

GOVERNMENT OF INDIA
MINISTRY OF FOOD PROCESSING INDUSTRIES
LOK SABHA
UNSTARRED QUESTION NO. 3447
ANSWERED ON 01ST JANUARY, 2019

LACK OF FOOD PROCESSING INDUSTRIES

3447. SHRIMATI POONAMBEN MAADAM:

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

- (a) whether farmers are facing losses due to lack of sufficient Food Processing Industries (FPIs) in the country;
- (b) if so, the details thereof;
- (c) whether the Government has sought help from developed nations to establish food processing industries and if so, the details thereof, country-wise;
- (d) the amount of assistance provided by these countries to develop food processing industries in the country; and
- (e) the steps taken/proposed to be taken by the Government to establish food processing industries under Public-Private Partnership mode?

ANSWER

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

(a) & (b): As per a study, “Assessment of Quantitative Harvest and Post-Harvest Losses of Major Crops and Commodities in India” by Central Institute of Post-Harvest Engineering and Technology (CIPHET), Ludhiana, the estimated annual value of harvest and post-harvest losses of major agricultural produces at national level was Rs. 92,651 crores. The study was based on production data of 2012-13 and wholesale prices of 2014.

(c) & (d): The Government has allowed 100% Foreign Direct Investment (FDI) in the food processing sector through automatic route subject to applicable laws/sectoral rules/regulations/security conditions. Also, 100% FDI with Government approval for retail trading, including through e-commerce, is allowed for food products manufactured and/or produced in India.

The food processing industries sector in the country has received US\$ 904.90 million worth of Foreign Direct Investment (FDI) equity inflows during 2017-18. The country-wise Foreign Direct Investment (FDI) equity inflows received in food processing industries sector in the country during 2017-18 are at **Annexure**.

(e): The Ministry of Food Processing Industries (MoFPI) does not set up any food processing industries/units/projects on its own. It provides financial assistance in the form of grants-in-aid under component schemes of Pradhan Mantri Kisan SAMPADA Yojana (PMKSY) to the individuals, Farmer Producer Organizations (FPOs), entrepreneurs, cooperatives, Self Help Groups (SHGs), Private Companies and central/State PSUs etc. for setting up of food processing industries/units/projects.

ANNEXURE REFERED TO IN REPLY TO PART (c) AND (d) OF LOK SABHA UNSTARRED QUESTION NO. 3447 FOR ANSWERED ON 01ST JANUARY, 2019 REGARDING LACK OF FOOD PROCESSING INDUSTRIES

Statement on Country-wise FDI Equity Inflows in Food Processing Industries Sector during 2017-18.

S.No	Name of the Country	Amount of Foreign Direct Investment Inflows (In US\$ million)
1	Singapore	211.05
2	Mauritius	177.11
3	South Korea	162.39
4	Japan	77.39
5	Netherlands	61.55
6	British Virginia	50.25
7	Luxembourg	48.24
8	U.S.A	46.14
9	Spain	14.07
10	Cyprus	8.55
11	Italy	6.81
12	UAE	5.85
13	Cayman Islands	5.61
14	Kuwait	5.51
15	Denmark	5.50
16	Switzerland	4.25
17	East Africa	3.86
18	Taiwan	2.64
19	Indonesia	2.21
20	Belgium	1.66
21	Israel	0.67
22	Tunisia	0.63
23	China	0.50
24	Canada	0.48
25	Australia	0.38
26	Malaysia	0.30
27	United Kingdom	0.26
28	NewZealand	0.20
29	Trinidad & Tobago	0.16
30	Sweden	0.16
31	Germany	0.13
32	Finland	0.09
33	Turkey	0.08
34	Norway	0.06
35	France	0.05
36	Russia	0.05
37	West Indies	0.04
38	Austria	0.02
39	Brunei Darussalam	0.00
	Grand Total	904.90

Source: Department of Industrial Policy and Promotion (DIPP)