

GOVERNMENT OF INDIA
MINISTRY OF FOOD PROCESSING INDUSTRIES
LOK SABHA
UNSTARRED QUESTION NO. 1782
ANSWERED ON 2ND JULY, 2019
GRAMIN AGRICULTURE MARKETS

1782. SHRI KODIKUNNIL SURESH:

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

- (a) the details of steps and initiatives introduced at a policy level to develop food processing industries in the country;
- (b) whether the budgetary promise of upgrading of 22,000 rural haats into Gramin Agriculture Markets (GrAMS) is in progress and if so, the details thereof, State-wise;
- (c) whether any targeted strategy including public-private participation and technology harnessing has been promulgated to enhance the capabilities of such rural haats as considered by the Government; and
- (d) if so, the details thereof?

ANSWER

THE MINISTER OF STATE FOR FOOD PROCESSING INDUSTRIES
(SHRI RAMESWAR TELI)

(a): The Ministry of Food Processing Industries (MoFPI) implements various central sector Schemes under the Central Sector Umbrella Scheme- PRADHAN MANTRI KISAN SAMPADA YOJANA (PMKSY) for overall promotion and development of Food Processing Sector. The PMKSY consists of (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 Ministry is also implementing the scheme "Operation Greens" as a vertical of PMKSY since November, 2018 for integrated development of value chain of tomato, onion and potato (TOP) crops in selected States on pilot basis.

The other steps/measures taken to boost the growth of food processing sector in the country are: permission for 100% FDI in manufacturing of food products through aromatic route, 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 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, concessional import duty for plant and machinery under project imports benefit scheme, import duty exemption on import of raw material under advance authorization scheme etc.

(b) to (d): Under MGNREGS Schedule 1, Section 4(3), Category D, 'Construction of Rural Haats at Village and Block level' is permissible. The works are approved & prioritized by the Gram Sabha. As on 24th June 2019, Works of total 329 Rural Haats have been completed and works of 532 Rural Haats are ongoing as per the information of the Ministry of Rural Development. These Rural Haats will be upgraded into Gramin Agricultural Markets (GrAMs) by DoAC&FW. These GrAMs will be electronically linked to e-NAM and exempted from regulation of APMC." Department of Agriculture, Cooperation & Farmers Welfare, has circulated a Model Guidelines to the States for operation and management of GrAMs. In addition, the Government of India has approved setting up "Agriculture Market Infrastructure Fund (AMIF)" with NABARD for providing assistance to State for development of required marketing infrastructure in these GrAMs. As agricultural marketing is a State subject, Government of India has further requested States to exempt GrAMs from State Agricultural Produce Market Committee (APMC) Act, formulated under respective State regulations. Government of India has also constituted an Inter-Ministerial Committee to coordinate and monitor developmental work of GrAMs.
