

GOVERNMENT OF INDIA
MINISTRY OF FOOD PROCESSING INDUSTRIES
LOK SABHA
STARRED QUESTION NO. *29
ANSWERED ON 5TH FEBRUARY, 2019

GROWTH OF FOOD PROCESSING SECTOR

***29. SHRI KUNWAR PUSHPENDRA SINGH CHANDEL:
DR. SHRIKANT EKNATH SHINDE:**

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

- (a) whether the Government is focusing on areas such as modern machines, technology and bio-degradable packaging to overcome the challenges facing the food processing sector and promote its growth in the country including the Bundelkhand area and if so, the details thereof and the plan prepared therefor;
- (b) whether there is a need to work on improving the infrastructure for the food processing sector to increase exports, reduce wastage and supply the products in every nook and corner of the country including Bundelkhand and if so, the steps taken by the Government in this regard;
- (c) whether the Government has any plan to open Mega Food Park in Bundelkhand and if so, the steps taken by the Government in this regard;
- (d) whether currently there is no mechanism to measure the level of pesticides in fruits and vegetables and if so, the steps taken by the Government to develop such a mechanism and minimize high level of pesticides in fruits and vegetables; and
- (e) whether the food processing sector is facing the non-availability of loan facilities and if so, the details thereof along with the steps taken by the Government to address the issues related to non-availability of loan for the industry?

ANSWER

THE MINISTER OF FOOD PROCESSING INDUSTRIES
(SMT. HARSIMRAT KAUR BADAL)

(a) to (e): A Statement is laid on the Table of the House.

**STATEMENT REFERRED TO IN REPLY TO PART (a) to (e) OF LOK SABHA
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REGARDING GROWTH OF FOOD PROCESSING SECTOR**

(a) & (b): An innovative umbrella scheme, 'Pradhan Mantri Kisan SAMPADA Yojana (PMKSY)' has been launched in 2017 to promote modernisation and capacity enhancement of food processing industries in the country in all aspects including infrastructure and environment friendly packaging. The implementation period of the scheme is 2016-2020 with a total allocation of Rs.6000 crores. The PMKSY has seven component schemes viz; (i) Mega Food Parks, (ii) Integrated Cold Chain and Value Addition Infrastructure, (iii) Infrastructure for Agro-Processing Clusters, (iv) Creation of Backward and Forward Linkages, (v) Creation/Expansion of Food Processing & Preservation Capacities, (vi) Food Safety and Quality Assurance Infrastructure and (vii) Human Resources and Institutions. The PMKSY is implemented in all the States of India and is not any region specific. The schemes under PMKSY are demand driven. The objectives of PMKSY are to create modern infrastructure with efficient supply chain management from farm gate to retail outlet, to give a major boost to the growth of food processing sector in the country and help government's initiative in doubling of farmers' income, create huge employment opportunities especially in the rural areas, reduce wastage of agricultural produces, increase the processing level and enhance the export of the processed foods.

(c): The Government does not set up Mega Food Parks in any State or region on its own. It provides Financial assistance as capital subsidy in the form of grants-in-aid under the Mega Food Park scheme of PMKSY at the rate of 50% of the eligible project cost in general areas and 75% in hilly and state notified Integrated Tribal Development Project (ITDP) areas and islands subject to maximum limit of Rs.50 crore. Individuals, farmers, Farmer Producer Organizations (FPOs), entrepreneurs, cooperatives, Self Help Groups (SHGs), Private Companies and central/State PSUs etc. are eligible for financial assistance against the Expression of Interest (EoI) issued by the MoFPI from time to time.

(d): The Ministry of Agriculture and Farmers' Welfare is implementing "Monitoring of Pesticides Residues at National Level" (MPRNL) scheme, under which agriculture commodities including fruits and vegetables are collected and analysed for the presence of pesticides. During 2012-18, a total of 1,21,944 samples have been collected and analysed, out of which 2,878 (2.4%) samples were found exceeding Maximum Residue Limits (MRL) fixed by the Food Safety and Standard Authority of India (FSSAI). The annual reports of MPRNL are shared with the States for taking corrective measures.

(e): To meet the credit demand of the food processing sector, the food and agro-based processing units and cold chain infrastructure have been brought under the ambit of Priority Sector Lending (PSL) by the Reserve Bank of India (RBI) with effect from 23.04.2015. A special food processing fund of Rs.2000 crore has been created with the National Bank for Agriculture and Rural Development (NABARD) in 2014-15 for providing affordable credit to designated Food Parks and Agro Processing Units located in the designated Food Parks. Further, under various schemes of the PMKSY, subsidy is provided to the investors in food processing sector to enhance their credit worthiness for bank loans to set up various food processing industries.
