

Food Processing Industries Minister Welcomes 100% FDI in Marketing of Food Produced and Manufactured in India

Minister for Food Processing Industries, Smt. Harsimrat Kaur Badal thanked the Hon'ble PM and Hon'ble Finance Minister for approving and announcing the policy of 100% FDI in marketing of food products produced and manufactured in India in the General Budget, 2016-17. This will provide impetus to the foreign investment in food processing sector, benefit farmers immensely and will create vast employment opportunities.

Interacting with the media to apprise them about the initiatives relating to food processing in the Union budget announced yesterday, Smt. Harsimrat Kaur Badal said that this step will lead to creation of "Swadeshi" infrastructure with "Videshi" money. This will help farmers get remunerative prices for their produce, transfer of technology and modern agricultural practices required for producing agricultural produce on a large scale to meet the requirements of organized marketing.

A unified agriculture marketing e-platform will be set up which will bring markets to the doorstep of farmers. This coupled with 100% FDI in marketing of food products produced and manufactured in India would result in big buyers reaching out to farmers for their agri-horti produce.

100% FDI will bring in higher efficiencies in food processing industry and trade, and will make our food products more competitive in international markets.

In addition to above, following announcements made in the budget 2016-17 will accelerate the growth of food processing sector:-

(i) The budget of the Ministry has been enhanced by 21% against the overall increase of 11% of Government of India as a whole.

(ii) To promote use of refrigerated containers in the supply chain, the basic custom duty and excise duty has been reduced from 10% to 5% and from 12.5% to 6%, respectively.

(iii) Access to market is critical for the income of the farmers. A unified agriculture marketing e-Platform will be dedicated to the nation on the birth anniversary of Baba Saheb Dr. Bhim Rao Ambedkar on 14th April this year. This will connect to 585 regulated wholesale markets in the country.

(iv) Food Processing to play a pivotal role in realising the vision of Government to

double farmer's income by 2022.

FSSAI was insisting upon product by product approval for all foods that do not have standards in the FSS Regulations, 2011. This was resulting in delays in launch of new products in the market and was also inhibiting innovation. Hon'ble Minister had taken up the difficulties faced by the industry with FSSAI and the Hon'ble Health Minister. Pursuant to the intervention by the Hon'ble Minister FPI, FSSAI have now approved more than 8000 new Additives harmonized with the International Codex Standards. They have also 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.

Supplementing the observations of Smt. Badal, the Minister of State for Food Processing Industries Sadhvi Niranjan Jyoti said that the union budget for 2016-17 will provide impetus to maximisation for income of the farmers.
