

Brief Summary of the Study Report

Considering the on-ground reality relating to the shortage of skilled, semi-skilled and unskilled work force in India's FPI and its impact on competitiveness of the industry and the criticality of this issue, the Ministry commissioned a study in October 2020 to assess the Human Resource and Skill Requirement in the Indian Food Processing Sector from 2021-30 to M/s Feedback Business Consulting Services Private Limited, Bangalore.

The study was mandated to cover only 11 sub-sectors of Food Processing as they are considered as major sub-sectors in terms of their available production, huge scope for increasing their further processing level by virtue of the existing several growth drivers, shortage of skilled labour force in these sub-sectors, etc. The 11 sub-sectors identified are – i. Bread and Bakery products ii. Cold Chain (incl. logistics) iii. Dairy Products iv. Fish and Seafood processing v. Fruits & Vegetables processing vi. Meat & Poultry processing vii. Milling (Grains & Oilseeds) viii. Beverages (Tea & Coffee) ix. Ready-to-eat & Ready-to-cook products x. Soya processing and xi. Spices.

The methodology outlined through the process of RFP for this study comprised of Primary Survey and Secondary Research. The overall sample size arrived at and finalized for the study was the field coverage of 4005 FPI Units, encompassing samples from Micro, Small and Medium and Large FP companies; responses from state /district industrial corporations, local food processing company associations and responses from relevant government authorities, industry bodies such as FICCI, CII, AIFPA, FPSA and industry experts etc.

These selected 11 sub-sectors put together have a net current overall market at approximately 96 MMT in FY'20. The overall processing volume is likely to increase at a CAGR of 7.5% to reach approximately 198 MMT by FY'30, and employment in the registered units from **14.6 Lakh in 2020 will grow to 28 Lakh employees by 2030.** Thus, the net expected skilled human resource requirement in these 11 sub-sectors during 2021-30 would be **around 13.4 Lakh.**

As per date, FICSI had identified 49 approved job roles for FPI, in this study Feedback has identified **78 additional existing job roles** available for skilling in the FP industry. The growth of FPIs estimated for the 11 sub-sectors of the FP sector during 2021-30 would require an **additional 14 new job roles** for skilling in the areas of Industry 4.0, New product development, Food Fortification, Packaging & Food Testing labs, which are currently non-existing or at a very nascent stage.

Some of the key challenges identified in acquiring skilling in the 11 sub-sectors of FP include lack of knowledge of the basic Food and Hygiene practices, limited awareness and availability of finishing school/informal training institutes offering relevant programs, inadequate infrastructure facilities vis-à-vis the demand for a skilled labour force, lack of continuous learning programs among existing employees, higher hiring cost, employee attrition across all levels, etc.

The key recommendations from the study includes:

- MOFPI needs to support creation of 120+ '**MOFPI Authorised Center from Training (MACT)**' in FP Hubs/clusters. Post completion of the Training Programme, the individual could be called as "MOFPI-Certified FP Skilled Worker".
- MOFPI through FICSI needs to **develop relevant vocational training programmes** for the additional job roles in the study (78+14=92 Job roles)
- MoFPI needs to develop a **FPI Industry Labour Portal** for trained workers portal (e.g., FPNaukri.com) at the earliest. Need to work towards making this as a 'One-stop-shop' for FP labour/employees' recruitment for the industry.
- MOFPI should encourage private sector industry to participate in training and needs to work with the **Industry in PPP mode** - MOFPI could collaborate with Food Processing Equipment companies and have a pool of resources and training programmes to address the Maintenance Training requirements in each sub-sector.
- Need for a right **awareness creation tool & programs** of these trainings and skill development programs in the right medium through vernacular languages
- Develop further and continue more **Smartphone / Online training & certification** programmes.
- **Skill-gap Focus for Micro-enterprises, Start-ups, and Entrepreneurship Firms** - From the 92 job roles identified earlier, certain job roles could be clubbed and offered for Micro enterprises