

**GOVERNMENT OF INDIA
FOOD PROCESSING INDUSTRIES
LOK SABHA**

UNSTARRED QUESTION NO:5473
ANSWERED ON:02.05.2005
CLOSED UNITS OF NAFED
Dhanaraju Dr. K.

Will the Minister of FOOD PROCESSING INDUSTRIES be pleased to state:

- (a) whether the Government is aware that NAFED have since closed its Food Processing Units in Delhi and some other parts of the country;
- (b) if so, the reasons therefor;
- (c) whether the private sector Food Processing Units are doing better and Government Units are running into losses;
- (d) if so, the reasons therefor; and
- (e) the steps the Government proposes to take to make the closed units of NAFED functional?

Answer

THE MINISTER OF STATE OF THE MINISTRY OF FOOD PROCESSING INDUSTRIES (SHRI SUBODH KANT SAHAI)

(a) to (e): The NAFED Processed Foods Unit was set-up by NAFED at Delhi in the year 1977 for manufacturing/trading of processed food items. Due to continuous and heavy losses since its inception, the Board of Directors of NAFED in the meeting held on 15.09.98 took a decision to discontinue the production activities of NAFED Processed Foods and reduce the work-force by giving attractive Voluntary Retirement Scheme. NAFED has already disposed of the Plant & Machinery of NAFED Processed Foods Unit and started warehousing activities in the premises. NAFED is an Apex Autonomous Cooperative Organisation registered under the Multi-State Cooperative Societies Act and its Board is competent to take a view on issues like closing down of loss making Unit/Units undertaking diversified activities, etc. No record is centrally maintained about profit/losses of private sector food processing units.