

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

UNSTARRED QUESTION NO:1913

ANSWERED ON:13.12.2004

POSSIBILITIES OF FOOD PROCESSING INDUSTRIES

Mahato Shri Sunil Kumar;Renge Patil Shri Tukaram Ganpatrao

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

- (a) whether the Government has made any efforts to find out possibilities of food processing industries in the States;
- (b) if so, the name of States and the food items in which such possibilities are there;
- (c) the average production of this produce used in these items are being produced in these States;
- (d) the details of assistance or steps taken by the Government to set up food processing industries in these States after finding out the possibilities in this regard; and
- (e) the success achieved by the Government in this regard?

Answer

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

(a) to (e): In the country, there exists possibilities for food processing sector due to availability of large quantity of agricultural raw material base. Keeping this fact in view, several Plan Schemes have been implemented by the Ministry of Food Processing Industries for promotion of food processing sector. These schemes are project specific not State, area or sector specific. Under these schemes financial assistance is provided for establishment and modernization of food processing units, creation of infrastructure, support for R&D, human resource development besides other promotional measures to encourage development of food processing industries. The rate of assistance for establishment / modernization of food processing units is 25% of the cost of plant & machinery and technical civil works subject to maximum of Rs. 50 lakh in general areas and 33.33% of the project cost subject to a maximum of Rs. 75 lakh in difficult areas. The other major scheme of food parks provides for assistance up to Rs. 4.00 crore, for specified common facilities at the rate of 25% and 33.33% of project cost in the general and difficult areas respectively. An amount of Rs. 110 crore has been allocated for expenditure under the said schemes during 2004-05. Besides assistance to HRD / R&D institutions and establishment/ modernization of FPI units, 47 food parks in different parts of the country have been approved. State Governments have been advised to undertake comprehensive surveys / studies so as to facilitate formulation of food processing policies and an action plan for development of food processing industries. Accordingly, the Government of UP had undertaken a study and got prepared a master action plan.