GOVERNMENT OF INDIA MINISTRY OF FOOD PROCESSING INDUSTRIES

LOK SABHA

UNSTARRED QUESTION NO. 2697 ANSWERED ON 15TH DECEMBER, 2015

EMPLOYMENT IN FPI

2697. SHRI NISHIKANT DUBEY:

SHRI MAHEISH GIRRI:

SHRI PRALHAD JOSHI:

SHRI R. PARTHIPAN:

SHRI RAJAN VICHARE:

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

- (a) whether there is immense employment opportunity in the Food Processing Industry (FPI) in the country and if so , the details thereof;
- (b) whether the Government has carried out any study to identify the manpower required to cater to the increasing demand in the food processing sector and if so, the details and the outcome thereof;
- (c) the details of job-oriented training programmes and centres in the country for capacity building and skill development for operation of food processing industries and Mega Food Parks (MFPs) in the country and the number of persons who got training for the purpose during each of the last three years and the current year, State wise;
- (d) the details of incentives provided to food processing entrepreneurs for setting up of FPIs and MFPs and strengthening existing capacity of food processing units during the said period; and
- (e) whether the Government has evolved a strategy to improve infrastructure and coordination between the Center and the States for expansion of food processing industries in the country and if so, the details thereof?

ANSWER

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

- (a): As per the latest Annual Survey of Industries (ASI) for 2012-13, the total number of persons engaged in registered Food Processing Sector is 16.89 lakhs. Unregistered food processing sector supports employment to 47.89 lakhs workers as per the National Sample Survey Office (NSSO) 67th Round, 2010-11.
- (b): This Ministry has not carried out any such studies to identify the manpower required to cater to the increasing demand in the food processing sector. However, as per the study conducted by KPMG for National Skill Development Corporation (NSDC) on "Human Resource and Skill Requirements in the Food Processing Sector (2013-17, 2017-22)", the projected human resource requirement in Food Processing Sector is 11.38 million persons. Food processing sector is having a

major potential for employment generation and is one of the top sectors in respect of requirement of human resources.

- (c): (i) Ministry of Food Processing Industries has been implementing the Human Resources Development Scheme. This scheme aims at augmenting the supply of trained manpower and personnel at all levels such as entrepreneurs, managers and skilled workers. During the 12th Plan, this scheme has been subsumed in the newly launched Centrally Sponsored Scheme- National Mission on Food Processing (NMFP) w.e.f 01.04.2012. Accordingly, all the States/ UT Governments have been empowered to receive new applications and sanction as well as release funds under the above scheme of the mission during 12th Plan. Ministry does not maintain the data of trained manpower, however the details of Food Processing Training Centres (FPTCs) which also provided hands on training to the participants sanctioned by the Ministry as per committed liabilities of 11th plan and FPTCs sanctioned under NMFP during 12th Plan, State-wise, during each of the last three years and the current year is enclosed at Annexure-I.
- (ii) Presently, the Ministry does not operate any specific scheme for skill development. However, there are two academic-cum-research Institutions viz. National Institute of Food Technology Entrepreneurship and Management (NIFTEM) at Kundli, Sonepat, Haryana and the Indian Institute of Crop Processing Technology (IICPT) at Thanjavur, Tamil Nadu, which offer academic programmes at Bachelor's, Master's and Ph.D. in food processing. These institutes are also conducting short-term training in food processing at NIFTEM, IICPT, Thanjavur and its Regional Centre at Guwahati. The details are enclosed at Annexure-II.
- (iii) The Ministry of Skill Development & Entrepreneurship has recently launched the scheme of Pradhan Mantri Kaushal Vikas Yojana (PMKVY) to provide outcome based skill training in various sectors including food processing in which the Ministry of Food Processing Industries is associating along with the concerned Sector Skill Council i.e Food Industry Capacity & Skill Initiative (FICSI) under FICCI. The details of Training Centres state wise and trainees assessed till 30.11.15 are enclosed at Annexure-III.
- (iv) Under Mega Food Park, some of the Mega Food Parks in their Central Processing Centres (CPCs) have made provisions for job-oriented training programmes and centres for capacity building and skill development for operation of Food Processing Industries. However, on completion, each Mega Food Park is expected to generate employment to 6000 farmers/ producers directly and 25000-30000 farmers indirectly.
- (d): The various major incentives being provided by the Ministry under different schemes is as follows:-
- (i) Scheme of National Mission on Food Processing (NMFP) In order to enhance the existing / installed capacities of food processing industries (FPIs) in the country, Ministry of Food Processing Industries has been implementing the Centrally Sponsored Scheme of National Mission on Food Processing (NMFP) in 12th Plan (2012-17) through State/UT Governments. The Scheme of Technology Up gradation / Establishment / Modernization of Food Processing Industries was being implemented under NMFP. Under the above scheme of the Mission, all the eligible Small and Medium entrepreneurs interested to set up food processing units are provided financial assistance as follows:-

General areas, 25 % of the cost of Plant & Machinery and Technical Civil Works subject to maximum of Rs. 50 lakhs.

Difficult areas (i.e. Jammu & Kashmir, Himachal Pradesh, Uttarakhand, Andaman & Nicobar Islands and Lakshadweep) and Integrated Tribal Development Project (ITDP) areas, 33.33 % of the cost of Plant & Machinery and Technical Civil Works subject to a maximum of Rs. 75 lakhs.

For North-Eastern States including Sikkim, 50 %of the cost of Plant & Machinery and Technical Civil Works subject to a maximum of Rs.100 lakhs.

The applications for the above scheme of the Mission are received, sanctioned and funds are released by the respective State/UT Governments, for setting up of Food Processing Units.

In the Union Budget (2015-16) presented on 28.02.2015, Government of India (GoI) has announced the de-linking of NMFP from support from Central Govt. Accordingly, State Governments may decide to continue (or not) NMFP scheme out of their increased resources resulting from the recommendation of the 14th Finance Commission.

Statement indicating the state-wise details of proposals sanctioned and grants-in-aid released to food processing units under the scheme of Technology Up-gradation/Modernization/ Establishment of FPI of Centrally Sponsored Scheme - National Mission on Food Processing (NMFP) during 2012-13, 2013-14 and 2014-15 of 12th Five Year Plan to improve the infrastructure in Food Processing Sector is at Annexure-IV

(ii) Scheme of Cold Chain, Value Addition and Preservation Infrastructure - In order to reduce wastage of horticulture & non-horticulture produce and providing integrated and complete cold chain and preservation infrastructure facilities from the farm gate to the consumer or from the production site to the market, Ministry of Food Processing Industries is implementing a Central Sector Scheme of Cold Chain, Value Addition and Preservation Infrastructure since 2008-09. The scheme is primarily private sector driven wherein financial assistance @ 50% of the total cost of plant & machinery and technical civil works in general areas and 75% for NE region and difficult areas (North Eastern states, Sikkim, J&K, Himachal Pradesh and Uttarakhand) subject to a maximum grant-in-aid of Rs 10 Crore per project is provided for setting up the cold chain infrastructure in the country. Integrated cold chain and preservation infrastructure can be set up by individuals, groups of entrepreneurs, cooperative societies, Self Help Groups (SHGs), Farmer Producer Organizations (FPOs), NGOs, Central/State PSUs, etc. Ministry has approved 138 Cold Chain projects in the country to reduce the cold chain gap.

Further, National Horticulture Mission (NHM), National Horticulture Board (NHB), and National Cooperative Development Corporation (NCDC) under Department of Agriculture, Cooperation and Farmers Welfare, Ministry of Agriculture & Farmers Welfare and Agricultural and Processed Food Products Export Development Authority (APEDA) under Department of Commerce, Ministry of Commerce and Industries, Government of India are also providing assistance for setting up cold storages under their respective schemes. State-wise and year-wise funds released under the scheme of Cold Chain, value addition and Preservation Infrastructure at Annexure-V.

(iii) **Mega Food Park Scheme** – The scheme envisages a capital grant @ 50% of the eligible project cost in general areas and @ 75% of eligible project cost in difficult and hilly areas i.e. North East Region including Sikkim, J&K, Himachal Pradesh, Uttarakhand and ITDP notified areas of the States subject to a maximum of Rs. 50 Crores per project. The status of Implementation of 39 Mega Food Park Projects as on 10.12.2015 is at Annexure-V

- (iv) Various other fiscal incentives for food processing sector provided by the Government is placed at Annexure-VI.
- (e): (i) To improve the infrastructure in Food Processing Sector the following are under taken by the Ministry,
 - 1. In order to enhance the existing / installed capacities of food processing industries (FPIs) in the country, Ministry of Food Processing Industries has been implementing the Centrally Sponsored Scheme of National Mission on Food Processing (NMFP) in 12th Plan (2012-17) through State/UT Governments. The Scheme of Technology Up gradation / Establishment / Modernization of Food Processing Industries was being implemented under NMFP. Under the above scheme of the Mission, all the eligible Small and Medium entrepreneurs interested to set up food processing units are provided financial assistance. However, in the Union Budget (2015-16) presented on 28.02.2015, Government of India (GOI) has announced the de-linking of NMFP from support from Central Govt. Accordingly, State Governments may decide to continue (or not) NMFP scheme out of their increased resources resulting from the recommendation of the 14th Finance Commission. Details of state-wise proposals sanctioned and grants-in-aid released is placed at Annexure-VII.
 - 2. Scheme for Setting up/ Modernization of Abattoirs Ministry of Food Processing Industries is implementing the scheme for Setting up/ Modernization of Abattoirs under which assistance in the form of grant-in-aid is provided to local bodies (Municipal Corporations and Panchayats) / Public Sector Undertakings / Co-Operatives / Boards under Government. The Scheme has flexibility for involvement of private investor on PPP basis.

The scheme was transferred to the State Governments for implementation under the Centrally Sponsored Scheme of National Mission on Food Processing (NMFP) with effect from 1.04.2014. Proposals received up to 31.03.2014 are being processed by the Ministry under the Central Sector Scheme. Fresh proposals with effect from 01.04.2014 are to be submitted to State Governments. However, the Centrally Sponsored Scheme of NMFP has been delinked from Central support from BE 2015-16.

Under this scheme grant-in-aid to 40 projects for setting up / modernisation of abattoirs has been approved. Out of these, 5 projects have been completed and grant-in-aid to the tune of Rs. 59.51 Crore has been released for these projects.

3. Scheme of Setting up / up gradation of Food Testing Laboratory - Ministry of Food Processing Industries, under the Scheme for Quality Assurance, Codex Standards and Research & Development and Other Promotional Activities provides financial assistance in the form of grant-in-aid for Setting up / Up gradation of Food Testing Laboratories so as to ensure compliance of domestic and international standards on food in case of domestic manufacture, imports as well as exports, to establish a surveillance system for monitoring the quality and composition of food and to analyse the samples received from processing industry and other stakeholders. This will ultimately help Food Processing Sector.

Eligible Organisations are Central/State Government and their organizations/Government universities (including Government owned deemed universities) and all other implementing agencies/private sector organizations/universities (including deemed universities).

The implementation of the Food Testing Laboratory (FTL) Scheme has been entrusted to Indian Council of Agricultural Research (ICAR) under the Ministry of Agriculture & Farmer's Welfare, Department of Agricultural Research & Education (DARE) during the 12th Plan with effect from 01.04.2012.

Under this Scheme, as on 30-11-2015, 42 Food Testing Labs assisted by the Ministry for setting up / up gradation of Food Testing Laboratories have been completed.

- (ii) The State Governments have been asked to constitute a Co-ordination Committee under the chairmanship of District Collector at the District level, where Mega Food Parks are situated, for speedy settlement of the issues which may arise during the project implementation. State Governments have also asked to set up a Coordination Committee at State level. The concerned States are represented in the meeting of Technical Committee (TC) and Inter-Ministerial Approval Committee (IMAC) constituted under the scheme for selection of projects.
- (iii) In case of cold chain projects though the State Government representatives are not permanent members of IMAC, they are invited when the projects of respective State are in IMAC agenda.
- (iv) The States and NMFP directorates are requested to monitor and inspect randomly the FPI units assisted by the Ministry and under NMFP.

ANNEXURE REFERRED IN REPLY TO PART (c) OF LOK SABHA UNSTARRED QUESTION NO.2697 FOR $15^{\rm TH}$ DECEMBER, 2015 REGARDING EMPLOYMENT IN FPI

STATEWISE DETAILS OF COMMITTED LIABILITIES OF 11^{th} PLAN OF FOOD PROCESSING TRAINING CENTRES (FPTCs) ASSISTED DURING 12th PLAN and FPTCs ASSISTED UNDER NMFP DURING 12^{TH} PLAN

(Figures in lakhs)

		2012-13		2013-14		201	14-15	2015-16 till Nov.'15		
s.	Name of the State					201	14-13	(Upto Nov,2014)		
No	Tunic of the state	No. of Units**	Amount*	No. of Units**	Amount*	No. of Units**	Amount*	No. of Units**	Amount*	
1	Andaman Nicobar	0	0	0	0	0	0	0	0	
2	Andhra Pradesh	0	0	0	6	0	0	0	4.00	
3	Arunachal Pradesh	0	0	0	0	0	0	0	0	
4	Assam	2	20.69	0	1.86	0	0	0	0	
5	Bihar	0	0	0	0	0	0	0	0	
6	Delhi	0	0	0	0	0	0	0	0	
7	Gujarat	0	0	1	4	0	0	0	0	
8	Haryana	5	19.63	1	4	0	2.00	0	0	
9	Himachal	0	0	0	0	0	0	0	0	
100	J&K	0	0	0	0	0	0	0	0	
11	Karnataka	1	11	1	15.96	0	0	0	0	
12	Jharkhand	0	0	0	0	0	0	0	0	
12	Kerala	0	0	0	0	0	0	0	0	
13	Maharashtra	0	4	0	0	0	2.67	0	0	
14	Madhya Pradesh	5	41	1	4	0	0	0	2.00	
15	Manipur	0	0	0	0	0	0	0	0	
16	Mizoram	0	0	0	0	0	0	0	0	
17	Meghalaya	0	0	0	0	0	0	0	0	
18	Nagaland	0	0	0	0	0	0	0	0	
19	Orissa	0	0	6	38	0	0	1	4.00	
20	Punjab	1	3	0	0	0	0	0	0	
21	Puducherry	0	0	0	0	0	0	0	0	
22	Rajasthan	0	0	0	0	0	2.00	0	0	
23	Sikkim	0	0	2	10	0	0	0	0	
23	Tamil Nadu	2	6	0	0	0	0	0	0	
24	Tripura	0	0	0	0	0	0	0	0	
25	Uttar Pradesh	0	0	0	0	0	2.00	0	0	
26	West Bengal	5	27	0	0	1	3.92	0	1.61	
27	Uttarakhand	0	0	1	3.5	0	1.96	0	0	
28	Chhattisgarh	7	28	0	0	0	0	0	2.00	
	Total:	28	160.32	13	87.32	1	14.55	1	13.61	

^{*} Amount indicated also includes 2nd instalment of grant.

^{**} No. of units approved during the year. (Source: NMFP MIS Database)

ANNEXURE-II

ANNEXURE REFERRED IN REPLY TO PART (c) OF LOK SABHA UNSTARRED QUESTION NO.2697 FOR ${\bf 15}^{\rm TH}$ DECEMBER, 2015 REGARDING EMPLOYMENT IN FPI

Name of the	2012-2013		2013-2014		2014-2015		2015-2016	
Institution &								
Name of the	No. of	No. of						
Training	Trainings	persons	Trainings	persons	Trainings	persons	Trainings	persons
Centre		Trained		Trained		Trained		Trained
NIFTEM	-	-	2	975	12	3753	2	507
IICPT at	201	2379	316	4873	368	4673	249	2278
Thanjavur &								
Guwahati								

ANNEXURE REFERRED IN REPLY TO PART (c) OF LOK SABHA UNSTARRED QUESTION NO.2697 FOR 15^{TH} DECEMBER, 2015 REGARDING EMPLOYMENT IN FPI

- I. Name of the Sector Skill Council: Food Industry Capacity & Skill Initiative (FICSI).
- II. List of Job Roles on which the Training is/ had been conducted is as under;
 - a. Craft Baker
 - b. Mixing Technician
 - c. Baking Technician
 - d. Plant Biscuit Production Specialist
 - e. Grain Mill Operator
 - f. Pickle Making Technician
 - g. Butter & Ghee Processing Technician
 - h. Ice Cream Processing Technician
- III. List of approved Centers and State wise numbers of Training Centers (TCs) is as under;

SR. No.	State	Approved TCs No.
1	Andhra Pradesh	3
2	Assam	1
3	Bihar	14
4	Chandigarh	3
5	Chhattisgarh	1
6	Delhi	1
7	Gujarat	2
8	Haryana	2
9	Himachal Pradesh	6
10	Jammu & Kashmir	2
11	Jharkhand	1
12	Karnataka	3
13	Kerala	0
14	Madhya Pradesh	5
15	Maharashtra	7
16	Meghalaya	1
17	Odisha	1
18	Puducherry	1
19	Punjab	2
20	Rajasthan	1
21	Tamil Nadu	30
22	Telengana	7
23	Tripura	1
24	Uttar Pradesh	22
25	Uttarakhand	1
26	West Bengal	2
	Total	120

IV. State wise total number of Students assessed till 30th Niovember,2015 is as under;

State Wise	Students Assessed Till 3	0 th November, 2015
SR. No.	State	No. of Students
1	Andhra Pradesh	60
2	Assam	19
3	Bihar	777
4	Chandigarh	-
	Chhattisgarh	1
6	Delhi	1
7	Gujarat	-
	Haryana	87
9	Himachal Pradesh	1
10	Jammu & Kashmir	79
	Jharkhand	1
12	Karnataka	1
13	Kerala	1
14	Madhya Pradesh	30
15	Maharashtra	142
	Meghalaya	58
17	Odisha	1
18	Puducherry	90
19	Punjab	-
	Rajasthan	-
21	Tamil Nadu	1678
22	Telengana	-
	Tripura	-
	Uttar Pradesh	796
25	Uttarakhand	-
26	West Bengal	-

ANNEXURE REFERRED IN REPLY TO PART (d) OF LOK SABHA UNSTARRED QUESTION NO.2697 FOR 15^{TH} DECEMBER, 2015 REGARDING EMPLOYMENT IN FPI

Statement indicating the state-wise details of proposals sanctioned and grants-in-aid released to food processing units under the scheme of Technology Up-gradation/Modernization/ Establishment of FPI of Centrally Sponsored Scheme - National Mission on Food Processing(NMFP) during 2012-13, 2013-14 and 2014-15 of 12thFive Year Plan

(Rs. in crore)

			2012-13			2013-14			2014-15		
Sl. No.	State Name	No. of Sanctioned Projects	Amount Sanctioned	Amount Released	No. of Sanctioned Projects	Amount Sanctioned	Amount Released	No. of Sanctioned Projects	Amount Sanctioned	Amount Released	
1	ANDAMAN AND NICOBAR ISLANDS	3	0.61	0.61	0	0	0	0	0	0	
2	ANDHRA PRADESH	6	2.38	2.38	0	0	0	0	0	0	
3	ARUNACHAL PRADESH	7	1.51	1.51	3	1.00	0.81	0	0	0	
4	ASSAM	8	2.61	1.76	19	1.56	0.57	4	0.25	0	
5	BIHAR	3	0.58	0.13	0	0	0	0	0	0	
6	CHANDIGARH	0	0	0	0	0	0	0	0	0	
7	CHHATTISGAR H	2	1.00	0.75	0	0	0	9	3.50	2.25	
8	DADRA AND NAGAR HAVELI	0	0	0	0	0	0	0	0	0	
9	DAMAN AND DIU	0	0	0	0	0	0	0	0	0	
10	DELHI	0	0	0	0	0	0	0	0	0	
11	GOA	0	0	0	0	0	0	0	0	0	
12	GUJARAT	51	18.56	14.09	23	8.94	3.58	1	0.50	0	
13	HARYANA	9	3.87	3.72	4	1.78	1.78	9	4.14	3.05	
14	HIMACHAL PRADESH	5	1.35	0.85	12	4.59	3.26	4	1.35	0.62	
15	JAMMU AND KASHMIR	10	4.54	3.68	4	1.71	0.84	8	3.10	0.60	
16	JHARKHAND	0	0	0	0	0	0	0	0	0	
17	KARNATAKA	36	13.92	13.80	14	4.71	4.47	14	4.48	2.24	
18	KERALA	7	2.59	2.52	14	5.88	4.82	2	1.00	0.38	
19	LAKSHADWEEP	0	0	0	0	0	0	0	0	0	
20	MADHYA PRADESH	20	6.26	5.83	23	8.56	7.96	0	0	0	
21	MAHARASHTR A	58	19.75	17.89	27	8.29	4.14	4	1.07	0.54	
22	MANIPUR	37	2.08	1.11	0	0	0	0	0	0	
23	MEGHALAYA	3	0.35	0.35	9	2.24	0.52	1	0.30	0.15	
24	MIZORAM	2	0.35	0.35	2	0.40	0.15	7	1.16	0.69	
25	NAGALAND	7	0.89	0.89	0	0	0	0	0	0	
26	ODISHA	11	4.50	4.35	12	4.64	4.26	9	2.33	1.83	

27	PUDUCHERRY	3	1.41	1.41	0	0	0	0	0	0
28	PUNJAB	3	1.27	0.99	5	0.89	0.56	1	0.50	0.50
29	RAJASTHAN	9	3.23	2.73	39	14.17	14.17	31	11.91	11.91
30	SIKKIM	0	0	0	0	0	0	1	1.00	0.20
31	TAMIL NADU	5	1.75	0.87	0	0	0	0	0	0
32	TELANGANA	3	1.00	0.25	0	0	0	0	0	0
33	TRIPURA	1	0.75	0.75	1	0.99	0.99	1	1.00	0.50
34	UTTAR PRADESH	39	15.13	12.71	7	0.61	0	0	0	0
35	UTTARAKHAND	4	1.35	0.12	1	0.75	0.75	0	0	0
36	WEST BENGAL	10	3.95	3.95	36	16.26	12.71	21	9.57	2.48
	Total:	362	117.54	100.35	255	87.97	66.34	127	47.16	27.94

(**Source:** Data entered by State / UT Governments in NMFP MIS portal)

Note: Govt. of India has de-linked CSS-NMFP from Central Government support w.e.f. 01.04.2015.

ANNEXURE REFERRED IN REPLY TO PART (d) OF LOK SABHA UNSTARRED QUESTION NO.2697 FOR 15^{TH} DECEMBER, 2015 REGARDING EMPLOYMENT IN FPI

State-wise and year-wise funds released under the scheme of Cold Chain, value addition and Preservation Infrastructure.

(Rs in Crore)

Name of the state	2012-13	2013-14	2014-15	2015-16 (30.11.2015)
Andhra Pradesh	0	0	0	4.00
Arunachal Pradesh	0	0	0	0
Assam	0	0	6.54	0.295
Bihar	0	0	0	0
Chhattisgarh	0	0	0	0
Gujarat	6.99	3.49	12.05	6.44
Haryana	21.5906	21.69	19.35	10.28
Himachal Pradesh	2.458	6.70	6.57	18.02
Jammu & Kashmir	0	0	4.80	16.06
Jharkhand	0	0	0	0
Karnataka	1.6812	2.08	7.38	1.27
Kerala	6.70	10.85	0	0
Madhya Pradesh	0	2.37	5.50	2.37
Maharashtra	17.134	9.97	27.66	34.66
Manipur	2.50	5.00	2.45	0
Meghalaya	0	0	0	0
Mizoram	1.515	8.00	2.49	0
Nagaland	0	0	0	0
Odisha	0	0	0.566	0
Punjab	4.95	13.67	10.32	11.67
Rajasthan	0	0	2.02	6.76
Sikkim	0	0	0	0
Tamil Nadu	0	0	0	0
Telangana	0	0	0	0
Tripura	0	0	0	0
Uttar Pradesh	4.132	6.87	7.50	10.69
Uttarakhand	1.536	2.25	37.43	11.45
West Bengal	6.67	7.26	0.433	3.64
Andaman & Nikobar	0	0	0	0
Chandigarh	0	0	0	0
Dadar & Nagar Haveli	0	0	0	0
Damn and Diu	0	0	0	0
Lakshadweep	0	0	0	0
Delhi	3.20	3.38	0.244	0.256
Puducherry	0	0	0	0
Total	81.0568	103.58	153.303	137.861

ANNEXURE REFERRED IN REPLY TO PART (d) OF LOK SABHA UNSTARRED QUESTION NO.2697 FOR ${\bf 15}^{\rm TH}$ DECEMBER, 2015 REGARDING EMPLOYMENT IN FPI

Status of Implementation of 39 Mega Food Park Projects as on 10.12.2015

							(Rs. in Crore)
S. No	Project Name	State	Date of In- principle Approval	Date of Final Approval	Project Cost	Grant released	Status
1.	Andhra Pradesh Industrial Infrastructure Corporation (APIIC), Krishna	Andhra Pradesh	31.03.2015	-	152.16	0.00	In-principle
2.	Srini Food Park Pvt. Ltd., Chittoor	Andhra Pradesh	16.12.2008	27.03.2009	121.10	49.52	Operational
3.	Godavari Mega Aqua Park Pvt. Ltd., West Godavari	Andhra Pradesh	21.09.2012	16.12.2013	122.60	05.00	Under Construction
4.	North East Mega Food Park Ltd., Nalbari	Assam	16.12.2008	27.03.2009	80.85	40.00	Operational
5.	Mums Mega Food Park Pvt. Ltd., Buxar	Bihar	31.03.2015	-	136.98	0.00	In-principle
6.	Pristine Mega Food Park Pvt. Ltd., Khagaria	Bihar	21.09.2012	06.08.2014	127.64	05.00	Under Construction
7.	JVL Mega food Park Pvt. Ltd., Rohtas	Bihar	19.12.2013	10.08.2015	114.21	0.00	Under Construction
8.	Indus Best Mega Food Park Pvt. Ltd., Raipur	Chhattisgarh	06.09.2012	04.06.2014	124.50	0.00	Under Construction
9.	Adani Ports and Special Economic Zone Ltd., Kutch	Gujarat	31.03.2015	-	168.60	0.00	In-principle
10.	Gujarat Agro Infrastructure Mega Food Park Pvt. Ltd., Surat	Gujarat	21.09.2012	22.05.2014	117.87	05.00	Under Construction
11.	Haryana State Industrial & Infrastructure Development Corporation Limited, Sonipat	Haryana	31.03.2015	06.11.2015	177.59	0.00	Under Construction
12.	Continental Warehousing Corporation (NhavaSeva) Limited, Panipat	Haryana	30.11.2015	-	157.46	0.00	In-principle
13.	Cremica Food Park Pvt. Ltd., Una	Himachal Pradesh	21.09.2012	06.08.2014	99.70	05.00	Under Construction
14.	RFK Greens Food Park Pvt. Ltd., Pulwama	Jammu And Kashmir	21.09.2012	19.02.2014	79.43	0.00	Under Construction
15.	Jharkhand Mega Food Park Pvt. Ltd., Ranchi	Jharkhand	16.12.2008	27.03.2009	114.74	43.78	Under Construction
16.	Integrated Food Park Pvt. Ltd., Tumkur	Karnataka	03.08.2010	27.03.2011	144.33	45.00	Operational
17.	Kerala State Industrial Development Corporation Limited (KSIDC), Alappuzha	Kerala	31.03.2015	27.11.2015	129.15	0.00	Under Construction
18.	Kerala Industrial Infrastructure Development Corporation (KINFRA), Palakkad	Kerala	31.03.2015	27.11.2015	119.02	0.00	Under Construction
19.	Avantee Mega Food Park Pvt. Ltd. (formerly RuchiAcroni Industries Ltd.), Dewas	Madhya Pradesh	31.03.2015	-	150.37	0.00	In-principle
20.	Indus Mega Food Park Pvt. Ltd., Khargoan	Madhya Pradesh	10.10.2011	27.08.2012	127.70	45.00	Under Construction
21.	Jain Agro Trading Company Private Limited, Wardha	Maharashtra	31.03.2015	-	88.73	0.00	In-principle

22.	VinayTiwari Agro Estates & Farms Pvt. Ltd., Ahmednagar	Maharashtra	31.03.2015	-	119.08	0.00	In-principle
23.	Paithan Mega Food Park Ltd., Aurangabad	Maharashtra	01.04.2011	08.03.2013	124.56	05.00	Under Construction
24.	Satara Mega Food Park Pvt. Ltd., Satara	Maharashtra	21.09.2012	06.08.2014	139.33	15.00	Under Construction
25.	Zoram Mega Food Park Pvt. Ltd., Aizawl	Mizoram	19.12.2013	10.06.2015	75.20	05.00	Under Construction
26.	Odisha Industrial Infrastructure Development Corporation (IDCO), Khurda	Odisha	31.03.2015	06.11.2015	134.13	0.00	Under Construction
27.	MITS Mega Food Park Ltd., Rayagada	Odisha	29.04.2011	16.04.2012	80.17	15.00	Under Construction
28.	Punjab Agro Industries Corporation Ltd., Ludhiana	Punjab	31.03.2015	27.11.2015	117.61	0.00	Under Construction
29.	The Sukjhit Starch & Chemical Limited, Kapurthala	Punjab	31.03.2015	06.11.2015	123.72	0.00	Under Construction
30.	International Mega Food Park Ltd. , Fazilka	Punjab	03.08.2010	25.05.2011	130.38	45.00	Operational
31.	Greentech Mega Food Park Pvt. Ltd., Ajmer	Rajasthan	21.09.2012	19.02.2014	113.57	05.00	Under Construction
32.	3F Industries Ltd., Krishnagiri	Tamil Nadu	31.03.2015	-	127.78	0.00	In-principle
33.	Andhra Pradesh Industrial Infrastructure Corporation (Telangana Division), Khammam	Telangana	31.03.2015	-	154.42	0.00	In-principle
34.	Mahboobnagar	Telangana	31.03.2015	-	112.05	0.00	In-principle
35.	Smart Agro Industries Corporation Pvt. Ltd., Nizamabad	Telangana	19.12.2013	10.06.2015	108.95	0.00	Under Construction
36.	Sikaria Mega Food Park Pvt. Ltd., West Tripura	Tripura	29.04.2011	30.11.2011	87.45	20.79	Under Construction
37.	Patanjali Food & Herbal Park Pvt. Ltd., Haridwar	Uttarakhand	16.12.2008	27.03.2009	95.08	50.00	Operational
38.	Himalayan Food Park Pvt. Ltd., Udham Singh Nagar	Uttarakhand	21.09.2012	23.01.2014	99.96	15.00	Under Construction
39.	Jangipur Bengal Mega Food Park Ltd., Murshidabad	West Bengal	16.12.2008	16.03.2010	132.70	45.00	Under Construction

ANNEXURE REFERRED IN REPLY TO PART (e) OF LOK SABHA UNSTARRED QUESTION NO.2697 FOR 15TH DECEMBER, 2015 REGARDING EMPLOYMENT IN FPI

Fiscal Incentives for Food Processing Sector

From time to time, Government of India has announced a number of fiscal incentives for promoting investment in food processing sector. The major incentives given by the Government as under:-

Income Tax: Deduction in Expenditure:

Under Section 35-AD of the Income tax Act 1961, deduction for expenditure incurred on investment is allowed if this investment is wholly and exclusively for the purpose of any specified business (Details given below). However, this deduction is allowed only for the investment made in the previous year and prior to commencement of its operations.

- <u>Businesses allowed 150% deduction</u> (provided the taxpayer has commenced its business on or after 01.04.2012)
- Setting up and operating a cold chain facility
- Setting up and operating warehousing facility for storage of agricultural produce

Business allowed 100% deduction

- Bee-keeping and production of honey and beeswax
- Setting up and operating a warehousing facility for storage of sugar
- For generating more employment, an amendment regarding eligibility threshold of minimum 100 workmen is proposed to be reduced to fifty is made in the provisions of section 80JJAA of the Income-tax act

Deduction of Tax from profit:

Under Section 80 IB(11A) of the Income Tax Act, 1961, new units (i.e. not formed by splitting up or by way of reconstruction of an existing business) in the business of processing, preservations and packaging of fruits or vegetables, meat & meat product, poultry, marine or dairy products are permitted to claim deduction from Income tax.

This tax incentive is available as 100% tax exemption for the first 5 years' of operation, and after that, at the rate of 25% of the profits being exempted from tax; 30% in case of a company. This benefit is available only for ten years provided that such business had commenced on or after 1.04.2001.

If any business relating to meat, meat products, poultry, marine products or dairy products has started after 1.4.2009, the above benefits would be available, but not to the units operating in such business before 01.04.2009.

Service Tax

Negative List:

Under Finance Act, 1994, Service Tax is not leviable on items contained in the Negative List. These services are as follow:

Services including processes carried out at an agricultural farm including tending, pruning, cutting, harvesting, drying, cleaning, trimming, sun drying, fumigating, curing, sorting, grading, cooling or bulk packaging and such like operations which do not alter the essential characteristics of agricultural produce but make it only marketable for the primary market.

Exempted Category:

Ministry of Finance vides notification dated 20th June 2012 has given exemption of Service Tax for following services:-

• Construction, Erection, Commissioning or installation of original works pertaining to post-harvest storage infrastructure for agricultural produce including Cold storages for such purposes.

- Mechanized Food grain handling system, machinery or equipment for units processing agricultural produce as food stuff excluding alcoholic beverages; and
- Services of Loading, unloading, packing, storage or warehousing of agricultural produce.
- Services of pre-conditioning, pre-cooling, ripening, waxing, retail packing, labeling of fruits and vegetables are being exempted.
- Services by way of transportation by rail or a vessel and by a goods transport agency used for transportation of agricultural produce and <u>food stuff</u> including flours, rice, pulses, tea, coffee, jaggery, sugar, milk, milk products, salt and edible oil, excluding alcoholic beverages.

Customs Duty

Government has extended Project Imports' benefits to the following projects:

- Projects for the installation of mechanized food grain handling systems and pallet racking systems in 'Mandis' and Warehouses for food grains and sugar;
- Cold storage, cold room (including for farm level pre-cooling) or industrial projects for preservation, storage or processing of agricultural, apiary, horticultural, dairy, poultry, aquatic and marine produce and meat.

Consequently, all goods related to Food Processing, imported as part of the project, irrespective of their tariff classification, would be entitled to uniform assessment at concessional basic customs duty.

Customs duty on Hazelnuts has been reduced from 30% to 10%. (Ref. Notification No 12/2013-Customs dated 1.3.2013)

• Customs Duty on De-hulled Oat grains has been reduced from 30% to 15%. (Ref. Notification No 12/2013-Customs dated 1.3.2013)

Central Excise Duty

Food Products:

In order to promote food processing industry, the Government has given concessions in Central Excise Duty from time to time. Duty structure of some of the processed food items are as under:-

- Nil Duty in Milk, Milk Products (Chapter 4), Vegetables (Chapter 7), Nuts and Fruits, fresh & Dried (Chapter 8).
- As against standard excise rate of 12%, Processed Fruits & Vegetables (Chapter 20) carries a merit rate of 2% without CENVAT or 6% with CENVAT.
- Soya Milk Drinks, Flavoured Milk of Animal origin also carries a duty of 2% without CENVAT or 6% with CENVAT.

Food Processing Machineries:

- All refrigeration machineries and Parts used for installation of cold storage, cold room or refrigerated vehicle, for the preservation, storage, transport or processing of agricultural, apiary, horticultural, dairy, poultry, aquatic and marine produce and meat are exempted from Excise Duty.
- Pasteuring, drying, evaporating, etc machinery used in Dairy sector is exempted from Excise Duty.
- Excise duty on machinery for the preparation of meat, poultry, fruits, nuts or vegetables and on presses, crushers and similar machinery used in the manufacture of wine, cider, fruit juices or similar beverages and on packing machinery is reduced from 10% to 6%.