00 |
| | (iii) Modernization of Abattoirs | 0 | 0300.00 |

| 1 | 2 | 3 | 4 |
|-------|---|----------|---------|
| 2. | Quality Assurance, Codex Standards and Research & Development and Promotional Activities | 729.00 | 290.00 |
| 3. | Strengthening of Institutions & Skill Development (including Innovation Fund Scheme and Venture Capital Fund) | 2208.00 | 300.00 |
| 4. | Spillover Liability: (i) Technology Up-gradation and (ii) Human Resource Development | 412.00 | 750.00 |
| 5. | National Mission on Food Processing (NMFP)* | 6306.00 | 1850.00 |
| TOTAL | | 14604.00 | 5990.00 |

*The Government has approved an allocation of ₹ 1250.00 crore for implementation of NMFP.

Statement-II

*Details showing the Scheme-wise allocation and expenditure during the Twelfth Five Year Plan
(2012-13, 2013-14 and 2014-15) is given below:-*

(₹ in crore)

| Sl. No. | Name of the Scheme | 2012-13 | | | 2013-14 | | | 2014-15 | | |
|---------|--|-----------------|------------------|--------------------|-----------------|------------------|--------------------|-----------------|------------------|--------------------|
| | | Budget Estimate | Revised Estimate | Actual Expenditure | Budget Estimate | Revised Estimate | Actual Expenditure | Budget Estimate | Revised Estimate | Actual Expenditure |
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 |
| 1. | Scheme for Development of Infrastructure for Food Processing | 191.00 | 184.19 | 183.89 | 247.00 | 241.92 | 224.49 | 315.00 | 229.62 | 209.17 |
| 2. | Scheme for Technology Up-gradation/ Establishment/ Modernization of Food Processing Industries | 100.00 | 186.46 | 186.19 | 160.00 | 163.92 | 162.08 | 160.00 | 157.03 | 142.63 |
| 3. | Quality Assurance, Codex Standards and Research & Development and Promotional Activities | 35.00 | 31.91 | 31.34 | 35.00 | 35.66 | 35.01 | 36.00 | 41.28 | 29.23 |

| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 |
|-------|--|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| 4. | Scheme for Human Resource Development | 4.00 | 4.00 | 3.98 | 4.00 | 4.00 | 3.78 | 4.00 | 3.75 | 3.27 |
| 5. | Strengthening of Institutions | 80.00 | 68.12 | 67.58 | 75.00 | 74.00 | 72.56 | 75.00 | 43.00 | 38.75 |
| 6. | National Mission on Food Processing (NMFP) | 250.00 | 185.32 | 182.90 | 187.00 | 30.50 | 29.72 | 180.00 | 125.32 | 114.55 |
| TOTAL | | 660.00 | 660.00 | 655.88 | 708.00 | 550.00 | 527.64 | 770.00 | 600.00 | 537.60 |