

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

UNSTARRED QUESTION NO:5314
ANSWERED ON:06.09.2011
ASSISTANCE FOR PROCESSING FACILITY
Pandey Saroj

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

- (a) whether the Government has formulated any action plan to provide processing facility for the products of small farmers at local level in the country;
- (b) if so, the details thereof alongwith the number of farmers provided assistance so far; and
- (c) if not, the time by which such scheme is likely to be implemented?

Answer

THE MINISTER OF STATE FOR FOOD PROCESSING INDUSTRIES (DR. CHARAN DAS MAHANT)

(a) to (c): For the development of the food processing sector, the Government has taken various initiatives to strengthen the Food Processing Infrastructure. Government has approved a scheme for Mega Food Parks, Cold Chain, Value Added Centres and Modernization of Abattoirs. The Infrastructure scheme envisages a well-defined agri/horticultural-processing zone containing state of the art processing facilities with support infrastructure and well established supply chain. It aims to provide a mechanism to bring together farmers, processors and retailers and link agricultural production to the market so as to ensure maximization of value addition, minimization of wastages and improving farmers' income. The primary objective of the scheme is to facilitate establishment of an integrated value chain, with processing at the core and supported by requisite forward and backward linkages.

Besides, in order to assist the Small entrepreneurs and domestic agro-processing industries, the Scheme for Technology Upgradation/Establishment/ Modernisation of Food Processing Industries is specifically aimed at creation of new processing capacity and up-gradation of existing processing capabilities, including Milk, Fruit & Vegetables, Meat, Poultry, fishery, wine, consumer items, oil seeds, rice milling, flour milling, pulse etc. Under this scheme Ministry of Food Processing Industries extends financial assistance in the form of grant- in-aid to entrepreneurs @ 25% of the cost of Plant & machinery and Technical Civil Works subject to a maximum of Rs. 50 lakhs in general areas (33.33% subject to a maximum of Rs. 75 lakhs in North Eastern and difficult areas).

Under the Scheme for Technology Upgradation/ Establishment/ Modernisation of Food Processing Industries during 2007-08 to 2011-12 total 2532 Food Processing Industries have been assisted with an amount of approx. Rs. 41463.414 lakhs (as on 03.08.2011).