

A large green leaf is the central focus of the slide. Inside the leaf, there is a white silhouette of a rural landscape. From left to right, the elements include a tractor, two wind turbines, a sun, palm trees, a water tower, and several houses. The leaf is set against a light green background with smaller, faint leaves scattered around.

## **Role in promotion of food processing and horticulture**

# NABARD's Developmental Initiatives

**NABARD came into existence on 12 July 1982 by the Act of Parliament 1981. Completed four decades of dedicated service to rural India.**

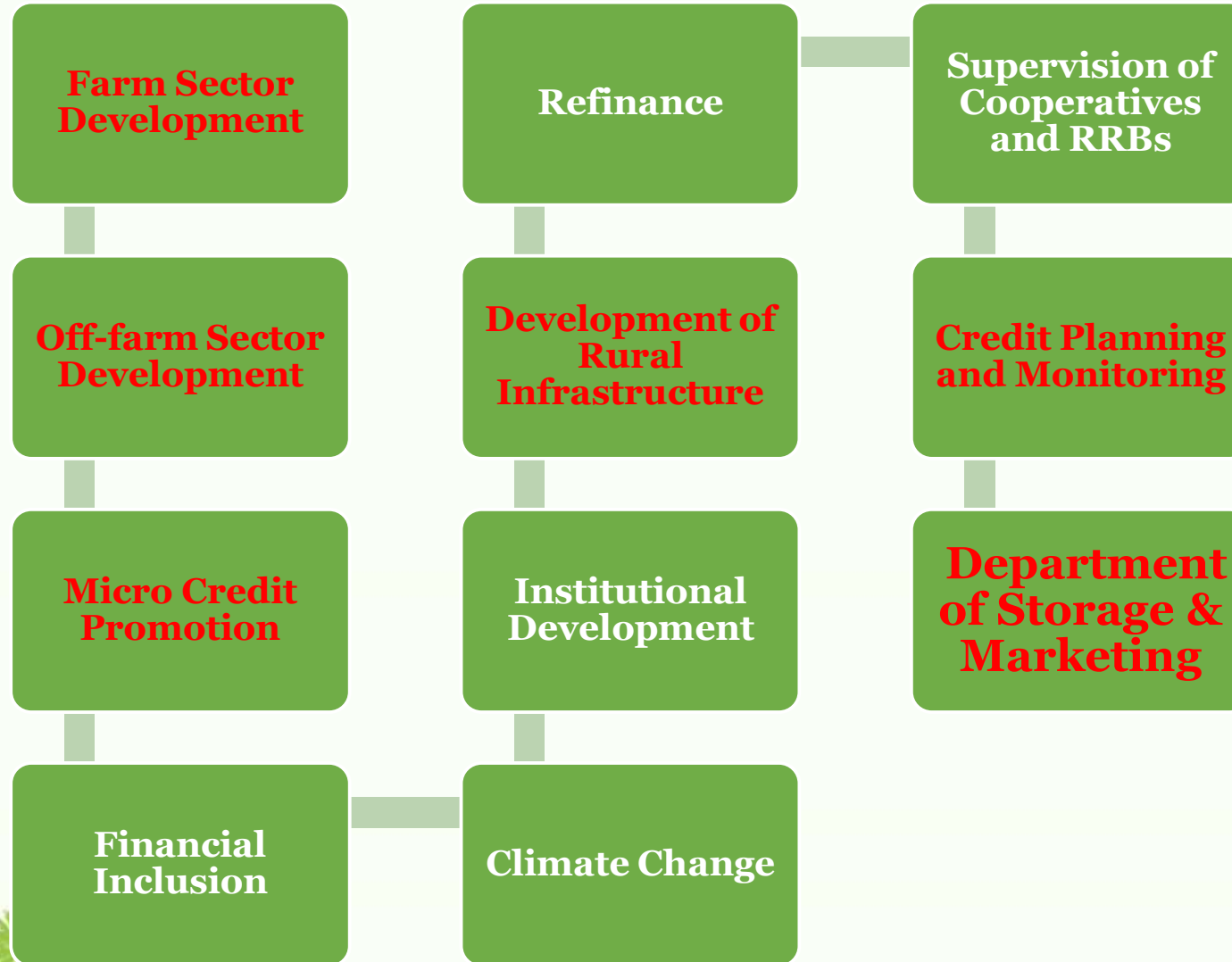
**Largest and Strongest DFI for Agriculture and Rural development of the country.**

**Vision: Development Bank of Nation for Fostering Rural Prosperity**

**Mission: Promote sustainable and equitable agriculture and rural development through participative financial and non-financial interventions, innovations, technology and institutional development for securing prosperity.**



# NABARD's Developmental Initiatives

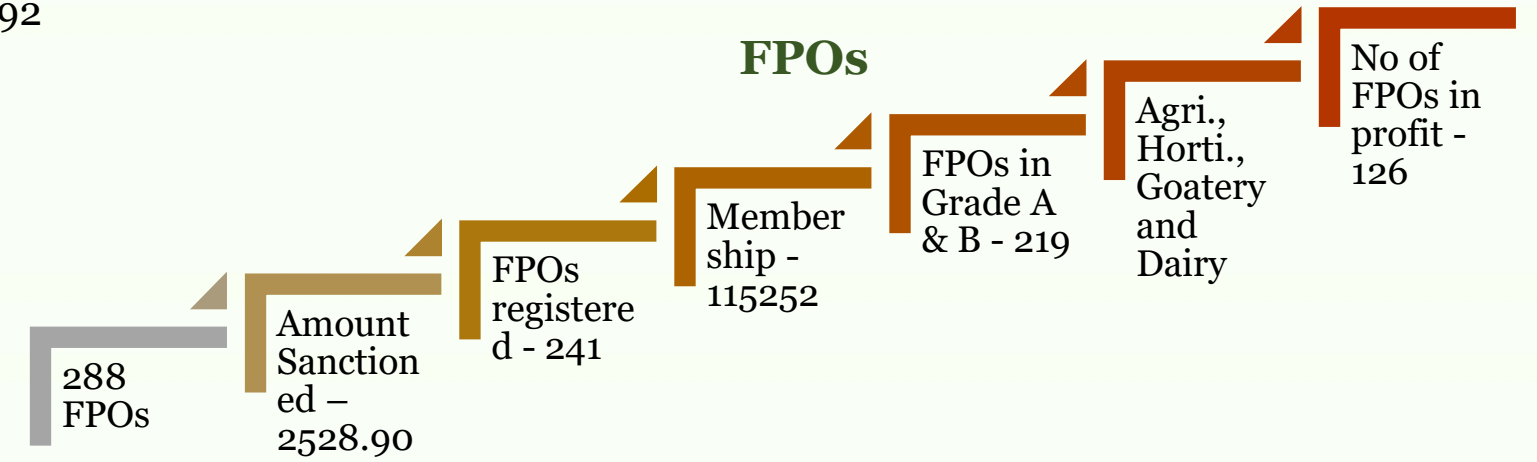
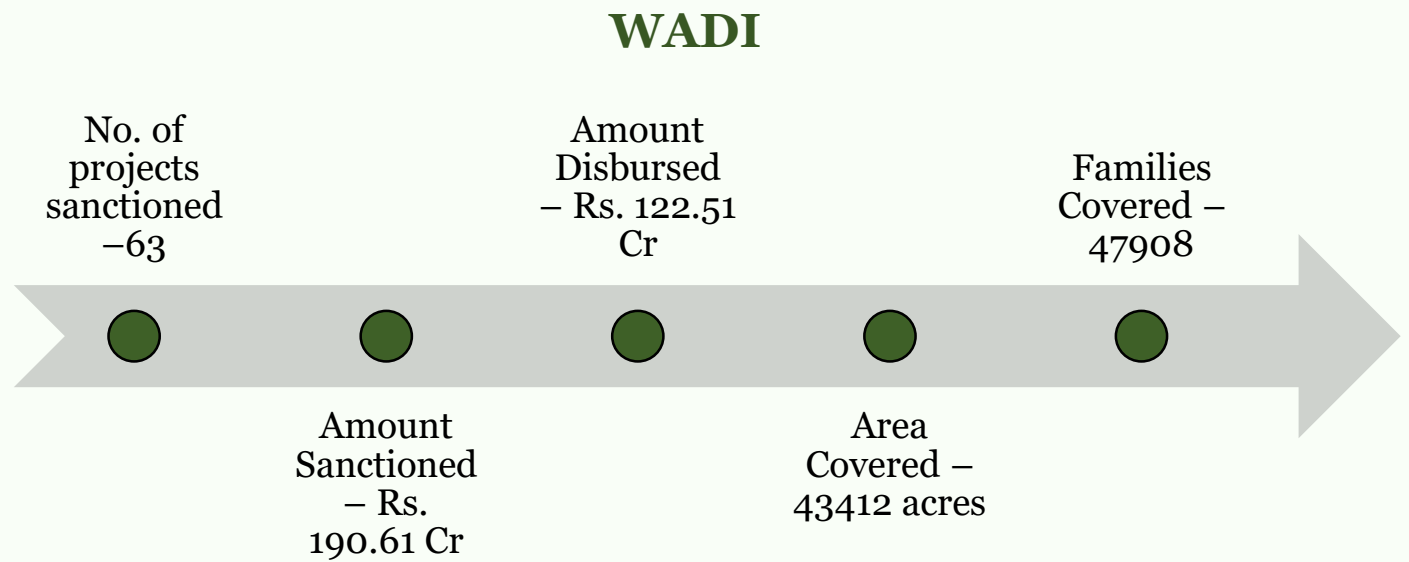


# NABARD Support

Sr No.	India	Odisha
No. of tribal families supported for orchards	5.6 lakh	0.5 lakh
Ha covered under horticulture crops	5.3 lakh Ha	0.43 lakh ha
Grant released	Rs.1688cr cr	Rs 122 cr.
FPO	5072	324 ( 810)
Watershed	23.4 lakh Ha	1.12 lakh ha
Under Food Processing Fund (Rs2000cr)	Rs 777 cr	Nil



# Farm Sector Development Initiatives - Odisha



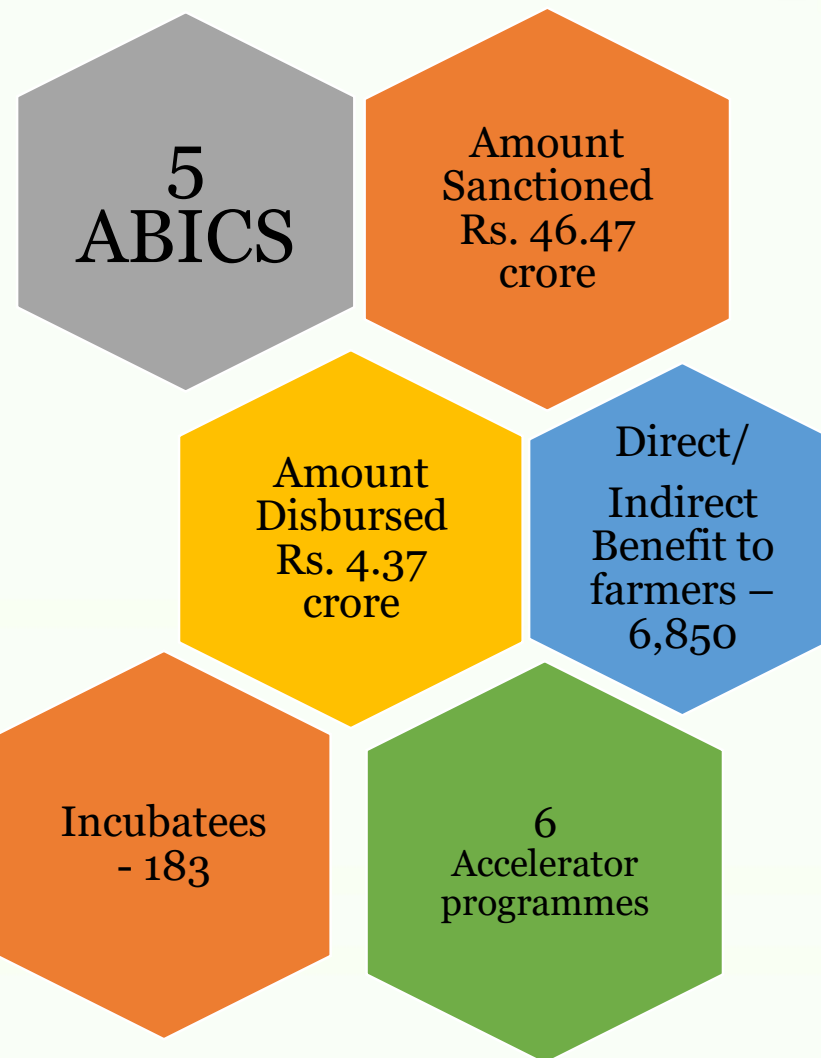
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# ABICs



Domain	No of Startups	No of Beneficiaries
Agri-production	14	3000
Agri-Processing	5	850
Logistics/Marketing	6	500
Technology Intervention	6	2500
Total	33	6850



# Off farm initiatives - Odisha



# Micro finance – NABARD is running World's largest microfinance programme



Support to Self Help Promoting Institute/ Joint Liability Promoting Institute	To promote, credit link and build capacity of SHGs/ JLGs through escort services
Micro Enterprise Development Programme(MEDP)	Enhance capacity through skill, knowledge, enterprise management & business dynamics
Livelihood and Enterprise Development Programme (LEDP)	Enhance income through livelihood activities involving credit, enterprise promotion , business development marketing, collaboration and business tie up.
EShakti programme	Digital empowerment of SHGs women through electronic book keeping for good governance and faster credit linkage.
Capacity Building programme for stakeholders	Training programme for enhancing knowledge, awareness, exposure and skill to ensure programatic efficiency and quality
Village Level Programme	Smooth flow of credit to SHGs members and recycling of fund
Studies	To assess efficacy of programme through evaluation tools and understand challenges in adversities.





# Scope for food processing in India



<b>Horticulture production outstripped food grain production</b>	For last 7 consecutive years Foodgrain ( 308 mt ) Horticulture ( 335 Mt) ( 2020-21)
<b>Raw fruit consumption</b>	76 %
<b>Wastage</b>	20-22 %
<b>Fruits used for processing</b>	4 %
<b>Vegetables used for processing</b>	2%
<b>Leading Fruits and vegetables processor in the world</b>	Malaysia ( 83%), Phillipines (78%), Brazil (70%)
<b>Food processing market as % of India Food Market</b>	32%
<b>No. registered Food Peocessing Unit in India</b>	31175



# Types of Food Processing

## Primary Processing

- Conversion of raw commodity to fit for consumption
- Drying, threshing, cleaning, grading, sorting, packing

## Secondary Processing

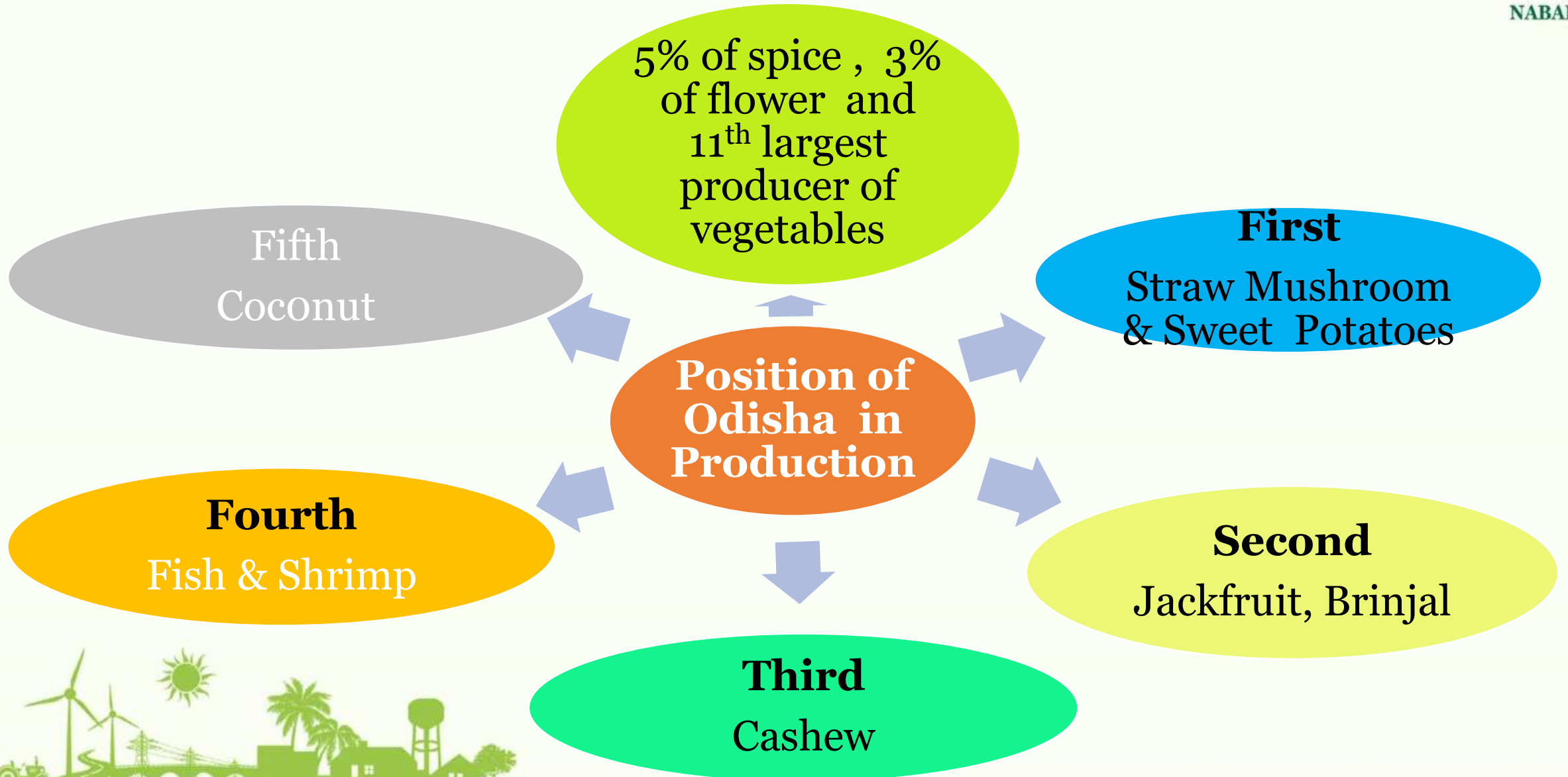
- Creation of Value Added products like bread, wine, sausages

## Tertiary Processing

- Large scale commercial production of ready to eat food items



# Position & Potential of Odisha in India



# Evolution of Global Food Demand/Market



<b>Demand for food products</b> →	Diet, functional and organic foods				North America, Japan, Western Europe, Australia
	Convenience foods, snacks and prepared meals			Eastern Europe	
	Dairy, meat, fresh fruits, fruit juices, beverages		India, China Latin America		
	Carbohydrate staples	Africa (Sub Saharan)			
	<b>Indicators</b>	Surviving	Mass Market	Convenience food service snacking and quality hygiene	High technology

**Industrial Development** →

Source: Ministry of Food Processing industries (MOFPI), GoI

# Wastage in Key Horticulture & Cereal Crops in India (% of Production)



Crops	As per CIPHET Report	Crops	As per CIPHET Report
		<b>Horticultural Crops</b>	
Cereals	4.65 – 5.99	Guava	15.9
Pulses	6.36 – 8.41	Mango	9.2
Oil seeds	3.08 – 9.96	Apple	10.4
Fruits & Vegetables	4.58 – 15.88	Grapes	8.6
Milk	0.92	Papaya	6.7
Fisheries (Inland)	5.23	Banana	7.8
Fisheries (Marine)	10.52	<b>Cereal Crops</b>	
Meat	2.71	Wheat	4.9
Poultry	6.74	Paddy	5.5
		Bajra	5.2
		Maize	4.7

Source: MoFPI, GOI



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[www.nabard.org](http://www.nabard.org)

[YouTube /nabardonline](https://www.youtube.com/channel/UCv8W0T0D8p8p8p8p8p8p8p8p8)

Taking Rural India >> Forward



# Food Processing Sector: Contribution to the Economy



GVA

- Share in Total Value Added: 1.4%
- Share in Manufacturing Value Added: 7.9%
- Proportion to Agricultural Value Added: 9.5%

FPI (No)

- Organized Sector: 39748 (ASI data: 2016-17) (Maximum: AP, TN, Telengana)
- Unincorporated enterprises: 24,59,929 (NSSO data 2015-16) (Max: UP, WB)

Employment

- Persons engaged in registered FPI: 17.7 lakh
- Employment generated: 11.4%
- Persons engaged in Unorganised Sector: 51.1 lakh
- Employment generated: 14.2%

# Food Processing Sector: Contribution to the Economy



## Inflation

- Coefficient of variation of processed food inflation higher than primary food inflation during 2005-2020

## Potential

- Overall share of processed food in total agricultural produce : 10% in 2017-18
- Target of GoI: Increasing the share to 25% by 2025
- Export: 12% of total output, Share in total Manufacturing Exports: 4.5%
- Ranks First in export of processed and preserved fish products, grain mill products; processed fish and meat products highest per unit value

## FDI

- 100% FDI in Food processing sector since 2016 under automatic route
- 100% FDI under Government route for retail trading, including through e-commerce, in respect of food products manufactured and/or produced in India (2017)
- Share of FDI: less than 2%

# Initiatives of Govt for development of FPI



## Credit

### *Priority Sector*

Food & Agro Processing up to ₹100 crore per borrower come under PSL:  
Agriculture-Ancillary Services

### *Agri -Infra & Loans to MSMEs*

involved in Food processing come under PSL

## Availability of Credit

**Food Processing Fund (FPF)**  
**Corpus: ₹2000 crore**

**With NABARD** for setting up notified Designated Food Parks (MFPs & APCs), and establishing food processing units in DFPs

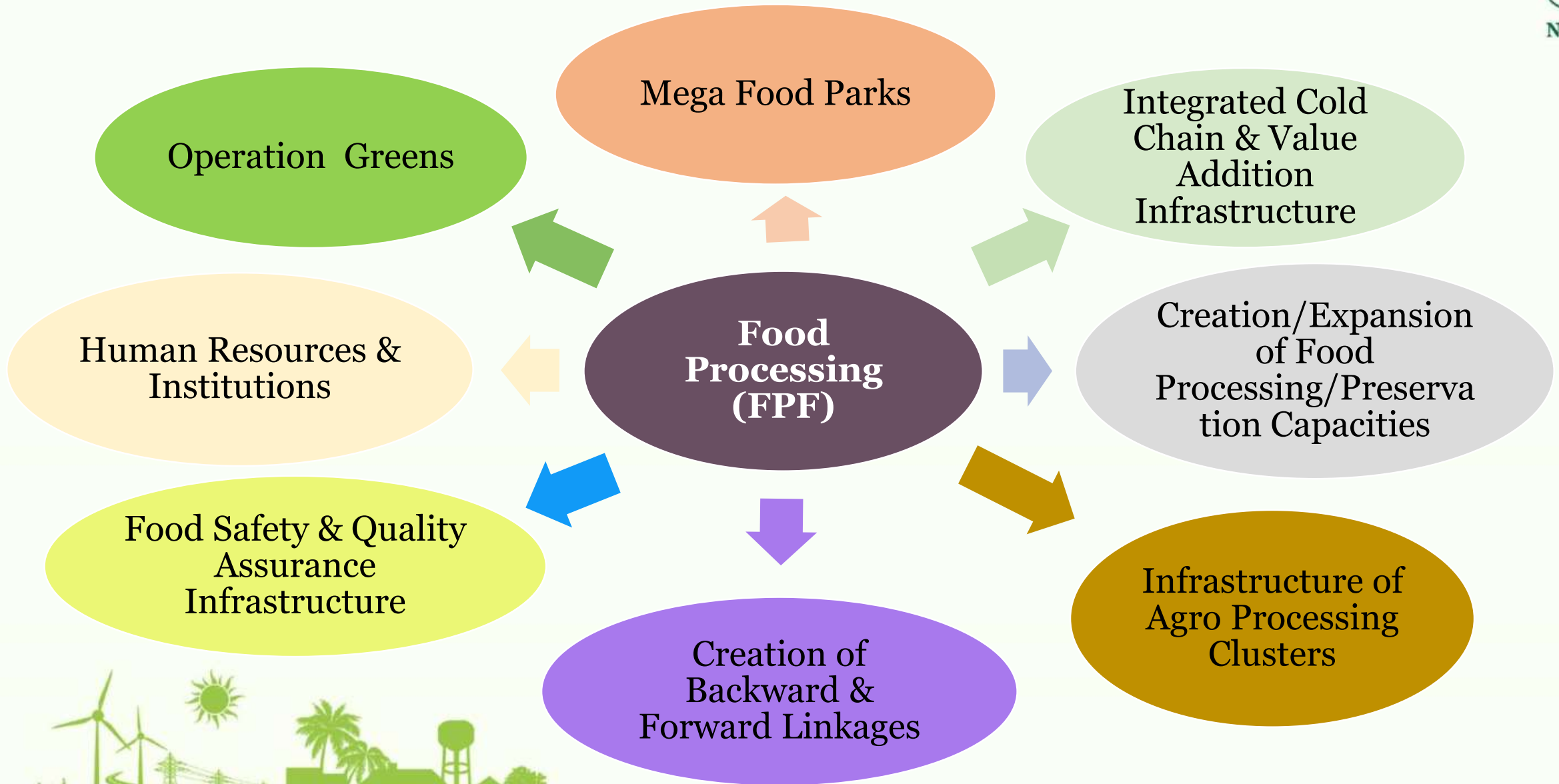
## Infrastructure

**PM Kisan SAMPADA Yojana**

Implemented by MoFPI

**New Schemes under Atmanirbhar Bharat**

# Schemes under SAMPADA



# Atmanirbhar Bharat

## New Schemes to boost Food Processing Sector



**Formalisation of Micro Food Processing Enterprises**

**Agriculture Infrastructure Fund**

**Operation Greens (TOP to TOTAL)**

**Animal Husbandry Infrastructure Development Fund (AHIDF)**



# Formalisation of Micro Food Processing Enterprises



## Aim

- Modernize and enhance competitiveness of existing micro enterprises and ensure their transition to formal sector
- Support FPOs/ SHGs/ Cooperatives for delivery of package of services
- Creation of common infrastructure along the value chain,
- Ensure backward & forward linkages, branding & marketing

## Salient features

- Centrally Sponsored Scheme with an Outlay of ₹10,000 crore for 5 years from 2020-21 to 2024-25
- Coverage of 2,00,000 enterprises
- Expenditure to be shared by Government of India and States at 60:40
- About ₹25,000 cr investment is expected under the programme
- Cluster approach and Focus on perishables

## Support

- **Micro Units:** 35% of the eligible project cost with a ceiling of ₹10 lakh. (ii) Beneficiary contribution will be minimum 10% and balance through loan.
- **Support for FPOs/ SHGs/ Cooperatives:** (i) Seed capital to SHGs (@ ₹4 lakh per SHG for loan to members for working capital and small tools (ii) Grant
- Handholding support

# Role of NABARD in promoting Food Processing Sector Food Processing Fund



## Eligible Entities

State Governments, Entities promoted by State Governments & GoI, Joint ventures, SPVs, Cooperatives, Federations of Cooperatives, Farmers' Producer Organizations, Corporates, Companies, Entrepreneurs, etc

## Eligible Activities

Designated & Notified Food Parks (Mega Food Parks & APCs) & Units in DFPs

## Progress

**Sanction: ₹777 crore  
and Disbursement:  
₹534 crore**

# Terms & Conditions of Loan



Sr. No	Borrowing entity	Max. quantum of loan (% to eligible project outlay)	Tenure of loan	Rate of interest (% p.a.)
(i)	State Governments & Entities promoted by State Governments (with Government guarantee)	95	7 Years including 2 Year Moratorium	As decided by RBI from time to time. Presently, it is as applicable for RIDF lending (Bank rate – 1.50%). Present Interest Rate: 2.75%
(ii)	Entities promoted by State Governments (without Government guarantee)	95	Up to 7 years	PLR* + Risk Premium (Present PLR: 6.80%)
(iv)	Others	75	Up to 7 years	PLR* + Risk Premium

# Diversified Portfolio under FPF



## Borrowing Entities

- State Govt. (2) (Kerala & Manipur), State Govt. Owned Entities (4) (Punjab, Haryana (2), Telengana), SPVs (5) (Gujarat, Bihar, Himachal Pradesh, Madhya Pradesh, Chhattisgarh), Pvt Limited Companies (4), Partnership Firms (2) and Limited Liability Partnerships (3)

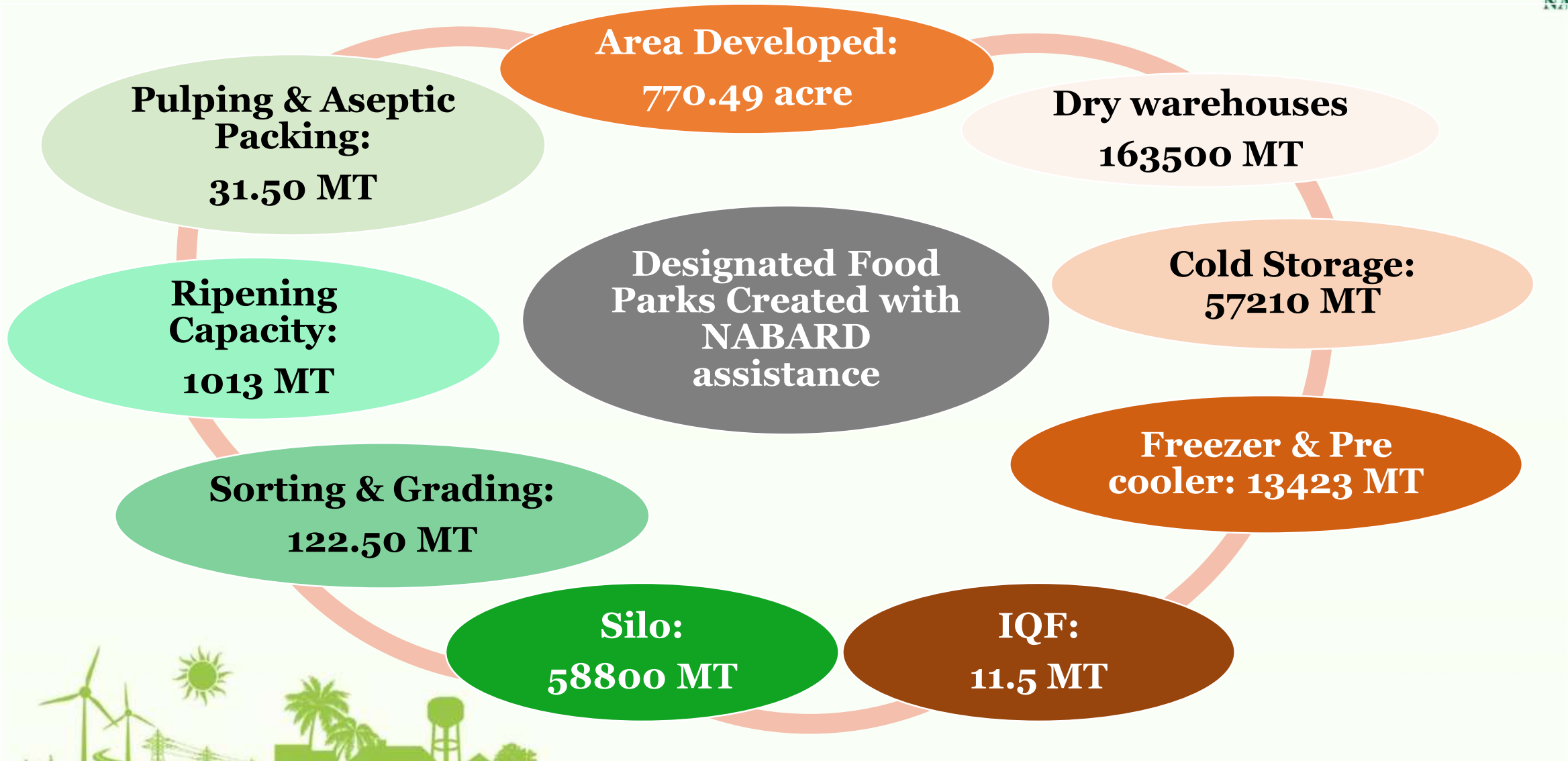
## Activities

- Mega Food Parks (12), Agro Processing Clusters (4) and Individual Units (7)

## Coverage

- Fifteen (15) States covered including North-Eastern States (Assam and Manipur), difficult areas i.e. Himalayan States (Himachal Pradesh and Uttarakhand) and State Notified ITDP areas.

# Capacity created under FPF





# NABARD



All the Best.....

**Thank You!**