



सत्यमेव जयते

**GOVERNMENT OF INDIA**

**OUTCOME BUDGET**

**OF**

**MINISTRY OF FOOD PROCESSING INDUSTRIES**

**FOR**

**2013-14**



सत्यमेव जयते

GOVERNMENT OF INDIA

**OUTCOME BUDGET**

OF

**MINISTRY OF FOOD PROCESSING INDUSTRIES**

FOR

**2013-14**

# **OUTCOME BUDGET 2013-14**

**Demand No. - 46**

## **CONTENTS**

|   | <b>Page No.</b> |
|---|-----------------|
| <b>Executive Summary</b>  | <b>1 - 4</b>    |
| <b>Chapter - I Introduction</b>   | <b>5 - 17</b>   |
| <b>Chapter - II Statement of Outcome Budget of Six Plan Schemes Implemented by the MFPI</b> | <b>18 - 27</b>  |
| <b>Chapter - III Reform Measures &amp; Policy Initiatives</b>                               | <b>28 - 35</b>  |
| <b>Chapter - IV Schemes wise Physical Performance</b>                                       | <b>36 - 67</b>  |
| <b>Chapter - V Financial Review During 2010-11, 2011-12 &amp; 2012-13 (upto 31.12.2012)</b> | <b>68 - 77</b>  |
| <b>Chapter - VI Review of Performance of Statutory and Autonomous Bodies</b>                | <b>78 - 91</b>  |

**Outcome Budget 2013-14**  
**Demand No. – 46**  
**Ministry of Food Processing Industries**

**Executive Summary**

The Outcome Budget of the Ministry of Food Processing Industries for 2013-14 (which is based on the experience gained in during 11th Five Year Plan and feedback received from various stakeholders) comprises of six Chapters.

**Chapter – I** describes the Mandate, Goals & Objectives, Role and Policy Framework of Plan Schemes of the Ministry. The Ministry deals with processing including grading, sorting & packaging of fruit & vegetables, food-grains, dairy, poultry, meat, fish and other agricultural or horticultural produce for value addition and enhancing shelf life of products. It acts as a catalyst for bringing in greater investment into food processing sector and creating an enabling environment for healthy growth of this sector. The Ministry provides the policy support to promote growth of food processing sector in India. Two Boards, namely, National Meat & Poultry Processing Board (NMPPB) and Indian Grape Processing Board (IGPB) have been set up for promotion of meat & poultry and to foster sustainable development of Indian Wine sector respectively. It also takes developmental initiatives such as providing financial assistance, widening research & development, creating human resource development and provides grants to Organizations/ Institutions for setting up of food testing laboratories. Indian Institute of Crop Processing Technology (IICPT) and National Institute of Food Technology Entrepreneurship and Management (NIFTEM) are autonomous institutions under the administrative control of Ministry of Food Processing Industries. In addition to these functions, it provides financial assistance for organizing workshops, seminars, exhibitions & fairs and carrying out studies, surveys & publications. The Ministry has been operating several Plan Schemes for development of food processing industries. One of the Schemes viz. Scheme for Technology Upgradation/ Establishment/ Modernization of Food Processing Industries is a continued Scheme from 10th Five Year Plan and the remaining are now in operation in a restructured form during 11th Five Year Plan, to address the issues of Supply Chain Management, financial assistance and skill development, entrepreneurship, Institutional Development and providing a policy environment which stimulates

growth. In the 12th Plan, these Schemes will continue and a new Scheme of National Mission on Food Processing (NMFP) will operate as Centrally Sponsored Scheme. Approved outlay for Annual Plan 2013-14 is ₹ 708.00 crore.

**Chapter – II** is regarding the details of Outcome Budget in respect of the six Plan Schemes being implemented by the Ministry of Food Processing Industries. The Schemes are 1) Scheme for Infrastructure Development, 2) Scheme for Technology Up-gradation / Establishment / Modernization of Food Processing Industries, 3) National Mission on Food Processing (Centrally Sponsored Scheme), 4) Scheme for Quality Assurance, Codex Standards, Research & Development and other Promotional Activities, 5) Scheme for Human Resource Development and 6) Scheme for Strengthening of Institutions which include NIFTEM, IICPT, NMPPB & IGPB. Non-Plan & Plan outlay for 2013-14 is ₹ 11.11 crore & ₹ 708.00 crore respectively, out of which ₹ 70.80 crore is earmarked for North-Eastern States.

**Chapter – III** is regarding reform measures and policy initiatives taken by the Ministry. Several policy initiatives have been taken to promote growth of processed food sector. Some of the tax relief / reforms for speedy growth of this sector are bringing down excise duty on processed fruit & vegetables to zero level, granting income-tax holiday and other concessions for certain food processing industries and several promotional and tax relief measures in the Budget 2010-11 & 2011-12. National Institute of Food Technology Entrepreneurship and Management (NIFTEM) at Kundli, Haryana has been approved by the Government and the academic session has commenced from 16-08-2012. The Scheme for Infrastructure Development is being restructured with enhanced financial assistance in respect of its 3 components viz. - Mega Food Park, Cold Chain, Value Addition & Preservation Infrastructure and Establishment & Modernization of Abattoirs. Steps have been taken continuously to bring simplification, transparency and e-governance.

**Chapter – IV** relates to Scheme-wise physical performance. Under the Scheme for Infrastructure Development during 10th Five Year Plan, 56 food parks, 1 packaging centre, 5 value added centres, 1 abattoir, 5 irradiation facilities have been financially assisted. In 11th Five Year Plan, the Scheme for Infrastructure Development has been revamped to provide enhanced financial assistance. During 2012-13, grants-in-aid of ₹ 62.75 crore has been released (under Mega Food Park Scheme) and ₹ 52.59 crore to 15 cold

chain projects upto 31.12.2012. Under the Scheme for Technology Upgradation / Establishment / Modernization of Food Processing Industries, ₹ 99.32 crore has been disbursed to 645 units up to 31.12.2012 during 2012-13. Under the Scheme for Quality Assurance, Codex Standard, Research & Development & Promotional Activities, ₹ 31.63 crore have been utilized during 2011-12 and ₹ 20.656 crore during 2012-13 upto 31.01.2013. Under the Scheme for Human Resource Development, ₹ 13.63 crore have been utilised during 2011-12 and ₹ 3.79 crore during 2012-13 upto 31.01.2013. Under the Scheme for Strengthening of Institutions, ₹ 115.55 crore have been utilised during 2011-12 and ₹ 40.00 crore during 2012-13 upto 31.12.2012. Variations in physical performance are due to the fact that the Schemes operated by the Ministry are project oriented, not state or community or area specific and, thus, grant of financial assistance provided is based on viable proposals. This includes ₹ 100.00 crore released for setting up of NIFTEM during 2011-12 and ₹ 40.00 crore during 2012-13 upto 31.12.2012 for infrastructure development of NIFTEM campus.

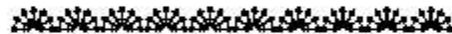
**Chapter – V** pertains to financial review during 2010-11, 2011-12 & 2012-13 (up to 31.12.2012) indicating the trend of expenditure vis-a-vis Budget Estimates / Revised Estimates / Actual Expenditure during 2010-11, 2011-12 & 2012-13 (up to 31.12.2012). It also indicates the details of Budget Estimates for 2013-14 amounting to Plan ₹ 708.00 crore and Non-Plan ₹ 11.11 crore. It has brought out the details of Outstanding Utilization Certificates in respect of grants-in-aid released up to 31.3.2011, Unspent Balances with State governments and unspent balance with implementing agencies as on 31.12.2012

**Chapter – VI** relates to review of performance of statutory and autonomous bodies under administrative control of Ministry of Food Processing Industries. The Indian Institute of Crop Processing Technology (IICPT), formerly Paddy Processing Research Centre, at Thanjavur, Tamil Nadu is an autonomous body. Revised mandate of upgraded institute will include conducting basic, applied and adoptive research, education and training in the area of post harvest processing of crops of wetlands, flood and storm prone regions and for information on post production systems of mandated crops, undertake transfer of technology, consultancy and analytical services for raw and processed agricultural commodities, establish linkages with related processing industries and other academic as well as R&D institutions for achieving its goals effectively.

Government has set up the National Institute of Food Technology Entrepreneurship & Management (NIFTEM) at Kundli, Haryana as an international centre of excellence, which will work synergistically with the industry and similar institutions within India and outside. The Institute has been granted Deemed University status under de-novo category by the Government on 08-05-2012. The first academic session has commenced from 16-08-2012 and the Institute is offering courses in B.Tech (Food Technology and Management) and M.Tech.

The Ministry has set up two Boards, namely, National Meat & Poultry Processing Board (NMPPB) and Indian Grape Processing Board (IGPB) to oversee the growth & promotion of meat & poultry and to foster sustainable development of Indian wine sector respectively.

The Ministry on a monthly basis reviews regularly to see that there is no major slippage in the physical and financial targets. Periodic meetings are held with the State Nodal Agencies to review the progress and pendency of the cases. All information from the stage of receipt of applications to the stage of disbursement of grants-in-aid are computerised to enable regular monitoring of expenditure details as well as status of processing of various applications for grants-in-aid / assistance from the Ministry under various Plan Schemes. Information of the status of processing of applications is also made available on the website of the Ministry for public. Independent Agencies are also engaged to carry out evaluation study of all the projects assisted by the Ministry.



**Outcome Budget 2013-14**  
**Demand No. – 46**  
**Ministry of Food Processing Industries**

**Chapter - I**

**1.0 Introduction**

- 1.1 Food processing involves any type of value addition to agricultural or horticultural produce and also includes processes such as grading, sorting, packaging etc. which enhances shelf life of the produce. The Industry provides vital linkages and synergies between industry and agriculture.

The Ministry of Food Processing Industries (MFPI) was set up in July 1988 to give an impetus to development of food processing industries in the country. Subsequently vide Notification No. Doc. CD-442/99 dated 15.10.99, this Ministry was made a Department and brought under the Ministry of Agriculture. It was again notified as the Ministry of Food Processing Industries vide Cabinet Secretariat's Note No. 1/22/1/2001-Cab. (1) dated 06.09.2001.

**1.2 Mandate of the Ministry:**

The subjects allocated to the Ministry are as under:-

1. Fruit and vegetable processing industry (including freezing and dehydration)
2. Food-grain milling industry
3. Processing & refrigeration of certain agricultural products like milk powder, infant milk food, malted milk food, condensed milk, ghee and other dairy products, poultry and eggs, meat & meat products.
4. Processing of fish (including canning and freezing)

5. Planning, development and control of, and assistance to, industries relating to bread, oilseeds, meals (edible), breakfast foods, biscuits, confectionery (including cocoa processing and chocolate making), malt extract, protein isolate, high protein food, weaning food and extruded food products (including other ready-to-eat foods).
6. Beer, including non-alcoholic beer.
7. Alcoholic drinks from non-molasses base.
8. Aerated water and soft drinks.
9. Specialized packaging for food processing industries
10. Establishment and servicing of the Development Councils for fish processing industries.
11. Technical assistance and advice to fish processing industries.

### **1.3 Goals & Objectives of the Ministry**

A major issue facing the country is how to ensure remunerative prices to the farmers for their produce. The issue could be addressed to an extent, if the surplus production of cereals, fruits, vegetables, milk, fish, meat and poultry etc. are processed and marketed both inside and outside the country. A strong and dynamic food processing sector plays a vital role in diversification and commercialization of agriculture, enhances shelf life, ensures value addition to the agricultural produce, generates employment, enhances income of farmers and creates markets for export of agro foods. The Ministry of Food Processing Industries is concerned with formulation and implementation of the policies & plans for the food processing industries within the overall national priorities and objectives. The Ministry acts as a catalyst for bringing in greater investment into this sector, guiding and helping the industry, and creating a conducive environment for healthy growth of the food processing industry. Within these overall objectives, the Ministry aims at:

- Better utilization and value addition of agricultural produce.
- Minimizing wastage at all stages in the food processing chain by development of infrastructure for storage, transportation and processing of agro-food produce.

- Induction of modern technology into the food processing industries.
- Encouraging R&D in food processing for product & process development.
- Providing policy support, promotional initiatives and facilities to promote value added exports.

#### **1.4 Role of the Ministry**

The functions of the Ministry can be broadly classified under policy support, developmental activities and regulatory functions as follows:

##### **1.4.1. Policy Support**

- a) Formulation and implementation of policies for food processing industries within overall national priorities and objectives.
- b) Facilitating creation of a conducive environment for healthy growth of the food-processing sector.
- c) Promoting rationalization of tariffs and duties relating to food processing sector.

##### **Policy Initiatives:**

Several policy initiatives have been taken from time to time to promote growth of the processed food sector in the country. Some of these are:

- a) Most of the processed food items have been exempted from the purview of licensing under the Industries (Development & Regulation) Act, 1951, except items reserved for small-scale sector and alcoholic beverages.
- b) Automatic approval for foreign equity upto 100% is available for most of the processed food items excepting alcohol and beer and those reserved for small scale sector subject to certain conditions.

## 1.4.2. Fiscal incentives for the promotion for the Food Processing sector

### Income Tax relief:

- (i) Section 80-IB of the Income Tax Act, 1961 deals with some deductions in respect of profits and gains from certain industrial undertakings related to Food Processing Industries. The scope of deduction has been expanded over the years. As per the latest provision in the Income Act, 1961 an assessee shall be allowed a deduction from of an undertaking deriving profit from the business of processing, preservation and packaging of fruits or vegetables or meat and meat products or poultry or marine or dairy products and the integrated business of handling, storage and transportation of food grains, shall be 100 per cent of the profits and gains derived from such undertaking for five assessment years beginning with the initial assessment year and thereafter, 25 per cent (or 30 per cent in the case of a company) of the profits and gains derived from the operation of such business in a manner that the total period of deduction does not exceed ten consecutive assessment years and subject to fulfilment of the condition that it begins to operate such business on or after the 1st day of April, 2001.
- (ii) Deduction is permitted for expenditure incurred on investment in capital for setting up of Food Processing related items. Under section 35-AD of Income Tax Act, 1961, an assessee shall be allowed a deduction in respect of the whole of any expenditure of capital nature incurred, wholly and exclusively, for the purposes of any 'Specified Business' carried on by him during the previous year in which such expenditure is incurred by him provided that the expenditure incurred, wholly and exclusively, for the purposes of any specified business, shall be allowed as deduction during the previous year in which he commences operations of his specified business, if -
  - (a) The expenditure is incurred prior to the commencement of its operations; and
  - (b) The amount is capitalized in the books of account of the assessee on the date of commencement of its operations.

*Deduction under the aforesaid section is allowed of an amount equal to one and one-half times i.e. 150 per cent of the expenditure referred to therein w. e. f. 1.4.2013.*

The specified business defined with regard to Food Processing Industries includes:

- (a) Setting up and operating a cold chain facility;
- (b) Setting up and operating a warehousing facility for storage of agricultural produce;
- (c) Bee-keeping and production of honey and beeswax;
- (d) Setting up and operating a warehousing facility for storage of sugar;

Further, 'cold chain facility' has been defined to mean a chain of facilities for storage or transportation of agricultural and forest produce, meat and meat products, poultry, marine and dairy products, products of horticulture, floriculture and apiculture and processed food items under scientifically controlled conditions including refrigeration and other facilities necessary for the preservation of such produce.

**Service Tax :**

**Exempted categories :** Service Tax exemption has been provided for services relating to:

- (a) Construction, Erection, Commissioning, or installation of original works pertaining to post-harvest storage infrastructure for agricultural produce including Cold storages for such purposes.
- (b) Mechanized Food grain handling system, machinery or equipment for units processing agricultural produce as food stuff excluding alcoholic beverages; and
- (c) Services provided by a goods transport agency by way of transportation of fruits, vegetables, eggs, milk, food grains or pulses in a goods carriage.
- (d) Services of Loading, unloading, packing, storage or warehousing of agricultural produce are not liable to Service tax.

*(Ref. Service Tax notification No. 25/2012-Service Tax dated 20th June 2012 issued under Section 93 Chapter V of the Finance Act, 1994- Power to grant exemption from service tax.)*

**Negative List:** Services relating to agriculture included in the "Negative list" are not levied service tax. These services include 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.

*(Ref. Section 66 D(d) (iii) Chapter V of the Finance Act, 1994)*

**Custom Duty:**

(i) Project Imports' is an Indian innovation to facilitate setting up of and expansion of Industrial projects. The Project Import Scheme seeks to achieve the objective of simplifying the assessment in respect of import of capital goods and related items. Project Imports' benefits have been extended to the following projects:

- (a) Projects for the installation of mechanized food grain handling systems and pallet racking systems in 'Mandis' and Warehouses for food grains and sugar.
- (b) 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 of 5 %.(Ref. Notification No 12/2012 dated 17.3.2012)

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

- (i) Some processed foods items like sauces, ketchup, ready to eat food products milk containing nuts with edible sugar, flavored milk attract a concessional rate of 2% of duty subject to non-availment of Cenvat credit or 5% with Cenvat credit.
- (ii) Excise Duty has been reduced from 10% to 6% on processed food products of soya.
- (iii) Nil Excise Duty on Conveyer belt system used in cold storage facilities for the preservation, storage, transport or processing agriculture, apiary, horticulture, dairy, poultry, aquatic and marine produce and meat, Mandis and warehouses, Milking machines and dairy machinery.
- (iv) Nil Excise Duty on machines for cleaning, sorting or grading seed, grain or dried leguminous vegetables, machinery used in the milling industries or for the working of cereals or dried leguminous vegetables other than farm type machinery. Machinery for flour mill, rice mill and parts of these machinery.
- (v) Excise duty on "Tapioca Starch manufactured and captively consumed within the factory of their production, in the manufacture of Tapioca Sago (Sabudana)" and excise duty on Tapioca Sago (Sabudana) has been reduced to nil in the Budget 2013-14. (Notification No 12/2013-Central Excise 1.3.2013)

**1.4.3. Developmental Initiatives:**

- a) Assistance under various plan schemes.
- b) Widening the R&D base in food processing by involvement of various R&D institutes and support to various R&D activities.
- c) Human Resource Development to meet the growing requirement of managers, entrepreneurs and skilled workers in the food processing industry.

- d) Assistance for setting up analytical and testing laboratories, active participation in the laying down of food standards and their harmonization with the international standards.
- e) Ministry has set up a national level institute called National Institute of Food Technology Entrepreneurship and Management (NIFTEM) at Kundli in Haryana at an estimated cost of ₹ 479.94 crore as an international centre of excellence, which will work synergistically with the industry and similar institutions within India and outside. The Institute has been granted Deemed University status under *de-novo* category by the Government on 08-05-2012. The first academic session has commenced from 16-08-2012. The Institute is offering courses in B.Tech (Food Technology and Management) and M.Tech.
- f) Two Boards, namely, National Meat & Poultry Processing Board (NMPPB) in New Delhi and Indian Grape Processing Board (IGPB) at Pune have been set up for promotion of meat & Poultry and grape processing industry respectively in the country.

#### **1.4.4 Promotional Initiatives:**

In order to create awareness about the potential and prospect of food processing industry in the country, this Ministry provides assistance for:

- a) Organizing workshops, seminars, exhibitions and fairs.
- b) Studies/surveys etc.
- c) Publications- Advertising and Publicity

#### **1.5 Plan Schemes of MFPI – Policy framework:**

A strong and dynamic food processing sector plays a significant role in diversification of agricultural activities, improving value addition opportunities and creating surplus for export of agro-food products. This requires policies and plans for improvement of food processing infrastructure including upgradation of technology and enforcement of quality standards, promoting investment in food processing, thus assisting in domestic market and export growth.

The Ministry of Food Processing Industries has accordingly been operating several Plan Schemes for development of processed food industry. Taking into account the recommendations of the Working Group constituted by the Planning Commission, the constraints faced by the industry, the need to accelerate growth of the sector and the priority status accorded to food processing industry by Government, the Ministry of Food Processing Industries stepped up operation of several Plan Schemes and modified some of them for implementation in 11th Plan to achieve higher value addition.

#### **1.5.1 12th Plan Proposals:**

The Ministry has reviewed the performance of 11th Plan Schemes and based on the review and keeping the objectives and priorities of the policy support, the Ministry prepared its proposals for 12th Plan 2012-2017. In the proposals submitted to the Planning Commission, some of the schemes under Eleventh Five Year Plan will be continued in 12th Five Year Plan and others restructured with appropriate management/implementation arrangements have been proposed to be with strong Project Implementation capabilities and enhanced financial assistance. The new integrated approach not only addresses issue of financial assistance but also issues such as skill development, entrepreneurship, Institutional Development, providing a policy environment which stimulates growth. The guiding principles are decentralized implementation & greater role of States.

#### **1.5.2 Core elements of the proposed strategy are:**

- Better project selection, development and implementation.
- Decentralized cluster based development, particularly for creation of infrastructure and fostering linkages to retail outlets.
- Industry led capacity building and upgradation of standards.
- Strategic intervention with redesigned schemes and strong implementation arrangements at the following points.
- Importantly, the Ministry has to be strengthened appropriately, to meet the challenges in implementing various new initiatives proposed for energizing the food processing sector in the country.

The priority areas identified for intervention therefore are:

- Infrastructure development.
- The food park scheme implemented during 9th & 10th Five Year Plans has been modified for implementation in 11th Five Year Plan into a Scheme for setting up Mega Food Park.
- Establishment of new and Modernization of existing Abattoirs.
- Cold Chain, Value Addition and Preservation infrastructure (Cold storages, Reefer vans etc.).
- Research and development – Products, Technology, Quality and Skills.
- Capacity Building – Human Resource Development, Research & Development, Quality, Safety, Related Infrastructure.
- NIFTEM (National Institute of Food Technology, Entrepreneurship and Management) to be developed as an International Centre of Excellence.
- Modernization of Indian Institute of Crop Processing Technology (IICPT) formerly PPRC, Thanjavur.
- National Meat and Poultry Processing Board to evolve standards of hygiene and quality, support R&D, organize capacity building & policies for meat & poultry sector.
- Development of Indian Wine Sector through Indian Grape Processing Board.
- Implementation of National Mission on Food Processing (NMFP) as a Centrally Sponsored Scheme

A most significant initiative being proposed during 12th Plan is launching of a National Mission on Food Processing (NMFP). This would be decidedly a paradigm shift in the Ministry's approach and is driven by the need to make food processing truly a national initiative. It is also fully realized that unless State Governments become implementing agencies of Ministry's various schemes and programmes, there would remain a limitation on size and depth of Ministry's

programmes. The success achieved by initiatives like National Horticulture Mission also suggests that Ministry may adopt a similar approach to reach farmers and small entrepreneurs. The SMEs account for large majority of food processors in the country. The Ministry's decision to propose NMFP is thus guided by twin principles of Decentralization and Outreach.

### **1.5.3 Salient features of Schemes**

Based on the review of 11th Plan Schemes, the following existing Schemes are being continued under the 12th Plan with or without modifications. However, certain components under some of the Schemes were merged or discontinued as follows:

- The components of Packaging Centre, Cold Chain Facilities, Value Added Centres and Irradiation Facilities under the Scheme of Infrastructure Development have been merged into a single component.
- The revised Infrastructure Development Scheme envisages backward and forward integration in the implementation of components such as Mega Food Parks and Cold Chain Facilities, etc.
- Mega Food Park component aims at providing a mechanism to bring together farmers, processors and retailers and link agricultural production to market so as to ensure maximization of value addition, minimization of wastages and improving farmer's income. The primary objective of the scheme is to facilitate establishment of an integrated value chain with processing at the core and supported by requisite forward and backward linkages. Government has approved all the 30 Mega Food Park Projects envisaged in 11th Plan period. Implementation status has been given at annexure.
- Scheme for Upgradation of Quality of Street Food has been discontinued in 12th Plan.

Details of approved outlay for Annual Plan 2011-12, 2012-13 & 2013-14.

(₹ in Crore)

| S. No. | Scheme/Programme  | Outlay for Annual Plan 2011-12 (BE) | Outlay for Annual Plan 2012-13 (BE) | Outlay for Annual Plan 2013-14 (BE) |
|--------|---|-------------------------------------|-------------------------------------|-------------------------------------|
| 1      | 2   | 3                                   | 4                                   | 5                                   |
| 1      | Scheme for Infrastructure Development (including Mega Food Parks / Setting up New/Modernization of existing Abattoirs, Cold chain facilities) | 300.00                              | 191.00                              | 247.00                              |
| 2      | Scheme for Technology Upgradation/Establishment/ Modernization of Food Processing Industries  | 98.00                               | 100.00                              | 160.00                              |
| 3      | Scheme for Upgradation of Quality of Street Food  | 5.00                                | Not approved                        | --                                  |
| 4      | Scheme for Quality Assurance, Codex Standards, Research & Development and other Promotional Activities  | 45.00                               | 35.00                               | 35.00                               |
| 5      | Scheme for Human Resource Development   | 15.00                               | 4.00                                | 4.00                                |
| 6      | Scheme for Strengthening of Institutions (including NIFTEM & IICPT)   | 137.00                              | 80.00                               | 75.00                               |
| 7      | National Mission on Food Processing (NMFP)  | -----                               | 250.00                              | 187.00                              |
|        | <b>Total</b>  | <b>600.00</b>                       | <b>660.00</b>                       | <b>708.00</b>                       |

#### **1.5.4 Status and Growth of FPI Sector:**

India is a leading producer of milk, pulses, rice, wheat and various fruits and vegetables. Despite this, there is a major concern that due to inadequate processing facilities, there is significant waste of agricultural produce at the farm gate. India's export of food in global trade is around 2%

Food processing industry is facing constraints like non-availability of adequate infrastructural facilities, lack of adequate quality control & testing infrastructure, inefficient supply chain, lack of processable varieties of farm produce, seasonality of raw material, high inventory carrying cost, high taxation, high packaging cost, affordability and cultural preference of fresh food.

Government is committed to enhance industrial growth and put it on a robust footing. Government is actively encouraging investment in agro processing industries to reduce wastage and encourage value addition. Accordingly, for giving a boost to FPI sector, Government has initiated several measures besides tax concessions as per details given in Chapter-III.



## Chapter - II

### 2.0 Details of Outcome Budget of Plan Schemes to be implemented by MFPI, their objectives, tentative outlays, outcomes etc. are as under: -

| S. No. | Name of Scheme/ Programme (Plan)      | Objective/ Outcome   | Tentative Outlay 2013-14 (₹ In crore) |                        |                                  | Quantifiable Deliverables/ Physical outputs                                     | Projected Budgeted Outcomes (intermediate/ partial & final)  | Processing Timelines  | Remarks/ Risk Factors   |
|--------|---------------------------------------|--|---------------------------------------|------------------------|----------------------------------|---|--|---|---|
|        |                                       |  | (i)                                   | (ii)                   | (iii)                            |   |  |   |   |
| 1      | 2                                     | 3  | Non Plan Budget                       | Plan Budget            | Outlay earmarked for N.E. States | 5   | 6  | 7   | 8   |
| 1      | Scheme for infrastructure Development | Assist in creation of infrastructure for FPI Sector :<br>- Mega Food Park<br>-Cold Chain Infrastructure<br>-Setting up New/ Modernization of Abattoirs | -----<br>116.00<br>100.00<br>31.00    | 20.00<br>10.00<br>2.00 |                                  | Mega Food Park-30<br>Integrated cold chain facilities-62<br>Modern Abattoirs-10 | <b>Mega Food Park-</b><br>This will address the issues of small farm size and small and medium nature of processing industries through a cluster approach with stakeholders managing the supply chain. | Implementat ion on time depends upon land availability, finance and other logistic support. | Out of 30 abattoirs projects, 13 have been accorded final approval and 17 in principle approval. 62 cold chains, 10 abattoirs are targeted for approval / part assistance during the year |

| 1 | 2 | 3 | 4 |  |  | 5 | 6  | 7   | 8  |
|---|---|---|---|--|--|---|--|---|--|
|   |   |   |   |  |  |   | <p><b>Cold Chain</b> - This will enable linking groups of producers to the processors and market through well-equipped supply chain and cold chain infrastructure. Private investment of around ₹898 crore shall be attracted as against the proposed grant of ₹470 crore.</p> <p><b>Abattoirs</b> - This will enable scientific and hygienic slaughtering of animals and application of modern technology for Slaughter Waste Management and Pollution Control. Also better hygiene, safety and Retail Cold Chain Management.</p> | About 18-24 months from the date of issue of the approval letter for financial support. | Scheme of integrated cold chain, value addition and preservation infrastructure for non-horticulture products has been merged as one of the components of new centrally sponsored scheme – National Mission on Food Processing (NMFP) proposed to be implemented during 12th Plan. |

| 1 | 2  | 3   | 4     |                           | 5     | 6  | 7  | 8  |
|---|--|---|-------|---------------------------|-------|--|--|--|
| 2 | Scheme for Technology Up-gradation, Establishment/ Modernization of Food Processing Industries | Assist up-gradation/modernization/ establishment of FPI units.  | ----- | 160.00                    | 15.29 | More than 600 food processing units will be assisted | With a view to provide improvement of processing capabilities, implementation of the Scheme is through a decentralized approach. The applicants are advised to submit their applications for assistance to the Banks/PLIs, who process the application for release of grant by MFPI. | Depends on availability of agri-raw material and other logistic support. |
| 3 | Scheme for Upgradation of Quality of Street Food   | To facilitate adherence to safety standards for food items being sold by street vendors.<br>To promote clean and good sanitary food service, to upgrade quality, taste and safety of street food. | ----- | Discontinued in 12th Plan |       |  |  |  |

| 1 | 2  | 3   | 4     |       | 5    | 6  | 7   | 8  |   |
|---|--|---|-------|-------|------|--|---|--|---|
| 4 | Scheme for Quality Assurance, Codex Standards, Research & Development, & other Promotional Activities. | The Scheme aims at development of food testing laboratory infrastructure and facilitating research & development in the sector. | ----- | 35.00 | 3.00 | R&D projects -17<br><br>Lab -12<br>HACCP-7 | Products and process development improved packaging, value addition and leading to innovative products and processes, with commercial value. Better food testing infrastructure and awareness about food processing sector. | The R&D & FTL projects are approved following the due procedure of TSC and PAC approval. The R&D projects are approved for a period of two years and that for FTL for 18 months. | The approval of the R&D projects is contingent upon receipt of viable projects from University/ R&D Institutes/ State Govts./NGOs etc. The Scheme will be implemented through National Science & Engineering Research Board (NSERB) under DST. The Scheme of Food Testing Lab will be implemented through ICAR. |
| 5 | Scheme for Human Resource Development  | Assist development of appropriate manpower for FPI sector.  | ----- | 4.00  | 0.50 | Spillover liabilities of 11th Plan         | Enabling entrepreneurs to set up businesses. Availability of food technology courses for creating skilled manpower, trained manpower to enhance productivity and quality.   | Designing of course, training need analysis, procurement of trainers.  | Scheme of HRD has been merged as one of the components of new Centrally Sponsored Scheme – National Mission on Food Processing (NMFP) proposed to be implemented during 12th Plan.  |

| 1 | 2  | 3  | 4     |       | 5    | 6   | 7   | 8 |
|---|--|--|-------|-------|------|---|---|---|
| 6 | <p>Scheme for Strengthening of Institutions</p> <p>(i) IICPT (Indian Institute of Crop Processing Technology)</p> <p>(ii) NMPPB (National Meat &amp; Poultry Processing Board)</p> <p>(iii) IGPB (Indian Grape Processing Board)</p> <p>(iv) SNA's I/C IT &amp; Salaries</p> <p>(v) NIFTEM (National Institute of Food Technology Entrepreneurship &amp; Management)</p> <p>(vi) Sectt Economic Services</p> | <p>Assist the institutions engaged in promoting FPI Sector</p> <p>Knowledge Centre in Food Processing with emphasis on inter disciplinary research developing new products and processes, including innovative ideas to entrepreneurs etc.</p> | ----- | 75.00 | 0.01 | <p>Training in IICPT to 30000 persons</p> <p>NIFTEM to be hub of knowledge in food science, food processing, supply chain management and interface with global knowledge.</p> <p>IGPB &amp; NMPPB set up for promotion of hygienic meat &amp; poultry and promotion of wine in the country.</p> | <p>Training to be provided to 30000 persons.</p> <p>Payments under the scheme is made to State Nodal Agencies, IICPT, IGPB &amp; NMPPB on actual demand basis. Hence no other target.</p> |   |

| 1                  | 2                                   | 3 | 4     |               | 5            | 6   | 7   | 8 |  |
|--------------------|-------------------------------------|---|-------|---------------|--------------|---|---|---|--|
| 7                  | National Mission on Food Processing |   |       | 187.00        | 20.00        | Implementation of continuing components/ Schemes (as in 11th Plan).<br>New components/ Schemes (proposed in 12th Plan) *Scheme for creating PPCs/ Collection Centre in Rural areas.<br>*Scheme for Modernisation of Meat shops. | To assist the states in addressing both institutional and infrastructural gaps along the value chain and thus create efficient Supply Chain. Promote initiatives for Skill Development, training and entrepreneurship to meet needs of both post-harvest management & food processing industry. |   |  |
| <b>GRAND TOTAL</b> |                                     |   | ----- | <b>708.00</b> | <b>70.80</b> |   |   |   |  |

#### Explanations:

- Total Plan budget of ₹ 708.00 crore has been apportioned in Column 4(ii).
- Outlay earmarked for NE states under Column 4(iii) represents 10% of the Plan Budget Outlay given under column 4(ii).
- During 12th Plan, Scheme for Infrastructure Development has been modified with regard to enhanced financial assistance in the component of Scheme. The three components of Scheme are - Mega Food Park, Cold Chain/Value Addition & Preservation Infrastructure and Establishment of New / Modernization of Abattoirs and have the following objectives:
  - Provide state of the art infrastructure for food processing in the country on a pre-identified cluster basis.
  - Ensure value addition of agricultural commodities including poultry, meat, dairy, fisheries etc.
  - Establish a sustainable raw material supply chain for each cluster.

- Facilitate induction of latest technology.
  - Foster interagency linkages for pooling of resources for activities complementary to food processing.
  - Quality assurance through better process control and capacity building.
  - Address issues of small farm size and small and medium nature of processing industries through a cluster approach with stakeholders managing the supply chain.
- d) Under the Scheme for Human Resource Development (HRD) priority will be given for conducting EDPs for SC/ST and women candidates.

**e) National Institute of Food Technology Entrepreneurship and Management (NIFTEM)**  
**Mandate of the Institute**

NIFTEM would work as Sector Promotion Organisation of the food processing sector. Major objectives of NIFTEM drawn from its mandate are:

- Working as a "One Stop Solution Provider" to all the problems of the sector.
- Working for "Skill Development" and "Entrepreneurship Development" for the sector.
- Facilitating business incubation services with its ultra modern pilot plant for processing of fruit and vegetables, dairy, meat and grain processing.
- Conducting Frontier Area Research for development of the Sector.
- Developing world class managerial talent with advanced knowhow in food science and technology.
- Providing intellectual backing for regulations which will govern food safety and quality and at the same time foster innovation.
- Functioning as a knowledge repository on various aspects of food processing such as product information, production and processing technology, market trends, safety and quality standards, management practices among others.

- Working for Upgradation of SME food processing clusters.
- Promoting cooperation and networking among existing institutions within India and as well as with international bodies.

### **Outcome**

NIFTEM would play a pivotal role in increasing employment, generating income and integrating India with global trade. The Institute would thus catalyze the growth of the food processing sector leading to value addition of primary agriculture produce. This will in turn ensure remunerative prices to farmers, generate employment, reduce wastages leading to overall economic growth. The institute would contribute towards expansion of technology base in its field of endeavor through research, innovation in management theory and practices and new initiatives including active role in policy making in close coordination with Govt. in areas like setting of food standards and food testing lab.

The institute has started conducting short term training programmes from 2011-12 and has commenced 1st academic session 2012-13 from 16.08.2012 after the Deemed to be University status under *de novo* category was granted by UGC/ Ministry of HRD on 08.05.2012.

### **f) Indian Institute of Crop Processing Technology (IICPT), Thanjavur, Tamil Nadu**

Indian Institute of Crop Processing Technology (IICPT), formerly known as Paddy Processing Research Centre (PPRC), Thanjavur, is an autonomous organization under the administrative control of MFPI. It has been in existence for the last three decades. As other commodities such as millets, pulses and oil seeds were gaining importance, it was decided in 2001 to expand the mandate of this Institute to include the above commodities in its mandate also. In the Budget Speech of 2006-07, the Hon'ble Union Finance Minister announced the intention of the Government to upgrade PPRC to a National Institute. The status has since been upgraded to the level of a National Institute. The Institute is working in the areas of research, farmers & entrepreneurs' trainings, running Academic courses and establishing Food Testing Labs & Incubation Centers in the whole country.

Memorandum of Understandings (MOUs) have been signed between IICPT and various National and International Universities to facilitate a collaborative programme of research, training, curriculum, institutional development, information dissemination and exchange of faculty, students and staff which are as under:-

International Memorandum of Understanding with the following institutions: University of Nebraska, Lincoln, USA; Colorado State University, Colorado, USA; Illinois Institute of Technology, Chicago, USA; University of Manitoba, Winnipeg, Canada; University of Saskatchewan, Saskatoon, Canada; McGill University, Montreal, Canada; Saskatoon Pulse Growers Association, Saskatoon, Canada; Oklahoma State University, Oklahoma, USA; Kansas State University, Manhattan, USA.

National Memorandum of Understanding with the following institutions: Tamil Nadu Agricultural University, Coimbatore; Tamil Nadu Veterinary & Animal Sciences University, Chennai; University of Agricultural Sciences, Raichur; Marathwada Agricultural University, Parbhani; Pandit Jawarharlal Nehru College of Agriculture & Research Institute, Karaikal; Annamalai University, Tamil Nadu; Bharthidasan University, Trichy; Gandhigram Rural Deemed University, Tamil Nadu; Prist University, Thanjavur; Thassim Beevi Abdul Kader College For Women, Tamil Nadu; Karunya University, Tamil Nadu.

**(g) Indian Grape Processing Board (IGPB)**

To coordinate the efforts for promotion and development of wine industry in close association with industry, processors, wine grape growers and other stakeholders, the Union Cabinet in its meeting held on 2nd January 2009 gave its approval for establishment of the Indian Grape Processing Board under the Ministry of Food Processing Industries. The Board has been registered as a Society under the Societies Registration Act, 1860 and has Headquarters in Pune, Maharashtra that is close to the principal grape growing/processing areas in the country.

The main objective of the Board shall be to focus on Research and Development, extension, quality upgradation, market research and information, domestic and international promotion of wine industry. The Board will strive to foster sustainable development of the Indian wine industry and will formulate a vision and action plan for the growth of Indian

wine sector. The Board is expected to increase awareness and capacity building among farmers, processors, and other stakeholders resulting in increased productivity and reduced wastage and improved quality of grapes and wine conforming applicable standards.

The Board has participated in number of international as well as domestic fairs/exhibitions to create awareness about wines of India. Efforts have also been made to promote wines from other fruits to promote local economy of the region through this horti produce. India has now become the member of International Organization of Vine and Wine (OIV), Paris.

**(h) National Meat & Poultry Processing Board (NMPPB)**

The mandate to set up a National Meat & Poultry Processing Board is to oversee the growth and further promotion of meat and poultry sector in the country. This has been considered necessary because of a felt need for a focused intervention in meat and poultry sector. The proposed Board will inter alia, (i) suggest policies for healthy development of the sector, (ii) assist in setting up standards of hygiene and quality, (iii) support R&D and (iv) organize capacity building efforts.

The NMPPB has set up its first food testing laboratory in New Delhi which was inaugurated by former Hon'ble Minister for Food Processing Industries on 03-11-2010.



## Chapter - III

### **REFORM MEASURES AND POLICY INITIATIVES:**

#### **3.0 Policy Initiatives:**

#### **3.1. Several policy initiatives have been taken from time to time to promote growth of processed food sector in the country. Some of these are:**

- a) Most of the processed food items have been exempted from the purview of licensing under the Industries (Development & Regulation) Act, 1951, except items reserved for small-scale sector and alcoholic beverages.
- b) Food processing industries were included in the list of priority sector for bank lending in 1999.
- c) Automatic approval for foreign equity upto 100% is available for most of the processed food items excepting alcohol and beer and those reserved for small scale sector subject to certain conditions.

#### **3.2 National Institute of Food Technology Entrepreneurship and Management (NIFTEM), Kundli, Haryana**

- Government of India approved setting up of NIFTEM at an estimated cost of ₹ 479.94 Crore. HSIIDC has been paid ₹ 36.10 Crore for purchase of 100 acres of land at Kundli, Haryana. The possession of land was taken on 10.08.2007.
- NIFTEM was registered as a not-for-profit Company under Section 25 of the Companies Act, 1956 on 07.08.2007. Since the legal status of NIFTEM as a Company registered under Companies Act was creating hurdles in obtaining statutory recognitions from UGC and AICTE essentially required for running its degree courses and research activities, with the approval of Union Cabinet, NIFTEM was registered as a Society on 19.05.2010 under Societies Registration Act, 1860 to meet the requirement of UGC and AICTE, the assets and liabilities of NIFTEM Company has been transferred to NIFTEM Society and the process of winding up of NIFTEM Company initiated.
- The foundation stone of NIFTEM Campus was laid by Smt. Sonia Gandhi, Hon'ble Chairperson, UPA on 07.10.2007.

- An MOU with NBCC was signed on 31.10.2007 for design, architecture and construction of NIFTEM Campus. The construction of the building started w.e.f. July, 2008. The Institutional Buildings have almost been completed. One hostel block to accommodate 250 students with mess facility and residential complex has also been completed.
- NIFTEM has commenced conducting Short Term Training Programmes from July, 2011. The Institute has started its 1st academic session 2012-13 from 16.08.2012 of B.Tech. (Food Technology and Management) and 5 streams of M.Tech courses, after it was granted Deemed to be University status by Central Government, Ministry of Human Resource Development on 08.05.2012.

### **3.3 Scheme for Infrastructure Development :-**

#### **i) Mega Food Park**

A total of 30 projects have been sanctioned by the Government out of which final approval has been accorded to 13 projects which are at different stages of implementation. Based on the learning experience of implementation of Scheme, during 11th plan, it has been proposed to implement the scheme during the 12th Plan. These projects are being finalized.

#### **ii) Establishment of New / Modernization of existing Abattoirs :-**

During 11th plan, the Ministry had launched a comprehensive scheme for establishment of new / modernization of existing abattoirs across the country. The scheme provides for induction of private capital, better technology, backward and forward linkages. The financial assistance is provided subject to necessary approval, at 50% and 75% of the cost of plant & machinery and technical civil work in general and difficult areas, respectively subject to a maximum of ₹ 15.00 crore for each project.

A proposal for upscaling of the scheme has been approved to cover setting up of 25 new abattoirs and modernization of 25 existing abattoirs at a total project cost of ₹ 330.84 crore, inclusive of committed liabilities in respect of 8 on-going projects of 11th Plan.

The upscaling scheme will be implemented in the Central Sector for the first two years of the 12th Five Year Plan i.e 2012-13 and 2013-14. Thereafter, the Scheme for setting up of New/Modernization of Existing Abattoirs will be implemented through National Mission on Food Processing by the State Governments for the rest of the 12th Five Year Plan since most of the proposals are from the Municipal Bodies which are closely connected to the State Governments.

**iii) Cold Chain / Value Addition & Preservation Infrastructure :-**

The scheme envisages financial assistance in the form of grants-in-aid @ 50% of the total cost of plant and machinery and technical civil works in general areas and 75% for North Eastern Region and difficult areas subject to a maximum of ₹ 10.00 crore. 12th Plan outlay for the MFPI has been proposed as ₹ 5990.00 crore. Of this, ₹ 700 crore is for integrated cold chain infrastructure. Proposals for the 12th Plan are being finalized.

**3.4 Social Gender Empowerment :-**

A Gender Budget Cell under the chairmanship of a Joint Secretary has been created in the Ministry for inducting and effecting a change in the Ministry's policies and programmes in a way that could tackle gender imbalances, promote gender equality and development and could ensure that public resources through the Ministry's budget are allocated and managed accordingly.

Considering the need to understand the gender implications of food processing industries and its potential for improving livelihoods of women, Ministry conducted a study for suggesting an Integrated Gender Action Plan pertaining to Food Processing sector. The study report makes suggestions on various relevant issues including policy of the Ministry, Monitoring system to assess gender mainstreaming efforts, Gender Audit of the Policies of the Government, how to encourage the women SHGs to start their food processing units, points of convergence with the existing schemes of other Ministries/ Departments and Gender Budgeting etc.

**3.5 Institutional reforms :**

**(a) National Mission on Food Processing (NMFP)**

A most significant initiative being proposed during 12th Plan is launching of a National Mission on Food Processing

(NMFP). This would be decidedly a paradigm shift in the Ministry's approach and is driven by the need to make food processing truly a national initiative. It is also fully realized that unless State Governments become implementing agencies of Ministry's various schemes and programmes, there would remain a limitation on size and depth of Ministry's programmes. The success achieved by initiatives like National Horticulture Mission also suggests that Ministry may adopt a similar approach to reach farmers and small entrepreneurs. The SMEs account for large majority of food processors in the country. The Ministry's decision to propose NMFP is thus guided by twin principles of Decentralization and Outreach.

**(b) Decentralisation of Plan Scheme for Technology Upgradation/Expansion/Modernization of Food Processing Industries:**

Ministry has taken initiatives to make the industry / entrepreneurs aware through advertisements, organizing investors' meet and special meetings in NER. In so far as general areas are concerned, the Ministry has been reviewing the status with the focal point banks on quarterly basis. Ministry has also engaged an agency (CMI) to maintain the data and to have a track of the scheme. Under this arrangement, the details of all the pending applications alongwith their present status has been kept in the public domain on the website of the Ministry. Any applicant can find out current status of his application by clicking on to "<http://www.mofpi.nic.in>" e-portal status of applications OR "<http://cmi/mofpi/status>". Ministry has also posted a notice for ensuring transparency about policy being followed. This will be updated every month.

The food processing industry in India occupies a unique position in the Indian economy in terms of its potential for employment generation, increasing the farmers' income and export growth. With a view to provide for improvement of processing capabilities, the Scheme for Technology Up-gradation / Establishment / Modernization of Food Processing Industries, being implemented by the Ministry of Food Processing Industries (MFPI), has been decentralised for implementation through Banks and financial institutions w.e.f. 01.04.2007 to provide a thrust and wider coverage for food processing industries in the country and simultaneously decentralise the procedures for appraisal, grant of assistance and monitoring.

**Performance for the year 2010-11, 2011-12 and 2012-13 (as on 31.12.2012):-**

(₹ in lakhs)

| Year                | 2010-11      |                 | 2011-12      |                 | 2012-13      |                                    |
|---------------------|--------------|-----------------|--------------|-----------------|--------------|------------------------------------|
|                     | No. of cases | Amount released | No. of cases | Amount released | No. of cases | Amount Released (as on 31.12.2012) |
| Rice Milling        | 58           | 784.4           | 349          | 4351.7          | 361          | 4877.56                            |
| Pulse Milling       | 52           | 451.88          | 97           | 1119.4          | 25           | 318.78                             |
| Flour Milling       | 57           | 105.07          | 53           | 1157.6          | 10           | 168.64                             |
| Wine & Beer         | 24           | 362             | 12           | 300             | 1            | 25                                 |
| Oil Milling         | 20           | 455             | 113          | 1820.1          | 61           | 1051.37                            |
| F&VP Sector         | 133          | 2331            | 249          | 4164.1          | 54           | 1012.31                            |
| Consumer Industries | 114          | 2001            | 173          | 2889.8          | 87           | 1450.28                            |
| Fisheries           | 9            | 193.1           | 27           | 575.8           | 16           | 345.70                             |
| Dairy               | 67           | 1424.21         | 60           | 1192            | 26           | 448.17                             |
| Meat & Poultry      | 20           | 455.1           | 9            | 164.46          | 2            | 33                                 |
| <b>Total</b>        | <b>554</b>   | <b>8562.76</b>  | <b>1142</b>  | <b>17734.96</b> | <b>643*</b>  | <b>97.30*</b>                      |

\*excluding MM-IV

**(c) Simplification/Transparency & E-Governance:-**

- Check points/checklists have been prescribed for expediting approval of FPI projects.
- Time frame for clearing of projects prescribed.
- Standard format for examining projects circulated.
- Frequency of approval committee meetings increased.
- Guidelines prescribed, publicized and circulated to States.
- Regular meetings organized with stakeholders.
- Database on proposals in Ministry operationalized.
- Intra FPI developed for fast effective management of content and a common information platform. E-mail usage with States/firms introduced

**Statement of Budget Estimates 2013-14 (Plan) (as approved by Planning Commission)**  
**Ministry of Food Processing Industries**

(₹ in crore)

| S. No.   | Scheme/Programme   | Annual Plan 2012-13 (BE) |               | Outlay Earmarked for North-East 2012-13 (BE) | Annual Plan 2012-13 (RE) |               | Outlay Earmarked for North-East 2012-13 (RE) | Annual Plan 2013-14 (BE) |               | Outlay Earmarked for North-East 2013-14 (BE) |
|----------|--|--------------------------|---------------|--|--------------------------|---------------|--|--------------------------|---------------|--|
|          |  | Plan Outlay              |               |  | Plan Outlay              |               |  | Plan Outlay              |               |  |
|          |  | GBS                      | Total         |  | GBS                      | Total         |  | GBS                      | Total         |  |
| 1        | 2  | 3                        | 4             | 5  | 6                        | 7             | 8  | 9                        | 10            | 11   |
| <b>A</b> | <b>Central Sector Schemes</b>  |                          |               |  |                          |               |  |                          |               |  |
| 1        | Scheme for Infrastructure Development  | 191.00                   | 191.00        | 27.00  | 184.19                   | 184.19        | 24.74  | 247.00                   | 247.00        | 24.70  |
| 2        | Scheme for Technology Upgradation/Establishment/ Modernization of Food Processing Industries           | 100.00                   | 100.00        | 8.00   | 186.46                   | 186.46        | 13.00  | 160.00                   | 160.00        | 16.00  |
| 3        | Scheme for Quality Assurance, Codex Standards, Research & Development and other Promotional Activities | 35.00                    | 35.00         | 3.00   | 31.91                    | 31.91         | 2.75   | 35.00                    | 35.00         | 3.50   |
| 4        | Scheme for Human Resource Development  | 4.00                     | 4.00          | 0.50   | 4.00                     | 4.00          | 0.50   | 4.00                     | 4.00          | 0.40   |
| 5        | Scheme for Strengthening of Institutions (including NIFTEM & IICPT)                                    | 80.00                    | 80.00         | 0.50   | 68.12                    | 68.12         | 0.01   | 75.00                    | 75.00         | 7.50   |
|          | <b>Total A</b>   | <b>410.00</b>            | <b>410.00</b> | <b>39.00</b>                                 | <b>474.68</b>            | <b>474.68</b> | <b>41.00</b>                                 | <b>521.00</b>            | <b>521.00</b> | <b>52.10</b>                                 |

|          |  |               |               |              |               |               |              |               |               |              |
|----------|--|---------------|---------------|--------------|---------------|---------------|--------------|---------------|---------------|--------------|
| <b>B</b> | <b>Centrally Sponsored Schemes (CSS)</b> |               |               |              |               |               |              |               |               |              |
| 6        | National Mission on Food Processing      | 250.00        | 250.00        | 27.00        | 185.32        | 185.32        | 25.00        | 187.00        | 187.00        | 18.70        |
|          | <b>Total B</b>                           | <b>250.00</b> | <b>250.00</b> | <b>27.00</b> | <b>185.32</b> | <b>185.32</b> | <b>25.00</b> | <b>187.00</b> | <b>187.00</b> | <b>18.70</b> |
|          | <b>Total Central Plan Outlay (A+B)</b>   | <b>660.00</b> | <b>660.00</b> | <b>66.00</b> | <b>660.00</b> | <b>660.00</b> | <b>66.00</b> | <b>708.00</b> | <b>708.00</b> | <b>70.80</b> |

sd/-  
**(J.P. Meena)**  
 Joint Secretary  
 Ministry of Food Processing Industries

sd/-  
**(Dr.(Mrs.) Renu S. Parmar)**  
 Adviser  
 Planning Commission



## Chapter – IV

### SCHEME WISE PHYSICAL PERFORMANCE (2012-13)

| Sl. No. | Name of Schemes / Programmes  | Physical Performance   |  |  |
|---------|---|--|--|--|
|         |   | Physical Targets   | Achievements                                   | Reasons for Variations   |
| 1       | Scheme for Infrastructure Development   | MFP-30 C. Chain-79<br>Abattoirs-10   | MFP-30 C. Chain-62<br>Abattoirs- 10            | <p>The Schemes operated by the Ministry of Food Processing Industries are project oriented and not state or community or area specific. The grant of financial assistance extended by the Ministry is based on viable proposals from the entrepreneurs / organizations. Hence, shortfall in the achievement is due to non-receipt of viable proposals. CCEA in its meeting held on 23.03.2012 has approved third phase of upscaling of the scheme. During 2011-12, 11 projects were cancelled. The Ministry issued 2 EOI inviting fresh applications from the uncovered states and NE states. 62 approvals have been approved so far. To fulfill the remaining vacant slots, the Ministry has issued another EOI and 146 applications received are at various stages of approvals.</p> |
| 2       | Scheme for Technology Upgradation, Establishment and Modernization of FPIs                            | 450  | 647  |  |
| 3       | Scheme for Quality Assurance, Codex, Standards, Research & Development & Other Promotional Activities | R&D-20 Lab-10<br>HACCP-8   | R&D- 29 Lab- 6<br>HACCP-3<br>(upto 24.01.2013) |  |
| 4       | Scheme for Human Resource Development   | Infra.-10 EDP-100<br>FPTC-15   | Infra.-3 EDP-57<br>FPTC-6<br>(upto 31.01.2013) |  |
| 5       | National Mission on Food Processing   | --   | --   | --   |
| 6       | Scheme for Strengthening of Institutions  | Institutional support to NIFTEM, IICPT, IGPB, NMPPB and SNAs. IICPT training to beneficiaries /skilled workers |  | As payment to institutions is based on their demand, no targets are fixed  |

**SCHEME WISE PHYSICAL PERFORMANCE  
(2011-12)**

| Sl. No. | Name of Schemes / Programmes  | Physical Performance  |  |   |
|---------|---|---|--|---|
|         |   | Physical Targets  | Achievements                                     | Reasons for Variations  |
| 1       | Scheme for Infrastructure Development   | MFP-30 C.Chain-49<br>Abattoirs-10   | MFP-15<br>C. Chain-49                            | The Schemes operated by the Ministry of Food Processing Industries are project oriented and not state or community or area specific. The grant of financial assistance extended by the Ministry is based on viable proposals from the entrepreneurs / organizations. Hence, shortfall in the achievement is due to non-receipt of viable proposals. |
| 2       | Scheme for Technology Upgradation, Establishment and Modernization of FPIs                            | 450   | 1157   |   |
| 3       | Scheme for Quality Assurance, Codex, Standards, Research & Development & Other Promotional Activities | R&D-17 Lab-12<br>HACCP-8  | R&D- 9 Lab- 8<br>HACCP-11<br>(upto 31.01.2012)   |   |
| 4       | Scheme for Human Resource Development   | Infra.-14 EDP-230<br>FPTC-35  | Infra.-2 EDP-268<br>FPTC-36<br>(upto 31.03.2012) |   |
| 5       | Scheme for upgradation of Quality of Street Food  | Preliminary & pilot studies were taken up   |  |   |
| 6       | Scheme for Strengthening of Institutions  | Institutional support to NIFTEM, IICPT, IGPB, NMPPB and SNAs. IICPT training to beneficiaries/skilled workers |  |   |
|         |   |   |  | Preliminary & Pilot studies carried out. Cities identified for implementation of Safe Food component & Food Street.   |
|         |   |   |  | As payment to institutions is based on their demand, no targets are fixed   |

The details of various activities and schemes together with the budget provision in BE /RE 2010-11 BE/RE 2011-12 and BE 2012-13 has been given in Chapter V. This Chapter deals with performance in different schemes operated by the Ministry: -

#### 4.0 Scheme for Infrastructure Development:

##### 4.1 Objective:-

To provide adequate infrastructure to facilitate food processing industries.

4.2 Under this Scheme, financial assistance in the form of grants-in-aid is proposed to be extended for setting up of: -

Mega Food Parks, New Abattoirs/Modernization of existing Abattoirs and Cold Chain, Value Addition and preservation infrastructure.

4.3 The total Plan outlay proposed for Scheme for Infrastructure Development during the 2nd year of 12th Plan is ₹247 crore.

4.4 The fund allocation, physical and financial progress in projects during the financial year 2012-13 (as on 31.12.2012) is as follows.

| PLAN    |        |        |             | (₹ in crore)  |
|---------|--------|--------|-------------|---|
| Year    | B.E.   | R.E.   | Expenditure | Physical Progress   |
| 2012-13 | 191.00 | 184.19 | 123.77      | Mega Food Parks -30<br>Cold Chain Infrastructure - 62<br>Abattoirs - 10 |

4.5 **Mega Food Park** : The Government has approved setting up of 30 Mega Food parks during the 11th Plan in 3 phases, i.e. 10 in 1st phase, 5 in 2nd phase and 15 in 3rd phase.

The objectives of the scheme are following :

- (a) Provide state of the art infrastructure for food processing in the country in selected clusters to be identified in a demand driven manner.
- (b) Ensure value addition of agricultural commodities including poultry, meat, dairy, fisheries etc.
- (c) Establish a sustainable raw material supply chain for each cluster
- (d) Facilitate induction of latest technology
- (e) Address the issues of small farm size and small and medium nature of processing industries through a cluster approach with stakeholders managing the supply chain.
- (f) Provide an institutional mechanism for producers, processors, and retailers to work together to build the supply chain.

4.6 Out of the 30 projects approved, 13 projects have been accorded final approval and 17 projects have been accorded "In-principle" approval. The status of the 30 projects is given below:

| S. No. | Name   | Project cost (₹ Cr.) | Date of in-principle approval | Date of Final Approval | Amount of grant approved (₹ Cr.) | Amount of grant released (₹ Cr.) | Actual expenditure (₹ Cr.) |
|--------|--|----------------------|-------------------------------|------------------------|----------------------------------|----------------------------------|----------------------------|
| 1.     | Srini Food Park Pvt. Ltd., Andhra Pradesh                            | 116.94               | 16.12.2008                    | 27.03.2009             | 50.00                            | 45.00                            | 101.75                     |
| 2.     | Patanjali Food & Herbal Park Ltd, Uttarakhand                        | 95.08                | 16.12.2008                    | 27.03.2009             | 50.00                            | 30.00                            | 62.11                      |
| 3.     | North East Mega Food Park Ltd., Assam                                | 75.98                | 16.12.2008                    | 27.03.2009             | 50.00                            | 30.00                            | 26.77                      |
| 4.     | Jharkhand Mega Food Park Pvt. Ltd., Jharkhand                        | 113.95               | 16.12.2008                    | 27.03.2009             | 50.00                            | 15.00                            | 11.22                      |
| 5.     | Tamil Nadu Mega Food Park Ltd., Tamil Nadu                           | 133.45               | 16.12.2008                    | 16.03.2010             | 50.00                            | 5.00                             | 10.36                      |
| 6.     | Jangipur Bengal Mega Food Park Pvt. Ltd., West Bengal                | 132.71               | 16.12.2008                    | 16.03.2010             | 50.00                            | 30.00                            | 39.43                      |
| 7.     | M/s Integrated Food Park Pvt. Ltd., Kolar, Karnataka                 | 144.33               | 03.08.2010                    | 27.03.2011             | 50.00                            | 15.00                            | 23.16                      |
| 8.     | M/s International Fresh Farm Products (India) Ltd., Ferozpur, Punjab | 130.38               | 03.08.2010                    | 25.05.2011             | 50.00                            | 15.00                            | 16.26                      |
| 9.     | M/s Keventer Food Park Infra Ltd., Bhagalpur, Bihar                  | 153.96               | 29.04.2011                    | 30.11.2011             | 50.00                            | 5.00                             | 3.07                       |
| 10.    | M/s Sikaria Infra Projects Pvt. Ltd., Agartala, Tripura              | 87.45                | 29.04.2011                    | 30.11.2011             | 50.00                            | 15.00                            | 9.45                       |
| 11.    | M/s Anil Mega Food Park Pvt. Ltd., Vadodara, Gujarat                 | 141.07               | 29.04.2011                    | 13.01.2012             | 50.00                            | 5.00                             | 21.46                      |
| 12.    | M/s MITS Mega Food Park Ltd., Rayagada, Orissa                       | 80.17                | 29.04.2011                    | 16.04.2012             | 50.00                            | 5.00                             | 2.83                       |
| 13.    | M/s Madhya Pradesh Mega Food Park Ltd.                               | 130.82               | 10.10.2011                    | 27.08.2012             | 50.00                            | 5.00                             | -                          |

|     |   |        |            |   |
|-----|---|--------|------------|---|
| 14. | M/s Paithan Mega Food Park Ltd.,<br>Aurangabad, Maharashtra             | 120.76 | 05.04.2011 | "In principle" approval was accorded on 05.04.2011. The SPV has recently fulfilled the criteria relating to possession of requisite land. The TC meeting was held on 17.10.2012. Clarification on the land issues has been received from Govt. of Maharashtra. IMAC in its meeting dated 19.02.2013 has accorded final approval to the project. |
| 15. | M/s Aditya Birla Nuvo Ltd.,<br>Sultanpur, Uttar Pradesh                 | 168.65 | 24.09.2010 | 'In principle' approval was accorded on 24-09-2010. The SPV has been granted extension of time till 30-09-2012 for fulfillment of prescribed conditions for final approval. The SPV has sought further extension of time.   |
| 16. | M/s Sindhu Farms Mega Food<br>Park Pvt. Ltd., Raipur, Chhattisgarh      | 124.91 | 06.09.2012 | "In-principle" approval has been accorded.  |
| 17. | M/s Goenka Infrastructure Pvt. Ltd.,<br>Abhishekhakkam, Puducherry      | 149.89 | 06.09.2012 | "In-principle" approval has been accorded.  |
| 18. | M/s Chhattisgarh Agro Mega Food<br>Park Ltd., Raipur, Chhattisgarh      | 129.65 | 21.09.2012 | "In-principle" approval has been accorded.  |
| 19. | M/s Greens Food Park India Pvt. Ltd.,<br>Pulwama, Jammu & Kashmir       | 81.02  | 21.09.2012 | "In-principle" approval has been accorded.  |
| 20. | M/s Soma New Towns (P) Ltd.,<br>Sirsa, Haryana                          | 147.08 | 21.09.2012 | "In-principle" approval has been accorded.  |
| 21. | M/s Green Tech Mega Food Park Pvt. Ltd.,<br>Ajmer, Rajasthan            | 113.11 | 21.09.2012 | "In-principle" approval has been accorded.  |
| 22. | M/s Godavari Mega Aqua Park Pvt. Ltd.,<br>West Godavari, Andhra Pradesh | 119.12 | 21.09.2012 | "In-principle" approval has been accorded.  |
| 23. | M/s Pristine Logistics &<br>Infraprojects Pvt. Ltd., Khagaria, Bihar    | 142.98 | 21.09.2012 | "In-principle" approval has been accorded.  |
| 24. | M/s Gujarat Agro Infrastructure Mega<br>Food Park, Surat, Gujarat       | 108.30 | 21.09.2012 | "In-principle" approval has been accorded.  |

|     |   |        |            |  |
|-----|---|--------|------------|--|
| 25  | M/s Poliyan Mega Food Park Pvt. Ltd., Una, Himachal Pradesh       | 97.63  | 21.09.2012 | "In-principle" approval has been accorded. |
| 26  | M/s Satara Mega Food Park Pvt. Ltd., Satara, Maharashtra          | 132.26 | 21.09.2012 | "In-principle" approval has been accorded. |
| 27  | M/s Huma Coastal Mega Food Park Pvt. Ltd., Ganjam, Odisha         | 117.05 | 21.09.2012 | "In-principle" approval has been accorded. |
| 28. | M/s Himalayan Organic Mega food Park Ltd., South Sikkim, Sikkim   | 80.37  | 21.09.2012 | "In-principle" approval has been accorded. |
| 29. | M/s Himalayan Food Park Pvt. Ltd., Udham Singh Nagar, Uttarakhand | 124.52 | 21.09.2012 | "In-principle" approval has been accorded. |
| 30. | M/s Bengal Mega Food Park Pvt. Ltd., Jalpaiguri, West Bengal      | 113.90 | 21.09.2012 | "In-principle" approval has been accorded. |

#### **4.7 Cold Chain, Value Addition and Preservation Infrastructure**

To encourage setting up of cold chain facilities and backward linkages in the country and to provide integrated and complete cold chain and preservation infrastructure facilities without any break, from the farm gate to the consumer, Ministry of Food Processing Industries (MFPI) has launched a Plan Scheme during 11th Plan to provide financial assistance to project proposals received from public / private organizations for integrated cold chain infrastructure development. The initiatives are aimed at filling the gaps in the supply chain, strengthening of cold chain infrastructure, establishing value addition with infrastructural facilities like sorting, grading, packaging and processing for horticulture including organic produce, marine, dairy, poultry, etc.

The Scheme envisages financial assistance in the form of grants-in-aid @ 50% of the total cost of plant and machinery and technical civil works in general areas and 75% for North Eastern Region and difficult areas subject to a maximum of ₹ 10.00 crore. 11th Plan outlay for the MFPI was ₹ 4031 crore. Of this, ₹ 210 crore was for integrated cold chain infrastructure for setting up of 30 units during 11th Five Year Plan.

Ministry has accorded approval to 62 cold chain projects so far. 8 projects have become commercially operational. Out of the 39 projects approved in 2011-12, 11 projects were cancelled during the year 2012-13. Out of remaining 28 projects under financial assistance in Phase-2 of the scheme, till date 9 have reported start of commercial production. 11 have achieved 75% progress while 8 projects have achieved 25% progress. As on 25.02.2013, ₹ 73.02 crore of Grants have been released during the current financial year.

In the 3rd phase of the upscaling of the scheme, Govt. approved for taking up another 30 cold chain projects for the financial assistance. Out of the 30 projects, 25 projects have been approved till date. Of these 3rd phase projects, 4 have achieved 75% progress, 9 have achieved 25% progress and remaining have started implementation.

#### **Irradiation Facilities:**

Irradiation technology is widely used in scientific as well as commercial applications in the field of agriculture and animal science, pharmaceuticals and medical science etc. One of the important applications of the radiation technology in the services of mankind is post harvest handling and management of foods. Food Irradiation involves treating certain types of foods with ionizing energy or radiation. Radiation processing of food strengthens food conservation, improves food hygiene and helps food exports overcome quarantine barriers. It facilitates packing, storage, transport and distribution of foods. Food irradiation helps in: (1) Extension of shelf-life of food products by killing micro-organisms causing spoilage. (2) Enhancement of safety by killing food borne pathogens and parasites. (3) Inhibiting sprouting in tubers, bulbs and rhizomes. (4) Delaying ripening of fruits. (5) Destroying insect pests in stored product and fruits.

Considering the technological advantages, Ministry of Food Processing Industries also provides financial assistance for setting up of irradiation facilities for food products. Financial assistance in the form of grants-in-aid @ 50% of the total cost of plant and machinery and technical civil works in general areas and 75% for North Eastern Region and difficult areas(North East including Sikkim and J&K, Himachal Pradesh and Uttarakhand) subject to a maximum of ₹ 10.00 crore is available under the scheme for all implementing agencies.

#### **4.8 Establishment of New Abattoirs / Modernization of existing Abattoirs**

One Abattoir of MCD Delhi has been assisted in 10th Plan period.

Reason for variation in achieving the physical target is mainly because under the scheme, assistance is meant for local bodies for modernisation of their abattoirs. Local bodies due to their own financial constraints are not in a position to undertake the work of modernisation of abattoir, which is cost intensive. During 11th Plan, the Ministry has launched a comprehensive Scheme for setting up new / modernization of abattoirs across the country. Based on detailed discussion with stakeholders, industries and State Governments, the Scheme has now been modified to induct private capital, better technology, backward and forward linkages. The financial assistance is being provided, subject to necessary approval, at 50% and 75% of the cost of plant & machinery and technical civil work in general and difficult areas respectively subject to a maximum of ₹ 15.00 crore for each project.

The Scheme is being implemented preferably under PPP mode with the involvement of local bodies (Municipal Corporations and Panchayats) and has flexibility for involvement of private investors/ Exporters/FDI on a BOO/BOT/JV basis. Regulatory functions continue to be discharged through local bodies. This will enable the local bodies to participate in the venture and also be assured of a stream of income.

The present Scheme of setting up of New / Modernization of Abattoirs was approved in 2008-09

During financial year 2008-09, setting up of 10 new abattoirs was approved by the CCEA on 26.02.2009 and Approval Committee of MoFPI approved the setting up of 9 new abattoirs during the year 2008-09 and remaining one was approved during the year 2009-10. Out of this, 2 new abattoir projects have been commissioned at Ahmednagar (Maharashtra) and Dimpaur (Nagaland) respectively. During the current year 2012-13, total grant-in-aid amounting to ₹ 790.47 lakhs has been disbursed to Majhitar (Sikkim- ₹ 61.67 lakhs), Shimla (Himachal Pradesh - ₹ 342.60 lakhs) and Kolkata (West Bengal) - ₹ 386.20 lakhs) respectively.

A proposal for upscaling of the scheme has been approved to cover setting up of 25 new abattoirs and modernization of 25 existing abattoirs at a total project cost of ₹ 330.84 crore, inclusive of committed liabilities in respect of 8 on-going projects of 11th Plan.

The upscaling scheme will be implemented in the Central Sector for the first two years of the 12th Five Year Plan i.e 2012-13 and 2013-14. Thereafter, the Scheme for setting up of New/Modernization of Existing Abattoirs will be implemented through National Mission on Food Processing by the State Governments for the rest of the 12th Five Year Plan since most of the proposals are from the Municipal Bodies which are closely connected to the State Governments.

**5.0 Scheme for Technology Upgradation/ Establishment/Modernization of Food Processing Industries**

**5.1 Objectives: -**

Increase the level of processing, reduction of wastage, value addition, enhance the income of farmers as well as increase exports thereby resulting in overall economic development.

5.2 During Ninth Plan, the Ministry had been operating different schemes to cover different segments like fruits and vegetables, meat and poultry, milk, grain processing, fisheries etc. During Eleventh Plan, this Scheme is being operated at macro level covering all segments, operated during 9th Plan.

5.3 Assistance in the form of grants-in-aid is extended under this Scheme for all segments of the food processing sector including fruits and vegetables, milk, fish, grain, meat, poultry etc.

5.4 The outlay for this Scheme (including NER) is as under:

| PLAN        |              | (₹ in crore) |
|-------------|--------------|--------------|
| B.E.2012-13 | R.E. 2012-13 | B.E.2013-14  |
| 100.00      | 186.46       | 160.00       |

**Performance for the year 2010-11, 2011-12 & 2012-13 (as on 31.12.2012):-**

(₹ in lakhs)

| Year                | 2010-11      |                 | 2011-12      |                 | 2012-13      |                 |
|---------------------|--------------|-----------------|--------------|-----------------|--------------|-----------------|
| Sectors             | No. of cases | Amount released | No. of cases | Amount released | No. of cases | Amount Released |
| Rice Milling        | 58           | 784.40          | 349          | 4351.7          | 361          | 4877.56         |
| Pulse Milling       | 52           | 451.88          | 97           | 1119.4          | 25           | 318.78          |
| Flour Milling       | 57           | 105.07          | 53           | 1157.6          | 10           | 168.64          |
| Wine & Beer         | 24           | 362.00          | 12           | 300.00          | 1            | 25.00           |
| Oil Milling         | 20           | 455             | 113          | 1820.1          | 61           | 1051.37         |
| F&VP Sector         | 133          | 2331            | 249          | 4164.1          | 54           | 1012.31         |
| Consumer Industries | 114          | 2001.00         | 173          | 2889.8          | 87           | 1450.28         |
| Fisheries           | 9            | 193.10          | 27           | 575.8           | 16           | 345.70          |
| Dairy               | 67           | 1424.21         | 60           | 1192.0          | 26           | 448.17          |
| Meat & Poultry      | 20           | 455.10          | 9            | 164.46          | 2            | 33.00           |

**F&VP Sector**

During 2012-13, the Ministry has released financial assistance of ₹ 10.12 crore to 54 fruits & vegetable processing units in the form of 1st / 2nd installments.

## **Consumer Industries**

As per Allocation of Business, Ministry of Food Processing Industries has been allocated the work relating to planning, development and control of, and assistance to, industries relating to bread, oilseeds, meals (edible), breakfast foods, biscuits, confectionery (including cocoa processing and chocolate making), malt extract, protein isolate, high protein food, weaning food and extruded food product (including other ready-to-eat foods).

The bakery industry is among the few processed food segments whose production has been increasing steadily in the country in the last couple of years. Bakery products include bread, biscuits, pastries, cakes, buns, rusk etc. This activity is mostly concentrated in the unorganized sector. Bread and biscuits constitute the largest segment of consumer foods. Bread manufacturing is reserved for the small scale sector. Out of the total production of bread, 40% is produced in the organized sector and the remaining 60% in the unorganised sector. There are around 60,000 bakeries, 20,000 traditional food units and several pasta food units.

The Ministry of Food Processing Industries provides financial assistance in consumer industries Sector under the Scheme of Technology Upgradation/Establishment/Modernization of FPIs. The Scheme has been decentralized w.e.f. 1st April 2007.

**5.5 In 2010-11, assistance worth ₹ 94.32 crore has been provided to 437 units**

**5.6 In 2011-12, assistance worth ₹ 179.29 crore has been provided to 1157 units.**

**5.7 In 2012-13 (up to 31.12.2012), assistance worth ₹ 97.30 crore (excluding MM-IV) has been provided to 643 units.**

The broad status of different segments of the processed food sector is given below: -

### **A. Horticulture Based Industries (Fruit & Vegetable Processing Industries)**

The utilization of fruits and vegetables for processing is estimated to be around 2% of the total production.

In order to give fresh impetus to processing of fruits and vegetables, Government has allowed under I.T. Act 100% deduction of profit for first five years and 25% deduction for another five years for new upcoming F & VP units.

In 2012-13 (upto 31.12.2012), 54 fruits & vegetables processing units have been assisted.

## **B. Meat and Meat Processing**

Consumption of meat & meat products and consumers preference to these products is gradually increasing. Production of meat is governed under local by-laws as slaughtering is a state subject and local health authorities control Slaughterhouses. Processing of meat food products is licensed under Meat Food Products Order, (MFPO), 1973 which was hitherto being implemented by the Directorate of Marketing & Inspection (DMI) and subsequently by Ministry of Food Processing Industries w.e.f. 19.03.2004. This subject has been transferred to Ministry of Health & Family Welfare and administered by Food Standards and Safety Authority of India.

During the year 2012-13, 2 units have been assisted (up to 31.12.2012).

## **C Dairy Processing**

India ranks first in the world in terms of milk production.

The growth rate of milk production over the past three decades has been about 4% against the growth rate of 2% in India's population. This has been possible due to various schemes of milk production enhancement undertaken by the Central and State Governments. About 35% milk produced in India is processed.

To increase the share in global trade milk-processing level requires to be increased and commercialization of traditional Indian milk products requires to be enhanced.

During the year 2011-12 financial assistance to 60 milk & dairy sector amounting to ₹ 11.92 crore has been released.

During the year 2012-13 (up to 31.12.2012), financial assistance to 26 milk & dairy sector amounting to ₹ 4.48 crore has been released.

## **D. Cereal Based Consumer Food Industry**

As per Allocation of Business Rules, Ministry of Food Processing Industries has been allocated the work relating to planning, development and control of, and assistance to, industries relating to bread, oilseeds, meals (edible), breakfast foods, biscuits, confectionery (including cocoa processing and chocolate making), malt extract, protein isolate, high protein food, weaning food and extruded food product (including other ready-to-eat foods).

The bakery industry is among the few processed food segments whose production has been increasing steadily in the country in the last couple of years. Bakery products include bread, biscuits, pastries, cakes, buns, rusk etc. This activity is mostly concentrated in the unorganized sector. Bread and biscuits constitute the largest segment of consumer foods. Bread manufacturing is reserved for the small scale sector. Out of the total production of bread, 40% is produced in the organized sector and the remaining 60% in the unorganised sector. There are around 60,000 bakeries, 20,000 traditional food units and several pasta food units.

The Ministry of Food Processing Industries provides financial assistance in consumer industries Sector under the scheme of technology upgradation/modernization/expansion. The Scheme has been decentralized w.e.f. 1<sup>st</sup> April 2007.

In 2011-12, 173 consumer food processing units have been assisted.

During the year 2012-13 (up to 31.12.2012) financial assistance to 87 food processing units relating to consumer industries amounting to ₹ 14.50 crore has been provided.

#### **E. Fish Processing**

Considerable infrastructure facilities for processing of marine products have been developed over a period of 50 years. However, a large number of processing and freezing units are required to realize the potential of the sector.

During the year 2011-12 financial assistance to 27 fish processing industries amounting to ₹ 5.75 crore has been released.

During the year 2012-13 (up to 31.12.2012), financial assistance to 16 fish processing industries amounting to ₹ 3.45 crore has been released.

#### **F. Modernization of Grain Milling Industry, Oil & Pulses**

Ministry of Food Processing Industries had discontinued entertaining proposals for assistance in the Grain Milling Sector (Comprising Rice Milling, Flour Milling, Pulse Milling) and Oil Milling since 1st April 2004. The Indian Institute of Crop Processing Technology (formerly Paddy Processing Research Centre) supported by the Ministry continues to provide technical assistance to Industry.

During the year 2011-12, financial assistance to 613 grain processing units amounting to ₹ 84.02 Crore has been provided. During the financial year 2012-13 (up to 31.12.2012) financial assistance to 361 rice milling units, 25 pulse milling units and 10 flour milling units have been extended amounting to ₹ 4877.56 lakhs, ₹ 318.78 lakhs and ₹ 168.64 lakhs respectively.

### **Oil Milling Sector:**

Oilseeds and edible oils are two of the most sensitive essential commodities. India is one of the largest producers of oilseeds in the world and this sector occupies an important position in the agricultural economy and accounting for the estimated production of 28.21 million tonnes of nine cultivated oilseeds during the year 2007-08. India contributes about 6-7% of the world oilseeds production. Export of oilmeals, oilseeds and minor oils has increased from 5.06 million Tones in the financial year 2005-06 to 7.3 million tons in the financial year 2006-07. In terms of value, realization has gone up from ₹ 5514 crore to ₹ 7997 crore. India accounted for about 6.4% of world oilmeal export.

The Ministry of Food Processing Industries provides financial assistance in Edible Oil Milling Sector under the scheme of technology upgradation/modernization/expansion. The scheme has been decentralized w.e.f. 1st April 2007.

During the financial year 2011-12, Ministry has released grants-in-aid of ₹ 18.20 crore to 113 units for Setting up/Modernization/Expansion of edible oil milling industries, under the decentralized pattern of the scheme.

During the year 2012-13 (up to 31.12.2012), financial assistance to 61 oil milling industries amounting to ₹ 10.51 crore has been released.

### **G. Advertising & Publicity**

Advertisement and Publicity Division has a focused approach to disseminate information and popularise various aspects of processed food sector in the country. The activities of the Division are aimed to propagate the prospect of business opportunities in Food Processing Sector – and investment opportunities both for domestic as well as foreign investors. The publicity campaign intends to enlighten farmers on how to process and value add their produce at the farmgate level itself and derive advantages at various stages of processing. The campaign highlights the Government support and facilities available for entrepreneurs for setting up food processing industries. Further, it highlights various incentives like

fiscal / financial and others incentives provided to the food processing sector by the Government. The campaign encourages prospective entrepreneurs and progressive farmers to set up units. Various activities of advertisement and publicity were carried out during 2012-13 through print media advertisements, newspaper advertisements (display as well as advertorial), through production of creative materials/publicity materials – magazine, brochure, folders, flexes, CDs etc.

## **6.0 Scheme for Quality Assurance, Codex Standards, R & D and other Promotional Activities**

### **6.1 Objectives**

- To motivate the food processing industries for adoption of food safety and quality assurance mechanisms such as Total Quality Management (TQM) including ISO – 22000, ISO 14000 Hazard Analysis and Critical Control Points (HACCP), Good Manufacturing Practices (GMP) & Good Hygienic Practices (GHP).
- To prepare them to face the global competition in international trade in post WTO.
- To enable adherence to astringent quality in hygiene norms.
- To enhance product acceptance by overseas buyers.
- To keep Indian industry technologically abreast of international best practices.
- End product/outcome/findings of R&D work to benefit Food Processing Industries in terms of product and process development, improved packaging, value addition and leading to innovative products and processes, with commercial value.

### **6.2 The Scheme would cover the following activities:**

- a. Total Quality Management (TQM)
- b. Promotion of Quality Assurance/Safety Concept
- c. Strengthening of Codex Cell

- d. Setting up/Upgradation of Quality Control Laboratories
- e. R&D Programmes for FPI
- f. Other Promotional Activities

**6.3 The outlay for this scheme (including NER) is as under: -**

| PLAN         |              | (₹ in crore) |
|--------------|--------------|--------------|
| B.E. 2012-13 | R.E. 2012-13 | B.E. 2013-14 |
| 35.00        | 31.91        | 35.00        |

**6.4 Plan fund utilization under the Scheme during 2010-11 was ₹ 16.37 crore.**

**6.5 Plan fund utilization under the Scheme was ₹ 31.63 crore during 2011-12 and ₹ 20.656 crore during 2012-13 (up to 31.1.2013).**

**A. Total Quality Management (TQM)**

Ministry of Food Processing Industries is operating a Plan Scheme for adoption / implementation of food safety and quality assurance systems such as ISO-22000, ISO 14000, Hazard Analysis and Critical Control Points (HACCP), Good Manufacturing Practices (GMP), Good Hygienic Practices (GHP) etc by the food processing industries with the following objectives:

- To ensure adoption of National food standards
- To assist industries in the food sector to develop and implement quality management systems such as ISO 22000, HACCP etc.

Three food-processing units towards implementation of HACCP, ISO 22000 practices have been assisted during 2012-13 (upto 31.12.2012).

## **B. Setting Up/Up-gradation of Quality Control Laboratory**

For introduction of quality and safety systems in food processing industries, it is important that quality of the product is maintained at every level of production chain. One of the step towards achieving this goal is strengthening / setting up/ networking of laboratories. To provide the common facilities to food processing industries and consumers for testing of articles of food, Ministry of Food Processing Industries is operating a Plan Scheme for setting up/up-gradation of quality control laboratory with following objectives:

- To analyse the samples received from food processing industries and other stakeholders.
- To impart training in the areas relating to quality improvement through own expertise.

During the financial year 2012-13 (up-to 31.1.2013), the Ministry has assisted 8 organizations for setting up/ up-gradation of food testing laboratories.

## **C. R&D Programmes for FPI**

Assistance is provided to various Institutions/Universities/ Organisations and recognized R&D Laboratories both in Public and Private sectors, to promote and undertake demand driven R&D work in the field of food processing sector. The objective of the scheme is that end product/ outcome / findings of the R&D work should benefit food processing industries in terms of product and process development, improved packaging and value addition leading to innovative products and processes with commercial value.

During the financial year 2012-13 (up-to 31.1.2013), the Ministry has assisted 24 R&D projects {including 11 through Science Engineering Research Board (SERB) under DST}.

## **D. Other Promotional Activities**

The promotional activities of the Ministry are aimed at development of the processed food sector by creating awareness through dissemination of information regarding Food Processing Industries, familiarizing the existing and prospective entrepreneurs with modern technologies of production and packaging, development of markets and popularization of products as also attracting investments through seminars/workshops and fairs/exhibitions as also by undertaking studies/surveys etc. for assessment of potential for Food Processing Industries on sectoral and regional basis.

### **Participation in Fairs/Exhibitions in India**

The Ministry of Food Processing Industries participates/assists various domestic fairs and international fairs in India for the promotion of processed food products both in India and Abroad. During the year 2012-13, a number of exhibitions/fairs and Exhibition-cum-Seminars etc. have been participated/ assisted and international interactions made by the Ministry. Some of the important events participated/ assisted and international interactions made by the Ministry are as follows: -

#### **a) Exhibitions (National)**

- i) Ministry participated jointly with APEDA in AAHAR 2012 from 12th to 16th March 2012 at Pragati Maidan, New Delhi organized by Agricultural & Processed Food Products Export Development Authority (APEDA), New Delhi.
- ii) Ministry participated in "Food & Bev 2012" from 25th to 27th April, 2012 at Bombay Exhibition Centre, Goregaon (East), Mumbai organized by Confederation of Indian Industry (CII), Mumbai.
- iii) Ministry participated in "AAHAR International Food Fair 2012" from 23rd to 25th August 2012 at Chennai Trade Centre, Chennai organized by India Trade Promotion Organization (ITPO), Chennai.
- iv) Ministry participated in "Fine Food India-2012" from 17th – 19th September, 2012 at Pragati Maidan, New Delhi organized by M/s Diversified Communications India, New Delhi.
- v) Ministry participated in "AIFPA Show 2012" from 13-15 December, 2012 at IARI Exhibition Ground, Pusa, New Delhi organized by All India Food Processors Association (AIFPA), New Delhi.

#### **b) Seminar-cum-Exhibitions (National)**

Exhibition-cum-Seminar "Madurai Utsav" from 30th March – 3rd April, 2012 at Madittssia Hall, Madurai organized by Small Industries Product Promotion Organisation Ltd. (SIPPO), Madurai, Tamil Nadu.

**a) Workshops/Seminars (International)**

Ministry participated in Workshop on "Post Harvest, Quality and Food Safety of Tropical Fruit Production in South East Asian Countries" held from 30 April -4 May, 2012 in Bangkok, Thailand. The thematic areas of the Workshop were: a) Renewable Energies, b) Sustainable Industrial Development and c) Food Processing and Safety.

**b) Exhibitions (International)**

- i) Ministry participated jointly with APEDA in Summer Fancy Food Show from 17-19 June, 2012 at Washington, USA
- ii) Ministry participated jointly with APEDA in Fispal Food Show- 2012 from 25-28, June, 2012 at Sao Paulo, Brazil .
- iii) Ministry participated jointly with APEDA in the Pro-Food/Pro-Pack-2012 from 5th to 9th July, 2012 at Sirimavo Bandaranaike Memorial Exhibition Centre, Colombo, Sri Lanka.
- iv) Ministry participated jointly with APEDA in Africa Big Seven -2012 held from 15-17 July, 2012 at Johannesburg, South Africa.
- v) Ministry participated jointly with APEDA in Saudi Agro Food fair -2012 held from 23-26 Sept., 2012 at Riyad, Saudi Arabia.
- vi) Ministry participated jointly with APEDA in SIAL Fair-2012 from 21-25 October, 2012 at Paris, France.
- vii) Ministry participated jointly with APEDA in World Food from 30th October to 2nd Nov. 2012 at Ukraine.
- viii) Ministry participated jointly with APEDA in 16th FHC China-2012 from 14-16 November, 2012 at Shanghai, China.
- ix) Ministry participated in ISRA-FOOD 2012 from 20-22, November, 2012 in Tel Aviv, Israel.

| Sl. No. | Seminar/Workshops and Studies/Surveys from 1st April, 2012 to 31st December, 2012   |
|---------|---|
| 1       | Workshop for Cottage & MSME Entrepreneurships on "Packaging of Ethnic Foods and Indian Sweets" at Tirupati, Andhra Pradesh on 05/05/2012 organized by Indian Institute of Packaging, Mumbai.  |
| 2       | Workshop for Cottage & MSME Entrepreneurships on "Packaging of Fresh and processed Foods" on 31st May 2012 at Rajamundry, Andhra Pradesh organized by Indian Institute of Packaging, Mumbai.  |
| 3       | Workshop on "National Mission on Food Processing- A New Centrally Sponsored Scheme of MoFPI" held on 29th June, 2012 at New Delhi organized by Associated Chambers of Commerce and Industry of India (ASSOCHAM), New Delhi.   |
| 4       | Global Summit on Second Green Revolution Agriculture to Agriculture(A2A) on 11th July, 2012 at New Delhi organized by The Associated Chambers of Commerce and Industry of India (ASSOCHAM), New Delhi.  |
| 5       | Workshop on "National Mission on Food Processing- A New Centrally Sponsored Scheme of MoFPI" held on 12th July, 2012 at New Delhi organized by Associated Chambers of Commerce and Industry of India (ASSOCHAM), New Delhi.   |
| 6       | Food & Agri Processors & Exporters Conclave on 25th July, 2012 at Hotel Fortune Landmark, Ahmedabad organized by The Associated Chambers of Commerce and Industry of India (ASSOCHAM), Ahmedabad, Gujarat.  |
| 7       | Seminar on "Food Processing Industries for small Farmers-their problems and remedies" on 27th August 2012 at A.M.C. Yard Community Building, Chittoor Dist., Andhra Pradesh organized by Arunodaya Rural Education Development Society, Anantapur (A.P.).             |
| 8       | Conference on "Food Processing Industry for Tomorrow Innovation & Implementation" held on 29th August, 2012 at New Delhi organized by Associated Chambers of Commerce and Industry of India (ASSOCHAM), New Delhi.  |
| 9       | Seminar on Promotion of "Farm & Allied Products Processing Sector and to Empower Women Farmers in Food Processing Skills" at Gowribidanur, Chikkaballapur, Karnataka on 07/09/2012 organized by Sri Mahadeswari Mahila Seva Samaja, Chikkaballapur Distt., Karnataka. |

|     |   |
|-----|---|
| 10  | Seminar on Promotion of "Farm & Allied Products Processing Sector and to Empower Women Farmers in Food Processing Skills" at Chikkaballapur, Karnataka on 10/09/2012 organized by Adarsha Rural and Educational Development Society, Chikkaballapur, Karnataka. |
| 11  | Agriculture Leadership Summit 2012 held on 19th September 2012 at Hotel Taj Palace, New Delhi organized by Centre for Agriculture and Rural Development (CARD), New Delhi.  |
| 12  | FICCI Food World India-2012 from 26th to 27th September, 2012 at Mumbai organized by FICCI, New Delhi.  |
| 13  | Technical Workshop on "Risk Based Approaches for Food Safety Management" from 26th – 27th September, 2012 at New Delhi organized by ILSI-India, New Delhi.  |
| 14  | International Summit cum Exhibition on Food Processing, Agribusiness & Cold Chain on 5th November, 2012 at Hotel Lalit, New Delhi organized by ASSOCHAM, New Delhi.   |
| 15  | International Conference on "Technological innovations: For all inclusive growth" scheduled to be held from 8th to 9th November, 2012 at Hotel ITC Mauriya, New Delhi organized by Shriram Institute for Industrial Research, Delhi.                            |
| 16  | National Conference on Cold Chain Management-2012 scheduled to be held on 27th November 2012 in Hotel Grand, New Delhi organized by PHD Chamber of Commerce and Industry, New Delhi.  |
| 17  | One day Awareness Programmes on "Enhancing Value Addition, Food Processing & Agri Exports in the State of Uttarakhand" on 08/12/2012 at Rudrapur organized by PHD Chamber of Commerce and Industry, New Delhi.  |
| 18. | Two days conference on "Development of Backward Regions Through Food Processing: Preparing a Roadmap" from December 27th -28th, 2012 at Centre of Food Technology, Institute of Professional studies, University of Allahabad, Allahabad.                       |
| 19  | 1st conference on "National Mission on Food Processing" by NERAMAC, Guwahati held on 20/12/2012 at Hotel Brahmaputra Ashok, Guwahati.   |

**c) International Cooperation**

Several meetings under the Chairmanship of Hon'ble Minister (Agri&FPI) and Secretary, Ministry of Food Processing Industries were held with visiting delegates from various countries for looking into opportunities for bilateral cooperation in the field of food processing sector.

Ministry of Food Processing Industries offered bilateral cooperation under Mega Food Parks, Cold Chain, Modernization of Abattoirs, setting up/Upgradation of food testing laboratories and transfer of food processing technologies with different countries under Joint Working Group/Joint Commissions Meetings organized by Ministries of Agriculture, Commerce and External Affairs.

An Administrative Agreement for enhance cooperation in the Food Processing Sector was signed on 24th October, 2012 at Paris by Dr. Charan Das Mahant, Hon'ble Minister of State (Agri & FPI) with Mr. Guillaume Garot, Deputy Minister for Food Processing in the Ministry of Agriculture, the Food Processing Industry & Forestry of Republic of France.

Under the India-Africa Forum Summit-II, the M/o Food Processing Industries has been designated as Implementing Ministry for setting up of following projects in Africa over a period of three years commencing from 2011-12:

**(A) Pan African Institute :**

- One Food Processing Cluster

**(B) Bilateral Institutions:**

- Five (5) Food Testing Laboratories (FTLs);
- Five (5) Food Processing Incubation Centres (FPBICs)

**(C) Capacity Building**

- Training Programmes for African nationals covering 1000 training positions during 3 years

The Ministry has initiated the implementation process for setting up the Bilateral Institutes. The Ministry has also appointed a Project Management Agency to assist the Ministry in setting up Food Processing Cluster in Africa.

| <b>S. No.</b> | <b>Name of the training programmes</b>   | <b>Institute/ organization involved in training</b>                            | <b>Duration of Training &amp; dates</b>  |
|---------------|--|--|--|
| 1.            | Packaging of processed food  | Indian Institute of Packaging, Mumbai  | Two weeks (Two batches)<br>I batch: 13 to 24 Feb, 2012<br>II batch: 27 Feb to 9 Mar 2012       |
| 2.            | Quality Management, Food Safety terminologies, Food Certification, HACCP         | Quality Council of India, New Delhi  | Two weeks (Two batches)<br>I batch: 30 Jan to 10 Feb, 2012<br>II batch: 20 Feb to 04 Mar, 2012 |
| 3.            | Entrepreneurship Development in Food Processing Sector                           | National Institute of Micro, Small and Medium Enterprises (NI-MSME), Hyderabad | Two weeks<br>I batch: 27 Feb to 10 Mar, 2012   |
| 4.            | Training of Trainers on Entrepreneurship Development in Food Processing Sector   | National Institute of Micro, Small and Medium Enterprises (NI-MSME), Hyderabad | 19 days<br>12-30 Mar, 2012   |
| 5.            | Business opportunities & entrepreneurship development in food processing sector. | Indian Institute of Crop Processing Technology (IICPT), Thanjavur, Tamil Nadu  | Two weeks (Two batches)<br>I Batch: 8-22 Feb, 2012,<br>II Batch: 5-16 Mar, 2012                |
| 6.            | Up gradation of Food testing skills of food processing professionals             | Shri Ram Institute of Industrial Research, Delhi                               | 15 days (Two batches)<br>I batch: Feb 1-15, 2012<br>II batch: 1-15 Mar, 2012                   |

## **7.0 Scheme for Human Resource Development**

### **7.1 Objective**

Development of rural entrepreneurship and transfer of technology for processing of food products by utilizing locally grown raw material and providing "Hands-on" experience at such production cum training centres, while according priority to SC/ST/OBC and women. The plan outlay (including NER) is as under:-

(₹ in crore)

| <b>B.E. 2012-13</b> | <b>R.E. 2012-13</b> | <b>B.E. 2013-14</b> |
|---------------------|---------------------|---------------------|
| 4.00                | 4.00                | 4.00*               |

\*The amount indicated as B.E. 2013-14 is towards committed liabilities of the approved projects of 11th Plan. The scheme of HRD has been subsumed under new Centrally Sponsored Scheme – National Mission on Food Processing (NMFP) proposed to be implemented during 12th Plan.

Plan fund utilization was ₹ 3.79 crore during 2012-13 (upto 31.01.2013).

### **7.2 Food Processing & Training Centres (FPTC)**

In order to develop skill and entrepreneurship particularly in fruit and vegetable processing in rural areas, the Ministry has provided assistance for setting up of 619 Food Processing Training Centre (FPTCs) from date of inception till 31.03.2012. An amount of ₹ 43.63 lakhs (including seed capital to previously approved FPTCs) has been assisted as grants-in-aid to 6 centers during 2012-13 (upto 31.01.2013).

### **7.3 Entrepreneurship Development Programme (EDP)**

The Ministry is providing financial assistance to conduct EDPs in food processing through Central/ State Governments/ Organisations R&D Institutes, Universities, SNAs & NGOs. The objective of EDP is to enable trainees to establish

commercially viable enterprises in food & agri processing sector by providing basic knowledge of project formulation and management including technology and marketing, motivating the trainees and instilling confidence in them, educating on the opportunities & financial assistance available and providing escort services to enable them to avail credit facilities from banks/ financial institutions and other support services from the developmental organizations. The duration of the EDP is 6 weeks with a follow up phase of 12 months and the number of trainees should not be less than 25. The maximum financial assistance of ` 2.00 lakh per EDP is provided.

An amount of ` 228.00 lakh has been assisted as grants-in-aid to 57 new EDP and 2nd & 3rd installment to previously approved EDP.

#### **7.4 Assistance to HRD Institutions**

The Ministry is implementing a scheme for assistance to HRD institutions like Central/ State Governments organizations, reputed Universities/ Colleges, Technical institutes for creation of infrastructure facilities. The objectives of the Programme is to develop technologists, managers and entrepreneurs in food processing sector, to upgrade skills of existing personnel through training programmes and to develop manpower in quality management. The quantum of financial assistance given to HRD institutions under this scheme is upto ` 75 lakhs in two equal installments for creation of infrastructure facilities like, equipments, laboratory pilot plants, library and books and journals etc. for running degree/ diploma courses and training programmes in the food processing sector.

In 2012-13 (upto 31.01.2013), 3 institutions have been assisted of ` 106.70 lakh by the Ministry.

The working group on 12th Plan has recommended in its draft report for incorporating the components of the erstwhile Scheme of Human Resources Development as a Centrally Sponsored Scheme to be implemented by the States / UTs during the 12th Plan as a part of proposed National Mission on Food Processing (NMFP). After the 11th Plan period (31.03.2012), MFPI is not implementing this scheme directly as central sector scheme. However, the ongoing projects which are approved during the 11th plan period and where the grant amount has not been released in full, the Ministry would require to implement those projects directly till their completion as per 11th Plan scheme guidelines.

## **8.0 National Mission on Food Processing**

A most significant initiative being proposed during 12th Plan is launching of a National Mission on Food Processing (NMFP). This would be decidedly a paradigm shift in the Ministry's approach and is driven by the need to make food processing truly a national initiative. It is also fully realized that unless State Governments become implementing agencies of Ministry's various schemes and programmes, there would remain a limitation on size and depth of Ministry's programmes. The success achieved by initiatives like National Horticulture Mission also suggests that Ministry may adopt a similar approach to reach farmers and small entrepreneurs. The SMEs account for large majority of food processors in the country. The Ministry's decision to propose NMFP is thus guided by twin principles of Decentralization and Outreach.

For the financial year 2013-14, BE of ₹ 187.00 crore has been made.

## **9.0 Scheme for Strengthening of Institutions**

9.1 The Ministry has been operating Plan Schemes for the development of processed food sector. After the zero based budgeting exercise, the Ministry was operating only six schemes during the 10th Plan. This is one of the six schemes and include the following activities: -

- i) Strengthening of Indian Institute of Crop Processing Technology (IICPT), Tamil Nadu (formerly Paddy Processing Research Centre (PPRC))
- ii) Strengthening of State Nodal Agencies (SNA)
- iii) Meeting the expenditure of pay and allowances for the Plan posts
- iv) National Meat & Poultry Processing Board
- v) Indian Grape Processing Board
- vi) National Food Technology Entrepreneurship and Management (NIFTEM)

**9.2 The provision of funds is as follows: -**

| <b>PLAN</b> |                                    | <b>(₹ in crore)</b>  |                      |                     |
|-------------|------------------------------------|----------------------|----------------------|---------------------|
| <b>S.N.</b> | <b>Schemes</b>                     | <b>B.E. -2012-13</b> | <b>R.E. -2012-13</b> | <b>B.E. 2013-14</b> |
| 1.          | Establishment Expenditure (Sectt.) | 6.00                 | 6.00                 | 7.00                |
| 2.          | Strengthening of Institutions      | 74.00                | 62.12                | 68.00               |
|             | <b>Total</b>                       | <b>80.00</b>         | <b>68.12</b>         | <b>75.00</b>        |

| <b>NON-PLAN</b> |                                     | <b>(₹ in crore)</b>  |                      |                     |
|-----------------|-------------------------------------|----------------------|----------------------|---------------------|
| <b>S.N.</b>     | <b>Schemes</b>                      | <b>B.E. -2012-13</b> | <b>R.E. -2012-13</b> | <b>B.E. 2013-14</b> |
| 1.              | Establishment Expenditure of Sectt. | 10.09                | 9.72                 | 10.65               |
| 2.              | Establishment Expenditure of F&VP   | 0.45                 | 0.44                 | 0.46                |
|                 | <b>Total</b>                        | <b>10.54</b>         | <b>10.16</b>         | <b>11.11</b>        |

**9.3 Plan funds utilization under the Scheme was to the extent of ₹ 102.50 crore during the year 2010-11**

In 2011-12, plan funds utilization under the Scheme was to the extent of ₹ 115.55 crores.

In 2012-13, plan funds utilization under the Scheme was ₹ 40.00 crores upto 31.12.2012

**9.4 State Nodal Agencies:**

Ministry of Food Processing Industries has, on the recommendation of the State/UT Governments, nominated State Nodal Agencies (SNA) for Food Processing Industries at the State/UT level in order to coordinate and monitor various activities pertaining to food processing sector in each state. Keeping in view the critical role, they have to play in the development of

food processing sector in the State, the Ministry interacts with the State Nodal Agencies periodically. In order to discuss about growth of FPI sector a conference of SNAs was organized on 12.01.2006.

The Ministry on July 18, 2011 enhanced the Recurring/Non-Recurring grants- in- aid to SNAs for the period 1.4.2011 to 31.3.2012 as under:

Recurring grants- in -aid to SNAs of States – ₹ 10.00 lakhs in two installments of ₹ 5.00 lakhs each per financial year.

Recurring grants-in-aid to SNAs of UTs – ₹ 5.00 lakhs per financial year.

Non recurring grants-in-aid to SNAs of States/ UTs – ₹ 1.00 lakh per financial year.

## **10.0 National Institute of Food Technology Entrepreneurship & Management (NIFTEM)**

### **10.1 Objective (Details in Chapter VI)**

Government had approved setting up National Institute of Food Technology Entrepreneurship & Management (NIFTEM) in 100 acres of land at Kundli in the State of Haryana at an estimated cost of ₹ 479.94 crore.

### **10.2 The outlay for this scheme is as under: -**

(₹ in crore)

| <b>B.E.2012-13</b> | <b>R.E. 2012-13</b> | <b>B.E.2013-14</b> |
|--------------------|---------------------|--------------------|
| 60.50              | 55.50               | 52.98              |

The Institute is functioning as a knowledge centre in food processing with emphasis on inter-disciplinary research, developing new products and processes, incubating innovative ideas, provide a forum for intense interaction for industry, Government, consumers and experts on the emerging contours of the food processing industry, guide and advise on the HRD support required by the sector and the regulatory framework for the industry.

### **11.0 Indian Institute of Crop Processing Technology (IICPT)**

Indian Institute of Crop Processing Technology (IICPT), formerly known as Paddy Processing Research Centre (PPRC), Thanjavur, is an autonomous organization under the administrative control of MFPI. It has been in existence for the last three decades. As other commodities such as millets, pulses and oil seeds were gaining importance, it was decided in 2001 to expand the mandate of this Institute to include the above commodities in its mandate also. In the Budget Speech of 2006-07, the Hon'ble Union Finance Minister announced the intention of the Government to upgrade PPRC to a National Institute. The status has since been upgraded to the level of a National Institute. The Institute is working in the areas of research, farmers and entrepreneurs training, running Academic courses and establishing Food Testing Labs and Incubation centres in the whole country.

Memorandum of Understanding (MOU) have been signed between IICPT and Illinois Institute of Technology, Chicago, USA; Oklahoma State University, Oklahoma, USA; Kansas State University, Manhattan, USA; Saskatoon Pulse Growers Association, Saskatoon, Canada; University of Nebraska, Lincoln, USA; University of Manitoba, Winnipeg, Canada; McGill University, Montreal, Canada and University of Saskatchewan, Saskatoon, Canada and Colorado State University, USA to facilitate a collaborative programme of research, training, curriculum, institutional development, information dissemination and exchange of faculty, students and staff.

### **12.0 Indian Grape Processing Board (IGPB)**

Indian Grape Processing Board as approved by the Union Cabinet in its meeting held on 2.1.2009 has been set up under the Ministry of Food Processing Industries. The Registration of Board has been completed and the Board's headquarter is located at Pune, Maharashtra.

The main objectives of the Indian Grape Processing Board would include focus on research & development, extension, quality upgradation, market research and information, domestic and international promotion of Indian wine; to set up facilities for wine analysis, testing for 'quality' defining and label standards, certification of wine and promoting Good Manufacturing Practices (GMP), Hazard Analysis and Critical Control Point (HACCP)/ISO 22000; to promote cooperative efforts, backward and forward linkages between growers and wine industry in general, to formulate a vision, action plan for the growth of Indian

wine sector including research and development for quality upgradation in new technologies/processes and to foster sustainable development of Indian wine industry.

### **13.0 National Meat & Poultry Processing Board (NMPPB)**

The mandate to set up a National Meat & Poultry Processing Board is to oversee the growth and further promotion of meat and poultry sector in the country. This has been considered necessary because of a felt need for a focused intervention in meat and poultry sector. The proposed Board will inter alia, (i) lay down policies for healthy development of the sector, (ii) evolve standards of hygiene and quality, (iii) support R&D and (iv) organize capacity building efforts.

The formation of National Meat & Poultry Processing Board has been notified in the Gazette of India Extraordinary vide notification no.127 dated 20th January, 2009. The Board has been formed on 27th February, 2009 and Shri K.D. Singh has been appointed as the Chairman of the Board alongwith 18 other members of the Board. The National Meat & Poultry Processing Board has been registered on 26th March, 2009 under Societies Registration Act, 1860. The Board started functioning from the leased accommodation at 7/6, Association of Municipalities & Development Authority, Siri Fort Institutional Area, August Kranti Marg, New Delhi.

### **14.0 Lump sum provision for North East including Sikkim :**

As per the directions of the Government, 10% of the Annual Plan outlay is required to be earmarked for utilization on projects in the North East and Sikkim. Accordingly, a provision of ₹ 70.80 crore, being 10% of Annual Plan Outlay of ₹ 708.00 crore is set aside for Schemes for the year 2013-14.

### **15.0 Special Component Plan & Tribal Sub-Plan**

The schemes operated by the Ministry of Food Processing Industries are aimed at providing facilities and incentives for promotion of food processing industries in the country. These schemes are project oriented and not State or area or community specific. However, these Plan schemes envisage enhanced scale of assistance for Difficult Areas including ITDP areas.

During 12th Plan, the Ministry is operating only six Schemes as recommended by the Planning Commission after the Zero based budgeting. The objectives of all these schemes are the development of the processed food industry. The beneficiaries of the food processing projects which are assisted by the Ministry through these Plan schemes are those supplying raw materials, people working in plants and those engaged in marketing activities downstream. These also include SC/ST communities. The beneficiaries in the project of meat and poultry processing, horticulture based industry and fishery sector are generally people belonging to SC/ST communities.

In order to ensure greater benefits to the people belonging to SC/ST communities, the following special provisions have been included in some of the Plan Schemes:-

- Preferential treatment for providing assistance for holding seminars/symposium etc., in areas where SC/ST population is predominant.
- One of the conditions of contract farming is that 20% of the minimum number of contracted farmers (25) should belong to SC/ST communities.
- Preference is given to people belonging to SC/ST communities for training under Entrepreneurial Development Programme (EDP).
- A certain percentage of trainees under Food Processing & Training Centre (FPTC) should be from SC/ST communities in such courses.
- Food Processing Projects in the North East :

As per the Government Policy, a minimum of 10% of the Plan outlay is to be utilized for the projects in the North Eastern States including Sikkim. Accordingly, the Ministry has been utilizing 10% of its Plan funds for the projects in the North East.

In addition, financial assistance is also being extended under Mini Mission IV of Horticulture Mission of North East & Himalayan States (formerly Horticulture Technology Mission) for integrated development of horticulture in the North Eastern States including Sikkim.



## Chapter – V

### FINANCIAL REVIEW DURING 2010-11, 2011-12 & 2012-13 (upto 31.12.2012)

#### A. TREND OF EXPENDITURE VIS-À-VIS BUDGET ESTIMATES / REVISED ESTIMATES / ACTUAL EXPENDITURE DURING 2010-11

(₹ in crore)

| Sl. No. | Classification Heads   | Budget Estimates 2010-11 |             |               | Revised Estimates 2010-11 |             |               | Actual Expnd. 2010-11 |             |               |
|---------|--|--------------------------|-------------|---------------|---------------------------|-------------|---------------|-----------------------|-------------|---------------|
|         |  | Plan                     | Non-Plan    | Total         | Plan                      | Non-Plan    | Total         | Plan                  | Non-Plan    | Total         |
|         | <b>Programme – Activity wise classification</b>                            |                          |             |               |                           |             |               |                       |             |               |
| 1.      | Scheme for Infrastructure Development                                      | 118.50                   | 0.00        | 118.50        | 100.25                    | 0.00        | 100.25        | 93.46                 | ---         | 93.46         |
| 2.      | Scheme for Technology, Upgradation, Establishment and Modernization of FPI | 69.25                    | 0.00        | 69.25         | 93.049                    | 0.00        | 93.049        | 92.61                 | ---         | 92.61         |
| 3.      | Scheme for upgradation of quality of street food                           | 0.90                     | 0.00        | 0.90          | 0.0009                    | 0.00        | 0.0009        | --                    | -----       | --            |
| 4.      | Scheme for Quality Assurance, Codex, Standards, and Research & Development | 31.90                    | 0.00        | 31.90         | 26.91                     | 0.00        | 26.91         | 30.99                 | ----        | 30.99         |
| 5.      | Scheme for Human Resource Development                                      | 9.45                     | 0.00        | 9.45          | 11.14                     | 0.00        | 11.14         | 9.69                  | --          | 9.69          |
| 6.      | Scheme for Strengthening of Institutions                                   | 23.00                    | 0.00        | 23.00         | 23.00                     | 0.00        | 23.00         | 22.38                 | --          | 22.38         |
| 7.      | Policy formation and administration  | 4.50                     | 9.72        | 14.22         | 4.50                      | 9.72        | 14.22         | 3.78                  | 9.39        | 13.17         |
| 8.      | Setting up of NIFTEM/IICPT   | 102.50                   | 0.00        | 102.50        | 102.50                    | 0.00        | 102.50        | 102.50                | ----        | 102.50        |
| 9.      | Lump-sum projects/ scheme for benefits of NE Sector including Sikkim       | 40.00                    | 0.00        | 40.00         | 40.00                     | 0.00        | 40.00         | 38.98                 | ----        | 38.98         |
|         | <b>Total</b>   | <b>400.00</b>            | <b>9.72</b> | <b>409.72</b> | <b>400.00</b>             | <b>9.72</b> | <b>409.72</b> | <b>394.39</b>         | <b>9.39</b> | <b>403.78</b> |

(₹ in crores)

| Sl. No. | Object-wise Classification  | Budget Estimates 2010-11 |               |                 | Revised Estimates 2010-11 |               |                 | Actual Expenditure 2010-11 |               |                 |
|---------|---|--------------------------|---------------|-----------------|---------------------------|---------------|-----------------|----------------------------|---------------|-----------------|
|         |   | Plan                     | Non-Plan      | Total           | Plan                      | Non-Plan      | Total           | Plan                       | Non-Plan      | Total           |
| 1       | Salaries  | 1.0500                   | 5.1246        | 6.1746          | 1.5100                    | 5.2500        | 6.7600          | 1.4063                     | 5.0341        | 6.4404          |
| 2       | Wages   | 0.0000                   | 0.0010        | 0.0010          | 0.0000                    | 0.0000        | 0.0000          | -                          | ....          |                 |
| 3       | Overtime Allowance (OTA)  | 0.0000                   | 0.0650        | 0.0650          | 0.0000                    | 0.0650        | 0.0650          | -                          | 0.0402        | 0.0402          |
| 6       | Medical Treatment   | 0.0500                   | 0.1364        | 0.1864          | 0.0500                    | 0.1360        | 0.1860          | 0.0458                     | 0.1128        | 0.1586          |
| 11      | Domestic Travel Expenses (DTE)  | 0.3500                   | 0.2160        | 0.5660          | 0.3500                    | 0.2160        | 0.5660          | 0.3497                     | 0.2099        | 0.5596          |
| 12      | Foreign Travel Expenses (FTE)   | 0.4000                   | 0.4000        | 0.8000          | 0.4000                    | 0.4000        | 0.8000          | 0.3944                     | 0.3849        | 0.7793          |
| 13      | Office Expenses (OE)  | 1.0000                   | 3.1690        | 4.1690          | 1.0000                    | 3.1110        | 4.1110          | 0.5780                     | 3.1318        | 3.7098          |
| 16      | Publications  | 0.0000                   | 0.2010        | 0.2010          | 0.0000                    | 0.1400        | 0.1400          | ....                       | 0.0902        | 0.0902          |
| 20      | Other Administrative Expenses   | 2.7400                   | 0.2000        | 2.9400          | 1.1301                    | 0.2000        | 1.3301          | 0.9838                     | 0.2000        | 1.1838          |
| 21      | Supply & Material   | 0.0100                   | 0.000         | 0.0100          | 0.0001                    | 0.000         | 0.0001          | ....                       | ....          | ---             |
| 26      | Advertising & Publicity   | 10.5100                  | 0.0010        | 10.5110         | 8.1001                    | 0.0010        | 8.1011          | 7.5004                     | ....          | 7.5004          |
| 28      | Professional Services   | 6.5500                   | 0.0050        | 6.5550          | 5.4301                    | 0.0010        | 5.4311          | 5.7491                     | 0.0006        | 5.7497          |
| 31      | Grants-in-aid - General   | 228.8700                 | 0.0010        | 228.8710        | 238.5193                  | 0.000         | 238.5193        | 234.1775                   | ....          | 234.1775        |
| 32      | Contribution  | 0.0100                   | 0.000         | 0.0100          | 0.0001                    | 0.000         | 0.0001          | ---                        | ....          | -               |
| 33      | Subsidies   | 0.000                    | 0.000         | 0.000           | 0.000                     | 0.000         | 0.000           | ---                        | ....          | ----            |
| 42      | Lump sum Provision  | 0.000                    | 0.2000        | 0.200           | 0.000                     | 0.2000        | 0.2000          | ---                        | 0.1842        | 0.1842          |
| 50      | Other Charges   | 1.3500                   | 0.000         | 1.3500          | 0.8900                    | 0.000         | 0.8900          | 0.8080                     | ....          | 0.8080          |
| 53      | Major Works   | 102.5100                 | 0.000         | 102.5100        | 102.5100                  | 0.000         | 102.5100        | 102.50                     | ....          | 102.50          |
| 54      | Investments   | 0.000                    | 0.000         | 0.000           | 0.000                     | 0.000         | 0.000           | ....                       | ....          |                 |
| 55      | Loans and Advances  | 0.000                    | 0.000         | 0.000           | 0.000                     | 0.000         | 0.000           | ....                       | ....          |                 |
| 31      | Grants-in-aid to State governments  | 4.5500                   | 0.000         | 4.5500          | 0.0601                    | 0.000         | 0.0601          | 0.9264                     | ....          | 0.9264          |
| 31      | Grants-in-aid to Union Territory  | 0.0500                   | 0.000         | 0.0500          | 0.0501                    | 0.000         | 0.0501          | ....                       | ....          | ....            |
| 58      | Provision for N.E. Sector Including Sikkim  | 40.00                    | 0.000         | 40.00           | 40.00                     | 0.000         | 40.00           | 38.9802                    | ....          | 38.9802         |
|         | <b>Total</b>  | <b>400.0000</b>          | <b>9.7200</b> | <b>409.7200</b> | <b>400.0000</b>           | <b>9.7200</b> | <b>409.7200</b> | <b>394.3996</b>            | <b>9.3887</b> | <b>403.7883</b> |
| 1       | Secretariat   | 4.50                     | 9.28          | 13.78           | 4.50                      | 9.28          | 13.78           | 3.7824                     | 9.2045        | 12.9869         |
| 2       | Schemes   | 355.50                   | 0.00          | 355.50          | 355.50                    | 0.00          | 355.50          | 351.637                    | 0.1842        | 351.8212        |
| 3       | Food Storage and ware housing   | 0.000                    | 0.44          | 0.44            | 0.00                      | 0.44          | 0.44            | ---                        | ....          |                 |
| 4       | Consumers Industries  | 0.000                    | 0.00          | 0.00            | 0.00                      | 0.00          | 0.00            | ----                       | ....          |                 |
| 5.00    | Lump Sum provision for projects/ schemes for benefit of NE Sector including Sikkim. | 40.00                    | 0.00          | 40.00           | 40.00                     | 0.00          | 40.00           | 38.9802                    | ....          | 38.9802         |
|         | <b>Grant Total</b>  | <b>400.0000</b>          | <b>9.7200</b> | <b>409.7200</b> | <b>400.0000</b>           | <b>9.7200</b> | <b>409.7200</b> | <b>394.3996</b>            | <b>9.3887</b> | <b>403.7883</b> |

**B. TREND OF EXPENDITURE VIS-À-VIS BUDGET ESTIMATES / REVISED ESTIMATES / ACTUAL EXPENDITURE - 2011-12**

(₹ in crore)

| Sl. No. | Classification Heads   | Budget Estimates 2011-12 |              |               | Revised Estimates 2011-12 |              |               | Actual Expnd. 2011-12 |             |               |
|---------|--|--------------------------|--------------|---------------|---------------------------|--------------|---------------|-----------------------|-------------|---------------|
|         |  | Plan                     | Non-Plan     | Total         | Plan                      | Non-Plan     | Total         | Plan                  | Non-Plan    | Total         |
|         | <b>Programme – Activity wise classification</b>                            |                          |              |               |                           |              |               |                       |             |               |
| 1.      | Scheme for Infrastructure Development                                      | 265.51                   | 0.00         | 265.51        | 153.01                    | 0.00         | 153.01        | 170.17                | -           | 170.17        |
| 2.      | Scheme for Technology, Upgradation, Establishment and Modernization of FPI | 83.00                    | 0.00         | 83.00         | 172.99                    | 0.00         | 172.99        | 179.13                | -           | 179.13        |
| 3.      | Scheme for upgradation of quality of street food                           | 4.00                     | 0.00         | 4.00          | 0.00                      | 0.00         | 0.00          | 0.00                  | -           | 0.00          |
| 4.      | Scheme for Quality Assurance, Codex, Standards, and Research & Development | 38.00                    | 0.00         | 38.00         | 39.00                     | 0.00         | 39.00         | 40.30                 | -           | 40.30         |
| 5.      | Scheme for Human Resource Development                                      | 13.00                    | 0.00         | 13.00         | 13.00                     | 0.00         | 13.00         | 13.69                 | -           | 13.69         |
| 6.      | Scheme for Strengthening of Institutions                                   | 10.99                    | 0.00         | 10.99         | 7.00                      | 0.00         | 7.00          | 7.00                  | -           | 7.00          |
| 7.      | Policy formation and administration  | 5.50                     | 10.09        | 15.59         | 5.50                      | 10.09        | 15.59         | 4.05                  | 8.80        | 12.85         |
| 8.      | Setting up of NIFTEM/IICPT   | 120.00                   | 0.00         | 120.00        | 104.50                    | --           | 104.50        | 104.50                | -           | 104.50        |
| 9.      | Lump-sum projects/ scheme for benefits of NE Sector including Sikkim       | 60.00                    | 0.00         | 60.00         | 55.00                     | ---          | 55.00         | *                     | -           | *             |
|         | <b>Total</b>   | <b>600.00</b>            | <b>10.09</b> | <b>610.09</b> | <b>550.00</b>             | <b>10.09</b> | <b>560.09</b> | <b>518.84</b>         | <b>8.80</b> | <b>527.64</b> |
|         | Deduct Recoveries  |                          |              |               |                           |              |               | 3.77                  | 0.05        | 3.82          |
|         | <b>Grand Total</b>   |                          |              |               |                           |              |               | <b>515.07</b>         | <b>8.75</b> | <b>523.82</b> |

(₹ in crores)

| Sl. No. | Object-wise Classification  | Budget Estimates 2011-12 |              |               | Revised Estimates 2011-12 |              |               | Actual Expenditure 2011-12 |             |               |
|---------|---|--------------------------|--------------|---------------|---------------------------|--------------|---------------|----------------------------|-------------|---------------|
|         |   | Plan                     | Non-Plan     | Total         | Plan                      | Non-Plan     | Total         | Plan                       | Non-Plan    | Total         |
| 1       | Salaries  | 2.00                     | 5.622        | 7.622         | 2.05                      | 5.622        | 7.672         | 1.74                       | 5.51        | 7.25          |
| 2       | Wages   | ---                      | ---          | ---           | ---                       | ---          | ---           | --                         | --          | --            |
| 3       | Overtime Allowance (OTA)  | ---                      | 0.065        | 0.065         | ---                       | 0.065        | 0.065         | --                         | 0.04        | 0.04          |
| 6       | Medical Treatment   | 0.10                     | 0.134        | 0.234         | 0.10                      | 0.134        | 0.234         | 0.09                       | 0.02        | 0.11          |
| 11      | Domestic Travel Expenses (DTE)  | 0.40                     | 0.224        | 0.624         | 0.44                      | 0.224        | 0.664         | 0.40                       | 0.23        | 0.63          |
| 12      | Foreign Travel Expenses (FTE)   | 0.75                     | 0.45         | 1.20          | 0.75                      | 0.45         | 1.20          | 0.54                       | 0.23        | 0.77          |
| 13      | Office Expenses (OE)  | 1.10                     | 3.09         | 4.19          | 1.10                      | 3.09         | 4.19          | 0.49                       | 2.32        | 2.81          |
| 16      | Publications  | ---                      | 0.10         | 0.10          | ---                       | 0.10         | 0.1           | --                         | 0.07        | 0.07          |
| 20      | Other Administrative Expenses   | 1.40                     | 0.20         | 1.60          | 0.95                      | 0.20         | 1.15          | 0.41                       | 0.19        | 0.6           |
| 21      | Supply & Material   | 0.10                     | ---          | 0.10          | ---                       | ---          | ---           | --                         | --          | --            |
| 26      | Advertising & Publicity   | 6.7989                   | ---          | 6.7989        | 7.5989                    | ---          | 7.5989        | 7.86                       | --          | 7.86          |
| 28      | Professional Services   | 12.29                    | 0.005        | 12.295        | 7.50                      | 0.005        | 7.505         | 7.63                       | --          | 7.63          |
| 31      | Grants-in-aid - General   | 413.831                  | ---          | 413.831       | 393.3711                  | ---          | 393.3711      | 418.84                     | --          | 418.84        |
| 32      | Contribution  | 0.0001                   | ---          | 0.0001        | ---                       | ---          | ---           | --                         | --          | --            |
| 35      | Grants for creation of Capital Assets   | ---                      | ---          | ---           | 80.00                     | ---          | 80.00         | 80.00                      | --          | 80.00         |
| 42      | Lump sum Provision  | ---                      | 0.20         | 0.20          | ---                       | 0.20         | 0.20          | --                         | 0.19        | 0.19          |
| 50      | Other Charges   | 0.95                     | ---          | 0.95          | 0.86                      | ---          | 0.86          | 0.73                       | --          | 0.73          |
| 53      | Major Works   | 95.50                    | ---          | 95.50         | ---                       | ---          | ---           | --                         | --          | --            |
| 54      | Investments   | ---                      | ---          | ---           | ---                       | ---          | ---           | --                         | --          | --            |
| 55      | Loans and Advances  | ---                      | ---          | ---           | ---                       | ---          | ---           | --                         | --          | --            |
| 31      | Grants-in-aid to State governments  | 4.76                     | ---          | 4.76          | 0.26                      | ---          | 0.26          | 0.11                       | --          | 0.11          |
| 31      | Grants-in-aid to Union Territory  | 0.02                     | ---          | 0.02          | 0.02                      | ---          | 0.02          | -                          | --          | --            |
| 58      | Provision for N.E. Sector Including Sikkim  | 60.00                    | ---          | 60.00         | 55.00                     | ---          | 55.00         | --                         | --          | --            |
|         | <b>Total</b>  | <b>600.00</b>            | <b>10.09</b> | <b>610.09</b> | <b>550.00</b>             | <b>10.09</b> | <b>560.09</b> | <b>518.84</b>              | <b>8.80</b> | <b>527.64</b> |
| 1       | Secretariat   | 5.50                     | 9.66         | 15.16         | 5.50                      | 9.66         | 15.16         | 4.06                       | 8.40        | 12.46         |
| 2       | Schemes   | 534.50                   | ---          | 534.50        | 489.50                    | ---          | 489.50        | --                         | --          | --            |
| 3       | Food Storage and ware housing   | ---                      | 0.43         | 0.43          | 0.00                      | 0.43         | 0.43          | 514.78                     | 0.40        | 515.18        |
| 4       | Consumers Industries  | ---                      | ---          | ---           | 0.00                      | ---          | ---           | --                         | --          | --            |
| 5.00    | Lump Sum provision for projects/ schemes for benefit of NE Sector including Sikkim. | 60.00                    | ---          | 60.00         | 55.00                     | ---          | 55.00         | --                         | --          | --            |
|         | <b>Grand Total</b>  | <b>600.00</b>            | <b>10.09</b> | <b>610.09</b> | <b>550.00</b>             | <b>10.09</b> | <b>560.09</b> | <b>518.84</b>              | <b>8.80</b> | <b>527.64</b> |
|         | Deduct Recoveries   |                          |              |               |                           |              |               | 3.77                       | 0.05        | 3.82          |
|         | <b>Grand Total</b>  |                          |              |               |                           |              |               | <b>515.07</b>              | <b>8.75</b> | <b>523.82</b> |

**C. TREND OF EXPENDITURE VIS-À-VIS BUDGET ESTIMATES / REVISED ESTIMATES / ACTUAL EXPENDITURE 2012-13**

(₹ in crore)

| Sl. No.   | Classification Heads   | Budget Estimates 2012-13 |              |               | Revised Estimates 2012-13 |              |               | Actual Expnd. 2012-13<br>(up to 31.12.2012) |             |               |
|---|--|--------------------------|--------------|---------------|---------------------------|--------------|---------------|---|-------------|---------------|
|   |  | Plan                     | Non-Plan     | Total         | Plan                      | Non-Plan     | Total         | Plan  | Non-Plan    | Total         |
|   | <b>Programme – Activity wise classification</b>                            |                          |              |               |                           |              |               |   |             |               |
| 1.  | Scheme for Infrastructure Development                                      | 164.00                   | 0.00         | 164.00        | 159.45                    | 0.00         | 159.45        | 123.60                                      | -           | 123.60        |
| 2.  | Scheme for Technology, Upgradation, Establishment and Modernization of FPI | 92.00                    | 0.00         | 92.00         | 173.46                    | 0.00         | 173.46        | 98.93                                       | -           | 98.93         |
| 3.  | Scheme for Quality Assurance, Codex, Standards, and Research & Development | 32.00                    | 0.00         | 32.00         | 29.16                     | 0.00         | 29.16         | 20.88                                       | -           | 20.88         |
| 4.  | Scheme for Human Resource Development                                      | 3.50                     | 0.00         | 3.50          | 3.50                      | 0.00         | 3.50          | 3.12  | -           | 3.12          |
| 5.  | Scheme for Strengthening of Institutions                                   | 32.50                    | 0.00         | 32.50         | 21.11                     | 0.00         | 21.11         | --  | -           |               |
| 6.  | Policy formation and administration  | 6.00                     | 10.54        | 16.54         | 6.00                      | 10.16        | 16.16         | 3.67  | 7.55        | 11.22         |
| 7.  | Setting up of NIFTEM/IICPT   | 41.00                    | 0.00         | 41.00         | 41.00                     | 0.00         | 41.00         | 40.00                                       | -           | 40.00         |
| 8.  | National Mission on Food Processing  | 223.00                   | 0.00         | 223.00        | 160.32                    | 0.00         | 160.32        | 176.91                                      | -           | 176.91        |
| 9.  | Lump-sum projects/ scheme for benefits of NE Sector including Sikkim       | 66.00                    | 0.00         | 66.00         | 66.00                     | 0.00         | 66.00         | *   | -           | *             |
|   | <b>Total</b>   | <b>660.00</b>            | <b>10.54</b> | <b>670.54</b> | <b>660.00</b>             | <b>10.16</b> | <b>670.16</b> | <b>467.11</b>                               | <b>7.55</b> | <b>474.66</b> |
| * Expenditure incurred in respect of NE sector has been booked under corresponding functional head after budget re-appropriation. |  |                          |              |               |                           |              |               |   |             |               |

(₹ in crores)

| Sl. No. | Object-wise Classification  | Budget Estimates 2012-13 |              |               | Revised Estimates 2012-13 |              |               | Actual Expenditure 2012-13<br>(As on 31.12.2012) |             |               |
|---------|---|--------------------------|--------------|---------------|---------------------------|--------------|---------------|--|-------------|---------------|
|         |   | Plan                     | Non-Plan     | Total         | Plan                      | Non-Plan     | Total         | Plan   | Non-Plan    | Total         |
| 1       | Salaries  | 2.85                     | 6.08         | 8.93          | 2.85                      | 6.70         | 9.55          | 1.78   | 5.69        | 7.47          |
| 2       | Wages   | -                        | -            | -             | -                         | -            | -             | -  | -           | -             |
| 3       | Overtime Allowance (OTA)  | -                        | 0.07         | 0.07          | -                         | 0.03         | 0.03          | -  | 0.03        | 0.03          |
| 6       | Medical Treatment   | 0.10                     | 0.14         | 0.24          | 0.10                      | 0.03         | 0.13          | 0.03   | 0.02        | 0.05          |
| 11      | Domestic Travel Expenses (DTE)  | 0.40                     | 0.22         | 0.62          | 0.40                      | 0.35         | 0.75          | 0.40   | 0.18        | 0.58          |
| 12      | Foreign Travel Expenses (FTE)   | 0.75                     | 0.45         | 1.20          | 0.75                      | 0.20         | 0.95          | 0.31   | 0.13        | 0.44          |
| 13      | Office Expenses (OE)  | 1.10                     | 3.06         | 4.16          | 1.10                      | 2.41         | 3.51          | 0.46   | 1.16        | 1.62          |
| 16      | Publications  | -                        | 0.10         | 0.10          | -                         | 0.13         | 0.13          | -  | 0.07        | 0.07          |
| 20      | Other Administrative Expenses   | 1.25                     | 0.20         | 1.45          | 1.26                      | 0.10         | 1.36          | 0.48   | 0.09        | 0.57          |
| 21      | Supply & Material   | -                        | -            | -             | -                         | -            | -             | -  | -           | -             |
| 26      | Advertising & Publicity   | 5.63                     | -            | 5.63          | 2.81                      | -            | 2.81          | 0.60   | -           | 0.60          |
| 28      | Professional Services   | 7.70                     | 0.01         | 7.71          | 4.14                      | -            | 4.14          | 2.08   | -           | 2.08          |
| 31      | Grants-in-aid - General   | 477.16                   | -            | 477.16        | 386.43                    | -            | 386.43        | 264.13   | -           | 264.13        |
| 32      | Contribution  | -                        | -            | -             | -                         | -            | -             | -  | -           | -             |
| 35      | Grants for creation of Capital Assets   | 41.00                    | -            | 41.00         | 41.00                     | -            | 41.00         | 30.00  | -           | 30.00         |
| 42      | Lump sum Provision  | -                        | 0.21         | 0.21          | -                         | 0.21         | 0.21          | -  | 0.18        | 0.18          |
| 50      | Other Charges   | 0.60                     | -            | 0.60          | 0.60                      | -            | 0.60          | 0.55   | -           | 0.55          |
| 53      | Major Works   | -                        | -            | -             | -                         | -            | -             | -  | -           | -             |
| 54      | Investments   | -                        | -            | -             | -                         | -            | -             | -  | -           | -             |
| 55      | Loans and Advances  | -                        | -            | -             | -                         | -            | -             | -  | -           | -             |
| 31      | Grants-in-aid to State governments  | 40.40                    | -            | 40.40         | 145.06                    | -            | 145.06        | 163.37   | -           | 163.37        |
| 31      | Grants-in-aid to Union Territory  | 15.06                    | -            | 15.06         | 7.50                      | -            | 7.50          | 2.66   | -           | 2.66          |
| 58      | Provision for N.E. Sector Including Sikkim  | 66.00                    | -            | 66.00         | 66.00                     | -            | 66.00         | *  | -           | *             |
|         | <b>Total</b>  | <b>660.00</b>            | <b>10.54</b> | <b>670.54</b> | <b>660.00</b>             | <b>10.16</b> | <b>670.16</b> | <b>466.85</b>                                    | <b>7.55</b> | <b>474.40</b> |
| 1       | Secretariat   | 6.00                     | 10.09        | 16.09         | 6.00                      | 9.72         | 15.72         | 3.67   | 7.18        | 10.85         |
| 2       | Schemes   | 588.00                   | -            | 588.00        | 588.00                    | -            |               | 463.18   | --          | 463.18        |
| 3       | Food Storage and ware housing   | -                        | 0.45         | 0.45          | -                         | 0.44         | 0.44          |  | 0.37        | 0.37          |
| 4       | Consumers Industries  | -                        | -            | -             | -                         | -            | -             | -  | -           | -             |
| 5.00    | Lump Sum provision for projects/ schemes for benefit of NE Sector including Sikkim. | 66.00                    | -            | 66.00         | 66.00                     | -            | 66.00         | *  | -           | *             |
|         | <b>Grant Total</b>  | <b>660.00</b>            | <b>10.54</b> | <b>670.54</b> | <b>660.00</b>             | <b>10.16</b> | <b>670.16</b> | <b>466.85</b>                                    | <b>7.55</b> | <b>474.40</b> |

\* Expenditure incurred in respect of NE sector has been booked under corresponding functional head after budget re-appropriation.

#### D. Financial Requirement for 2013-14

(₹ in crore)

| Sl. No. | Classification Heads  | Budget Estimates 2013-14 |              |               |
|---------|---|--------------------------|--------------|---------------|
|         |   | Plan                     | Non-Plan     | Total         |
|         | <b>Programme – Activity wise classification</b>                             |                          |              |               |
| 1       | Scheme for Infrastructure Development                                       | 215.00                   | --           | 215.00        |
| 2       | Scheme for Technology, Upgradation, Establishment and Modernization of FPI  | 144.71                   | --           | 144.71        |
| 3       | Scheme for Quality Assurance, Codex, Standards, and Research & Development  | 32.00                    | --           | 32.00         |
| 4       | Scheme for Human Resource Development                                       | 3.50                     | --           | 3.50          |
| 5       | Scheme for Strengthening of Institutions                                    | 2.01                     | --           | 2.01          |
| 6       | Policy formation and administration   | 7.00                     | 11.11        | 18.11         |
| 7       | NIFTEM & IICPT  | 65.98                    | --           | 65.98         |
| 8       | National Mission on Food Processing   | 167.00                   | --           | 167.00        |
| 9       | <b>Lump-sum projects/ scheme for benefits of NE Sector including Sikkim</b> | 70.80                    | --           | 70.80         |
|         | <b>Total</b>  | <b>708.00</b>            | <b>11.11</b> | <b>719.11</b> |

2013-14

(₹ in crore)

| Sl. No. | Object-wise Classification  | Plan          | Non-Plan     | Total         |
|---------|---|---------------|--------------|---------------|
| 01.     | Salaries  | 3.00          | 7.68         | 10.68         |
| 02.     | Wages   | ---           | ---          | ---           |
| 03.     | Overtime Allowance (OTA)  | ---           | 0.03         | 0.03          |
| 06      | Medical Treatment   | 0.15          | 0.09         | 0.24          |
| 11.     | Domestic Travel Expenses (DTE)  | 0.60          | 0.34         | 0.94          |
| 12.     | Foreign Travel Expenses (FTE)   | 0.90          | 0.20         | 1.10          |
| 13.     | Office Expenses (OE)  | 1.35          | 2.46         | 3.81          |
|         | Publications  | ---           | 0.05         | 0.05          |
| 20      | Other Administrative Expenses   | 1.85          | 0.15         | 2.00          |
| 21      | Supply & Material   | ---           | --           | --            |
| 26.     | Advertising & Publicity   | 3.13          | --           | 3.13          |
| 28      | Professional Services   | 9.20          | 0.01         | 9.21          |
| 31.     | Grants-in-aid - General   | 410.78        | --           | 410.78        |
| 32      | Contribution  | ---           | --           | --            |
| 35.     | Grants for creation of Capital Assets   | 45.98         | --           | 45.98         |
| 42.     | Lump sum Provision  |               | 0.10         | 0.10          |
| 50.     | Other Charges   | 0.80          | --           | 0.80          |
| 53.     | Major Works   | ---           | --           |               |
| 54.     | Investments   | ---           | --           |               |
| 55.     | Loans and Advances  | ---           | --           |               |
| 31      | Grants-in-aid to State governments  | 150.40        | --           | 150.40        |
| 31      | Grants-in-aid to Union Territory  | 9.06          | --           | 9.06          |
| 58.     | Provision for NE sector including Sikkim  | 70.80         | -            | 70.80         |
|         | <b>Total</b>  | <b>708.00</b> | <b>11.11</b> | <b>719.11</b> |
| 1.      | Secretariat   | 7.00          | 10.65        | 17.65         |
| 2.      | Schemes   | 630.20        |              | 630.20        |
| 3.      | Food Storage and ware housing   |               | 0.46         | 0.46          |
| 4.      | Consumers Industries  |               |              |               |
| 5.      | Lump Sum provision for projects/ schemes for benefit of NE Sector including Sikkim. | 70.80         |              | 70.80         |
|         | <b>Grand Total</b>  | <b>708.00</b> | <b>11.11</b> | <b>719.11</b> |

### E. Outstanding Utilization Certificates

Position of outstanding Utilization Certificates in respect of Grants-in-aid released upto 31.03.2011 and due as on 01.04.2012 is given below:

| No. of UCs pending | Amount (₹ in crore) |
|--------------------|---------------------|
| 3030               | 537.59              |

### F. UNSPENT BALANCES WITH STATE GOVERNMENTS

Nil as financial assistance provided by the Ministry of Food Processing Industries is not State specific.

### G. UNSPENT BALANCE WITH IMPLEMENTING AGENCIES FOR THE QUARTER ENDING 31.12.2011.

As on 31.12.2012, an amount of ₹ 1.46 crore as unspent balance is parked with the bank as indicated below:

| As on 31.12.2012 |                   | (₹ in crore)     |
|------------------|-------------------|------------------|
| S. No.           | Name of State/UT  | Amount with Bank |
| 1                | Arunachal Pradesh | --               |
| 2                | Assam             | --               |
| 3                | Chhattisgarh      | --               |
| 4                | Gujarat           | --               |
| 5                | Haryana           | 1.46             |
| 6                | J&K               | --               |
| 7                | Karnataka         | --               |
| 8                | Kerala            | --               |

As on 31.12.2012

(₹ in lakhs)

| S. No. | Name of State/UT | Amount with Bank |
|--------|------------------|------------------|
| 9      | M.P              | --               |
| 10     | Maharashtra      | --               |
| 11     | Manipur          | --               |
| 12     | Meghalaya        | --               |
| 13     | Mizoram          | --               |
| 14     | Nagaland         | --               |
| 15     | Orissa           | --               |
| 16     | Punjab           | --               |
| 17     | Rajasthan        | --               |
| 18     | Tripura          | --               |
| 19     | U.P              | --               |
| 20     | W.B              | --               |
| 21     | Delhi            | --               |
|        | <b>Total</b>     | <b>1.46</b>      |



## Chapter – VI

### Review of Performance of Statutory and Autonomous Bodies

#### 1. Indian Institute of Crop Processing Technology (IICPT), Tamil Nadu

##### (a) Genesis of IICPT (formerly PPRC)

In order to undertake research activities aimed at addressing the problems associated with the preservation of high moisture paddy, a Research and Development laboratory was established in the rice mill complex of Thanjavur Co-operative Marketing Federation (TCMF) at Tiruvarur in 1968. In 1972, it was upgraded as a national laboratory under the name of Paddy Processing Research Centre (PPRC). PPRC was initially administered by the TCMF, thereafter by the Tamil Nadu Civil Supplies Corporation and then by the Tamil Nadu Agriculture University. PPRC was registered as a society in December 1984 under the Tamil Nadu Societies Registration Act and since then it has been functioning as an autonomous body under the Administrative control of Department of Food, Government of India up to September, 1988. Consequent upon the creation of new Ministry of Food Processing Industries and transfer of the Rice Milling Cell from the Department of Food to the Ministry, the administrative control of the PPRC was transferred to the Ministry in 1988.

##### (b) Administration

The Board of Management is the apex body to govern the activities of the Institute. The general superintendence, direction, control and management of the affairs of the Institute are vested with the Board of Governors. The Secretary, Ministry of Food Processing Industries is the Chairman of the Board of Management.

The management of the affairs of the Institute is carried out through an Executive Committee constituted by the Board. The Committee exercises such powers as are specified or delegated to it by the Board from time to time. The Secretary and Joint Secretary, Ministry of Food Processing Industries, Government of India are the Chairman of the Board and Executive Committee, respectively.

### **(c) Divisions**

The erstwhile PPRC (now IICPT) had separate divisions focusing on paddy, millet, pulses, oilseeds, food analysis and agricultural engineering. The upgraded institute IICPT will have following separate divisions

- (i) Primary Processing Division
- (ii) Storage, Handling and Packaging Division
- (iii) Products & Processes Development Division
- (iv) Equipment and System Development Division
- (v) Food Testing and Product quality Analysis Division
- (vi) Human Resource Development Division
- (vii) Technology Dissemination and Commercialization Division.

### **(d) Training Programmes**

IICPT conducts short term training programmes on basic, applied and analytical aspects of post harvest technologies of food grains, grain processing. IICPT has excellent trainers in food processing areas, who are leading Scientist in different sectors of food processing and preservation. The short term training programs are exclusively and separately designed to cater the needs of undergraduate and research students, academicians, laboratory technicians, farmers, self help group members and entrepreneurs. Training programmes consist of lectures, discussions, demonstrations, practical and field visits and participants derive boundless benefits in their chosen areas of works through these programmes. The training schedules also include periodical trainings to students on the principle and application of modern equipments such as Gas chromatograph with mass detector, Inductively Coupled Plasma Optical Emission Spectrometer and HPLC.

**(e) Technologies Developed:**

II CPT developed the following technologies in the following areas:

| <b>Area</b>              | <b>Technologies Developed</b>   |
|--------------------------|---|
| Preservation and Storage | High Moisture paddy<br>Parboiled paddy during rainy season<br>Wet paddy straw<br>IPM of psocids   |
| Drying                   | MYDI<br>PPRC dryer  |
| Parboiling               | Prevention of off odour<br>Prevention of husk opening<br>Steamed rice<br>SST method of parboiling<br>Pressure parboiling<br>Sand parboiling<br>Thermic fluid parboiling<br>Parboiling of brown rice |
| Milling                  | Modernization of huller mill<br>Low friction huller   |
| Products and Equipment   | Idli Dry Mix<br>Crispy mix<br>Continuous rice puffing equipment<br>Fortification of puffed rice<br>Rice vermicelli<br>Quick cooking sooji<br>Quick cooking rice                                     |
| By product and Equipment | Rice husk ash as carrier for bio fertilizers<br>Husk stove<br>Bran stabilizer<br>Degermer   |
| Pollution Control        | Effluent treatment plant for rice mill  |

**(f) Vision of Institute**

- To serve as a National Institute for research, education, and training in the area of post harvest processing of crops of wetlands, storm and flood prone regions.
- To undertake basic, applied and adoptive research in post production sector of cyclone/ storm prone areas and wetlands, also including plantation, spices and other important crops.
- To act as a National Organization for information on post production systems of mandated crops.
- To undertake transfer of technology, consultancy and analytical services for raw and processed agricultural commodities.
- To establish linkages with related processing industries and other academic as well as R&D institutions for achieving its goal effectively.

**(g) Mission**

In pursuing the vision, the focus will be on:

- Gaining an increased understanding of living organisms with a view to increasing its application in the grain industry.
- Developing a strong human resource capacity for the processing industry.
- Providing a sound scientific basis for decision making in food security, safe environment and addressing concerns of the consumers.
- Generate and upgrade the scientific knowledge in the area of food grains for maximizing, conservation and utilization of food grains.
- Value addition to the food grains and development of food products with safety through the application of newer technologies by R&D work.
- Assist the existing industries for better performance in terms of efficient functioning, by product utilization and effluent management.

- Promote growth of new food industry, entrepreneurship, upgrading the skill of industrial manpower and management by imparting training programme.
- Storage of grains, insect pest management and safeguarding the quality of food grains and products.
- Shelf life improvement of food grains/ products by packaging and improved technology.
- Environmental protection and work safety measures in food industries.

Outlay for IICPT : BE 2012-13 - ₹ 3.50 crore RE 2012-13 – ₹ 3.50 crore BE 2013-14 - ₹ 13.00 crore

#### **(h) Achievements**

- (i) Under Phase-I of the construction of Additional facilities under the up-gradation plan the Administration block has been constructed and commissioned.
- (ii) Under Phase-II A, the construction of one hostel building, two labs, Director's residence has been commissioned.
- (iii) Acquisition of Land for phase-II B of the construction was in the final stages but has been stayed by the Hon'ble High Court, Chennai for the time being.
- (iv) 21 Scientists have been recruited.
- (v) IICPT has created world class research laboratories for conducting research in different areas of food processing technologies. Some of the laboratories created in the 11th five year plan period are - NABL Food Testing Laboratory, Food Product Development Laboratory, Food Microbiology Laboratory, Food Engineering Laboratory, Food Packaging Laboratory, State of Art Food Processing Business Incubation Center, Bakery Processing Unit

#### **Food Processing Incubation Center**

- IICPT has created a Hi-tech, state of the art food processing incubation cum training center in its campus with the different product lines.
- The incubation center offers short and long term hands-on training to rural youth, self help group women, producers,

students, new and experienced entrepreneurs and other stake holders and technical consultancy services for the establishment of food industries.

- The facilities including the equipments and machinery are given on rental basis to stake holders who like to produce and market test their produce before venturing in the food processing businesses.
- Recently IICPT has opened a Sales Outlet as Food Processing Incubation Model in its campus which is open to IICPT family and public.

### **Academic Programmes**

- The Institute began offering formal degree courses at bachelor's, master's and doctoral levels in food process engineering from 2009-10 academic year.
- In B.Tech program 40 students are admitted every year, 10 students in the M.Tech program and 5 in the Ph. D programs.
- The B.Tech program is of 4 years or 8 semester's duration, the M.Tech will be of 2 years or 4 semester's duration and the Ph. D will usually be of 3 years or 6 semester's duration.
- IICPT sends undergraduate students for short term exposure and graduate students for long term research training works in reputed international institutions in advanced laboratories around the world.
- These training and research exposures help to create leaders in food processing who can take Indian food processing sector to greater heights.
- IICPT sends also the undergraduate students to India's villages to learn firsthand the problems faced by producers and the current status of production, storage, handling, and marketing of foods.

### **Patents Filed and Received**

- Patents filed - 11
- Patents Received- 03

## **2.0 Setting up of National Institute of Food Technology Entrepreneurship & Management (NIFTEM)**

2.1 Ministry of Food Processing Industries has set up a national level institute called National Institute of Food Technology Entrepreneurship & Management at Kundli in the State of Haryana at an estimated cost of ₹ 479.94 crore. The Institute has been set up as a registered society under the Societies Registration Act 1860 on 19.05.2010. The Institute was initially incorporated as a Company under Section 25 of the Companies Act, 1956 on 07.08.2007. However NIFTEM with its legal status as a Company was not able to obtain Deemed to be University status from UGC and approval of its technical courses from AICTE, the Government of India registered NIFTEM as an autonomous body under the Societies Registration Act, 1860 on 19.05.2010. The Ministry awarded the work of design, architecture and construction of NIFTEM building to NBCC Ltd. The Institute will be an apex institution in the area of food science & technology. It is running B. Tech (Food Technology & Management) and five stream of M.Tech courses and house pilot plants, research labs, business incubation, faculty exchange programme etc. The institutional building construction has been completed and the Institute has started its first academic session from 16.08.2012 with B. Tech. (Food Technology and Management) with 115 students and five streams of M.Tech with 88 students.

## **2.2 Mandate of NIFTEM**

NIFTEM would work as Sector Promotion Organisation of the food processing sector. Major objectives of NIFTEM drawn from its mandate are:

- Working as a "One Stop Solution Provider" to all the problems of the sector.
- Working for "Skill Development" and "Entrepreneurship Development" for the sector.
- Facilitating business incubation services with its ultra modern pilot plant for processing of fruit and vegetables, dairy, meat and grain processing.
- Conducting Frontier Area Research for development of the Sector.
- Developing world class managerial talent with advanced knowhow in food science and technology.

- Providing intellectual backing for regulations which will govern food safety and quality and at the same time foster innovation.
- Functioning as a knowledge repository on various aspects of food processing such as product information, production and processing technology, market trends, safety and quality standards, management practices among others.
- Working for Upgradation of SME food processing clusters.
- Promoting cooperation and networking among existing institutions within India and as well as with international bodies.

## **2.3 Physical performance**

### **Status of the Project**

The Cabinet Committee on Economic Affairs (CCEA) in its meeting held on 31.08.2006 had approved setting up of NIFTEM at Kundli, Sonapat, Haryana at an approved cost of ₹ 244.60 Crore. The CCEA in its meeting held on 28.04.2011 approved revision of Project cost to ₹ 479.94 Crore. The Institute was incorporated on 07.08.2007 as a 'not-for-profit' company under section 25 of the Companies Act, 1956. To meet the requirement of UGC and AICTE the status of NIFTEM has now been changed to that of a registered Society under Societies Registration Act, 1860 on 19.05.2010. NIFTEM has since been granted the status of Deemed University under De-novo category by Ministry of HRD on 08.05.2012. NIFTEM has acquired 100 acres of land from HSIIDC at a cost of ₹ 36.10 Crore. The possession of land has been taken from HSIIDC on 10.08.2007.

The work of design, architecture and construction of NIFTEM building has been awarded to NBCC Ltd, a Government of India Enterprise. An MOU in this regard has been signed on 31.10.2007. The Ministry has also appointed M/s. RITES Ltd, a Government of India Enterprise, as third party inspecting agency to ensure adherence of the time schedule. The building construction of Institutional Building is almost completed. One hostel block to accommodate with 250 students with mess and residential units for staff has also been completed. The remaining work of NIFTEM Campus will be completed in 2013-14. The Institute has commenced short term training programmes from July, 2011 as part of its skill development initiatives. The first academic session has commenced from 16.08.2012.

The outlay for NIFTEM is as under:

(₹ in crore)

| B.E. 2012-13 | R.E. 2012-13 | B.E. 2013-14 |
|--------------|--------------|--------------|
| 60.50        | 55.50        | 52.98        |

## 2.4 Financial review

Trend of expenditure vis-à-vis budget estimates/ revised estimates, actual expenditure during 2012-13

(₹ in crore)

| Sl. No. | Classification Heads<br>Setting up of<br>NIFTEM | BE 2012 - 13 | RE 2012 - 13 | Actual<br>expenditure<br>2012 - 13<br>(Upto 31.12.2012) |
|---------|---|--------------|--------------|---|
| 1.      | MH 2408 (Grants for creation of Capital Assets) | 40.50        | 40.50        | 30.00   |
| 2.      | MH 2408<br>(Grants-in-aid General)              | 20.00        | 15.00        | 10.00   |

## 2.5 Outcome from NIFTEM

NIFTEM would be the hub of knowledge in food science, food processing, supply chain management, food safety etc and interface with the global knowledge. It would benefit all stakeholders including domestic industry, exporters, entrepreneurs, small and medium enterprises, existing academic & research institutions, food testing laboratory, food standards setting bodies and Government. It may also function as a referral food testing laboratory. The NKC will be developed as world's largest repository in food processing sector.

This in turn would help to realize the Vision 2015 adopted by the Government, which aims to treble the size of food processing industry in next ten years so as to enhance farmer income, generate employment opportunities and contribute to overall national growth by increasing the level of processing from 6% to 20% value addition from 20% to 35% and share in global food trade from about 1.5% to 3%.

The R&D in frontier areas will help in developing world-class technologies, products and processes to realize the natural comparative advantage of India in global food trade. NIFTEM would also produce world-class business leaders and technologists who in turn would create and manage world-class food industry. Business incubation services by NIFTEM would assist entrepreneurs in product development, test marketing and setting up food units.

NIFTEM would play an active role in setting of food standards and Food Safety Management System like Good Manufacturing Practices, HACCP, thus improving the overall quality of food safety and hygiene in the country. It would also play an important role in harmonizing Indian food standards with international standards like Codex, which would help in building image of the country.

It is estimated that NIFTEM will produce approximately 1000 students and entrepreneurs, incubate about 250 businesses, undertake 300 research projects, and will have about 12000 annual subscriptions for its journals by 2017. In addition, industry will benefit through continuing education programmes, technology transfer, market intelligence and project consultancy provided by NIFTEM.

An expenditure of ₹ 310.17 crore till 30.11.2012 has already been incurred on the project.

NIFTEM as an International Center of Excellence will work synergistically with industry and other institutions within India and abroad which will immensely benefit the Indian Food Processing Industry.

### **3.0 National Meat & Poultry Processing Board (NMPPB)**

Formation of the National Meat & Poultry Processing Board has been notified in the Gazette of India Extraordinary vide Notification No. 127 dated 20th January, 2009. Mandate of the Board is to oversee the growth and further promotion of Meat and Poultry sector in the country. This has been considered necessary because of a felt need for focused intervention in Meat and Poultry sector. The Board will inter-alia (i) lay down policies for healthy development of the sector, (ii) evolve standards of hygiene and quality, (iii) support R&D and (iv) organize capacity building efforts.

The Board was formally launched by the then Hon'ble Minister of State (I/C), Food Processing Industries in New Delhi on 19.02.2009. The Board has been formed on 27th February, 2009 and Shri K.D. Singh has been appointed as the Chairman of the Board along with 18 other members of the Board. The Board has been registered on 26th March, 2009 under Societies Registration Act, 1860. The Board started functioning from leased accommodation at 7/6, Association of Municipalities & Development Authority, Siri Institutional Area, August Kranti Marg, New Delhi.

**Outreach Training Programme:**

NMPPB has undertaken a outreach initiative that would involve all the stake-holders – the Government sector, the entrepreneurs and the meatworkers.

NMPPB has organized a series of training programmes for meat/poultry sector. The Board has so far conducted over 08 training programmes in places like Kochi (Kerala), Kolasib (Mizoram), Kolkata (West Bengal), Hyderabad (Andhra Pradesh), Patna (Bihar), Dimapur (Nagaland), Itanagar (Arunachal Pradesh) and Murshidabad (West Bengal) in 2012.

**Consultancy wing:**

A Consultancy Wing has been established to provide turn-key services for setting up/modernisation of abattoirs, preparation of DPR's, financial closure etc.

**Membership drive:**

An extensive membership drive has been launched and over 245 members have been enrolled so far.

**MOU with premier institutions**

NMPPB is mandated to cooperate and coordinate with the meat & poultry concerned renowned National and International Bodies, for the mutual development of the sector. NMPPB has signed MoUs in the year 2012 with following national institutions viz.

- National Minorities Development and Finance Corporation (NMDFC), New Delhi
- Central Agricultural University (CAU), Iroisemba, (Imphal), Manipur
- Rajiv Gandhi College of Animal and Veterinary Sciences (RAGACOVAS), Puducherry
- Maharashtra Animal and Fisheries Sciences University (MAFSU), Nagpur (Maharashtra)
- West Bengal University of Animal and Fisheries Sciences (WBUFAS), Kolkata (West Bengal)

**International Visit:**

An official delegation of 6 members led by Joint Secretary, MOFPI-cum-Vice Chairman, NMPPB was deputed to the Netherlands from April 18 to April 22, 2011 to strengthen the relationship and have dialogue with Meat and Poultry Industries, Associations, Councils and Boards.

**Industry meets:**

NMPPB has organized industry meets on 18.05.2011 at Moradabad, on 30.05.2011 at Agra and on 09-01-2012 at Kochi, Kerala respectively, wherein all the meat and poultry industry people from the nearby districts were invited to know their problems related to production, export & local environmental and legal issues. The meets have been subsequently followed by a training program for the butchers, municipal workers and other personnel involved with the meat and poultry industry. These meets are organized to facilitate direct interaction of NMPPB with the industry and other stakeholders at their locations.

**Mayors Conference:**

- a) To address the issues which need immediate attention, NMPPB has started organizing series of six "Mayors Conferences" in the year 2011-12 and 2012-13. In each of these conferences a team of 5 persons including Mayor, Municipal Commissioner, Chief Engineer, Chief Veterinary Officer and Veterinary officer in-charge of the local abattoir is invited from nearly 110 urban local bodies covering all the States/ UTs of the country. These Conferences are being organized for the benefit of Mayors, Municipal Commissioners and certain selected Govt. Officials to make them aware of broader issues/problems of meat and poultry sector and also the benefits of putting up modern abattoirs/ slaughter house.
- b) First, Second and Third National Conference of Mayors, Municipal Commissioners & Veterinary Officers were organized on 7th June, 2011, November 02, 2011 and January 17th - 18th 2012, at New Delhi respectively.
- c) Third Mayor's Conference was held on 17th and 18th January, 2012 at PHD Chambers of Commerce and Industry, New Delhi to sensitize the Mayors and officials of the Municipal Bodies. The major objectives of the Conference was to Create awareness for hygienic slaughtering, processing and sale of hygienic meat and poultry products in local domestic retail shops, train participants for construction of modern slaughter houses and to sensitize the municipal officers, supervisors and workers regarding quality issues in meat and poultry sector and its impact on public health, share guidelines about modern meat shops and to provide guidelines for establishment of modern meat and poultry processing units to entrepreneurs.
- d) Fourth Mayor's Conference was held on 5th and 6th October, 2012 at Ahmednagar, Maharashtra.

### **Events / Fairs/ EXPO attended by the Board**

- a) NMPPB participated in Food Tech Exhibition from 4th -5th February, 2012 at Raipur, Chhattisgarh.
- b) NMPPB participated in VIV/ILDEX, from 22nd -24th February, 2012, at Bangalore, Karnataka

The Board invites Industry members to participate in various exhibitions along with NMPPB and display their products at a nominal price. The Board also provides space at the NMPPB stall/booth/pavilion at subsidized rates.

### **Executive Committee and Management Committee Meetings:**

NMPPB has organized its 8th, 9th, 10th, 11th, 12th, 13th, 14th and 15th Managing Committee Meetings on 18.1.2012, 12.03.2012, 30.04.2012, 11.05.2012, 18.07.2012, 30.08.2012, 28.09.2012 and 26.10.2012 respectively. NMPPB also conducted its Annual General Meeting on 15.11.2012.

### **Studies:**

NMPPB has undertaken four major studies on Benchmarking of Abattoirs, Quality issues in Meat Sector, Socio-economic upliftment of the Meat Workers / Butchers and Greening of meat and poultry sector.

### **Short Term Training Programmes:**

NMPPB being a knowledge partner of National Institute of Food Technology Entrepreneurship and Management (NIFTEM), Kundli, Sonapat (Haryana) has jointly organized 6th and 7th Short Term Training Programme (STTP) with NIFTEM at Kundli, Sonapat (Haryana) from 22nd February, 2012 - 24th February, 2012 and 2nd April- 4th April 2012, respectively on the topic "Quality issues in Meat Processing Sector". The participants were Entrepreneurs, Production Development Managers, Meat Processing Managers, Poultry Managers, Marketing Processing Managers, Meat Exporters, Poultry Exporters, Researchers, Academicians and Students.

## **4.0 Indian Grape Processing Board (IGPB)**

The Indian Grape Processing Board as approved by the Union Cabinet in its meeting held on 2.1.2009 has been set up under the Ministry of Food Processing Industries. Registration of the Board has been completed and the Board's headquarter is located in Pune, Maharashtra. The website of IGPB is [www.igpb.in](http://www.igpb.in).

### **Objectives**

The main objectives of the Indian Grape Processing Board would include focus on research & development, extension, quality upgradation, market research and information, domestic and international promotion of Indian wine: to set up facilities for wine analysis, testing for 'quality' defining and label standards, certification of wine and promoting Good Manufacturing Practices (GMP), Hazard Analysis and Critical Control Point (HACCP)/ISO 22000; to promote cooperative efforts, backward and forward linkages between growers and wine industry in general, to formulate a vision, action plan for the growth of Indian wine sector including research and development for quality upgradation in new technologies/processes and to foster sustainable development of Indian wine industry.

### **Expected Outcomes**

The expected outcomes of Indian Grape Processing Board would be as follows:-

- Increased awareness and capacity building among farmers, processors and other stakeholders resulting in increased productivity, reduced wastage and improved quality of grapes and wine conforming to global standards.
- Satisfy growing demand of domestic markets and for exports.
- Increase in farmers' income and employment generation with a particular focus on rural areas.
- Encouragement to cluster farming, contract farming and farm diversification.
- Benefits of value addition brought to farming community and farmers fetching remunerative prices for their produce.

The Board has 16 members including the Chairman who is an eminent professional from the wine industry. The Board is located at Pune, Maharashtra.

### **Work done during Financial Year 2012-13**

Eight Board meetings have been conducted during FY 2012-13 up to 31.12.2012. The Board has participated in Prowin International Wine & Spirits Fair, Germany in March 2012. A Budgetary allocation of ₹ 5.00 crore was made to the Indian Grape Processing Board during the Financial Year 2012-13.

