

GOVERNMENT OF INDIA
MINISTRY OF FOOD PROCESSING INDUSTRIES
LOK SABHA
UNSTARRED QUESTION No. 2454
ANSWERED ON 02ND JANUARY, 2018

SUPPLY CHAIN IN FOOD PROCESSING SECTOR

**2454. SHRI DUSHYANT SINGH:
SHRI GODSE HEMANT TUKARAM:**

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

- (a) whether the Government has taken any steps like contract farming to deal with long and fragmented supply chain in the food processing sector and if so, the details thereof and if not, the reasons therefor;
- (b) whether the Government has devised any strategic plan to attract private investments in the sector under the Public Private Partnership (PPP) mode and if so, the details thereof and if not, the reasons therefor;
- (c) whether the Government has launched any scheme for human resource development / skill development to address the issue of skill gap in the food processing sector in the country, if so, the details thereof along with food processing training centres set up and financial assistance sanctioned, released and utilized for the purpose during each of the last three years and the current year, State-wise;
- (d) whether the Government has received any complaints with regard to misappropriation of funds in these centres; and
- (e) if so, the details thereof and the action taken by the Government in this regard?

ANSWER

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

(a): Agriculture marketing is a subject under State regulation. However, in order to assist the States in liberalizing the agriculture market, to provide better access to farmers for marketing of their produce, Department of Agriculture, Cooperation & Farmers' Welfare had provided a model Agricultural Produce Market Committee (APMC) Act, 2003 for adoption by States as agriculture marketing is a state subject. Model APMC Act, 2003 provides for contract farming provision. 21 States have adopted contract farming provision in their APMC Act and Government of Punjab has legislated a separate Contract Farming Act, 2013, which helps contract sponsors including food processing industry to enter into contract agreement with farmers for agriculture produce.

(b): The Ministry of Food Processing Industries does not envisage private investments in the food processing sector under the Public Private Partnership (PPP) mode. However, Ministry of Food Processing Industries is implementing an umbrella scheme "PRADHAN MANTRI KISAN SAMPADA YOJANA" (PMKSY) with an allocation of Rs.6,000 Crore for the period 2016-20 coterminous with the 14th Finance Commission cycle for promotion and development of Food Processing Sector in the Country. Under the PMKSY following are the Central Sector Schemes:

- i. Scheme for mega Food Parks;
- ii. Scheme for Integrated Cold Chain and Value Addition Infrastructure;
- iii. Scheme for Creation / Expansion of Food Processing & Preservation Capacities;
- iv. Scheme for Infrastructure for Agro-processing Clusters;
- v. Scheme for Creation of Backward and Forward Linkages;
- vi. Scheme for Food Safety and Quality Assurance Infrastructure; and
- vii. Scheme for Human Resources and Institutions

(c): Under the PMKSY the Ministry has launched a new sub-scheme i.e. Scheme for Human Resources and Institution – Skill Development (SHRISD) for assisting skilling infrastructure and Development of Course Curriculum with a budget outlay of Rs.27.50 Crore from 2017-18 to 2019-20.

The Scheme has Following two Components:-

1. Development of Course Curriculum / Training Module in English, Hindi and translation of the same in recognized regional languages based on the Qualification Packs (QPs) validated by National Skill Development Corporation(NSDC) as National Occupational Standards.

Grants-In-Aid is provided to the eligible Institutions upto a maximum of Rs.5.00 lakh per QP for development of training module both in print and Multi media for each job role and, up to a maximum of Rs. 0.50 lakh per QP is provided for the translation of already developed training modules in recognized regional languages as per 8th schedule.

2. Establishing Training Centre (TC) / Expansion of Existing Training Centre to impart skill/ training on various job roles in food processing as per National Skill Qualification Frame work (NSQF).

Grants-In-Aid is provided at the rate of 50% of cost of plant & machineries required for a National Skills Qualifications Framework (NSQF) validated training module subject to maximum of Rs. 15 lakh per training module and limited to maximum two training modules per Training centre(TC).

Following Institutions / organizations are eligible to apply under the scheme-

- i. Recognized Central / state / Deemed Universities or its Department of Food Processing Technology.
- ii. Colleges / Institutions of Food Technology, affiliated with central / state Govt. Universities.
- iii. Govt. approved Industrial Training Institutes (ITIs),
- iv. NABL accredited Food Labs,
- v. Training Centers affiliated to or accredited with Food Industry Capacity Skill Initiative (FICSI), National Skill Development Agency (NSDA) or State Skill Councils.

Ministry has finalized detailed Guidelines for the Scheme and has invited proposals from eligible and interested Institutions / organizations.

(d) & (e): No. Not applicable.
