

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

UNSTARRED QUESTION NO:6333

ANSWERED ON:15.05.2012

DEVELOPMENT OF DAIRY PROCESSING INDUSTRY

Adhalrao Patil Shri Shivaji;Mishra Shri Govind Prasad;Yadav Shri Dharmendra

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

- (a) whether the Union Government has received proposals from various State Governments including Madhya Pradesh for setting up as well as development of dairy processing industries;
- (b) if so, the details thereof along with the present status of each proposal;
- (c) whether the Government provides financial assistance to dairy processing units to promote the sector;
- (d) if so, the details thereof during each of the last three years, State-wise and unit-wise; and
- (e) The steps taken by the Government for development of dairy processing sector across the country particularly in milk producing States?

Answer

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

(a): The Ministry of Food Processing Industries does not receive any proposal directly from state governments including Madhya Pradesh for setting up as well as development of dairy processing industries.

(b): Does not arise.

(c): Yes, Madam. The Ministry of Food Processing Industries extends financial help in the form of grant-in-aid to the implementing agencies/entrepreneurs /NGOs/SHGs @ 25%of the cost of Plant & Machinery and Technical Civil Works subject to a maximum of Rs. 50 lakhs in general areas and 33.33% subject to a maximum of Rs.75 lakhs in difficult areas under the Scheme of Technology Upgradation/ Establishment/ Modernization of Food Processing Industries to various sectors including Milk & dairy sector.

(d): Under the Scheme of Technology Upgradation/ Establishment/ Modernization of food processing around 220 such proposals are pending under Dairy Sector from all over the country amounting to Rs. 66.38 crores including 8 from Madhya Pradesh. The proposals are received from all over the country including Madhya Pradesh electronically through designated banks as per guidelines of the scheme. These proposals are processed as per date of seniority of application and amount involved for Madhya Pradesh is Rs. 2.65 crores.

State-wise and Unit-wise details of financial assistance released during the last three years is placed at Annexure-'1'

(e): The Working Group constituted on Food Processing Sector of Ministry of Food Processing Industries (FPIs) for 12th Five Year Plan has recommended the launch of a new centrally sponsored scheme - National Mission on Food Processing (NMFP) w. e. f. 01-04-2012. Government has approved a proposal for State Governments to start preparatory activities for this scheme and has approved release of Rs. 51 crores for this purpose.

The salient features of the NMFP are:

(i) to realize the Ministry's next leap forward in terms of ensuing requisite growth impetus and value addition to the sector;

(ii) decentralized approach;

(iii) greater role of State/UTs;

(iv) better outreach and

(v) effective supervision and monitoring. The NMFP would also provide flexibility to States/UTs in the selection of beneficiaries, location of projects etc., for the development of food processing sector. This initiative of the Ministry would give an impetus to food processing industries in the country.