



सत्यमेव जयते

**GOVERNMENT OF INDIA**

**OUTCOME BUDGET**

**OF**

**MINISTRY OF FOOD PROCESSING INDUSTRIES**

**FOR**

**2012-13**



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# OUTCOME BUDGET 2012-13

Demand No. 45

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**Outcome Budget 2012-13**  
**Demand No. – 45**  
**Ministry of Food Processing Industries**

**Executive Summary**

The Outcome Budget of the Ministry of Food Processing Industries for 2012-13 (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 new 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, setting up of food testing laboratories, Indian Institute of Crop Processing Technology (IICPT) and National Institute of Food Technology, Entrepreneurship and Management (NIFTEM). 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 others are now operating 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. Approved outlay for Annual Plan 2012-13 is ₹ 660.00 crore.

The Ministry has finalized a Vision Document 2015 in which thrust areas have been identified for strategic intervention. It has already identified strategies along with a detailed action plan to realize the Vision.

**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 including setting up of NIFTEM, Modernization of IICPT, NMPPB & IGPB. Non-Plan & Plan outlay for 2012-13 is ₹10.54 crore & ₹ 660.00 crore respectively, out of which ₹ 66.00 crore is earmarked for North-Eastern States. During 12th Five Year Plan, the flagship Scheme of Mega Food Park under the Scheme for Infrastructure Development will be implemented as Central Sector Scheme and a New Scheme of National Mission on Food Processing has been proposed to be implemented as Centrally Sponsored Scheme.

**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 infrastructure is being set up in order to commence regular activities from July 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 2011-12, grants-in-aid of ₹ 45.7909 crore has been released to 11 Mega Food Parks and ₹48.24 crore to 12 cold chain projects upto 31.1.2012. Under the Scheme for Technology Upgradation / Establishment / Modernization of Food Processing Industries, ₹ 137.72 crore has been disbursed to 852 units upto 31.1.2012 during 2011-12. Under the Scheme for Quality Assurance, Codex Standard, Research & Development & Promotional Activities, ₹ 31.32 crore have been utilized during 2010-11 and ₹ 22.82 crore (during 2011-12) upto 31.1.2012. Under the Scheme for Human Resource Development, ₹ 11.11 crore have been utilised during 2010-11 and ₹ 8.78 crore (during 2011-12) upto 31.1.2012. Under the Scheme for Strengthening of Institutions, ₹ 128.65 crore have been utilised during 2010-11 and ₹ 94.85 crore (during 2011-12) upto 31.12.2011. 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 ₹ 90.00 crore released for setting up of NIFTEM during 2010-11 and ₹ 88.50 crore during 2011-12 upto 31.12.2011 for infrastructure development of NIFTEM campus.

**Chapter – V** pertains to financial review during, 2009-10, 2010-11 & 2011-12 (upto 31.12.2011) indicating the trend of expenditure vis-à-vis Budget Estimates / Revised Estimates / Actual Expenditure during 2009-10, 2010-11 & 2011-12 (upto 31.12.2011). It also indicates the details of Budget Estimates for 2012-13 amounting to Plan ₹ 660.00 crore and Non-Plan ₹ 10.54 crore. It has brought out the details of outstanding Utilization Certificates in respect of grants-in-aid released upto 31.3.2010 unspent balances with State governments and unspent balance with implementing agencies as on 31.12.2011.

**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.

For setting up of NIFTEM, the Ministry has already taken possession of 100 acres of land at Kundli, Sonapat, Haryana from Haryana State Industrial and Infrastructural Development Corporation and construction activity is in progress. The Institute has commenced short term training programmes from July, 2011 as part of its skill development initiatives. It is proposed to commence academic session from 2012-13 after the Deemed University status under De Novo category is granted by UGC/ Ministry of HRD.

The Ministry has set up two new 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.

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**Outcome Budget 2012-13**  
**Demand No. – 45**  
**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.
- c) In the budget of 2004-05 income tax holiday and other concessions announced for certain FPI sectors.
- d) In the Budget 2006-07 onwards excise duty has been waived on condensed milk, ice cream, preparations of

meat, fish and poultry, pectins, pasta and yeast. Excise duty on ready to eat packaged foods and instant food mixes, like dosa and idli mixes have been reduced to 0%. Excise duty on aerated drinks has been reduced to 14%. Fruit and vegetable processing units are already exempted from payment of excise duty. To ensure easy availability of credit, Government has included food processing industries in the list of priority sector for bank lending.

- e) In the budget of 2007-08, Fiscal Incentives like Exemption limit of excise duty for Small Scale Industry (SSI) raised from ₹ 1 crore to ₹15 crore, Excise duty on biscuits reduced from 8% to 0% whose retail price does not exceed ₹50 per Kg, Excise duty reduced from 8% to 0% on all kind of food mixes including instant mixes, Custom duty on food processing machinery reduced from 7.5% to 5%. Custom duty on sunflower oil(crude) reduced from 65% to 50% and of sunflower oil (refined) reduced from 75% to 60%, Special Additional duty of 4% waived in the case of refined edible oil, Central Sales Tax reduced from 4% to 3% from April 1, 2007. All service provided by Technology Business Incubators exempted from service tax. Similarly the incubators whose annual business turnover does not exceed ₹ 50 lakhs exempted from service tax for the first three years.
- f) In the budget of 2009-10, Existing rate of excise duty on processed food was continued. In respect of R&D sector, the benefit of 150% weighted deduction under clause (1) of sub-section (2AB) of Section 35 of Income Tax Act will now cover food processing industry also. Fringe Benefit Tax on food processing was abolished. Under Section 80-IA-IIA, deduction is allowed on the profit deriving from the business of processing, preservation and packaging of fruits & vegetables only. This will now be extended to all new food processing units based on all perishable like milk, poultry, meat products and not just fruits and vegetables product only. Extension of investment-linked tax incentives to the businesses of setting up and operating 'Cold Chain; warehousing facilities for storing agricultural produce

**g) Fiscal incentives announced in the Budget 2010-11 for the food processing sector:-**

Full exemption from excise duty has been given to specified equipments for preservation, storage or transport of apiary, horticultural, dairy, poultry, aquatic & marine produce and meat and processing thereof.

Project imports status, with concessional rate of basic customs duty of 5% has been granted to the initial setting up or substantial expansion of a cold storage, cold room (including farm pre-coolers) for preservation or storage or an industrial unit for processing of agricultural, apiary, horticultural, dairy, poultry, aquatic & marine produce and meat.

Truck Refrigeration units manufacturing refrigerated vans/trucks have been fully exempted from basic customs duty.

Exemption from service tax has been provided to services relating to 'Erection, Commissioning or Installation' of :-

- Mechanized Food Grain Handling Systems etc.
- Equipment for setting up or substantial expansion of cold storage; and
- Machinery/equipment for initial setting up or substantial expansion of units for processing of agricultural, dairy, poultry, aquatic, marine or meat products.

Prior to budget, exemption from service tax was available to transport of fruits, vegetables, eggs or milk by a goods transport agency. The scope of exemption has been expanded to include food grains and pulses.

**h) Fiscal incentives announced in the Budget 2011-12 for the food processing sector:-**

- Withdrawal of Central Excise Duty exemption on 26 number of consumer goods relating to food processing sector. 1% of Central Excise Duty in respect of these items which were being charged Central Excise Duty ranging from 0-10%. No Cenvat credit will be available on these items under Cenvat Credit Rules 2004 (Central Excise Tariff Exemption 1/2011 dated 1-3-2011 refers)
- 5% of Central Excise Duty on certain items of processed food without restriction on Cenvat credit which were being charged to Central Excise Duty ranging between 0-10% till now (Central Excise Tariff Exemption 2/2011 dated 1.3.2011 refers).

- Full exemption from Excise Duty to air conditioning equipments and refrigeration panels for cold chain infrastructure and conveyor belts used in cold storage, mandis and warehouses.

#### **1.4.2. 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 is setting 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. The Institute has initiated activities and is in readiness to commence academic session during 2012-13. The Institute has commenced conducting short term training courses to various stakeholders under its Skill Development initiatives.
- f) Two new 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.

#### **1.4.3 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 12<sup>th</sup> 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. In the 12th Plan target to set up Mega Food Parks - 30 (from 11th Plan) and 30 ( new initiatives).
- 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.

- Establishment of NIFTEM (National Institute of Food Technology, Entrepreneurship and Management).
- Modernization of Indian Institute of Crop Processing Technology (IICPT) formerly PPRC, Thanjavur.
- Upgrading safety and quality of street food and establishing Food Streets / Safe Food Towns in identified cities.
- 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.
- **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.

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

Based on the review of Tenth Plan Schemes, the following existing Schemes are being continued under the Eleventh 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 so far approved 30 Mega Food Parks out of 30 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.

(₹ in crore)

S. No	Scheme/Programme	Outlay for Annual Plan 2010-11 (BE)	Outlay for Annual Plan 2011-12 (BE)	Outlay for Annual Plan 2012-13 (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)	137.50	300.00	191.00
2	Scheme for Technology Upgradation/Establishment/Modernization of Food Processing Industries	81.00	98.00	100.00
3	Scheme for Upgradation of Quality of Street Food	1.00	5.00	Not Approved
4	Scheme for Quality Assurance, Codex Standards, <sup>13</sup> Research & Development and other Promotional Activities	38.00	45.00	35.00
5	Scheme for Human Resource Development	10.50	15.00	4.00
6	Scheme for Strengthening of Institutions *(including NIFTEM)	132.00	137.00	80.00
7	National Mission on Food Processing (NMFP)			250.00
	<b>Total</b>	<b>400.00</b>	<b>600.00</b>	<b>660.00</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.

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## 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 2012-13 (₹ In crore)			Quantifiable Deliverables/ Physical outputs	Projected Budgeted Outcomes (intermediate/ partial & final)	Processing Timelines	Remarks/ Risk Factors
			(i)	(ii)	(iii)				
1	2	3	4			5	6	7	8
			Non Plan Budget	Plan Budget	Outlay earmarked for N.E. States				
1	Scheme for infrastructure Development	Assist in creation of infrastructure for FPI Sector : -Mega Food Park -Cold Chain Infrastructure -Setting up New/ Modernization of Abattoirs	.....	86.00	16.00	Mega Food Park-30	Mega Food Park- 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.	Implementation on time depends upon land availability, finance and other logistic support.	Contingent upon receipt/ appraisal, 30 Food Parks, 49 Cold Chains, 10 abattoirs are targeted for approval/ part assistance during the year.
			86.00	8.00	Integrated cold chain facilities - 49				
			19.00	3.00	Modern Abattoirs-10				

1	2	3	4		5	6	7	8
1.						<p><u>Cold Chain</u> - This will enable linking groups of producers to the processors and market through well-equipped supply chain and cold chain. Private investment of around ₹210 crore will be attracted as against the grant of ₹110 crore.</p> <p><u>Abattoirs</u> - 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>		

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.	.....	100.00	8.00	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. 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  Lab -12 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>	.....	80	0.50	<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>	
7.	National Mission on Food Processing			250.00	27.00			
	<b>Grand TOTAL</b>		.....	<b>660.00</b>	<b>66.00</b>			

### Explanations:

- a) Total Plan budget of ₹ 660.00 crore has been apportioned in Column 4(ii).
- b) Outlay earmarked for NE states under Column 4(iii) represents 10% of the Plan Budget Outlay given under column 4(ii).
- c) 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**
  - Undertake frontier and inter disciplinary research in areas of relevance to the sector.

- Promote cooperation and networking amongst existing institutions both within the country and international bodies, create a complete database on domestic resources and bring in international best practices for improving the food processing sector.
- Undertake frontier and inter disciplinary research in areas of relevance to the sector.
- Co-operate in setting standards as well as protocols for testing of food products.
- Provide industry friendly short-term courses, including regular degree and management courses leading upto Ph.D programmes, for developing HRD resources for the food processing sector.
- With capacities developed in the aforesaid areas, assist Government in policy formation and regulatory framework.
- Provide business incubation facilities/Pilot plants.

#### **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 would commence 1st academic session from 2012-13 after the Deemed University status under De Novo category is granted by UGC/Ministry of HRD.

#### **(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 Organisation of Vine & 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. Tax Relief/Reforms for Speedy growth of FPI sector:

- a) Excise duty on processed fruit and vegetables has been brought down from 16% to zero level .
- b) In the budget of 2004-05 income tax holiday and other concessions announced for certain FPI sectors.
- c) In the Budget of 2006-07, the following promotional and tax relief measures for the food processing industries were initiated:
  1. Food processing identified as industry with employment potential
  2. Food Processing to be a priority sector for bank credit; NABARD to create a refinancing window with a corpus of ₹1,000 crore, especially for agro-processing infrastructure and market development.
  3. National Institute of Food Technology, Entrepreneurship and Management was decided to be set up in Kundli, Haryana.
  4. Customs duty on packaging machines to be reduced from 15 per cent to 5 per cent.
  5. Condensed milk, ice cream, preparations of meat, fish and poultry, pectins, pasta and yeast to be fully exempt from excise duty.

6. Excise duty on ready-to-eat packaged foods and instant food mixes, like dosa and idli mixes, to be reduced from 16 per cent to 8 percent.
  7. Excise duty on aerated drinks has been reduced from 24 per cent to 16 per cent.
  8. Excise duty on packaging paper has been reduced from 16 per cent to 12 per cent.
  9. ₹150 crore earmarked for NHM for terminal markets.
- d) In the budget of 2007-08, Fiscal Incentives like Exemption limit of excise duty for Small Scale Industry (SSI) raised from ₹1 crore to ₹15 crore, Excise duty on biscuits reduced from 8% to 0% whose retail price does not exceed ₹50 per Kg, Excise duty reduced from 8% to 0% on all kind of food mixes including instant mixes, Custom duty on food processing machinery reduced from 7.5% to 5%. Custom duty on sunflower oil(crude) reduced from 65% to 50% and of sunflower oil (refined) reduced from 75% to 60%, Special Additional duty of 4% waived in the case of refined edible oil, Central Sales Tax reduced from 4% to 3% from April 1, 2007. All service provided by Technology Business Incubators exempted from service tax. Similarly the incubators whose annual business turnover does not exceed ₹50 lakhs exempted from service tax for the first three years. Licensing powers delegated to regional offices under Fruit Products Order, 1955 were announced.

**e) Fiscal Incentives announced in the Budget 2008-09 for the food-processing sector:**

- Creation of fund of ₹5,000 crore in NABARD to enhance its refinance operations.
- Customs duty on Bactofuges reduced to NIL (this will increase shelf life of milk and benefit Dairy Industry).
- Reduction in general CENVAT rate on all goods from 16% to 14%.
- Excise duty exemption on Tea & Coffee Pre Mixes, Milk containing edible nuts with sugar or other ingredients and Puffed Rice (goods of mass consumption) from 16%.
- Excise duty reduced on specified packaging material from 16% to 8% (OTS Cans, Aseptic Bags and Aseptic Packaging Paper).
- Excise duty on certain varieties of packing paper reduced from 12% to 8%.

- Excise duty reduced on Breakfast Cereals from 16% to 8%.
- To further encourage Cold Chain facilities, refrigeration equipments (consisting of compressor, condensers, evaporator etc) above 2 tonne refrigeration utilising power of 50 KW and above, exempted on end-use basis.
- To promote out-sourcing of research, a weighted deduction of 125% on payments made to companies engaged in R & D.
- CST reduced from 3% to 2% from 1.4.2008.

**f) Fiscal incentives announced in Budget 2009-10**

- Existing rate of excise duty on processed food has been continued.
- In respect of R&D sector, the benefit of 150% weighted deduction under clause (1) of sub-section (2AB) of Section 35 of Income Tax Act will now cover food processing industry also.
- Fringe Benefit Tax on food processing abolished.
- Under Section 80-IA-IIA, deduction is allowed on the profit deriving from the business of processing, preservation and packaging of fruits & vegetables only. This was extended to all new food processing units based on all perishable like milk, poultry, meat products and not just fruits and vegetables product only.
- Extension of investment-linked tax incentives to the businesses of setting up and operating Cold Chain; warehousing facilities for storing agricultural produce.

**g) Fiscal incentives announced in Budget 2010-11**

Impetus to the food processing sector

- In addition to the ten Mega Food Park projects already being set up, the Government has decided to set up five more such parks.

- External Commercial Borrowings to be available for cold storage or cold room facility, including for farm level pre-cooling, for preservation or storage of agricultural and allied produce, marine products and meat.
- Project import status with a concessional import duty of 5 per cent for the setting up of mechanised handling systems and pallet racking systems in 'mandis' or warehouses for food grains and sugar as well as full exemption from service tax for the installation and commissioning of such equipment.
- Project import status at a concessional customs duty of 5 per cent with full exemption from service tax to the initial setting up and expansion of -
  - » Cold storage, cold room including farm pre-coolers for preservation or storage of agriculture and related sectors produce; and
  - » Processing units for such produce.
- Full exemption from customs duty to refrigeration units required for the manufacture of refrigerated vans or trucks.
- Concessional customs duty of 5 per cent to specified agricultural machinery not manufactured in India;
- Concessional import duty was provided to specified machinery for use in the plantation sector in the year 2003. This exemption is to lapse in July 2010. The modernization of this labour-intensive sector is yet to reach the expected level. I propose therefore, to extend it up to March 31, 2011 along with a CVD exemption. I hope this will provide sufficient time for the sector to achieve the desired objective.
- One of the prerequisites for agricultural productivity is access to good quality and disease-resistant seeds. Proposal to exempt the testing and certification of agricultural seeds from service tax.
- Proposal to exempt the transportation by road of cereals and pulses from service tax. Their transportation by rail would remain exempt.

- Proposal for two measures under the Central Excise law to ease the cash flow position for small-scale manufacturers hard hit by the economic slowdown.
- First, they would be permitted to take full credit of Central Excise duty paid on capital goods in a single installment in the year of their receipt.
- Secondly, they would be permitted to pay Central Excise duty on a quarterly, rather than monthly basis. These measures that come into effect on the April 1, 2010 should provide them considerable relief.

**(h) Fiscal incentives announced in Budget 2011-12**

- Approval for setting up of 15 additional Mega Food Parks over and above already approved 15 Mega Food Parks.
- The provision of viability gap funding for capital investment in the creation of modern storage. Recognition of cold chain and post harvest storage as infrastructure sub-sector.
- Withdrawal of Central Excise Duty exemption on 26 number of consumer goods relating to food processing sector. 1% of Central Excise Duty in respect of these items which were being charged Central Excise Duty ranging from 0-10%. No Cenvat credit will be available on these items under Cenvat Credit Rules 2004 (Central Excise Tariff Exemption 1/2011 dated 1-3-2011 refers).
- 5% of Central Excise Duty on certain items of processed food without restriction on Cenvat credit which were being charged to Central Excise Duty ranging between 0-10% till now (Central Excise Tariff Exemption 2/2011 dated 1.3.2011 refers).
- Full exemption from Excise Duty to air conditioning equipments and refrigeration panels for cold chain infrastructure and conveyor belts used in cold storage, mandis and warehouses.

**3.3 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 has been taken on 10.08.2007. The construction of Institutional Building is almost complete and the work for construction of residential hostels and other

peripheral infrastructure is in progress.

- NIFTEM was registered as a not-for-profit Section 25 company under the Companies Act, 1956 and the Certificate of Incorporation has been obtained on 07.08.2007. Subsequently, its status has been changed to a Registered Society, under Societies Registration Act, 1860 to meet the requirement of UGC.
- NIFTEM in collaboration with Quality Council of India conducted a 4 days workshop of "Future Vista on Food Safety" from 5th Sept' to 8th Sept' 2007. Since then on regular basis seminars/workshops have been organized in cities, towns, Metros across the country for Brand Building of NIFTEM. NIFTEM has started conducting short term training programmes for industry in collaboration with knowledge partners from July, 2011 onwards as part of its skill development activities.
- The foundation stone of NIFTEM Complex 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 building. The construction of the building started w.e.f. July, 2008. The Institutional Buildings have almost been completed. The residential complex is under construction.
- NIFTEM has commenced its activities from July, 2011 and would start its 1st academic session in 2012-13 of B.Tech. (Food Technology and Management) subject to grant of Deemed to be University status by UGC.

### **3.4. Amendments in the Scheme for Infrastructure Development :-**

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

Based on the learning experience of implementation of Food Park Scheme, during 11th plan the Govt. had approved a new scheme under Infrastructure Development namely Mega Food Park Scheme which aims at developing farm proximate state of art infrastructure with strong backward and forward linkage in a demand driver manner.

Under the new scheme grant is provided @ 50% of the project cost excluding land cost in general areas and 75% in NER and difficult areas limited to ₹ 50 crore.

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

The assistance for modernization of Abattoirs during 10th plan was provided @ 25% of the project cost in general areas and 33.33% in difficult areas subject to a maximum of ₹4.00 crore. During 11th plan, the Ministry has launched a comprehensive scheme for establishment of new / modernization of existing abattoirs across the country. The scheme has been modified to induct private capital, better technology, backward and forward linkages. The financial assistance will be provided subject to necessary approval, 50% and 75% of the cost of plant & machineries and technical civil works in general and difficult areas respectively subject to a maximum of ₹15.00 crore for each project.

## **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 ₹4949.00 crore. Of this, ₹ 1625 crore is for integrated cold chain infrastructure for setting up of 400 units during 12th Five Year Plan.

## **3.5 Scheme for Implementation of Upgradation of Quality of Street Food**

This Scheme has not been approved by Ministry of Finance.

## **3.6 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.

### **3.7 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 Upgradation/Establishment/Modernization of FPIs being implemented by the Ministry of Food Processing Industries (MFPI) has been decentralised for implementation through Banks and financial institutions w.e.f. 1.4.2007 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 2009-10, 2010-11 & 2011-12 (as on 31.12.2011):-

(₹ in lakhs)

Sectors	2009-10		2010-11		2011-12 (As on 31.12.2011)	
	No. of cases	Amount released	No. of cases	Amount released	No. of cases	Amount released
Rice Milling	24	269.41	58	784.40	166	1872.00
Pulse Milling	23	162.49	52	451.88	80	927.55
Flour Milling	29	393.60	57	105.07	45	960.67
Wine & Beer	29	562.64	24	2331	12	300.00
Oil Milling	23	551.26	20	455	89	1339.20
F&VP Sector	147	2247.00	133	2331	220	3736.00
Consumer Industries	145	2247.00	114	2001.00	168	2279.00
Fisheries	15	342.00	9	193.10	27	575.00
Dairy	44	842.45	67	1424.21	54	1074.00
Meat & Poultry	10	376.00	20	455.10	5	92.25

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

- Check points/check lists 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 2012-13 (Plan) (as approved by Planning Commission)**  
**Ministry of Food Processing Industries**

(₹ in crore)

S. No.	Scheme/ Programme	Annual Plan 2011-12 (BE)		Outlay Earmarked for North-East 2011-12 (BE)	Annual Plan 2011-12 (RE)		Outlay Earmarked for North-East 2011-12 (RE)	Annual Plan 2012-13 (BE)		Outlay Earmarked for North-East 2012-13 (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	300.00	300.00	34.49	189.00	189.00	35.99	191.00	191.00	27.00
2	Scheme for Technology Upgradation/Establishment/ Modernization of Food Processing Industries	98.00	98.00	15.00	185.47	185.47	12.48	100.00	100.00	8.00
3	Scheme for Upgradation of Quality of street Food	5.00	5.00	1.00	--	--	--	--	--	--
4	Scheme for Quality Assurance, Codes Standards, Research & Development and other Promotional Activities	45.00	45.00	7.00	43.52	43.52	4.52	35.00	35.00	3.00
5	Scheme for Human Resource Development	15.00	15.00	2.00	14.50	14.50	1.50	4.00	4.00	1.50
6	Scheme for Strengthening of Institutions (including NIFTEM & IICPT)	137.00	137.00	0.51	117.51	117.51	0.51	80.00	80.00	0.50
	<b>Total A</b>	<b>600.00</b>	<b>600.00</b>	<b>60.00</b>	<b>550.00</b>	<b>550.00</b>	<b>55.00</b>	<b>410.00</b>	<b>410.00</b>	<b>39.00</b>

(₹ in crore)

S. No.	Scheme/ Programme	Annual Plan 2011-12 (BE)		Outlay Earmarked for North-East 2011-12 (BE)	Annual Plan 2011-12 (RE)		Outlay Earmarked for North-East 2011-12 (RE)	Annual Plan 2012-13 (BE)		Outlay Earmarked for North-East 2012-13 (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>B</b>	<b>Centrally Sponsored Schemes (CSS)</b>	...	...	...	...	...	...			
7	National Mission on Food Processing	...	...	...	...	...	...	250.00	250.00	27.00
	<b>Total B</b>	...	...	...	...	...	...			
	<b>Total Central Plan Outlay (A+B)</b>	<b>600.00</b>	<b>600.00</b>	<b>60.00</b>	<b>550.00</b>	<b>550.00</b>	<b>55.00</b>	<b>660.00</b>	<b>660.00</b>	<b>66.00</b>

Sd/-  
(A.L. Meena)  
Joint Secretary  
Ministry of Food Processing Industries

Sd/-  
(Dr. Renu Parmar)  
Adviser(VSE)  
Planning Commission

## Chapter – IV

### 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 Abattoirs-10	MFP-30 C. Chain-49 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.</p>
2	Scheme for Technology Upgradation, Establishment and Modernization of FPIs	450	484	
3	Scheme for Quality Assurance, Codex, Standards, Research & Development & Other Promotional Activities	R&D-17 Lab-12 HACCP-8	R&D- 9 Lab- 8 HACCP- 11 (upto 31.1.2012)	
4	Scheme for Human Resource Development	Infra.-14 EDP-230 FPTC-35	Infra.-1 EDP-238 FPTC-28 (upto 31.1.2012)	
5	Scheme for upgradation of Quality of Street Food	Preliminary & pilot studies were taken up		Preliminary & Pilot studies carried out. Cities identified for implementation of Safe Food component & Food Street.
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  
(2010-11)**

Sl. No.	Name of Schemes / Programmes	Physical Performance		
		Physical Targets	Achievements	Reasons for Variations
1	Scheme for Infrastructure Development	30	30	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	600	469	
3	Scheme for Quality Assurance, Codex, Standards, Research & Development & Other Promotional Activities	35	32	
4	Scheme for Human Resource Development	212	259	
5	Scheme for upgradation of Quality of Street Food	Trained fleet of about 16000 Street Food Vendors in 16 cities and 6 Streets to be developed as Food Streets attracting tourists.		Preliminary & Pilot studies carried out. Cities identified for implementation of Safe Food component & Food Street.
6	Scheme for Strengthening of Institutions	Institutional support to NIFTEM, IICPT and SNAs. IICPT training to 500 beneficiaries.		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 2009-10, BE / RE 2010-11 and BE 2011-12 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 1<sup>ST</sup> year of 12th Plan is ₹ 191 crore.

##### 4.4 The fund allocation, physical and financial progress in projects during financial year 2011-12 (As on 31.12.2011) is as follows.

(₹ in crore)

Year	B.E.	R.E.	Expenditure	Physical Progress
2011-12	300.00	189.00	91.66	Mega Food Parks -30 Cold Chain Infrastructure - 49 Abattoirs - 10

**4.5 Mega Food Park:** The Union Cabinet in its meeting held on 11.09.08 had approved establishment of ten Mega Food Parks in first phase out of total 30 Mega Food Park (MFP) to be set up under the Infrastructure Development Scheme for Mega Food Park during 11th Plan Period. Subsequently CCEA in its meetings held on 18.11.2010 and 25.10.2011 have approved 5 and 15 more projects. Thus a total of 30 Mega Food Parks have been approved by the Government so far.

The objectives of the scheme are the 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, 11 projects have been accorded final approval and 4 projects have been accorded “In-principle” approval. The CCEA in its meeting held on 25.10.2011 has approved setting up of 15 new Mega Food Parks in addition to the on-going projects. In compliance with CCEA approval, EoI was called for from prospective entrepreneurs for the newly approved 15 Mega Food Parks. 63 proposals have been received which are under examination. The status of implementation of the approved project is as follows :-

(₹ in crore)

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	Patanjali Food & Herbal Park Ltd, Uttara Khand	95.08	16.12.2008	27.03.2009	50.00	30.00	65.55
2	Srini Food Park Pvt. Ltd., Andhra Pradesh	126.54	16.12.2008	27.03.2009	50.00	45.00	73.51
3	North East Mega Food Park Ltd., Assam	75.98	16.12.2008	27.03.2009	50.00	15.00	15.86
4	Jharkhand Mega Food Park Pvt. Ltd.,Jharkhand	113.95	16.12.2008	27.03.2009	50.00	5.00	7.24
5	Tamil Nadu Mega Food Park Ltd., Tamil Nadu	133.45	16.12.2008	16.03.2010	50.00	5.00	6.14
6	Jangipur Bengal Mega Food Park Pvt. Ltd.,West Bengal	111.04	16.12.2008	16.03.2010	50.00	15.00	10.25
7	M/s Integrated Food Park Pvt. Ltd., Kolar, Karnataka	144.33	03.08.2010	27.03.2011	50.00	5.00	17.50
8	M/s International Fresh Farm Products (India) Ltd., Ferozpur, Punjab	153.40	03.08.2010	25.05.2011	50.00	5.00	4.75
9	M/s Keventer Food Park Infra Ltd., Bhagalpur, Bihar	153.30	29.04.2011	30.11.2011	50.00	5.00	---
10	M/s Sikaria Infra Projects Pvt. Ltd., Agartala, Tripura	85.25	29.04.2011	30.11.2011	50.00	5.00	---
11	M/s Anil Mega Food Park Pvt. Ltd., Vadodara, Gujarat	179.37	29.04.2011	25.05.2011	50.00	---	---
12.	M/s Paithan Mega Food Park Ltd., Aurangabad, Maharashtra	120.76	29.04.2011	"In principle" approval was accorded on 05-04-2011. The DPR has been submitted which is under scrutiny.			
13.	M/s Madhya Pradesh Mega Food Park Ltd.	161.75.	10.10.2011	"In Principle" approval has been accorded on 10.10.2011. The DPR is awaited			

14.	M/s MITS Mega Food Park Ltd., Rayagada, Orissa	116.77	29.04.2011	DPR has been submitted by the SPV which has been appraised by PMA and scrutinized by TC. Based on the recommendation of TC the SPV has been instructed to fulfill all the prescribed conditions.
15.	M/s Aditya Birla Nuvo Ltd., Sultanpur, Uttar Pradesh	168.65	24.09.2010	DPR has been submitted and the same has been appraised. SPV has been granted extension of time upto 31-12-2011 to comply certain observations.

#### 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 grant-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 is ₹4031 crore. Of this, ₹210 crore is for integrated cold chain infrastructure for setting up of 30 units during 11th Five Year Plan.

Ministry has accorded approval to 49 cold chain projects so far. 8 projects have become commercially operational. Out of the 39 projects approved in 2011, 10 projects have achieved 75% progress while 12 projects have achieved 25% progress. As on 31.1.2012, ₹ 48.24 crore has been released during the current financial year (2011-12).

The Competent Authority has approved upscaling of the scheme for remaining period of 11th Plan. 30 new projects are being considered for approval during the current financial year. .

#### **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 Government, 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, 50% and 75% of the cost of

plant & machineries 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 will have flexibility for involvement of private investors/Exporters/FDI on a BOO/BOT/JV. Regulatory functions will 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 by Ministry of Finance 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 approved the setting up of 9 new abattoirs during the year 2008-09 and remaining one was approved during the year 2009-10. During the current year 2011-12, grants-in-aid amounting to ₹1.70 crore has been disbursed for Ahmednagar Abattoir project. An amount of ₹16.60 lakhs has been disbursed to M/s. G K Sen and Associates, Noida empanelled as Project Management Agency for professional services.

## **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.2011-12	B.E.2011-12	B.E.2012-13	
98.00	185.47	100.00	

Performance for the year 2009-10, 2010-11 & 2011-12 (As on 31.12.2011):-

(₹ in lakhs)

Sectors	2009-10		2010-11		2011-12 (As on 31.12.2011)	
	No. of cases	Amount released	No. of cases	Amount released	No. of cases	Amount released
Rice Milling	24	269.41	58	784.40	166	1872.00
Pulse Milling	23	162.49	52	451.88	80	927.55
Flour Milling	29	393.60	57	105.07	45	960.67
Wine & Beer	29	562.64	24	2331	12	300.00
Oil Milling	23	551.26	20	455	89	1339.20
F&VP Sector	147	2247.00	133	2331	220	3736.00
Consumer Industries	145	2247.00	114	2001.00	168	2279.00
Fisheries	15	342.00	9	193.10	27	575.00
Dairy	44	842.45	67	1424.21	54	1074.00
Meat & Poultry	10	376.00	20	455.10	5	92.25

**F&VP Sector**

During 2010-11, the Ministry has released financial assistance of ₹ 23.31 crore to 133 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 2009-10, assistance worth ₹ 79.94 crore has been provided to 489 units.

5.6 In 2010-11, assistance worth ₹ 85.63 crore has been provided to 554 units.

5.7 In 2011-12, (upto 31.01 . 2012 ) assistance worth ₹ 131.56 crore has been provided to 866 units.

5.8 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.

133 fruits & vegetables processing units (excluding North East States, Himachal Pradesh, Jammu & Kashmir and Uttarakhand) have been assisted during 2010-11.

In 2011-12, (upto 31.1.2012) 220 fruits & vegetables processing units (excluding NE States, Himachal Pradesh, J&K & Uttarakhand) 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. 19.3.2004. This subject has been transferred to Ministry of Health & Family Welfare and administered by Food Standards and Safety Authority of India.

During the year 2011-12, 5 units have been assisted (upto 31.12.2011).

### **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 2010-11, financial assistance to 67 milk & dairy sector amounting to ₹ 14.24 crore has been released.

During the year 2011-12 (upto 31.1.2012), financial assistance to 54 milk & dairy sector amounting to ₹ 10.74 crore has been released.

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

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 / modernization / expansion. The Scheme has been decentralized w.e.f. 1st April 2007.

In 2010-11, 114 consumer food processing units have been assisted.

During the year 2011-12 (upto 31.1. 2012) financial assistance to 168 food processing units relating to consumer industries amounting to ₹ 22.79 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 2010-11, financial assistance to 9 fish processing industries amounting to ₹1.93 crore has been released.

During the year 2011-12 (upto 31.1.2012), financial assistance to 27 fish processing industries amounting to ₹ 5.75 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 2010-11, financial assistance to 162 grain processing units amounting to ₹ 23.31 crore has been provided. During the financial year 2011-12 (upto 31.1.2012), financial assistance to 166 rice milling units, 80 pulse milling units and 45 flour milling units have been extended amounting to ₹1872.00 lakhs, ₹ 927.55 lakhs and ₹ 960.67 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 2010-11, Ministry has released grant-in-aid of ₹ 4.55 crore to 20 units for Setting up/ Modernization / Expansion of edible oil milling industries, under the decentralized pattern of the scheme.

During the year 2011-12 (upto 31.1.2012), financial assistance to 89 oil milling industries amounting to ₹ 13.39 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 2010-11 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:**

- Total Quality Management (TQM)
- Promotion of Quality Assurance/Safety Concept
- Strengthening of Codex Cell
- Setting up/Upgradation of Quality Control Laboratories
- R&D Programmes for FPI
- Other Promotional Activities

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

PLAN			(₹ in crore)
B.E. 2011-12	R.E. 2011-12	B.E. 2012-13	
45.00	43.52	35.00	

**6.4** Plan fund utilization under the scheme during 2009-10 was ₹ 27.54 crore.

**6.5** Plan fund utilization under the Scheme was ₹16.37 crore during 2010-11 and ₹ 22.82 crore during 2011-12 upto 31.1.2012.

### **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

Two food-processing units towards implementation of HACCP, ISO 22000 practices have been assisted during 2011-12 (upto 31.12.2011).

### **B. Codex Alimentarius Commission**

Codex Alimentarius Commission (CAC) is an International Body constituted by Food and Agriculture Organization (FAO) and World Health Organization (WHO) of the United Nations with a objective to protect the health of consumers and to ensure fair practices in the food trade. Codex prescribes International Standards for the safety and quality of food codes of good manufacturing practice, other guidelines to protect the health of the consumers. These standards, guidelines and recommendations are recognized worldwide for international trade and negotiations and also for settlements of disputes by WTO. Ministry of Food Processing Industries is chairing three shadow committees on Codex Committee on Food Additives (CCFA), Codex Committee on Contaminants in Food (CCCF) and Codex Committee on Processed Fruits and Vegetables (CCPFV). India participated in Codex Committee on Food Additives meeting held in Beijing, China and made important contribution to discussions by submitting comments on agenda items well in time, which were published on website of Codex Alimentarius Commission and well appreciated during the Session.

### **C. Setting Up/Upgradation 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 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.
- 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 2011-12 (upto 31.1.2012), the Ministry has approved/assisted 8 organizations for setting up/up-gradation of food testing laboratories

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

Expenditure detail of R&D Projects approved by MFPI during 2011-12 as on 31.1.2012.

(Amount in Rupees)

Sr. No.	State	Topic of Research with Summary	Institution/ University	Approved GIA	Assistance Released
1.	A.P	Preparation of tailor –made annatto dye formulations for selected traditional and industrial processed foods	CFTRI, Hyderabad.	7,00,000/-	2,05,879/- (2nd inst)
2.		Studies on the preservation of vegetable juices and Non-acidic fruit juices by Microwave Heating and development of prototype model of continuous microwave pasteurization / sterilization system	-do-	38,82,600/-	34,16,300/-
3.	Maharashtra	Low cost Dehydration of Fruits and Vegetables using Continuous Explosion Puffing Process (CEPP)	M/s Ghatge Precision Engineering Pvt. Limited, Satara.	34,16,000/-	13,66,400/- (2nd inst)

Sr. No.	State	Topic of Research with Summary	Institution/ University	Approved GIA	Assistance Released
4.		Validation of Economically Important Fish Species from India by DNA Barcoding using Cytochrome oxidase gene-I	Dr. Babasaheb Ambedkar Marathawada University, Aurangabad (Maharashtra)	2,20,11,000/-	19,75,480/- (3rd inst)
5.	Kerela	DNA barcoding to discriminate traded spices from their adulterants	Indian Institute of Spices Research, Calicut 673012, Kerala.	28,46,600/-	18,95,800/-
6.		Non-destructive Nano- sensors for detecting chemical and biological food toxins using surface enhanced Raman Scattering	Amrita Centre for Nanosciences, Amrita Vishwa Vidyapeetham University, Amrita Institute of Medical Sciences campus, Elamakkara, Cochin-682026, Kerala	65,00,000/-	26,00,000/- (2nd inst)
7.	Haryana	Development of traditional fermented dairy products enriched with an indigenous probiotic strain for promoting health and well being of consumers	The Director, National Dairy Research Institute, Karnal	53,66,800/-	1,05,600/-
8	Punjab	Development of Processing Techniques for Preserving Juvenile Shoots of nutritionally rich and Edible Bamboos of Sub- Himalayan and North Eastern Region of India	Panjab University, Chandigarh	1,06,92,000/-	86,51,000/-
9	Delhi	Supercritical Fluid Extraction of Natural Antioxidant for Food Preservation	IIT, Delhi	61,00,000/-	51,58,000/-
10	Tamil Nadu	Development and popularization of insulated ice bags for traditional Fishing Sector	Tamil Nadu Veterinary and Animal Sciences University- Chennai	14,98,000/-	81,652/-
11	Meghalaya	Low cost process development and quality evaluation of carbonated beverages made from Aloe Vera Gel Blend with extract of Amla, Sweet Lime and Ginger in Meghalaya- North East Region"	College of Home Science Central Agricultural University, Tura, Meghalaya	27,22,000/-	23,26,000/-

Sr. No.	State	Topic of Research with Summary	Institution/ University	Approved GIA	Assistance Released
12	Assam	Development of Ready to Reconstitute Misti Dahi Powder	Tezpur University	15,97,000/-	12,28,000/-
13	Assam	Development of Enzyme based Extraction Process for Improving quality and recovery of Starch from different varieties of Colocasia esculenta (Arbi)	-do-	27,26,425/-	22,82,425
14	West Bengal	Design of Novel Functional Food Supplements using Supercritical Carbon dioxide Extraction and Encapsulation Technologies	Jadavpur University	33,01,468/-	30,72,168/-
15	Delhi	New Perspectives in R&D in the Food Processing Sector	FICCI	3,10,214/-	3,10,214/-
			<b>Total</b>	<b>₹ 7,33,59,893</b>	<b>₹ 3,46,74,918</b>

### E. 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 2011-12, a number of exhibitions/fairs and Exhibition-cum-Seminars etc. have been participated/assisted by the Ministry. Some of such important

events participated/assisted by the Ministry are as follows: -

**a) Exhibitions (National)**

- i) Ministry participated jointly with APEDA in AAHAR – 2011 organized by ITPO at Pragati Maidan, New Delhi from 10th – 14th March 2011.
- ii) Participated in "7th Food & Technology Expo-2011" organized by M/s. NNS Online, New Delhi at Pragati Maidan, New Delhi from 29th – 31st July 2011.
- iii) Participated in AAHAR International Fair organized by ITPO at Chennai Trade Centre, Chennai from 25th - 27th August 2011.
- iv) Assisted Innovative Youth Development Association (IYDA), Imphal, Manipur for organizing 10 days "Entrepreneur Food Festival" for 20th-29th July 2011 at G.M. Hall Campus, Imphal-West.
- v) Participated in "3rd Agro Protech 2011 Expo & Summit" organized by Indian Chamber of Commerce (ICC), Kolkata at Milan Mela Grounds, Kolkata
- vi) Participation of MoFPI in "Fine Food India–2011" organized by M/s Diversified Communications India, New Delhi from 5-7th December, 2011 at Pragati Maidan, New Delhi.

**Seminar–cum-Exhibitions (National)**

- i) Assisted ASSOCHAM, New Delhi in organizing "3rd International Summit-cum-Exhibition on Food Processing, Agribusiness & Dairy" on 14th September 2011 at Hotel Le-Meridien, New Delhi.
- ii) Assisted Confederation of Indian Industry, Chandigarh in organizing the Exhibition-cum-Seminar "Fruits & Food Show 2011" from 20th – 24th October 2011 at Parade Ground, Sector-17, Chandigarh.

- iii) Assisted India-Tech Foundation, Mumbai in organizing “2nd Mumbai International Food & Beverages Exhibitions & Conference – MIFBEC 2011” from 10th – 12th November 2011 at Bombay Exhibition Centre, Goregaon (E), Mumbai.
- iv) Assisted PHD Chamber of Commerce and Industry, New Delhi in organizing “Farm Tech 2011: Exhibition-cum-Seminar” on 11-14th November 2011 at Amroodon Ka Bagh, Jaipur.
- v) Assisted Department of Agriculture, Govt of Nagaland for organizing Seminars and Workshops during 2nd North East "Agri Expo 2010" at North East Regional Agri Expo Complex, 4th Mile Dimapur, Nagaland.
- vi) Assisted “3rd Agro Protech 2011 Expo & Summit” organized by Indian Chamber of Commerce (ICC), Kolkata at Milan Mela Grounds, Kolkata from 3rd-5th November 2011.

#### **Seminars, Workshops and Studies, Surveys**

For promotion of food processing industries in the country, the Ministry commissions/assists seminars, workshops, studies, surveys etc. These seminars/workshops/awareness generation programmes etc. provide forum for discussion on development of food processing sector and to get feedback from the industry and prospective entrepreneurs and other stakeholders.

In 2011-12, 84 (Eighty Four) seminars/workshops/studies/surveys etc. and 6(Six) seminar-cum-exhibitions were assisted/participated/organized/conducted. These seminars/workshops/awareness generation programmes etc provided a forum for discussion on development of Food Processing Sector and to get feed-back from the industry and prospective entrepreneurs and other stake holders.

#### **Seminars/Workshops and Studies/Surveys/feasibility reports**

Apart from National/International Fairs/Exhibitions and Seminar-cum-Exhibitions, Ministry assisted organization of 79 seminars/workshops in different parts of the country for promotion and popularization of processed food and assisted/conducted 5 studies/surveys.

S. No.	Seminar/Workshops and Studies/Surveys
1	Assisted Gramdeep, Bihar for organizing seminar on "food processing industries sector in Bihar" at Madhubani.
2	Assisted Gayathri Rural Development Society, Chamarajanagara for organizing seminar on "Role of Food Processing Sector in Boosting the Agro-Economy & Urgent Empowerment of Women with Life Skills" on 25th May 2011 at Chamaraja Nagara Town, Karnataka.
3	Assisted PHD Chamber of Commerce and Industry, New Delhi for organizing Awareness Programmes on "Enhancing Value Addition to Agri Produce in Rajasthan" at Alwar on 27th May 2011.
4	Assisted PHD Chamber of Commerce and Industry, New Delhi for organizing Awareness Programme on "Enhancing Value Addition and Food Processing in the State of Madhya Pradesh" at Shivpuri on 22nd July 2011.
5	Assisted PHD Chamber of Commerce and Industry, New Delhi for organizing 2 nos. one day Awareness Programmes on "Enhancing Value Addition, Food Processing & Agri Exports in the State of Uttarakhand" i.e. at Haridwar on 20th June 2011 and Dehradun on 27th September 2011.
6	Assisted The Society for Development of Subtropical Horticulture (SDSH), Lucknow for organizing Global Conference on "Augmenting Production and Utilization of Mango: Biotic and Abiotic Stresses" from 21st – 24th June 2011 at The Lifestyle Hotel Pvt. Ltd., Lucknow.
7	Assisted Jadavpur University, Kolkata for organizing National Seminar on "Current Technological Challenges in Food Processing Specially Emphasizing Food Irradiation" from 25th-26th June 2011 at Jadavpur University Campus, Kolkata.
8	Assisted MCM DAV College for Women, Chandigarh for organizing National Seminar on "Emerging Trends in Food Science and Technology" scheduled for 12th November 2011 at MCM DAV College for Women, Chandigarh.
9	Assisted ASSOCHAM, New Delhi for organizing 9th Knowledge Millennium Summit "AIM @ 8%: Agricultural Innovations and Marketing" from 8th-9th November 2011 at Hotel ITC Maurya, New Delhi.
10	Assisted Himachal Consultancy Organization Ltd., Shimla for organizing 5 seminars on "Food Preservation and Processing for existing and Prospective Entrepreneurs as well as Fruit Growers" in Himachal Pradesh i.e. on 15th October 2011 at Poanta Sahib, Sirmour, on 15th November 2011 Una, on 14th July 2011 at Kullu, 8th August 2011 at Mandi and on 12th September 2011 at Chamba.
11	Assisted Indian Institute of Packaging, Mumbai for organizing 5 workshops i.e. on "Packaging of Ethnic Foods" at Madurai (Tamilnadu) on 11th July 2011, on "Packaging of Spices & Marine Foods" at Cochin (Kerala) on 2nd September 2011, on Packaging of Processed Fruits at Dehradun (Uttarakhand) on 28th October 011, Packaging of Namkeen & Other Traditional Foods at Bikaner (Rajasthan) at 2nd December 2011 and "Packaging of Processed and other Ethnic Food" on 09/09/2011 at Bangalore.

12	Assisted ASSOCHAM, New Delhi for organizing workshop on "Food and Agri Processors Conclave – Linking Clusters to Market" on 18th October 2011 at Jammu and Kashmir.
13	Assisted Arunodaya Rural Education Development Society, Anantapur Dist. (A.P.) for organizing workshop on "Empowering yourself to become an entrepreneur in Agro Food Industry" on 29th October 2011 at Gorentala, Anantapur, A.P.
14	Assisted NDRI Graduates Association (NGA), National Dairy Research Institute (NDRI), Karnal for organizing National Seminar titled "Integration of Indian Dairy and Food Industry for Future Sustenance" from 23rd – 24th September 2011 at NDRI, Karnal (Haryana).
15	Assisted Tamil Nadu Veterinary and Animal Sciences University, Chennai for organizing Workshop on "Recent Trends in Food Processing – The Global Scenario" from 10th-11th August 2011 at Institute of Food and Dairy Technology, Tamil Nadu Veterinary and Animal Sciences University, Chennai.
16	Assisted Tamil Nadu Agricultural University, Coimbatore for organizing National Seminar on "Emerging Technologies in Food Processing for Ensuring Food Safety and Quality" from 14th-15th October 2011 at AEC&RI, TNAU, Coimbatore.
17	Assisted NDRI, Karnal for organizing International Conference on "Functional Dairy Foods" from 16th – 19th November 2011 at National Dairy Research Institute, Karnal (Haryana).
18	Assisted Pondicherry University, Puducherry for organizing National Conference on Agro Foods Processing Technologies 2011 (NCAFPT-2011) from 3rd – 4th November 2011 at Convention cum Cultural Centre, Pondicherry University, Puducherry.
19	Assisted International Life Science Institute (ILSI-India), New Delhi for organizing International Conference on "Functional Foods and Beverage for Health: Beyond Basic Nutrition" from 29th – 30th April 2011 at Surajkund, Haryana.
20	Assisted ASSOCHAM, New Delhi for organizing Global summit on "Green Revolution II-Growth Engine for Transformation" on 15th June 2011 at Hyderabad.
21	Assisted Association for Development Initiative (ADI), New Delhi for organizing workshop on "Developing Cashew Processing cluster in Orissa: Enhance access to International Market" from 6th – 7th June 2011 at Bhubaneswar, Orissa.
22	Assisted Adarsha Rural Development and Training Society, Kodikonda, A.P. for organizing a seminar on "Promotion of Agro-industries to Enhance Earning Skills of Farmers" at Anantapur District, A.P. on 9th September 2010.
23	Assisted Banaras Hindu University, Varanasi for organizing International Conference on "Recent Advances in the Development of Fermented Foods" from 8th – 9th April 2011 at Swatantrata Bhawan, Banaras Hindu University, Varanasi, U.P.

24	Assisted ASSOCHAM, New Delhi for organizing "Food and Agri Processors Conclave – Linking Small Producers to Market" on 20th August 2011 in Jhansi, Bundelkhand, U.P.
25	Assisted ICRISAT, Patancheru (A.P.) for organizing "Global Symposium on Ready to Eat (RTE) Foods: Opportunities R&D, Entrepreneurship and Markets" from 25th-27th April 2011 at Hyderabad.
26	Assisted Jawaharlal Nehru Technological University, Kakinada (A.P.) for organizing workshop on "Indian Seafood Industry: Present Scenario and Future Prospects" on 10th June 2011 at Jawaharlal Nehru Technological University, Kakinada.
27	Assisted NERAMAC for organizing 3 nos. "Food Processing Investors Meets in North-Eastern Region" i.e. at Itanagar (Arunachal Pradesh) on 22nd June 2011, at Agartala (Tripura) on 27th July 2011 and Guwahati (Assam) on 26th August 2011.
28	Assisted ASSOCHAM, New Delhi for organizing 3 nos. workshops on "Linking Budding Entrepreneurs with Govt. Schemes & Markets in North-East" on 27th May, 2011 at Imphal, Manipur, on 14th October, 2011 at Kohima, Nagaland and 23rd November 2011 at Aizwal, (Mizoram).
29	Assisted Indian Institute of Packaging, Mumbai for organizing 2 nos. workshops on Packaging of Food Products i.e. on "Packaging of Processed Fruits" at Itanagar (Arunachal Pradesh) on 30/09/2011 and on "Packaging of Processed Fruits" at Dimapur (Nagaland) on 11/11/2011.
30	Assisted NERAMAC, Guwahati for organizing 10 nos. workshops on "Betterment of skills in food processing" at different locations in North-Eastern Region i.e. at Majuli (Assam) on 11/07/2011, at Churchandrapur (Manipur) on 04/08/2011, at Mokokchang (Nagaland) on 10/08/2011, at Rongpo (South Sikkim) on 18/08/2011, at Cherapunji (Meghalaya) on 12/09/2011, at Kumarghat (Tripura) on 20/09/2011, at Vairangte (Mizoram) on 23/09/2011, Doomdooma (Assam) on 18/10/2011 and Passighat (Arunachal Pradesh) on 20/10/2011 and Nirjuli, Arunachal Pradesh on 29th November 2011.
31	Assisted Meghalaya Industrial Development Corporation Ltd., Shillong Organizing 5 nos. one day workshop-cum-Investors' Meet from December 2011 to March 2012.
32	Assisted Department of Chemistry, K.S.K.V. Kachchh University, Bhuj (Gujarat) organizing National Level Seminar on the theme of "Nanotechnology: Today & Tomorrow" to be held on 8th December 2011 at Kachchh University, Bhuj (Gujarat).
33	Assisted ASSOCHAM, New Delhi for organizing Workshops on "Food and Agri Processors Conclave – Linking Clusters to Market" on 16th December 2011 at Ludhiana.
34	Assisted NI-MSME, Hyderabad for organizing 2 nos. one day workshops on "Food Processing" in Southern States of the country during F.Y. 2011-12 i.e. at Cochin (Kerala) on 19/10/2011, at Thanjavur (Tamil Nadu) on 23/11/2011.
35	Assisted Maharana Pratap University of Agriculture & Technology, Udaipur (Rajasthan) for organizing National Seminar on "Emerging Trends in Spice Processing and its Impact on Rural Economy" from 17th-18th November 2011 at Maharana Pratap University of Agriculture & Technology, Udaipur (Rajasthan).
36	Assisted FICCI, New Delhi for organizing "Food World India 2011" from 16-17th November 2011 at Hotel ITC Maratha, Mumbai.

37	Assisted Indian Institute of Packaging (IIP), Mumbai for organizing the National Conference on "Modern Trends in Packaging of Food and Pharmaceutical Products" on 25th-26th November 2011 concurrent to INDPACK 2011 held from 24th-26th November 2011 at Hyderabad International Convention centre (HICC), Hyderabad.
38	Assisted Self Initiative for Total Awareness (SITA), Deoghar, Jharkhand for organizing one day seminar on "Possibilities of food processing industry in Santhal Pargana" from 17th December 2011 at Indoor Auditorium, Panchayat Prashikshan Kendra, Deoghar
39	Assisted Kultali Milon Tirtha Society, West Bengal for organizing a seminar on "Development of Food Processing Industries in Sundarban Region" on 26th December 2011 during Sundarban Kristi Mela-O-Loko Sanskriti Utsab from 20-29th December 2011 at Basanti Block, South 24 Parganas, West Bengal.
40	Assisted Maharashtra Chamber of Commerce, Industry & Agriculture (MACCIA), Nashik for organizing KRISHI 2011 – International Agricultural Trade Fair and Conference by MACCIA, Nashik held from 1st-5th December 2011 at Donagare Vasatigriha Ground, Gangapur Road, Nashik.
41	Assisted East Bhaleya Smrity Sangha, West Bengal for organizing Exhibition and Seminar "8th Jatiya Samhati Utsav-O-Bharat Mela – 2011" from 10th - 17th December 2011 at Gobinda Nagar High School Ground, South 24-Parganas, West Bengal.
42	Assisted Madhya Pradesh State Minor Forest Produce (T&D) Cooperative Federation Ltd., Bhopal for organizing the "International Herbal Fair" scheduled to be held from 16th – 20th December 2011 at Bhopal.
43	Assisted Central Marine Fisheries Research Institute, Kochi for organizing "9th Indian Fisheries Forum" scheduled to be held from 19th – 23rd December 2011 at IMAGE Auditorium near Central Institute of Brackish Water Aquaculture (CIBA) Office at Chennai.
44	Assisted GITAM University, Visakhapatnam for organizing National Conference on "Sustainable Food Security and Safety (SFSS-2011)" to be held from 20th – 21st December 2011 at Mother Teresa Auditorium, Institute of Science, GITAM University, Visakhapatnam.
45	Assisted Indian Institute of Packaging, Mumbai for organizing 4 nos. one day workshops on Packaging of Processed Food Products i.e. "Packaging of Processed Soyabean and other Traditional Food Products" at Indore, Madhya Pradesh on 18th April, 2011, "Packaging of Processed Fruits and Products" at Bhubaneshwar, Odisha on 3rd May, 2011 and "Packaging of Fresh and Processed Mushrooms" at Solan, Himachal Pradesh on 3rd June, 2011 and "Packaging of Processed Fruits" at Lucknow on 20th January 2012,.
46	Assisted Indian Chamber of Commerce, Kolkata for organizing an Inter-active Meet-cum-Exposure visit in Meghalaya of representatives from Ladakh Autonomous Hill Development Council (LAHDC), Leh and Kargil, Sikkim and other Stakeholders to be held from 16th – 19th November 2011.
47	Assisted FICCI, New Delhi for organizing "3rd international R&D conference on technology for value creation" on 17th Nov. 2011 at Mumbai.
48	Assisted Department of Industries and Commerce, Government of Nagaland, Kohima for organizing "State Level Food Processing Conference" on 17th July 2011 at Kohima, Nagaland.
49	Commissioning of Study for Setting up of Food Processing Industries in the States of Assam, Mizoram and Tripura conducted by NERAMAC, Guwahati.

50	Commissioning of Market Survey for Consumption of Packaging Materials for Processed Food Products & preparation of Handbook on Packaging of Processed Food Products Manufactured by Micro and Small Scale Industries conducted by Indian Institute of Packaging, Mumbai.
51	Assisted Birla Institute of Technology, Jaipur for Conducting Feasibility Study for "Setting-up of Food Processing Zone (FPZ) near by the Irrigated Region of Sri Ganganagar District of Rajasthan and Its Socio-Economic Implication".
52	Commissioning of Evaluation study of the Plan Schemes of the Ministry of Food Processing Industries.
53	Commissioning of Feasibility reports and detailed project reports (DPRs) for setting-up of the proposed National Fish Processing Development Board through MITCON Consultancy Services Ltd., Pune.

## **b) Exhibitions (International)**

### **International Co-operation/Interaction**

#### **Visits of MFPI delegation**

- i) Ministry participated in the Reverse Trade Mission on Cold Chain Infrastructure organised by the USTDA at USA during 23 April to 6 May, 2011. Ministry shared information on the Indian cold chain system in India, its challenges, initiatives from Govt. of India for its development, calling for investment in India cold chains from USA. USTDA has funded the participation of MFPI for the event.
- ii) Ministry participated in Food Taipei - 2011, Taipei (Taiwan) June 22-25, 2011 by hiring 18 sq. m. space from Food Taipei organisers. The participation in the event was funded by MFPI.
- iii) Ministry participated in Africa's BIG 7 - 2011, Johannesburg (South Africa) July 17-19, 2011 by hiring 96 sq. m. space from ITPO under the India Africa Forum Summit 2008. The participation was organized under Indian Africa Forum Summit-2008 with the support of Ministry of External Affairs.
- iv) Ministry participated jointly with APEDA in Anuga 2011 held at Cologne, Germany from 8-12 October, 2011. Dr. Charan Das Mahant, Hon'ble Minister of State for Food Processing Industries and Shri Amrit Lal Meena, Joint Secretary, Ministry of Food Processing Industries participated in the fair for promotion of the Indian food processing sector. Investors

Meets were organised at Cologne during the visit to attract investment in India from Germany.

v) Ministry participated in Lagos International Fair- 2011, Lagos, Nigeria, November 04-13, 2011 by hiring 18 sq. m. of space from ITPO under the India Africa Forum Summit 2008. The participation was organized under Indian Africa Forum Summit-2008 with the support of Ministry of External Affairs

vi) Ministry is participating in Addis Chamber International Trade Fair-2012 to be held from 23-29, February 2012 in Addis Ababa, Ethiopia under India Africa Forum Summit (IAFS). The participation was organized under Indian Africa Forum Summit-2008 with the support of Ministry of External Affairs.

vii) Ministry is participating in Gulf Food Fair to be held from 19-22 February, 2012 at Dubai under the platform of APEDA for showcasing various developmental schemes of this Ministry. The participation in the event is being funded by MFPI.

viii) Ministry is participating in India Show to be held from 28th February to 2nd March, 2012 in Mexico. The Ministry is booking a space of 99 Sq.m. It has been decided that the space of 18 Sq.m would be utilized by showcasing the Mega Food Parks and the Cold Chain infrastructure Schemes of this Ministry. The event is being supported by MFPI.

### **Bilateral meetings**

Several meetings under the Chairmanship of Hon'ble Minister, Ministry of Food Processing Industries and Secretary, Ministry of Food Processing Industries were held with visiting delegates from Malawi, Poland, Botswana, Manitoba, New Zealand, Taiwan, Argentina, Mexico, France, Netherlands, Germany, RECs of Africa, Denmark, Egypt, Italy, Eritrea and UK India Business council for looking into opportunities for bilateral cooperation in the field of food processing sector.

Ministry 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.

Ministry arranged a meeting with a team of officials from Kansas State University, U.S.A. led by Dr. April Mason, Provost and Senior Vice President of the University on 1.4.2011 at Panchsheel Bhawan, New Delhi to discuss bilateral cooperation. The

two sides agreed for joint collaborative R&D in selected areas and exchange of faculty & students between the Kansas State University and the institutes of the Ministry.

A 9 member Kenyan delegation led by Dr. Romano Kiome, Permanent Secretary, Ministry of Agriculture, Kenya visited this Ministry. During the interaction, Ministry made a presentation regarding status of Indian Food Processing Industries and areas of Indo-Kenya Cooperation in the sector. The delegation was also appraised of the programmes being implemented by this Ministry under IAFS-I & II. After the meeting, a visit of the delegation was organised to the Food testing Laboratory of National Meat and Poultry Processing Board of this Ministry.

On 17.08.2011, a 12 member Taiwanese delegation led by Mr. Liang Kuo-hsin, Vice Minister, Ministry of Economic Affairs, Taiwan visited this Ministry and the discussion were held on increasing the bilateral cooperation and possibilities of Taiwanese investment in Food Processing Sector, particularly in Mega Food Parks, Cold Chain and other Infrastructure Development Schemes of this Ministry.

A 5 member New Zealand delegation led by Ms. Rebecca Beredt, Manager Trade Policy from M/o Agriculture & Forestry, New Zealand visited this Ministry on 23.11.2011. During the interaction, MoFPI made a presentation regarding status of Indian Food Processing Industries and areas of Indo-New Zealand Cooperation in the sector. The delegation was also appraised of the infrastructure schemes including Abattoirs/ Slaughter houses being implemented by this Ministry.

On 30.11.2011, an eight member Canadian delegation led by Mr. Colin Jeffares, Assistant Deputy Minister, Ministry of Agriculture and Rural Development, Province of Alberta, Canada and the discussions were held on Alberta's Food Processing and Business Incubation Model and sharing of international best practices in the area of food technology, entrepreneurship and management.

An eight member Afghan delegation led by Mr. Abdul Ghani Ghuriani, Deputy Minister of Agriculture, Irrigation & Livestock (MAIL) visited this Ministry on 20.12.2011 to discuss on bilateral cooperation in food processing sector. The Afghan delegation expressed keen interest in training of Afghan entrepreneurs in the Indian Institutes like NIFTEM, IIP, CFTRI, NIMSME, and IICPT.

## International programmes to be organised under India Africa Forum Summit II

Under the India Africa Forum Summit (IAFS) –II, Ministry of Food Processing Industries in liaison with the M/o External Affairs arranged the short term training programme for the African nationals.

### 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:-

PLAN			(₹ in crore)
B.E. 2011-12	R.E. 2011-12	B.E. 2012-13	
15.00	14.50	4.00*	

\*The amount indicated as B.E. 2012-13 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 ₹ 8.78 crore during 2011-12 (upto 31.1.2012).

#### 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 583 Food Processing Training Centre (FPTCs) from date of inception till 31.10.2011. An amount of ₹ 118.30 lakhs has been assisted as grants-in-aid to 31 centers during 2011-12 (upto 31.1.2012).

### **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 ₹316.90 lakhs has been assisted as grants-in-aid to 238 such programmes.

### **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 2011-12 (upto 31.1.2012) 15 institutions have been assisted of ₹ 424.40 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 is over (31.03.2012), MFPI would not be 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 2012-13, BE of ₹ 250.00 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 would 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) Setting up of National Meat & Poultry Processing Board
- v) Setting up of Indian Grape Processing Board
- vi) Setting up of National Food Technology, Entrepreneurship and Management (NIFTEM)

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

### PLAN

(₹ in crore)

S.N.	Schemes	B.E.- 2011-12	R.E.- 2011-12	B.E.-2012-13
1	Establishment Expenditure (Sectt.)	5.50	5.50	6.00
2	Strengthening of Institutions	131.50	112.01	74.00
	<b>Total</b>	<b>137.00</b>	<b>117.51</b>	<b>80.00</b>

### NON-PLAN

(₹ in crore)

S.N.	Schemes	B.E.- 2011-12	R.E.- 2011-12	B.E.-2012-13
1	Establishment Expenditure (Sectt.)	9.66	9.66	10.09
2.	Establishment Expenditure of F&VP	0.43	0.43	0.45
	<b>Total</b>	<b>10.09</b>	<b>10.09</b>	<b>10.54</b>

9.3 Plan funds utilization under the Scheme was to the extent of ₹ 10.00 crore during the year 2009-10

In 2010-11, plan funds utilization under the Scheme was to the extent of ₹ 102.50 crore

In 2011-12, plan funds utilization under the Scheme was ₹ 91.39 crores uptill 31.12.2011

### 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 Setting up of National Institute of Food Technology Entrepreneurship and 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 on 31.10.2006 at an estimated cost of ₹ 479.94 crore.

### 10.2 The outlay for this scheme (including NER) is as under: -

PLAN			(₹ in crore)
B.E.2011-12	R.E. 2011-12	B.E.2012-13	
100.00	100.00	60.50	

The Institute will function 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 for 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 ₹ 66.00 crore, being 10% of Annual Plan Outlay of ₹ 660.00 crore is set aside for Schemes for the year 2012-13.

### **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 11th 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

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## Chapter - V

### FINANCIAL REVIEW DURING 2009-10, 2010-11 & 2011-12 (upto 31.12.2011)

#### A. TREND OF EXPENDITURE VIS-À-VIS BUDGET ESTIMATES / REVISED ESTIMATES /ACTUAL EXPENDITURE DURING 2009-10 (₹ in crore)

Sl. No.	Classification Heads	Budget Estimates 2009-10			Revised Estimates 2009-10			Actual Expenditure 2009-10		
		Plan	Non Plan	Total	Plan	Non Plan	Total	Plan	Non Plan	Total
	<b>Programme – Activity-wise classification</b>									
1.	Scheme for Infrastructure Development	135.00	0.00	135.00	60.61	0.00	60.61	66.69	0.00	66.69
2.	Scheme for Technology, Upgradation, Establishment and Modernisation of FPI	60.00	0.00	60.00	69.851	0.00	69.851	63.33	0.00	63.33
3.	Scheme for Upgradation of Quality of Street Food	8.00	0.00	8.00	0.029	0.00	0.029	0.00	0.00	0.00
4.	Scheme for Quality Assurance, Codex, Standards, and Research & Development	30.00	0.00	30.00	28.11	0.00	28.11	27.54	0.00	27.54
5.	Scheme for Human Resource Development	9.00	0.00	9.00	9.00	0.00	9.00	8.95	0.00	8.95
6.	Scheme for Strengthening of Institution	21.95	0.00	21.95	42.35	0.00	42.35	41.97	0.00	41.97
7.	Policy formation and administration	4.05	10.50	14.55	4.05	11.57	15.62	3.31	10.10	13.41
8.	Setting up of NIFTEM	38.00	0.00	38.00	38.00	0.00	38.00	38.00	0.00	38.00
9.	Lump-sum projects/ schemes for benefits of NE Sector including Sikkim	34.00	0.00	34.00	28.00	0.00	28.00	27.74	0.00	27.74
	<b>Total</b>	<b>340.00</b>	<b>10.50</b>	<b>350.50</b>	<b>280.00</b>	<b>11.57</b>	<b>291.57</b>	<b>277.53</b>	<b>10.10</b>	<b>287.63</b>
	<b>Deduct Recovery</b>	<b>---</b>	<b>---</b>	<b>---</b>	<b>---</b>	<b>---</b>	<b>---</b>	<b>5.02</b>	<b>---</b>	<b>5.02</b>
	<b>Net Total</b>	<b>340.00</b>	<b>10.50</b>	<b>350.50</b>	<b>280.00</b>	<b>11.57</b>	<b>291.57</b>	<b>272.51</b>	<b>10.10</b>	<b>282.61</b>

(₹ in crore)

S. No.	Object-wise Classification	Budget Estimates 2009-10			Revised Estimates 2009-10			Actual Expenditure 2009-10		
		Plan	Non-Plan	Total	Plan	Non-Plan	Total	Plan	Non-Plan	Total
01.	Salaries	0.8500	5.0519	5.9019	1.3500	6.7258	8.0758	1.3151	5.9277	7.2428
02.	Wages	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
03.	Overtime Allowance (OTA)	0.0000	0.0700	0.0700	0.0000	0.0665	0.0665	0.0000	0.0359	0.0359
06	Medical Treatment	0.0500	0.1624	0.2124	0.0500	0.1371	0.1871	0.0500	0.060	0.110
11.	Domestic Travel Expenses (DTE)	0.0500	0.1624	0.2124	0.0500	0.1371	0.1871	0.0500	0.060	0.110
12.	Foreign Travel Expenses (FTE)	0.3200	0.2520	0.5720	0.3200	0.1953	0.5153	0.3200	0.1758	0.4958
13.	Office Expenses (OE)	0.8600	3.6112	4.4712	0.8600	3.2130	4.0730	0.5814	3.2477	3.8291
16.	Publications	0.0000	0.1500	0.1500	0.0000	0.1350	0.1350	0.000	0.1346	0.1346
20	Other Administrative Expenses	2.5500	0.3000	2.8500	1.3010	0.2700	1.5710	1.1335	0.1987	1.3322
21.	Supply Material	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
26.	Advertising & Publicity	12.5500	0.0010	12.5510	10.6410	0.0009	10.6419	10.4703	0.000	10.4703
28.	Professional Services	6.8000	0.0050	6.8050	6.3710	0.0045	6.3755	5.7052	0.000	5.7052
31.	Grants-in-aid - General	239.0000	0.0010	239.0010	188.3350	0.0009	188.3359	189.8723	0.000	189.8723
32.	Contribution	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
33.	Subsidies	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
42.	Lump sum Provision	2.0000	0.1945	2.1945	2.0000	0.1900	2.1900	0.000	0.1884	0.1884
50.	Other Charges	1.3500	0.0000	1.3500	0.8500	0.0000	0.8500	0.5856	0.000	0.5856
53.	Major works	38.0000	0.0000	38.0000	38.0000	0.0000	38.0000	38.000	0.000	38.000
54.	Investments	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
55.	Loans and Advances	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
31.	Grants-in-aid to State Governments	0.9000	0.0000	0.9000	1.5500	0.0000	1.5500	1.5000	0.000	1.5000
31.	Grants-in-aid to Union Territory	0.4500	0.0000	0.4500	0.0500	0.0000	0.0500		0.000	0.000
58.	Provision for N.E. Sector Including Sikkim	34.0000	0.0000	34.0000	28.0000	0.0000	28.0000	27.7379	0.000	27.7379
77.	Deduct Recovery	00.0000	00.0000	00.0000	00.0000	00.0000	00.0000	5.0205	00.0000	5.0205
	<b>Total</b>	<b>340.0000</b>	<b>10.5000</b>	<b>350.5000</b>	<b>280.0000</b>	<b>11.5700</b>	<b>291.5700</b>	<b>272.5122</b>	<b>10.0995</b>	<b>282.6117</b>
1.	Secretariat	4.0500	9.9188	13.9688	4.5000	9.2800	13.7800	3.3092	9.0836	12.3928
2.	Schemes	301.9500	0.0000	301.9500	247.5000	0.0000	247.5000	246.4856	0.000	246.4856
3.	Food Storage and ware housing	0.0000	0.5812	0.5812	0.0000	2.2900	2.2900	0.000	1.0159	1.0159
4.	Consumers Industries	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
5.	Lump Sum provision for projects/schemes for benefit of NE Sector including Sikkim	34.0000	0.0000	34.0000	28.0000	0.0000	28.0000	27.7379	0.000	27.7379
	<b>Grand Total</b>	<b>340.0000</b>	<b>10.5000</b>	<b>350.5000</b>	<b>280.0000</b>	<b>11.5700</b>	<b>291.5700</b>	<b>277.5327</b>	<b>10.0995</b>	<b>287.6322</b>
	<b>Deduct Recovery</b>	<b>00.0000</b>	<b>00.0000</b>	<b>00.0000</b>	<b>00.0000</b>	<b>00.0000</b>	<b>00.0000</b>	<b>5.0205</b>	<b>00.0000</b>	<b>5.0205</b>
	<b>Net Total</b>	<b>340.0000</b>	<b>10.5000</b>	<b>350.5000</b>	<b>280.0000</b>	<b>11.5700</b>	<b>291.5700</b>	<b>272.5122</b>	<b>10.0995</b>	<b>282.6117</b>

**B. TREND OF EXPENDITURE VIS-À-VIS BUDGET ESTIMATES / REVISED ESTIMATES /ACTUAL EXPENDITURE -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	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 crore)

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
01.	Salaries	1.0500	5.1246	6.1746	1.5100	5.2500	6.7600	1.4063	5.0341	6.4404
02.	Wages	0.0000	0.0010	0.0010	0.0000	0.0000	0.0000	-	-	-
03.	Overtime Allowance (OTA)	0.0000	0.0650	0.0650	0.0000	0.0650	0.0650	-	0.0402	0.0402
06	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.	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>Grand 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>

C. 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 (As on 31.12.2011)		
		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	83.28	0.00	83.28
2.	Scheme for Technology, Upgradation, Establishment and Modernization of FPI	83.00	0.00	83.00	172.99	0.00	172.99	137.72	0.00	137.72
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	0.00
4.	Scheme for Quality Assurance, Codex, Standards, and Research & Development	38.00	0.00	38.00	39.00	0.00	39.00	17.26	0.00	17.26
5.	Scheme for Human Resource Development	13.00	0.00	13.00	13.00	0.00	13.00	8.23	0.00	8.23
6.	Scheme for Strengthening of Institutions	10.99	0.00	10.99	7.00	0.00	7.00	4.57	0.00	4.57
7.	Policy formation and administration	5.50	10.09	15.59	5.50	10.09	16.51	2.89	6.27	9.16
8.	Setting up of NIFTEM/IICPT	120.00	0.00	120.00	104.50	--	104.50	90.75	--	90.75
9.	Lump-sum projects/ scheme for benefits of NE Sector including Sikkim	60.00	--	60.00	55.0	--	55.0	13.14	--	13.14
	<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>357.84</b>	<b>6.27</b>	<b>364.11</b>

(₹ in crores)

	Object-wise Classification	Budget Estimates 2011-12			Revised Estimates 2011-12			Actual Expenditure - 2011-12 (As on 31.12.2011)		
		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	1.37	4.50	5.87
2	Wages	---	---	---	---	---	---	---	---	---
3	Overtime Allowance (OTA)	---	0.065	0.065	---	0.065	0.065	---	0.02	0.02
6	Medical Treatment	0.10	0.134	0.234	0.10	0.134	0.234	0.0588	0.02	0.0788
11	Domestic Travel Expenses (DTE)	0.40	0.224	0.624	0.44	0.224	0.664	0.3997	0.12	0.5197
12	Foreign Travel Expenses (FTE)	0.75	0.45	1.20	0.75	0.45	1.20	0.4209	0.13	0.5509
13	Office Expenses (OE)	1.10	3.09	4.19	1.10	3.09	4.19	0.3014	1.07	1.3714
16	Publications	---	0.10	0.10	---	0.10	0.1	---	0.06	0.06
20	Other Administrative Expenses	1.40	0.20	1.60	0.95	0.20	1.15	0.36	0.190	0.55
21	Supply Material	0.10	---	0.10	---	---	---	---	---	---
26	Advertising & Publicity	6.7989	---	6.7989	7.5989	---	7.5989	5.71	---	5.71
28	Professional Services	12.29	0.005	12.295	7.50	0.005	7.505	3.51	---	3.51
31	Grants-in-aid - General	413.831	---	413.831	393.3711	---	393.3711	258.70	---	258.70
32	Contribution	0.0001	---	0.0001	---	---	---	---	---	---
35	Grants for creation of Capital Assets	---	---	---	80.00	---	80.00	73.50	---	73.50
42	Lump sum Provision	---	0.20	0.20	---	0.20	0.20	---	0.16	0.16
50	Other Charges	0.95	---	0.95	0.86	---	0.86	0.33	---	0.33
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	0.04	---	0.04
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	13.14	---	13.14
	<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>357.84</b>	<b>6.27</b>	<b>364.11</b>
1	Secretariat	5.50	9.66	15.16	5.50	9.66	15.16	2.90	5.93	8.83
2	Schemes	534.50	---	534.50	489.50	---	489.50	341.80	---	341.80
3	Food Storage and ware housing	---	0.43	0.43	0.00	0.43	0.43	---	0.34	0.34
4	Consumers Industries	---	---	---	0.00	---	---	---	---	---
5	Lump Sum provision for projects/schemes for benefit of NE Sector including Sikkim.	60.00	---	60.00	55.00	---	55.00	13.14	---	13.14
	<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>357.84</b>	<b>6.27</b>	<b>364.11</b>

### D. Financial Requirement for 2012-13

(₹ in crore)

Sl. No.	Classification Heads	Budget Estimates 2012-13		
		Plan	Non-Plan	Total
	<b>Programme – Activity-wise classification</b>			
1.	Scheme for Infrastructure Development	164.00	---	164.00
2.	Scheme for Technology, Upgradation, Establishment and Modernization of FPI	92.00	---	92.00
3.	Scheme for upgradation of quality of street food	---	---	---
4.	Scheme for Quality Assurance, Codex, Standards, and Research & Development	32.00	---	32.00
5.	Scheme for Human Resource Development	3.50	---	3.50
6.	Scheme for Strengthening of Institutions	32.50	---	32.50
7.	Policy formation and administration	6.00	10.54	16.54
8.	NIFTEM & IICPT	41.00	---	41.00
9.	<b>National Mission on Food Processing</b>	223.00	---	223.00
	Lump-sum projects/ scheme for benefits of NE Sector including Sikkim	66.00	---	66.00
	<b>Total</b>	<b>660.00</b>	<b>10.54</b>	<b>670.54</b>

2012-13

(₹ in crore)

	Object-wise Classification	Plan	Non-Plan	Total
01.	Salaries	2.85	6.097	8.947
02.	Wages	---	---	---
03.	Overtime Allowance (OTA)	---	0.065	0.065
06.	Medical Treatment	0.10	0.134	0.234
11.	Domestic Travel Expenses (DTE)	0.40	0.224	0.624
12.	Foreign Travel Expenses (FTE)	0.75	0.45	1.20
13.	Office Expenses (OE)	1.10	3.055	4.155
16.	Publications	---	0.10	0.10
20.	Other Administrative Expenses	1.25	0.20	1.45
21.	Supply Material	---	---	---
26.	Advertising & Publicity	5.63	---	5.63
28.	Professional Services	7.70	0.005	7.705
31.	Grants-in-aid - General	477.16	---	477.16
32.	Contribution	---	---	---
35.	Grants for creation of Capital Assets	41.00	---	41.00
42.	Lump sum Provision	---	0.21	0.21
50.	Other Charges	0.60	---	0.60
53.	Major works	---	---	---
54.	Investments	---	---	---
55.	Loans and Advances	---	---	---
31	Grants-in-aid to State Governments	40.40	---	40.40
31	Grants-in-aid to Union Territory	15.06	---	15.06
58.	Provision for N.E. sector including Sikkim	66.00	---	66.00
	<b>Total</b>	<b>660.00</b>	<b>10.54</b>	<b>10.54</b>
1.	Secretariat	6.00	10.09	16.09
2.	Schemes	588.00	0.45	588.45
3.	Food Storage and warehousing	---	---	---
4.	Consumers Industries	---	---	---
5.	Lump Sum provision for projects/schemes for benefit of NE Sector including Sikkim	66.00	---	66.00
	<b>Grand Total</b>	<b>660.00</b>	<b>10.54</b>	<b>670.54</b>

**E. Outstanding Utilization Certificates**

Position of outstanding Utilization Certificates in respect of Grants-in-aid released up to 31.03.2010 and due as on 1.4.2011 is given below:

No. of UCs pending	Amount (₹ in crore)
2829	454.29

**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 31.12.2011, an amount of ₹1.465 crore as unspent balance is parked with the bank as indicated below:

As on 31.12.2011		(₹ in crore)
S.No.	Name of State/UT	Amount with bank
1	Arunachal Pradesh	...
2	Assam	...
3	Chhattisgarh	...
4	Gujarat	...

As on 31.12.2011

(₹ in crore)

S.No.	Name of State/UT	Amount with bank
5	Haryana	1.465
6	J & K	...
7	Karnataka	...
8	Kerala	...
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>1.465</b>

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## 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)

The Cauvery River Delta area in Tamil Nadu, known as rice Bowl of the State has been suffering considerable crop loss and post harvest losses due to incidence of cyclonic storms during harvest season. 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:**

IICPT developed the following technologies in the following areas.

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

**(h) Achievements**

- Under Phase-I of the construction of Additional facilities under the up-gradation plan the Administration block has been constructed and commissioned.
- Under Phase-IIA, the construction of one hostel building, two labs, Directors residence has been commissioned.
- Acquisition of Land for phase-IIB of the construction was in the final stages but has been stayed by the Hon'ble High Court, Chennai for the time being.
- 21 Scientists have been recruited.
- 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 Centre**

- 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 bachelors, masters 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 programmes.
- 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 durations.
- 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 - 16
- Patents Received - 2

#### **The major technologies developed by IICPT in the last 5 years are -**

- Hand operated vegetable washer
- Pneumatic grain pump
- Mobile Tomato Processing Unit
- Carbonated Palm Neera Drink
- Dry Instant Idli Mix
- Millet Based Porridge
- Germinated Rice Based Bakery Products
- Ready to Eat Vermicelli
- Rice Bran Based Muffins or Braffins

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

**2.1** Ministry of Food Processing Industries is setting 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 is being set up as a registered society under the Societies Registration Act 1860. The foundation stone of NIFTEM was laid by Smt. Sonia Gandhi, Hon'ble Chairperson, UPA on 7.10.2007 at NIFTEM Campus, Kundli. The Ministry has 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 will run B. Tech (Food Technology & Management), M.Tech (Food Technology and Management), Integrated Graduate Degree plus PG Diploma in Food Business Management and Ph.D in Food Science and Technology course and house pilot plants, research labs, business incubation, faculty exchange programme etc. The institutional building construction has been completed for starting the B. Tech. Course – Food Technology and Management with 120 students from 2012-13. The remaining part of building construction is in progress. It is proposed to commence academic session from 2012-13 onwards after obtaining approval of UGC as Deemed to be University status under De Novo category.

## **2.2 Mandate of NIFTEM**

- 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. 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, status has now been changed to that of a registered Society under Societies Registration Act, 1860. 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. The remaining part of building complex will be completed in 2012-13. The Institute has commenced short term training programmes from July, 2011 as part of its skill development initiatives. It is proposed to commence academic session from 2012-13 after the Deemed University status under De Novo category is granted by UGC/Ministry of HRD.

### **Physical Targets:**

- Creation of 75 regular posts of faculty & non faculty including Director of the institute, on regular basis to look after the day to day work of NIFTEM.
- Finalization of Course Curriculum of B.Tech. (Food Technology and Management) proposed to be started by NIFTEM from the academic session 2012-13.
- Conduct of short term courses/ workshops at various parts of the country.

The Outlay for NIFTEM (Including NER) is as under:-

(₹ in crore)

B.E. 2011-12	R.E. 2011-12	B.E. 2012-13
100.00	100.00	60.50

## 2.4 Financial review

Trend of expenditure vis-à-vis budget estimates/ revised estimates, actual expenditure during 2011-12

(₹ in crore)

Sl. No.	Classification Heads Setting up of NIFTEM	BE 2011-12	RE 2011-12	Actual expenditure 2011-12 (Upto 31.12.11)
1	MH 2408 (Grants for creation of Capital Assets)	80.00	80.00	73.50
2	MH 2408 (Grants-in-aid General)	20.00	20.00	15.00

## 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.

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 2015. In addition, industry will benefit through continuing education programmes, technology transfer, market intelligence and project consultancy provided by NIFTEM.

An expenditure of ₹ 227.73 crore till 31.12.2011 has already been incurred towards land cost, construction cost, library equipment resources, pre-operative expenses and remaining expenses.

NIFTEM as an International Centre 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 jointly with IICPT, its knowledge partners, organized a series of training programmes for meat. The Board has so far conducted over 32 training programmes in places like Sawai Madhopur-Rajasthan, Kohima-Nagaland, Patiala-Punjab, Kanke-Jharkhand, Bilaspur, H.P, Secunderabad, A.P., Navsari, Gujarat etc.

#### **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 137 members have been enrolled so far.

### **Signing of MoUs:**

**National:** The Board has signed MoUs with premiere educational institutions viz. Tamil Nadu Animal and Veterinary Science University, Chennai, Lala Lajpat Rai University of Veterinary and Animal Sciences, (LLRUVAS), Hissar, Haryana; The Rajasthan University of Veterinary and Animal Sciences, Bikaner (Raj) and National Minorities Development & Finance Corporation (NMDFC).

**International:** NMPPB had invited the Netherlands Delegation and signed MoU with The Product Board for Livestock and Meat (PVV) and The Product Board for Poultry and Eggs (PPE), Kingdom of the Netherlands, together with the Association of Dutch Poultry Processing Industries (NEPLUVI) and the Dutch Meat Association (COV), to strengthen the understanding, cooperation, information exchange and technical exchange.

**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:** 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.

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.

**Participation in Exhibitions:** NMPPB participated in International Food Expo in Bangalore, Karnataka on 09th-11th September, 2011, at IAI Expo, Karnal, Haryana on 1st to 3rd December, 2011 and at Fine Food India-Delhi on 5th -7th December, 2012 by putting up its theme pavilion at the respective Expos.

**Executive Committee and Management Committee Meetings:** NMPPB has organized its 6th & 7th and 8th Executive Committee Meetings and Management Committee Meetings on 19-05-2011, 29.9.2011 and 18.1.2012 respectively. NMPPB also conducted its Annual General Meeting on 2.11.2011.

**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.

#### **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.

##### **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 2011-12**

Eight Board meetings have been conducted during FY 2011-12 upto 31.12.2011. The Board has participated in Prowin International Wine & Spirits Fair, Germany 2011 from 27th to 29th March, 2011, London International Wine Fair-2011 from 17th to 19th May 2011 and Hong Kong International Wine & Spirit Fair 2011 from 3rd to 7th November, 2011. A Budgetary allocation of ₹ 2.00 crore was made to the Indian Grape Processing Board during the Financial Year 2011-12.

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