

GOVERNMENT OF INDIA  
MINISTRY OF FOOD PROCESSING INDUSTRIES  
LOK SABHA  
**UNSTARRED QUESTION NO.1500**  
ANSWERED ON 26<sup>TH</sup> JULY, 2016

STATUS OF FPI

1500. SHRI RAM CHARAN BOHRA:  
SHRI NISHIKANT DUBEY:  
SHRI AJAY NISHAD:  
SHRI BAIJAYANT JAY PANDA:  
SHRI BHAIRON PRASAD MISHRA:  
SHRI FEROZE VARUN GANDHI:  
SHRI SHARAD TRIPATHI:  
SHRI GODSE HEMANT TUKARAM:  
SHRIMATI SAKUNTALA LAGURI  
SHRI HARISHCHANDRA CHAVAN:  
SHRI RAMESH BIDHURI:  
SHRI K.N. RAMACHANDRAN:  
SHRI RAJU SHETTY:  
SHRI RAM SINH RATHWA:  
SHRI PARBHUBHAI NAGARBHAI VASAVA:

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 14<sup>th</sup> 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 23<sup>rd</sup> 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**.

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## ANNEXURE- I

ANNEXURE REFERRED TO IN REPLY TO PART (b) OF LOK SABHA UNSTARRED QUESTION NO. 1500 FOR ANSWER ON 26<sup>TH</sup> JULY, 2016 REGARDING STATUS OF FPI

**Details of Number of units and amount assisted in last one year (2015-16) under Scheme for Technology Upgradation/ Establishment/ Modernization of Food Processing Industries**

S.No.	State	2015-16	
		Number of Units	Amount ( Rs. In crore)
1	Andhra Pradesh	38	7.05
2	Assam	4	0.53
3	Bihar	3	0.59
4	Chandigarh	0	0.00
5	Chhattisgarh	22	2.48
6	Daman & Diu	1	0.25
7	Delhi	2	0.50
8	Goa	1	0.07
9	Gujarat	54	9.86
10	Haryana	26	5.45
11	Himachal Pradesh	9	2.19
12	Jammu and Kashmir	9	2.22
13	Jharkhand	3	0.67
14	Karnataka	49	7.44
15	Kerala	20	2.93
16	Madhya Pradesh	17	3.25
17	Maharashtra	100	15.07
18	Manipur	0	0.00
19	Meghalaya	0	0.00
20	Nagaland	1	0.13
21	Odisha	7	1.19
22	Pondicherry	0	0.00
23	Punjab	27	3.64
24	Rajasthan	84	15.64
25	Tamil Nadu	31	6.74
26	Uttar Pradesh	33	6.31
27	Uttarakhand	4	0.96
28	West Bengal	17	4.09
<b>Total</b>		<b>562</b>	<b>99.25</b>

## ANNEXURE- II

ANNEXURE REFERRED TO IN REPLY TO PART (d) OF LOK SABHA UNSTARRED QUESTION NO. 1500 FOR ANSWER ON 26<sup>TH</sup> JULY, 2016 REGARDING STATUS OF FPI**Statement on financial year wise Foreign Direct Investment equity inflows**  
**sector food processing industries***(In USD Million)*

SI No	Country	2013-14	2014-15	2015-16	Total
1	Australia	12.35	7.29	8.6	28.24
2	Austria	0	0.18	0.14	0.32
3	Belgium	204.82	0	9.49	214.31
4	Canada	0.27	10.98	10.91	22.16
5	Caymen Islands	0	0	4.02	4.02
6	China	0	0	1.49	1.49
7	Cyprus	2.34	16.77	47.78	66.89
8	Denmark	0	0.79	0.21	1
9	France	27.34	98.11	4.24	129.69
10	Germany	0.28	0.03	27.13	27.44
11	HongKong	0.17	0.66	1.06	1.89
12	Indonesia	0	1.75	0.2	1.95
13	Ireland	9.87	0	0.1	9.97
14	Israel	0	0	0.01	0.01
15	Italy	0.52	0.99	48.1	49.61
16	Liechtenstein	0.53	0.05	0	0.58
17	Japan	1.37	31.9	19.19	52.46
18	Korea(North)	0	0.16	0	0.16
19	Lebanon	0	0	0	0
20	South Korea	0.06	0.81	0	0.87
21	Kuwait	0	3.01	1.49	4.5
22	Luxembourg	0.06	0	32.38	32.44
23	Malaysia	0.42	0.38	9.61	10.41
24	Mauritius	93.58	85.83	85.99	265.4
25	Maldives	0.34	0	0	0.34
26	Netherlands	262.61	1.41	24.33	288.35
27	New Zealand	0	0.27	0.05	0.32
28	Oman	0	1.47	1.43	2.9
29	Philippines	1.34	10.36	0.89	12.59
30	Poland	0	0	0	0
31	Qatar	0	0.16	0	0.16
32	Russia	0	0	0	0

<b>Sl. No</b>	<b>Country</b>	<b>2013-14</b>	<b>2014-15</b>	<b>2015-16</b>	<b>Total</b>
33	Saudi Arabia	0.02	0	0.35	0.37
34	Singapore	249.15	83.06	56.75	388.96
35	Spain	18.19	7.51	2.81	28.51
36	Sri Lanka	0	0.07	0	0.07
37	Sweden	0.89	0.58	0.16	1.63
38	Switzerland	1.31	21.11	2.07	24.49
39	Taiwan	0	0	4.25	4.25
40	Thailand	12.36	0	0	12.36
41	Turkey	0	0	0	0
42	UAE	7.37	7.78	4.08	19.23
43	United Kingdom	3,022.67	2.73	7.79	3033.19
44	U.S.A	46.08	116.11	76.03	238.22
45	Ukraine	0	0	0	0
46	British Virginia	1.03	0.1	10.78	11.91
47	West Indies	0	0	0	0
48	Country Details Awaited	0	0	0	0
49	Malta	1.2	0.38	0	1.58
50	Kenya	0	0.43	0	0.43
51	British Isles	2.02	0	0	2.02
52	Virgin Islands(US)	0.02	2.65	0	2.67
53	Uganda	0	0	1.9	1.9
54	West Africa	0	0	0	0
55	Congo (DR)	0	0	0	0
56	Bermuda	0	0	0	0
57	Trinidad & Tobago	2.34	0	0.11	2.45
58	Brunei Darussalam	0	0	0	0
<b>Grand Total</b>		<b>3,982.89</b>	<b>515.86</b>	<b>505.92</b>	<b>5004.67</b>

Source: DIPP

### Annexure III

**ANNEXURE REFERRED TO IN REPLY TO PART (e) OF LOK SABHA UNSTARRED QUESTION NO. 1500 FOR ANSWER ON 26<sup>TH</sup> JULY, 2016 REGARDING STATUS OF FPI**

#### India's Export of Food Products

*(Values in US \$ Million)*

Sl. No.	HS Code	Commodity	2013-2014	2014-2015	2015-2016	2016-17 (For April)
1	02	MEAT AND EDIBLE MEAT OFFAL.	4475.53	4929.27	4209.57	288.56
2	03	FISH AND CRUSTACEANS, MOLLUSCS AND OTHER AQUATIC INVERTABRATES.	4823.02	5249.51	4481.12	294.03
3	04	DAIRY PRODUCE; BIRDS' EGGS; NATURAL HONEY; EDIBLE PROD. OF ANIMAL ORIGIN, NOT ELSEWHERE SPEC. OR INCLUDED.	705.07	379.03	328.29	23.11
4	07	EDIBLE VEGETABLES AND CERTAIN ROOTS AND TUBERS.	1356.07	1180.8	1193.09	93.08
5	08	EDIBLE FRUIT AND NUTS; PEEL OR CITRUS FRUIT OR MELONS.	1623.29	1610.71	1543.93	147.98
6	09	COFFEE, TEA, MATE AND SPICES.	2746.62	2871.86	2907.99	266.07
7	10	CEREALS.	10562.9	9550.98	6190.79	483.19
8	11	PRODUCTS OF THE MILLING INDUSTRY; MALT; STARCHES; INULIN; WHEAT GLUTEN.	299.05	305.55	295.41	21.02
9	12	OIL SEEDS AND OLEA. FRUITS; MISC. GRAINS, SEEDS AND FRUIT; INDUSTRIAL OR MEDICINAL PLANTS; STRAW AND FODDER.	1709.41	2213.94	1657.97	144.97
10	13	LAC; GUMS, RESINS AND OTHER VEGETABLE SAPS AND EXTRACTS.	2414.86	1947.54	867.73	73.99
11	15	ANIMAL OR VEGETABLE FATS AND OILS AND THEIR CLEAVAGE PRODUCTS; PRE. EDIBLE FATS; ANIMAL OR VEGETABLE WAXEX.	857.33	973.29	876.7	64.1
12	16	PREPARATIONS OF MEAT, OF FISH OR OF CRUSTACEANS, MOLLUSCS OR OTHER AQUATIC INVERTEBRATES	119.68	155.39	212.13	19.1
13	17	SUGARS AND SUGAR CONFECTIONERY.	1354.89	1075.16	1735.05	130.71
14	18	COCOA AND COCOA PREPARATIONS.	93.96	138.87	193.22	18.09
15	19	PREPARATIONS OF CEREALS, FLOUR, STARCH OR MILK; PASTRYCOOKS PRODUCTS.	463.31	489.85	503.74	40.32
16	20	PREPARATIONS OF VEGETABLES, FRUIT, NUTS OR OTHER PARTS OF PLANTS.	449.66	504.71	488.05	38.32
17	21	MISCELLANEOUS EDIBLE PREPARATIONS.	540.13	587.5	568.29	46.89
18	22	BEVERAGES, SPIRITS AND VINEGAR.	408.96	377.84	320.31	24.75
19	23	RESIDUES AND WASTE FROM THE FOOD INDUSTRIES; PREPARED ANIMAL FODER.	3047.7	1630.12	792.73	49.7
		<b>India's Total Food Export</b>	<b>38051.4</b>	<b>36171.92</b>	<b>29366.11</b>	<b>2267.98</b>

*Source: DGCI&S, 2016*

