

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

UNSTARRED QUESTION NO:644

ANSWERED ON:11.11.2010

FPI IN UTTAR PRADESH

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

- (a) the details of food processing units functioning in Uttar Pradesh as on date;
- (b) the financial assistance providing during the last three years and current year;
- (c) the details of food items processed therein; and
- (d) the steps being taken to revive the units that have been closed down?

Answer

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

(a): Food Processing Industries are set up both in organized and unorganized sectors and as such data on the number of food processing units in the country is not centrally maintained by the Ministry. However, as per competitiveness report of National Manufacturing Competitiveness Council, Government of India, a total 1719 registered food processing units are functioning in Uttar Pradesh.

(b): The details of financial assistance provided to food processing units in Uttar Pradesh under the Scheme of Technology Upgradation / Establishment/ Modernization of Food Processing Industries during last three years are given as below:-

(Rs. in lakhs)

Year	No. of unit approved	Amount released
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2007-08	63	1123.425
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2008-09	43	875.475
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2009-10	32	560.63
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2010-11	46	894.33
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(c): The Scheme of Technology Upgradation / Establishment/ Modernization of Food Processing Industries is aimed at creation of new processing capacity and up-gradation of existing processing capabilities, modernization of Food Processing Sector to include Milk, Fruit & Vegetables, Meat, Poultry, fishery, cereal, consumer items, oil seeds, rice milling, flour milling, pulse etc. Product-wise details are not maintained.

(d): To promote food processing in the country, Ministry of Food Processing Industries extends financial assistance in the form of grant-in-aid to implementing agencies/entrepreneurs @ 25% of the cost of Plant & machinery and Technical Civil Works subject to a maximum of Rs. 50 lakhs in general areas or 33.33% subject to a maximum of Rs. 75 lakhs in difficult areas under the Scheme of Setting up/Modernization/Expansion of food processing industries. In order to ensure speedy disbursement of financial assistance, the Ministry has decentralized the disbursement procedure through banks/ financial institutions under the scheme of setting up/Establishment/ Modernization/Expansion of Food Processing Industries w.e.f. 01.04.2007.

Government has formulated and is implementing several Plan Schemes to provide financial assistance for the establishment and modernization of Food processing units, creation of infrastructure, support of R&D, human resource development besides other promotional measures to encourage development of food processing industries. Moreover, the Government has taken several steps like tax reduction, waiver/reduction of excise duty, reduction of custom duty on specific food items with a view to encourage the growth of Food Processing Industries and make them more competitive. Further, the Ministry under its Plan Scheme of establishing Food Testing Labs, Implementation of Quality Systems such as Hazard Analysis Critical Control Points (HACCP), Promotion of Research and Development, Capacity Building and Human Resources Development provide assistance to food processing industries to enable them to compete in the international market.