

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

UNSTARRED QUESTION NO:3211
ANSWERED ON:15.03.2011
ASSISTANCE FOR FOOD PROCESSING INDUSTRIES
Pandey Saroj

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

(a) whether the Government provides/ proposes to provide financial assistance to producers/farmers to set up small scale food processing industries; and

(b) if so, the number of such industries set up during each of the last three years and the current year indicating the details of the products?

Answer

THE MINISTER OF STATE FOR FOOD PROCESSING INDUSTRIES (SHRI HARISH RAWAT)

(a): Yes, Sir. The Government provide financial assistance to any entrepreneurs including producers/farmers to setup small scale food processing industries. The scheme for Technology Upgradation/ Modernization/ Establishment of Food Processing Industries (FPIs) aims at creation of new processing capacity and Upgradation of existing processing capabilities, Modernization of Food Processing Sector to include Milk, Fruit & Vegetables, Meat, Poultry, Fisheries, Cereal, Consumer items, Oil Seeds, Rice Milling, Flour Milling and Pulse etc. Ministry of Food Processing Industries extends financial assistance to food processing units in the form of grants-in-aid to the implementing agencies/entrepreneurs @ 25% of the cost of plant and machinery and technical civil works subject to a maximum of Rs. 50.00 lakhs in general areas, and @ 33.33% subject to maximum of Rs. 75.00 lakhs in difficult areas such as Jammu & Kashmir, Himachal Pradesh, Uttarakhand, Sikkim and North- Eastern States, A&N Islands, Lakshadweep and ITDP areas. The implementing agencies include Central / State Government organizations / PSUs / NGOs / Cooperative societies and private sector units and individuals.

(b): The data on number of food processing industries setup including details of the products are not centrally maintained by the Ministry as FPIs are both in organized as well as unorganized sector. However, as per the competitiveness report of National Manufacturing Competitiveness Council (NMCC) there are 25,367 registered food processing units in the country. Ministry of Food Processing Industries has assisted 579 units in 2008-09, 487 units in 2009-10 and 429 units in 2010-11 (as on 22.11.2010).

Data is under reconciliation with coordinating Bank i.e. HDFC Bank.