

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

UNSTARRED QUESTION NO:2376

ANSWERED ON:07.12.2006

SETTING UP OF FPIs IN STATES

Agarwal Shri Dharendra;Barman Shri Ranen;Bose Shri Subrata;Lahiri Shri Samik;Patel Shri Jivabhai Ambalal;Singh Shri Ganesh

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

- (a) whether the Government has taken any measures to explore the possibilities for setting up of Food Processing Industries (FPIs) in different States;
- (b) if so, the State where possibilities for setting up said industries have been found alongwith the food items for which processing possibilities have been found;
- (c) the average production of such food items available in these States where they are to be processed;
- (d) whether the Government has extended any support or has taken any steps for setting up FPIs in these States;
- (e) if so, the details thereof; and
- (f) the extent to which the Government has achieved success in this regard?

Answer

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

(a) to (c) : The Ministry has finalised Vision 2015, which aims to triple the size of food sector in 10 year's time by increasing the level of processing of perishables from 6% to 20%, value addition from 20% to 35% and share in global trade from 1.5% to 3%. State Governments have been advised for mapping the possibilities of growth of food processing industry in their respective States. Agro processing in India has got vast growth potential. The potential for setting up of agro processing industries lie in fruits and vegetables, dairy, meat and poultry, fisheries, edible oils, grain and grain based products. The average production of some of the agro food products in the country are: over 46 million tones of fruits, 100 Million Tonnes of vegetables, 91 million tonnes of milk, 1.5 million tonnes of poultry meat, 2.7 million tonnes of marine fisheries, and 212 million tonnes of grain. Government has already drawn up a list of 60 Agri Export Zones based on agriculture and horticulture potential of these States and regions.

(d) to (f) : For promotion and development of food processing industries in the country, Government has already been implementing several Plan schemes. Under the scheme for Technology upgradation /Modernization / Establishment of food processing units, Ministry of Food Processing Industries extends financial assistance to food processing units in the form of grant - in -aid @ 25% of the cost of plant and machinery and technical civil works subject to maximum of Rs.50 lakhs in general areas or 33.33 % subject to a maximum of Rs.75 lakhs in difficult areas such as Jammu & Kashmir, Himachal Pradesh, Uttaranchal, Sikkim and North Eastern States, Andaman & Nicobar Islands, Laskhadweep and ITDP Areas. Under the Mini Mission IV of Technology Mission for Integrated Development of Horticulture in North Eastern States including Sikkim, J&K, Uttaranchal and Himachal Pradesh assistance at still higher rates ie. @50% upto Rs. 4 crore for promotion of new units and upto Rs.1 crore for upgradation/modernization of units is available for processing of horticultural produce. It has been assessed that an assistance of Rs.1 lakh extended by the Government to the food processing industries has given rise to an investment of Rs.6.23 lakhs from the private sector and helped in augmentation of the food processing capacity of the country.