

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

UNSTARRED QUESTION NO:4312

ANSWERED ON:20.12.2011

PRIVATE INVESTMENT IN FPI

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Cheluvarama Swamy

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

- (a) the salient features of the Government policy to invite private sector investment in the food processing sector;
- (b) the response and interest shown by the private sector in this regard;
- (c) the number of such industries proposed to be set up and the capital investment likely to be made during the next two years; and
- (d) the concession/incentives/subsidy being provided or proposed to be given by the Government to these private players?

Answer

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

(a) & (b): Government Policy has multipronged strategy to provide grants-in-aid as well as fiscal incentives for inviting private sector investment in food processing sector. The response and interest shown by the private sector has been encouraging.

(c): The scheme of the Ministry are project oriented and demand driven and therefore likely capital investment to be made may not be possible to be quantified

(d): 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 to R&D, Human Resources Development, Food Testing Labs, Implementation of Quality Systems such as Hazard Analysis Critical Control Points (HACCP), 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.