



Year Ender 2017 : Ministry of Food Processing Industries

India hosts World Food India 2017 “the Kumbh Mela of Indian Food” – 61 Countries and Global CEOs participate along with 800 global & Domestic exhibitors, 75000 business visitors

PM launches Nivesh Bandhu – Investors’ Portal

India showcased as the preferred investment destination in Food Processing sector at WFI 2017; attracts investment intent of about USD 13.56 billion from Domestic and foreign investors

World Food India strengthens India’s position as a Global Food Factory

Global CEOs Hail India’s Structural Reforms and Improvement of India’s Ranking in Ease of Doing Business

Cabinet approves New Central Sector Scheme - "Pradhan Mantri Kisan Sampada Yojana"

Mega Food Parks operationalized; Among others Facilities such as Common Food Processing Incubation Center for Shallots launched in Tamil Nadu

Food and agro-based processing unit and cold chain infrastructure classified under agriculture activities for Priority Sector Lending

Service Tax on pre-conditioning, pre-coding, ripening, waxing, retail packaging and labelling of fruits and vegetables exempted in cold chain projects

Investment tracking and facilitation Desk of Invest India set up in the Ministry

Dairy Processing and Development Fund of Rs. 8000 core set

GST Facilitation Cell Established in the Ministry

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Major strides were undertaken by Ministry of Food Processing Industries in 2017 under the leadership of Union Minister Smt Harsimrat Kaur Badal. Highlights of the major achievements are as follows;

- **World Food India, 2017:**

Ministry organised World Food India 2017 from November 3-5th in Delhi to showcase investment potential of India in the Food Processing Sector. The three day event inaugurated by Prime Minister Sh Narendra Modi exhibited opportunities in the Indian Food Processing Sector to foster maximum investment commitments. The event provided a platform for exhibiting innovative products and manufacturing processes showcasing the entire value chain of food processing industry with a vision to leverage innovation, technology, development & sustainability in the backdrop of achieving food security. 61 Countries and Global CEOs participated in the Fair along with 800 global & Domestic exhibitors from 27 States. The exhibition saw footfall from 75000 business visitors. Germany, Japan and Denmark were Partner Countries to World Food India whereas Italy & Netherlands were Focus Countries. The President of India at the Valedictory function of World Food India 2017 aptly termed it the "the Kumbh Mela of Indian Food"

- **Investors Portal 'Nivesh Bandhu' Launched** - At the inaugural of World Food India, PM launched Nivesh Bandhu - Investors' Portal on the occasion. The unique portal is aimed at bringing together information on Central and State government policies and incentives provided for the food-processing sector. The portal maps resources upto the local level, with processing requirements. It is also a platform for business networking, for farmers, processors, traders, and logistics operators. Seven publications of Ministry of Food Processing Industries to help investors in Food Processing Sector in making informed decisions have been included in the portal. The portal also includes **Food Map of India**. The Food Map enables investor to take decision with regard to locating their projects as the food map showed mapping of the potential of food processing in surplus production areas. The Prime Minister also released a Coffee table book and commemorative stamp on Indian Cuisines.

- **India showcased as the preferred investment destination** - India was showcased as the preferred investment destination in Food Processing sector at WFI 2017; MoUs worth investment intent of USD 13.56 billion from Domestic and foreign investors were signed during WFI 2017. A special cell has been setup in Invest India to follow up on these negotiations. Ministry of Food Processing Industries is guided by the principles of - ensure steps to reduce wastage, produce more and process more. Farm to Fork is their mantra and Food Processing Industries aim to be the bridge between Farmers and Consumers.

World Food India helped strengthen India's position as a Global Food Factory. Global CEOs participating in the event hailed India's Structural Reforms and Improvement of India's Ranking in Ease of Doing Business. Exclusive CEOs roundtables were organised with Prime Minister of India Shri Narendra Modi and Minister of Finance and Corporate Affairs Shri Arun Jaitley. International Ministerial & business delegations with 200+ members from 15 countries took part in B2B/B2G meetings. The mega event hosted 8 sectoral conferences, 2 plenary sessions on "India the preferred destination" and on "One Nation, one food law- an enabling regulatory environment for investment in the food sector" in association with the Food Standards and Safety Authority of India.

A large exhibition spread over 40,000 sq mtrs in the verdant C- Hexagon lawns of India Gate was organised with more than 800 global & domestic companies. Special focus on Farmer Producer Organizations & Women Entrepreneurs connected them to corporates - international & Indian- increasing opportunities for sourcing & business. Ministry of Food Processing Industries' Theme Pavilion provided an exciting view of India's offering to the world in terms of products, a geo mapping of produce availability and mega food parks, through multiple technologies like Smart Shelves, OLED Screens, Twitter Wall, Virtual & Augmented reality, etc.

- **Food Street** - curated by celebrity Chef Shri Sanjeev Kapoor, Food Street was World Food India's most attractive highlight. Food Street was set up as an experiential platform that brought together culinary practices, flavours, fragrances from the world's cuisines, and celebrated India's rich cultural heritage and diverse

uniqueness of its produce to create contemporary renditions and fusion food. A Guinness book record was established during the event for Chefs preparing 918 kg of nutritious Khichdi noted as the ubiquitous comfort, wellness food. The Minister of Food Processing Industries Smt Badal also appealed to each individual to take a pledge - 'NO WASTE ON MY PLATE'- to make India Food Secure.

- **MoFPI's International Participation** - MoFPI showcased India's strength in Food Processing Industries by participating in international food exhibitions such as Salon International de l'Alimentation (SIAL) in France and as a partner country in Allgemeine Nahrungs Und Genußmittel Ausstellung (ANUGA) in Germany.

It was also an honour for India to be a partner country for the international event ANUGA held at Cologne, Germany in October 2017. Buoyed with the idea of Food diplomacy to bridge differences and to transform the lives of farmers, Smt Badal reiterated that Development of Food Processing Industries will help in achieving the target of doubling farmers' income by 2022. Upgrading our farming techniques and investments not only in Food Processing but also in Farming technologies, need to learn from the West on how to control wastage at harvest and transportation level were the guiding aims in participating at the international events.

- **Pradhan Mantri Kisan SAMPADA Yojana**

On 23rd August 2017 the Schemes of the Ministry were restructured and new schemes were approved by Cabinet and launched as **Pradhan Mantri Kisan SAMPADA Yojana**. The SAMPADA Scheme aims to target creation of Infrastructure and increasing capacities of processing and preservation in entire supply chain of food processing sector right from farm gate to retail outlets. The New Scheme will help in integrating food processing units and food trade with the farmers creating huge opportunities for employment of increasing income of the farmers. PMKSY is an umbrella scheme incorporating ongoing schemes of the Ministry like Mega Food Parks, Integrated Cold Chain and Value Addition Infrastructure, Food Safety and Quality Assurance Infrastructure, etc. and also new schemes like Infrastructure for Agro-processing Clusters, Creation of Backward and Forward Linkages, Creation / Expansion of Food Processing & Preservation Capacities.

- **Other Significant Administrative decisions**

- **Food and agro-based processing unit and cold chain infrastructure have been classified under agriculture activities for Priority Sector Lending.** Availability of additional credit for food processing activities and infrastructure.
- **Service Tax on pre-conditioning, pre-coding, ripening, waxing, retail packaging and labelling of fruits and vegetables exempted in cold chain projects.** This is a big relief in terms of tax exemption to the cold chain operators as this facility was only available to the farmers at farm gate but not to the cold chain operators. This enhanced the viability of cold chain projects, encouraging more investment in the sector.
- To enhance the transparency and reduce human interface on-line **software has been developed** and put in use for filing of claims for the infrastructure development projects. This has also being expanded to other schemes.
- **Investment tracking and facilitation Desk of Invest India has been set up in the Ministry.** The desk will identify new potential investors and approach them in a focussed and structured manner for investment and follow-up the investment cases by providing hand holding services. The desk will also assist Ministry in organising roadshows both in India and abroad and organising investment meets.
- **A Dairy Processing and Development Fund of Rs. 8000 core set up in NABARD.** The Fund is used to modernize old and obsolete milk processing units particularly in cooperative sector and will result in enhancing milk processing capacity thereby adding more value to the produce of the farmers and increasing their income
- **Common Food Processing Incubation Center for Shallots** inaugurated in Perambalur
- **Additional fiscal concessions:**
 - **Provisions in Budget 2016-17**
 - Reduction in Excise Duty on Refrigerated Containers from 12.5% to 6%.
 - Reduction in Basic Custom Duty on Refrigerated Containers from 10% to 5%.

- 5% Basic Customs Duty as presently available under project imports for cold storage, cold room also extended for Cold Chain including pre-cooling unit, pack house, sorting and grading lines and ripening chambers.
- Excise Duty on Machinery reduced from 10% to 6%.

- **Mega Food Parks:** Ministry of Food Processing Industries is focusing on boosting the food processing industry so that agriculture sector grows exponentially and become a major contributor to doubling the farmer's income and aid 'Make In India' initiative of the government. To give a major boost to the food processing sector by adding value and reducing food wastage at each stage of the supply chain with particular focus on perishables, Ministry of Food Processing Industries is implementing Mega Food Park Scheme in the country. Mega Food Parks create modern infrastructure facilities for food processing along the value chain from farm to market with strong forward and backward linkages through a cluster based approach. Common facilities and enabling infrastructure is created at Central Processing Centre and facilities for primary processing and storage is created near the farm in the form of Primary Processing Centers (PPCs) and Collection Centers (CCs). Under the Scheme, Government of India provides financial assistance upto Rs. 50 Crore per Mega Food Park project.

During the year, the following Mega Food Parks were operationalized / inaugurated

1. Patanjali Food and Herbal Park, Haridwar (Uttarakhand);
2. The Indus Mega Food Park, Khargone (Madhya Pradesh);
3. Jharkhand Mega Food Park Ranchi (Jharkhand),
4. Jangipur Bengal Mega Food Park, Murshidabad (West Bengal)
5. Srini Food Park, Chittoor, (Andhra Pradesh);
6. North East Mega Food Park, Nalbari, (Assam);
7. International Mega Food Park, Fazilka, (Punjab);
8. Integrated Food Park, Tumkur, (Karnataka);
9. MITS Mega Food Park Pvt Ltd, Rayagada, (Odisha)

- Foundation Stone for the following Mega Food Parks laid
 1. Punjab Agro Industries Corporation Mega Food Park Project, Ludhiana
 2. Mega Food Park developed by KINFRA at Palakkad in Kerala
 3. Mega Food Park developed by KSIDC at Alappuzha in Kerala
 4. Maize Based Mega Food Park in Kapurthala, Punjab
- A Mega Food Park is likely to benefit about 25000 farmers apart from creating employment for 5000 persons, especially in rural areas.
- The Mega Food Park projects at Satara (Maharashtra), Ajmer (Rajasthan), and Agartala (Tripura) are at advanced stage for operationalisation by the end of current financial year.
- NABARD has sanctioned term loan of Rs. 427.69 Crore to 10 Mega Food Park projects and 2 processing units under 'Food Processing Fund' of Rs. 2000 Crore and out of this an amount of Rs. 81.10 Crore has been disbursed. The Ministry has notified 157 designated food parks in different States for the purpose of availing affordable credit from special fund with NABARD.

• **Integrated Cold Chain and Value Addition Infrastructure:**

- a. 16 projects have been operationalised in 2017. With these operationalisation, Ministry has created an additional capacity of 2.44 lakh metric tonnes of cold storage, 72.70 metric tonnes per hour of individual Quick Freezing (IQF), 34.55 lakh litres per day of Milk of processing/ storage and 472 reefer vans during 2014 - 2017.
- b. During last three and half years, 74 Integrated Cold Chain projects have been made operational taking the total number of Cold Chain projects to 111. The Ministry has so far assisted 232 Cold Chain projects (including completed and ongoing projects) having a capacity of 7.38 lakh metric tonnes of cold storage, 210.75 metric tonnes per hour of individual Quick Freezing (IQF), 106.99 lakh litres per day of Milk processing/ storage and 1371 reefer vans.
- c. The guidelines of Scheme have been revised on the basis of feedback and experience of this Ministry to make them investor friendly.
- d. On an average, each cold chain project benefits to around 500 farmers in fruits and vegetables sector and around 5000 farmers in dairy sector and creates employment for 100 persons.

Year	2014 (May - Dec)	2015	2016	2017 (till Dec)	Total
	13	21	24	16	74

Number of Cold Chain Projects Completed					
Total Capacity of Cold Storage/ CA/MA Storage/ Deep Freezer (Lakh MT)	0.39	0.66	0.576	0.811	2.44
Individual Quick Freezing (metric tonne/hr)	32.20	16.25	13.25	11	72.70
Milk Storage/ Processing (Lakh Litre Per Day)	5.50	10.00	16.05	3.00	34.55
Reefer Vehicles (Nos)	82	98	196	96	472

- Under the Scheme of Setting up/ Modernization of Abattoirs, one project at Panaji (Goa) has been operationalised.
- 10 Food Testing Labs have been completed.

- On 31 August 2017, a Common Food Processing Incubation Center for Shallots launched at Perambalur in collaboration with Indian Institute of Food Processing Technology (IIFPT). Farmers in Perambalur District are producing 70000 tons of shallots per year in a cultivation area of 8000 hectares, in spite of the increasing difficulty in cultivation due to increase in prices of inputs, unpredictable weather, disease outbreak and not getting adequate prices in the market. Thus the Central Processing Center for Shallots in Perambalur was started to ensure that no shallots are getting wasted, increase farmers' income and also ensure availability of shallots to consumers.

- **GST Facilitation Cell** The Ministry of Food Processing Industries established a four member GST Facilitation Cell at its office to guide the industry about the new tax regime. The ministry created the GST cell for the purpose of implementation and facilitating the rollout of GST with immediate effect. The GST facilitation cell provides all possible support for the rollout of the levy to the major industry and business associations related to MoFPI. This cell serves as the first point of contact to address any issue being faced by any sector related to the ministry. The GST cell will be equipped with the complete knowledge of the relevant GST Act, rules, rate structure etc. The members of the GST Facilitation Cell can be accessed through Toll Free No 1800111175 or on #AskonGSTFPI. Further details can be accessed from <http://www.mofpi.nic.in>

- **To aid MoFPI's objectives, FSSAI simplified product approval:**

1. Approved a large number of new Additives harmonized with the International Codex Standards.
2. Notified an amendment to the regulations as a result of which non-standardized food products called proprietary foods (except novel food and nutraceuticals) that use ingredients and additives approved in the regulations will no longer require product approval. This has provided considerable relief to the industry.

- The National Institute of Food Technology, Entrepreneurship and Management (NIFTEM) at Kundli, Sonapat, Haryana and Indian Institute of Food Processing Technology (IIFPT) at Thanjavur, Tamil Nadu are being developed by the Government as the Centres of Excellence. The pass-outs of these institutes have got 100% placements.

- FSSAI, the apex Regulatory body for Food Safety in India announced a powerful new tool called 'the *Food Regulatory Portal*.' Planned as a single interface for food businesses to cater to both domestic operations and food imports, this portal would be a game changer for effective and transparent implementation of the food safety laws in the country. Aiming to create an enabling environment for businesses to operate, the portal is strategically aligned with Government's mission of *One Nation, One Food Law*.

- **National Food Processing Policy.**

Approach Paper on the National Food Processing Policy has been uploaded on MoFPI website and suggestions are invited from all stakeholders and general public. National Food Processing Policy shall focus on building India's NATIONAL FOOD GRID and NATIONAL COLD CHAIN GRID and create Retail Markets every nook and corner of the country.

