

not fixed any physical targets for Twelfth Five Year Plan. The State Governments were given flexibility to set their own physical targets and identify focus areas to harness the potential of value addition by using locally grown raw material.

(e) The NMFP was to augment the capacity of the food processing by adoption of new technologies and improving the quality of food products as per the National / International standards. Mission also aimed to reduce wastage of agricultural produce, infuse new technologies, upgrade human resource capacities to provide impetus to the development of food processing sector in the country.

#### **Development of Food Processing Industry in the country**

1473. DR. T.N. SEEMA : Will the Minister of FOOD PROCESSING INDUSTRIES be pleased to state:

- (a) the main reasons for slow development of food processing sector in the country;
- (b) the schemes announced for the sector in the Budget, 2015;
- (c) whether Food Processing Industry in the country is facing huge disadvantage due to adverse exchange rate;
- (d) if so, the reaction of Government thereto;
- (e) whether it is a fact that import duties of around 30 to 35 per cent puts the imported machinery out of reach of most of the tiny, small and medium level manufacturers in this field; and
- (f) if so, the reaction of Government thereto and the remedial action proposed in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF FOOD PROCESSING INDUSTRIES (SADHVI NIRANJAN JYOTI) : (a) Lack of efficient supply chain infrastructure, inadequate processing capacity, complex regulatory regime and non-availability of affordable credit are some of the major constraints for slow development of food processing sector in the country.

- (b) No new scheme has been announced in the Budget, 2015.
- (c) No, Sir.
- (d) Does not arise.

(e) and (f) No Sir. Government has extended Project Imports' benefits to the projects for the (i) installation of mechanized foodgrain handling systems and pallet racking systems in 'Mandis' and Warehouses for foodgrains and sugar; (ii) cold storage, cold room (including for farm level pre-cooling) or industrial projects for preservation, storage or processing of agricultural, apiary, horticultural, dairy, poultry, aquatic and marine produce and meat. Consequently, all machinery related to food processing, imported as part of the project, irrespective of their tariff classification, would be entitled to uniform assessment at concessional basic customs duty.

Basic customs duty on the machinery items is upto 12.5 per cent. Over and above basic customs duty, countervailing duty upto 12 per cent is levied in some of the cases.

#### **Cold storages in rural areas**

1474. DR. T.N. SEEMA: Will the Minister of FOOD PROCESSING INDUSTRIES be pleased to state:

(a) the details of the funds allocated, sanctioned and released for setting up of cold storages under the National Mission on Food Processing (NMFP) in the country during the last three years and the current year, so far, State-wise;

(b) the number of existing cold storages in each State/UT;

(c) whether Government has any plans for setting up of cold storages in rural areas so that the perishable vegetables and fruits are stored immediately after their harvest; and

(d) if so, the details thereof and the time by which the country can become self-reliant in storage of vegetables and fruits?

THE MINISTER OF STATE IN THE MINISTRY OF FOOD PROCESSING INDUSTRIES (SADHVI NIRANJAN JYOTI) : (a) The details of the grants-in-aid sanctioned and released by State / UT Governments under NMFP scheme of Cold Chain, Value Addition and Preservation Infrastructure for Non-Horticulture products in the country during the last three years are given in the Statement-I (*See below*).

During the current financial year (2015-16), Government of India (GoI) has delinked NMFP from Central Government support. State Governments may decide to continue (or not) NMFP scheme out of their increased resources resulting from the recommendations of the 14th Finance Commission.