

GOVERNMENT OF INDIA
MINISTRY OF FOOD PROCESSING INDUSTRIES
LOK SABHA
STARRED QUESTION NO. *336
ANSWERED ON 16TH JULY, 2019

EMPLOYMENT OPPORTUNITIES IN FOOD PROCESSING SECTOR

***336. SHRI ANIL FIROJIYA:
SHRI DILIP SAIKIA:**

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

- (a) whether food processing is one of the major job intensive industries in the country and if so, the details thereof;
- (b) the details of the employment opportunities generated during each of the last three years;
- (c) whether any measures are being taken by the Government to increase job creation capabilities by promoting domestic and foreign investment in the food processing sector; and
- (d) if so, the details of funds invested by both domestic and foreign agencies in the said sector during the above period?

ANSWER

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

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

STATEMENT REFERRED TO IN REPLY TO PART (a) TO (d) OF LOK SABHA STARRED QUESTION NO. *336 FOR ANSWERED ON 16TH JULY, 2019 REGARDING EMPLOYMENT OPPORTUNITIES IN FOOD PROCESSING SECTOR

(a) & (b): Yes, Sir. The food processing sector has the largest share of employment among the registered manufacturing sectors as per the Annual Survey of Industries (ASI), Ministry of Statistics and Programme Implementation. As per the latest available data under the ASI, the total number of persons engaged in registered food processing units by 2014-15, 2015-16 and 2016-17 are in the order of 17.73 lakhs, 17.65 lakhs and 18.54 lakhs respectively.

(c): The Ministry of Food Processing Industries is implementing various Central Sector Schemes under PRADHAN MANTRI KISAN SAMPADA YOJANA (PMKSY) for overall promotion and development of food processing sector in the country and to, inter alia, attract investment create employment opportunities in the sector. The implementation of PMKSY envisages creation of direct/indirect employment for 5,30,500 persons by 2019-20. Further, Government has taken a number of policy initiatives to attract investment in the sector to generate employment like permitting 100% FDI through automatic route in manufacturing of food products and 100% FDI under Government approval route for trading, including through ecommerce, in respect of food products produced and/or manufactured in India, Creation of a special fund of ₹ 2000 crores in National Bank for Agriculture and Rural Development (NABARD) to provide affordable credit to food processing industries, classification of food & agro-based processing units and cold chain infrastructure as agricultural activity for Priority Sector Lending (PSL), lower Goods & Services Tax (GST) rates for majority of food products, 100% exemption of income tax on profit for new food processing units, 100 percent income tax exemption from profit derived by FPOs having annual turnover of Rs.100 crore for activities such as post-harvest value addition to agriculture, 100% deduction of expenditure incurred on investment on establishment and operation of cold chain/warehousing facility for storage of agricultural produce, concessional import duty for plant and machinery under project imports benefit scheme, import duty exemption on import of raw material under advance authorization scheme.

(d): As per Annual Survey of Industries, the invested capital in the registered Food Processing Sector, by 2014-15, 2015-16 and 2016-17 are in the order of Rs.3,68,433.71 crore; Rs.3,86,339.38 crore and Rs.4,17,690.89 crore respectively. The sector received US\$ 727.22 million, US\$ 904.90 million and US\$ 628.24 million worth of Foreign Direct Investment (FDI) equity inflows during 2016-17, 2017-18 and 2018-19 respectively.
