



Report on the Interactive Session with Sri Ajit Kumar, IAS, Joint Secretary, Ministry of Food Processing Industries, Government of India on Wednesday, April 28, 2010.

BCIC organized an Interactive Session with Sri. Ajit Kumar, IAS, Joint Secretary, Ministry of Food Processing Industries, Government of India on Wednesday, April 28, 2010 in Bangalore.

The main objective of the Interactive Session was to discuss on the issues and problems relating to the Food Processing Sectors and Food Parks in the State of Karnataka with the representatives of the Industry.

In his Welcome Address, Mr. M K Dattaraj, Member, Agro & Food Processing Expert committee, BCIC and Managing Director, Krishna Flour Mills (Bangalore) expressed his gratitude to Mr. Ajit Kumar on behalf of the Chamber for acceding to the request to address and interact with the members of the Chamber. He also acknowledged and appreciated the efforts of Dr. Vasanth Kumar, Additional Secretary, Department of Food Processing and Harvest Technology, Gok and Member, Agro & Food Processing Expert Committee for facilitating this interactive Session.

Mr. Dattaraj said that BCIC along with the Department of Food Processing Industries, Government of Karnataka has been working very closely to develop Food Processing Sector in the State of Karnataka and the Chamber had submitted several recommendations to the State Government as well as to the Central Government, more particularly with regard to the development of Food Parks in the State.

He then outlined on some of the following recommendations to the kind attention of Sri Ajit Kumar:-

- a) Uniform implementation of the Model of APMC Act which would provide a direct linkage to the Farmers and the Markets.
- b) Export incentives to the Food Processing Industries which would ensure development of Food Processing Industry in the State thus enhancing Export prospects
- c) The farmers should get adequate financial support at affordable interest rates especially to those products which are export oriented
- d) The Food Processing Industry should be declared as seasonal industry
- e) Investment subsidy should be provided for Food Processing Industry
- f) Corporate should be allowed Town land in the State especially for the Food Processing Sectors OR Allocations for land in the town for the Corporate for the Food Processing Sector

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Dr. Vasanth Kumar, Additional Secretary, Department of Food Processing and Harvest Technology, Government of Karnataka in his Introductory Remarks said that the paucity of Human Resources and the poor Infrastructure in the State was the major bottleneck for the development of Food processing Sector. In spite of the presence of ten Agro Climatic Zones in the State which enables cultivation of food grains and horticulture crops, the Food Sector is not well established. Karnataka was the pioneer in establishing the Food Parks and of the six sanctioned Food Parks at Malur, Hiriyyur in Chitradurga, Jewargi in Gulbarga, Bagalkot, Mysore and Bangalore, only two at Hiriyyur in Chitradurga and Jewargi in Gulbarga were ready to take off, he further added. He further emphasized on the need for a speedy financial assistance from the Central Government as the Food Parks are on a standstill mode at present.

Mr. Ajit Kumar, IAS in his Keynote Address said that the Union Ministry of Food Processing Industries (MoFPI) is planning to promote 30 to 40 mega Food Parks in the Country. In the last two years, ten Food Parks have been set up and five more have been proposed in the current year's Budget and awaiting the Cabinet's approval. He said that the concept of the Mega Food Parks entailed a fully integrated facility based investment from the farm-gate, processing, Cold Chain to Marketing. Food Parks enjoyed Central assistance for capital subsidy and other facilities and as part of providing a comprehensive linkage to the food Processing Sector, MoFPI would be setting up two National Institutes of Food Technology Entrepreneurship and Management (NIFTEM) at Gurgaon and Kundli in Haryana.

He further added that MoFPI is keen to set up an advanced Food Test Lab of global standards in Bangalore. Currently, Food Processing Industries in Karnataka has to get their products certified at the Central Food Technology Research Institute (CFTRI), Mysore which is time consuming and in order to speed up the process and to make the Food Processing Industry more vibrant, the Union Government is planning to set up a advanced Food Testing Lab in Bangalore.

Addressing to the query of speedy disbursement of Central funds, Mr. Ajit Kumar said that the reason for the slow decision on the Food Parks was the inadequate response from the State Government, but however with the positive progress made by the State recently, efforts would be made to increase the momentum for the assistance. He then requested the State Government to submit a comprehensive note on the existing Infrastructure in the State to enable faster disbursement of the funds.

Mr. Ajit Kumar appreciated the Chamber for organizing this Interactive Session and expressed that these types of frequent interactions with Senior Officials from the Central Government will not only clear most of the misgivings as well as understand

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each other's problems and address those issues to a logical conclusion. He also responded to several queries / issues raised by the participants.

Mr. M K Dattaraj proposed a hearty Vote of Thanks to all the participants, appreciated the frankness and open approach of the Joint Secretary to listen to the issues and problems relating to the Food Processing Sectors and for his valuable insights. He further mentioned that the Chamber will submit a note on the issue of Contract Farming with the suggestions and recommendations from Food Processing Industry. The Interactive Session was well covered by the Media also.

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