

**GOVERNMENT OF INDIA
AGRICULTURE
LOK SABHA**

UNSTARRED QUESTION NO:6856
ANSWERED ON:10.05.2000
UNUTILISATION OF FUND
ASHOK NAMDEORAO MOHOL;RAMSHETH THAKUR

Will the Minister of AGRICULTURE be pleased to state:

- (a) whether Department of Food Processing has shown a very poor track record of fund utilisation;
- (b) if so, the reasons therefor alongwith the plan fund allocated for this sector and utilised during the previous three years;
- (c) the reaction of the Government towards the performance of this sector; and
- (d) the future allocation policy for this sector?

Answer

THE MINISTER OF STATE FOR FOOD PROCESSING INDUSTRIES (SHRI SYED SHAHNAWAZ HUSSAIN)

(a) to (d): The Plan funds allocated and utilized for the schemes of the Department of Food Processing Industries during the last three years are as follows:

(Amt. Rs. in crores)

| Year | B.E. | R.E. | Actual |
|-----------|-------|-------|--------|
| 1997-98 | 44.10 | 40.00 | 22.87 |
| 1998-99 | 44.10 | 30.00 | 30.00 |
| 1999-2000 | 47.00 | 40.00 | 37.78 |

Low demand-low volume of production-high per unit cost and again low demand are the main constraints faced by the Processed Food Sector. On account of high risk and low margin, not many entrepreneurs venture to enter although potential of this sector is reported to be immense. Steps are taken by Government from time-to-time to provide conducive environment and to create consumer awareness.

The approved Plan outlay for the year 2000-01 is Rs. 50 crores.